

VILLAGE OF
WILMETTE, ILLINOIS



COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED
DECEMBER 31, 2012

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2012**

Prepared by Department of Finance

Melinda Molloy
Director of Finance

Robert Amoruso

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

VILLAGE OF WILMETTE, ILLINOIS

**Principal Officials
December 31, 2012**

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Christopher S. Canning, President

Mike Basil - Trustee

Cameron Krueger - Trustee

Bob Bielinski - Trustee

Alan Swanson - Trustee

Julie Wolf - Trustee

Ted McKenna - Trustee

ADMINISTRATIVE

Timothy J. Frenzer, Village Manager

Kathleen A. Gargano, Assistant Village Manager

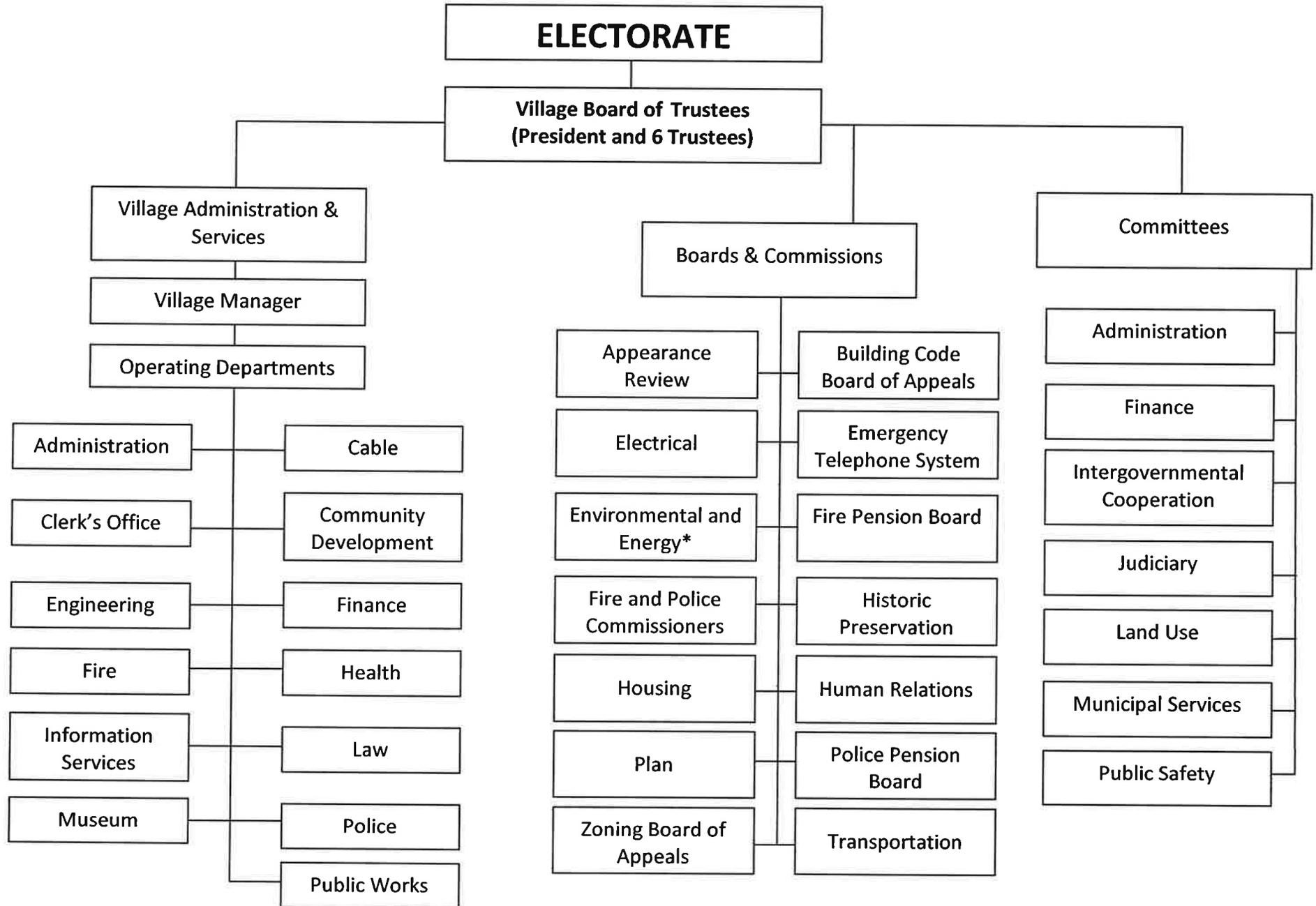
FINANCE DEPARTMENT

Melinda Molloy, Finance Director

Robert Amoruso

Blythe Trilling, Assistant Finance Director

VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE





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WILMETTE, ILLINOIS 60091-0040

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May 14, 2013

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, 2012 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP), and that an independent firm of certified public accountants audit this report in accordance with generally accepted auditing standards. Although formally addressed to the elected officials and citizens of Wilmette, this financial report has numerous other users. Foremost among these other users are the bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other governmental entities.

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

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

The Reporting Entity and its Services

The Village of Wilmette, incorporated in 1872, is located approximately 16 miles from downtown Chicago in New Trier Township. It is one of eight Chicago suburban communities north of Chicago fronting on Lake Michigan and collectively referred to as the "North Shore." The Village operates under the council/manager form of government with a legislative body consisting of the Village President and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day operation of the Village. The Village occupies a land area of 5.1 square miles and has a population of 27,087 per the 2010 census. The Village is a home rule municipality as defined by the Illinois constitution. Additional demographic information may be found in the statistical section of this report.

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

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

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

Accounting System and Budgetary Control

The accounts of the Village are organized on the basis of funds, 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 2010 Census Bureau data, median household family income for the Village was \$128,028. This compares to the 2010 household family income of \$53,942 for Cook County and \$55,735 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 highly in this category, nationally.

Locally, the national economic downturn has had its most significant impact on real estate activity. Following a peak home sales year in 2005:

- Home sales decreased 13% in 2006 and remained flat for 2007;
- Home sales decreased another 35% in 2008 and a further decline of 27% in 2009;
- While a 42% increase took place in 2010, this all occurred in the first six months when Federal tax credits were in place. The final six months of 2010 reflected a 6% decline from the same period in 2009;
- While 2011 reflected a 22% decline from the tax credit inflated 2010, the activity did reflect 10% growth from 2009 indicating positive signs of a real estate turnaround;
- This continued into 2012 with a 28% increase over 2011 and early indications in 2013 show that this positive trend will continue;
- Foreclosure activity is now fairly minimal and while interest rates show signs of rising, they are still at historically low levels;
- Home remodeling reflected 16% growth in 2012 indicative of improved household incomes from both wages and investments as well as consumer confidence;
- Commercial vacancies have been minimal as new tenants have quickly filled open storefronts, and;
- The Village is under contract for the sale of 611 Green Bay Road for a multi-use development that is consistent with the recently completed master development plan, while the White Lodging development of a new Marriott Residence Inn broke ground in early 2013.

Locally, unemployment has never been as serious as has been the case nationally or statewide. The Illinois unemployment rate improved from 9.7% in 2011 to 8.9% in 2012 while the local unemployment rate in Wilmette decreased from a 2011 average of 6.5% to 5.8% in 2012. The Village's rate remains among the lowest rates in Illinois for cities greater than 25,000.

Rising pension costs have become problematic throughout the nation. While the State of Illinois and other municipalities struggle with rising pension costs, the Village has been very proactive for a number of years in this regard. Using conservative actuarial assumptions, the Village has a schedule of pension contributions (with stabilized growth) to meet all of its pension obligations within the statutory guidelines.

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

Long-Term Financial Planning. The Village's budget process for all of the operating funds includes cash flow projections for two years beyond the budget under consideration including capital budgets for the "spending down" of bond proceeds. The Village utilizes a 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.

Major Initiatives

Development Initiatives

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

In late 2012, the Village approved the sale of the property located at 611 Green Bay Road to Lexington Homes to redevelop the property in conformance with the Village Center Master Plan. Initial plans provide for a mixed use development with commercial space on the ground floor and residential rental units above the ground floor.

The remaining property the Village has purchased continues to remain leased and occupied in 2012.

The loss of the Crate & Barrel store at Plaza del Lago and a Borders bookstore at Edens Plaza in 2011 have been replaced by a CVS Pharmacy and a Walgreen's Pharmacy in 2012. These two businesses are projected to provide similar or greater retail sales than the stores that closed.

Capital Improvements - With the economic declines noted previously, capital spending has been reduced in recent years. Grants and the spending down of existing bond proceeds provided nearly all of the capital spending for governmental activities in 2011. This continued to be the case in part in 2012.

The key capital efforts funded by bond proceeds in 2012 are as follows:

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 2012, \$1.4 million in street, alley, curb, and sidewalk projects were completed in various areas of town. These improvements were funded from existing bond proceeds, a State grant, 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.

Equipment replacements and upgrades - Existing bond proceeds were used to replace two sidewalk snow plows. The final portion of the bond proceeds from the 2010 bond issue will be spent in 2013 with the replacement of the Police Department's 911 System and expenses associated with design for the proposed Skokie valley Bike Trail..

Just as occurred in 2011, the Village was able to reduce spending in certain expense categories throughout the course of the budget year and as a result these savings in 2012 allow the Village to advance certain items from the 2013 capital improvement program (CIP) for purchase in 2012:

Fire Engine Replacement	575,000
Street Sweeper	180,000
Fire Department Light Duty Squad Truck	150,000
Police and Fire Department Computer Servers	29,000
Other Police and Fire Capital Outlay	32,580
Undercarriage wash facility	10,000
Total Expenses Advanced	976,580

This is the second consecutive year that the Village was able to improve its net revenue picture from the budget and use its conservative projections to its advantage, enabling it to fund critically needed capital items supporting its core responsibilities with proven, not merely projected, positive revenue.

Sewer improvements - While substantial improvements have been made in the Village's sewer infrastructure over the past 20 years, flooding continues to be a major concern. The 2010 bond issue and a new loan from the Environmental Protection Agency financed \$2.5 million of improvements in 2011. In 2012 a study of the separate sewer system was commenced with a final report to be issued in early 2013. Future improvements will be based on that study. The restructuring of debt in the Sewer Fund in 2011 will free up significant cash flow to finance any new work or to pay the debt service for new projects.

Meetings with the Board will occur in early 2013 to finalize the projects slated for future years.

Water improvements – The 2010 bond issue was used to fund the Water Fund’s standpipe rehabilitation in 2011. The remainder of this issue will be used to upgrade the Water Plant’s software and hardware in 2012. The Village continues discussions with potential new wholesale customers and discussions are in the early stages in 2012 to determine what, if any, improvements may be needed to supply new customers. New revenues would be expected to be sufficient to cover any new debt service costs for such improvements as well as provide a reasonable rate of return for the Village.

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, 2011. 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 2012 budget document. This was the fourteenth 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 2013 Budget has been submitted to the GFOA to determine its eligibility for another award.

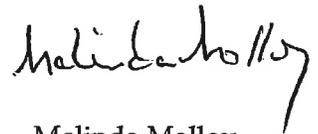
Acknowledgments

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

Respectfully submitted,



Timothy J. Frenzer
Village Manager



Melinda Molloy
Finance Director

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, 2011

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.



Christopher P. Morrell

President

Jeffrey R. Emer

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 14, 2013

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilmette, Illinois, as of and for the year ended December 31, 2012, which collectively comprise the Village's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilmette, Illinois, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2013, on our consideration of the Village of Wilmette, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Other Matters

Our audit was conducted for the purpose 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 fund financial statements and schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements schedules, supplemental schedules, and the schedule of expenditures of federal awards 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, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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, 2012

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, 2012. 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 \$65,707 at December 31, 2012. Of this amount, \$8,360 (*unrestricted net position*) may be used to meet the Village's ongoing obligations to citizens and creditors.

- The Village's total net position increased \$3,138 (5.0%) during the fiscal year ended December 31, 2012. A \$165 increase in restricted net position is the result of an increased fund balance in the Debt Service Fund from a one-time Water Fund Transfer. The \$3,061 increase in unrestricted net position is attributed to significant growth in water sales due to drought weather conditions, improved revenues in housing sales and home improvements, and controlled expense growth throughout the Village. Most capital spending (other than sewer improvements) has been reduced since 2008 due to the economic downturn. As such, the \$88 decrease in capital net assets is as expected. Much of the capital spending that has occurred has been from spending down of existing debt, new debt and grant revenues.

- Governmental net position increased \$817. The investment in capital assets increased \$245, which is attributed to road improvements financed from existing bond proceeds, a State fire truck loan, police and fire grants and a planned reduction of escrowed money for road improvements; restricted net position increased \$165 from the aforementioned transfer from the Water Fund to the Debt Service Fund. The Village operated under a balanced budget in 2012. The planned reduction of \$182 of escrowed road program money was the only use of reserve funds in the 2012 budget. The \$407 increase in unrestricted net position reflects improved revenues and controlled expense growth. Business-type net position increased \$2,321 consisting of a \$333 decrease in net capital assets (commented on above) and a \$2,654 increase in unrestricted net position from the significant increase in water sales.

- The Village implemented GASB No. 54 in 2011. At December 31, 2012 unassigned fund balance for the General Fund was \$5,172 or 16.7% of General Fund expenditures. This reflects an increase of \$284 in the unassigned fund balance at December 31, 2011 when the ratio was 16.3%. This is consistent with the revenue improvements noted above.
- Total unrestricted net position increased \$3,061 (58%) from significant growth in water sales as well as improved governmental revenues and controlled expense growth. This will be discussed in detail with the analysis of the statement of activities.
- The Village's total bonded and similar debt decreased \$2,381 (3%) at December 31, 2012. This is the result of scheduled principal retirements and nominal new debt issued in 2012.

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 Position (the Unrestricted Net Position) 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 position 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 position 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 position are reported as soon as the underlying event giving rise to the change occurs, regardless to the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

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

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Capital Projects Fund (for the 2007, 2009 and 2010 General Obligation Bond Issues) and General Debt Service Fund, which are considered to be major funds. The financial data from non-major funds are combined into a single aggregated presentation. The Village's Motor Fuel Tax Fund is its only non-major governmental fund in 2012.

The Village adopts an annual appropriation ordinance for all of its funds. No supplemental appropriations were adopted in 2012. Budgetary comparison schedules 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 12-16) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water and Sewer Funds are considered to be major funds of the Village and are presented in separate columns in the Fund Financial Statements. Currently, the Parking Meter Fund is the only non-major enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for non-major enterprise and internal service funds are presented elsewhere in this report.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 19-68 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 69-73 of this report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have neither been reported nor depreciated in the governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally-

established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful life. If a road project is considered a recurring cost that does not extend the road's original life or expand its capacity, the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wilmette, total assets exceed liabilities by \$65,707 as of December 31, 2012 as compared to \$62,569 at year end for 2011. The following table reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position (pages 3-4).

Table 1: Statement of Net Position as of December 31, 2012 & 2011

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Assets						
Current/Other Assets	\$ 23,554	\$ 21,807	\$ 8,060	\$ 6,692	\$ 31,614	\$ 28,499
Noncurrent Assets	53,619	54,494	78,321	78,499	131,940	132,993
Total Assets	\$ 77,173	\$ 76,301	\$ 86,381	\$ 85,191	\$ 163,554	\$ 161,492
Liabilities						
Current Liabilities/Def. Inflows	\$ 21,430	\$ 20,014	\$ 2,669	\$ 2,705	\$ 24,099	\$ 22,719
Long-Term Liabilities	38,154	39,515	35,594	36,689	73,748	76,204
Total Liabilities	\$ 59,584	\$ 59,529	\$ 38,263	\$ 39,394	\$ 97,847	\$ 98,923
Net Position:						
Net Investment in						
Capital Assets	\$ 14,842	\$ 14,597	\$ 41,955	\$ 42,288	\$ 56,797	\$ 56,885
Restricted	550	385	-	-	550	385
Unrestricted	2,197	1,790	6,163	3,509	8,360	5,299
Total Net position	\$ 17,589	\$ 16,772	\$ 48,118	\$ 45,797	\$ 65,707	\$ 62,569

Not surprisingly, the largest portion of the Village's net position, \$56,797 or 86%, is its investment in capital assets (e.g. land, infrastructure, buildings, machinery & equipment) less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens and thus these assets are not available for future spending. Although the Village's investment in its capital assets is shown net of related debt, it should be

noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additionally, as noted in last year's report, assets still include \$4,305 of property purchased for resale. The portion of the property commonly known as 611 Green Bay Road is presently subject to a contract for sale. For further detail please see the subsequent event footnote.

The restricted portion of the Village's net position, \$550 or less than a percent, represents resources held for specific purposes. A portion is from the Motor Fuel Tax Fund that is restricted for roadway improvements, a portion is from the Debt Service Fund to be used for future debt service, and a portion is for seized and forfeited assets resulting from Police actions. The final component of the Village's net position, the unrestricted net position, in the amount of \$8,360 or 13%, 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 position, 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 as reflected in the Table 1.

Of note, current assets within the governmental activities increased \$1,747 primarily a result of an increase in cash at year end. The increase was driven by capital item payables and accruals that were settled in 2013, as well as additional revenues attributed to an improved local economy. Current assets within the business-type activities increased \$1,368 reflecting higher cash balances tied to increased water sales due to drought conditions in 2012.

Total liabilities for governmental activities is comparable to the prior fiscal year. At year end, increases in current liabilities driven by payables and accruals were offset by a decrease in long-term debt. Total liabilities for business type activities decreased \$1,131 from 2011 mainly due to the pay down of long-term debt.

Statement of Activities

As noted before, the Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. Table 2 provides details on changes in net position for both 2012 and 2011 broken out by governmental activities and business-type activities. The net position of the Village's governmental activities increased by \$817 to \$17,589 in 2012 as compared to a \$502 increase in 2011. The net position of business-type activities increased by \$2,321 to \$48,118 in 2012. In 2011, the net position increased for business-type activities by \$1,809.

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

Table 2: Changes in Net Position for the Fiscal Year Ended December 31, 2012 & 2011

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues						
Charges for Services	\$ 6,829	\$ 6,254	\$ 13,172	\$ 12,012	\$ 20,001	\$ 18,266
Operating Grants and Contributions	963	1,942	192	294	1,155	2,236
General Revenues						
Property Taxes	14,327	13,886	-	-	14,327	13,886
Other Taxes	10,329	9,916	-	-	10,329	9,916
Other Revenues	1,369	1,269	24	28	1,393	1,297
Total Revenues	\$ 33,817	\$ 33,267	\$ 13,388	\$ 12,334	\$ 47,205	\$ 45,601
Expenses						
General Government	\$ 3,267	\$ 3,042	\$ -	\$ -	\$ 3,267	\$ 3,042
Public Safety	18,405	17,968	-	-	18,405	17,968
Streets and Sanitation	8,353	8,523	-	-	8,353	8,523
Other Public Works	1,388	1,307	-	-	1,388	1,307
Public Health	229	225	-	-	229	225
Community Development	1,294	1,210	-	-	1,294	1,210
Interest	1,464	1,540	-	-	1,464	1,540
Water	-	-	6,417	6,242	6,417	6,242
Sewer	-	-	2,798	2,780	2,798	2,780
Parking	-	-	452	453	452	453
Total Expenses	\$ 34,400	\$ 33,815	\$ 9,667	\$ 9,475	\$ 44,067	\$ 43,290
Changes in Net Position						
Before Transfers	(583)	(548)	3,721	2,859	3,138	2,311
Transfers	1,400	1,050	(1,400)	(1,050)	-	-
Change in Net Position	817	502	2,321	1,809	3,138	2,311
Net Position January 1	16,772	16,270	45,797	43,988	62,569	60,258
Net Position December 31	\$ 17,589	\$ 16,772	\$ 48,118	\$ 45,797	\$ 65,707	\$ 62,569

Governmental Activities

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.

Governmental Activities - Revenues

Total governmental activities revenues amounted to \$35,217 for 2012, an increase of \$900 or 2.6% over 2011.

Program revenues in aggregate are down \$404 when comparing 2012 to 2011 driven by one-time grants received in 2011. More importantly, revenues received from governmental service charges increased, \$575 or 9%, from 2011. Most of the increase, \$427, is due to increased permit activity in Community Development and reflective of an improved local economy with respect to housing and construction. Additionally, improved collections of ambulance transport fees and false alarm charges in Public Safety added \$64. A \$42 increase in Street and Sanitation revenue is tied to the Village's refuse collection contract.

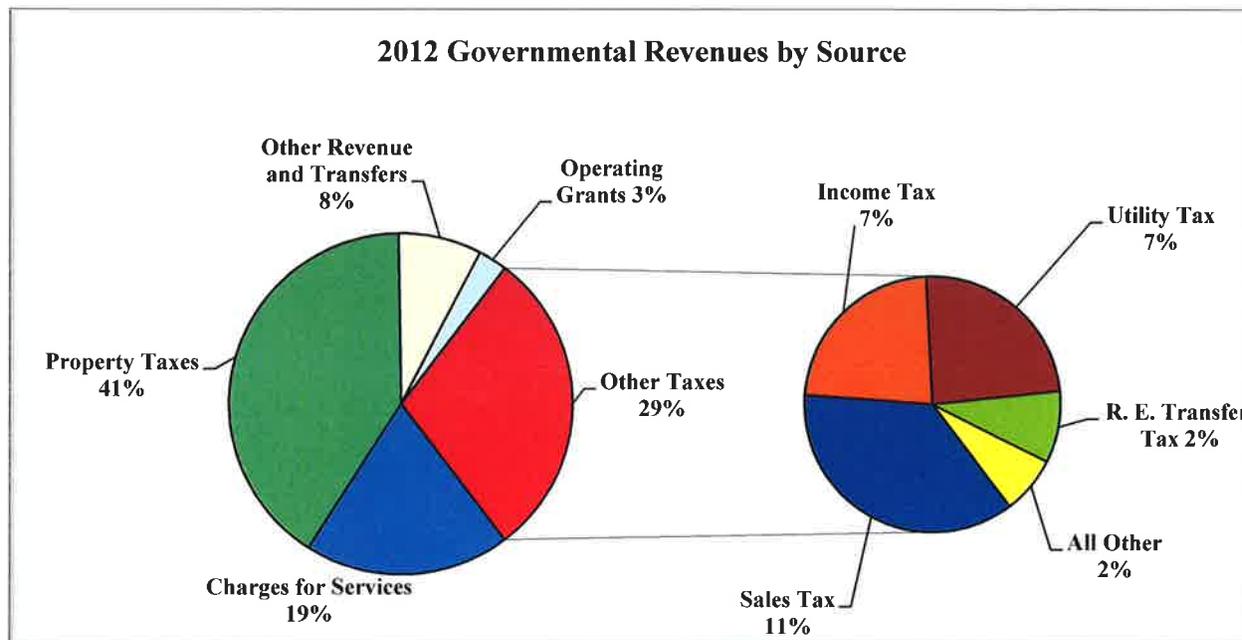
Program revenues from operating grants and contributions often occur irregularly and as such they may fluctuate widely from year to year as the comparison of 2012 to 2011 demonstrates. There were three one-time grants received in 2011 that totaled \$980. Remaining grant activity was comparable between 2011 and 2012.

General revenues in aggregate are up, \$1,304 or 5%, from 2011 and increases are across all three categories. General revenues from property taxes increased, \$441 or 3.2% in 2012. The growth in property tax revenues was expected as the Village's 2011 tax levy included a 3.69% increase. The levy increase consisted of a 2.34% increase for recurring operations; a 0.35% increase for debt service related to the Village's capital improvements program; a 0.43% increase for 611 Green Bay Road debt service; and a 0.57% increase for pension contributions. Somewhat offsetting the increase in the tax levy is the impact of increasing property tax refunds.

General revenues from other taxes increased, \$413 or 4.2%, in 2012. The increase in other taxes is primarily due to stronger income tax, \$233, and real estate transfer tax, \$220, collections. Both are indications of an improving economy. Sales tax revenue was relatively unchanged year over year. The opening of two large retail establishments in late 2012 and early 2013 should provide additional revenues in 2013. Utility tax receipts decreased slightly from 2011 due to mild winter conditions in 2012 and the continued decline of land line usage in homes resulting in declining telecommunications tax collections.

General revenues from other revenues increased, \$100 or 7.9%, from 2011. Transfers increased \$350 or 33.3% from 2011. As a result of increased water sales in 2012, the Water Fund transferred an additional \$50 to the General Fund and made a one-time \$300 transfer to the Debt Service Fund. The transfer to the Debt Service Fund will be used toward reducing the tax levy impact of a \$1 million bond issue anticipated for Alley Improvements in 2013.

The following graph depicts the major governmental revenue sources of the Village. The composition of the Village's 2012 governmental activities revenues is similar to the prior year with grants being somewhat less due to the aforementioned one-time grants received in 2011. The graph highlights the importance of property taxes to fund governmental activities.



Governmental Activities - Expense

Total governmental activities expenses amounted to \$34,400 for 2012, an increase of \$585 or 1.7% over 2011.

General government expenses increased, \$225 or 7.4%, from 2011. A portion of the increase is tied to the \$98 increase in the Finance Department expenses as a result of transition costs associated with the impending retirement of the Finance Director. This expense was planned for and budgeted accordingly. Additional expense growth of \$33 is attributed to property and liability insurance and offset by the use of the Village's IRMA surplus reserve; Section 105 benefits expense increased \$46 due to actuarial changes; and \$14 was expended related to property held for resale.

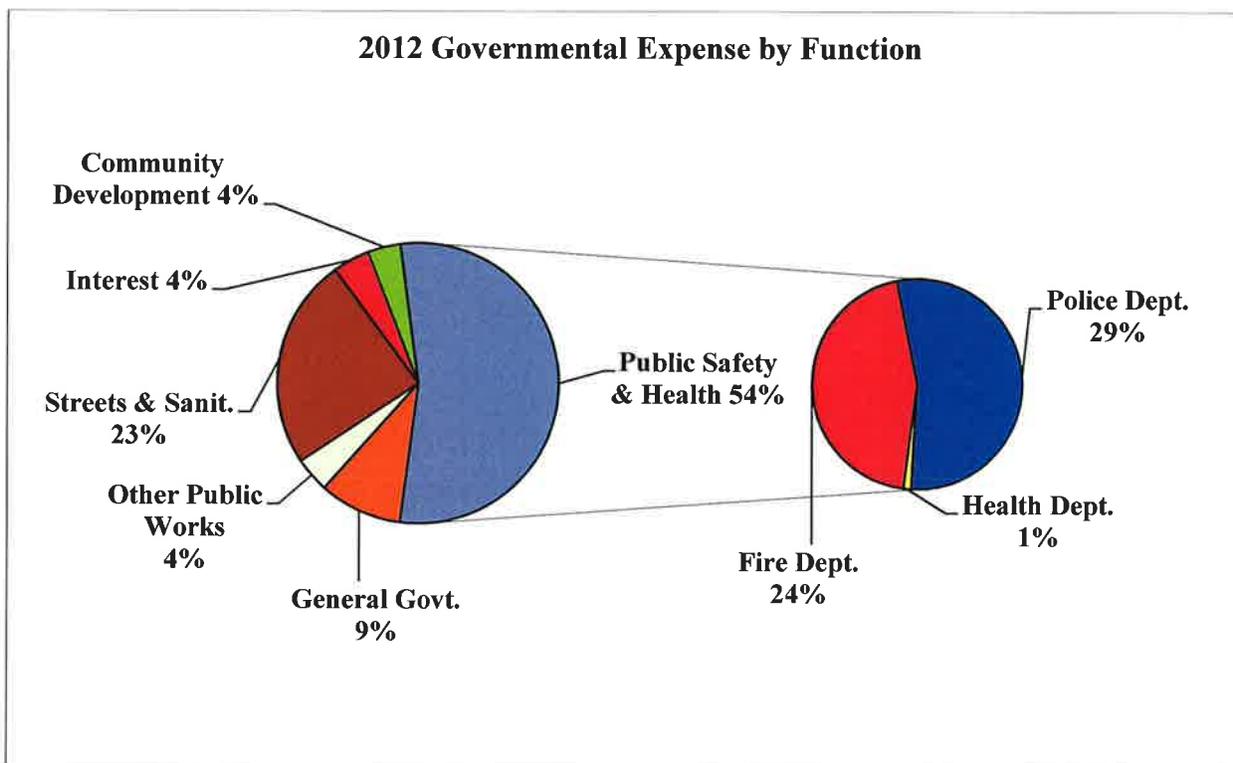
Public Safety and Health expenses grew \$441 or 2.4% from 2011. Notably, expenses related to the Fire Department increased by \$160 or 2.0%, while expenses related to the Police Department increased by \$277 or 2.8%. The growth in both departments was driven mainly contractually obligated wage increases of 2% and by additional pension contributions.

Streets and Sanitation expenses decreased \$170 or 2% from 2011. While wage increases of 2% were provided to the employees in this department, a reorganization kept the personnel cost impact to a minimum. Additionally, mild winter weather conditions reduced overtime, contractual services, and street salt needs by a total of \$83 from 2011. Also, landfill costs decreased \$69 reflecting the Village residents' commitment to recycling. Lastly, the expense of holiday lighting of \$28 in 2011 was reclassified as business promotion and is now part of Community Development.

Other Public Works expenses increased \$81 or 9.4% from 2011. Additional outsourcing of plan reviews and inspections increased this category by \$33 which was anticipated given a reorganization of the engineering staff in 2010. An additional \$36 was expended for sidewalk and curb repairs (non-capitalized work) that had been deferred from prior years due to budget considerations.

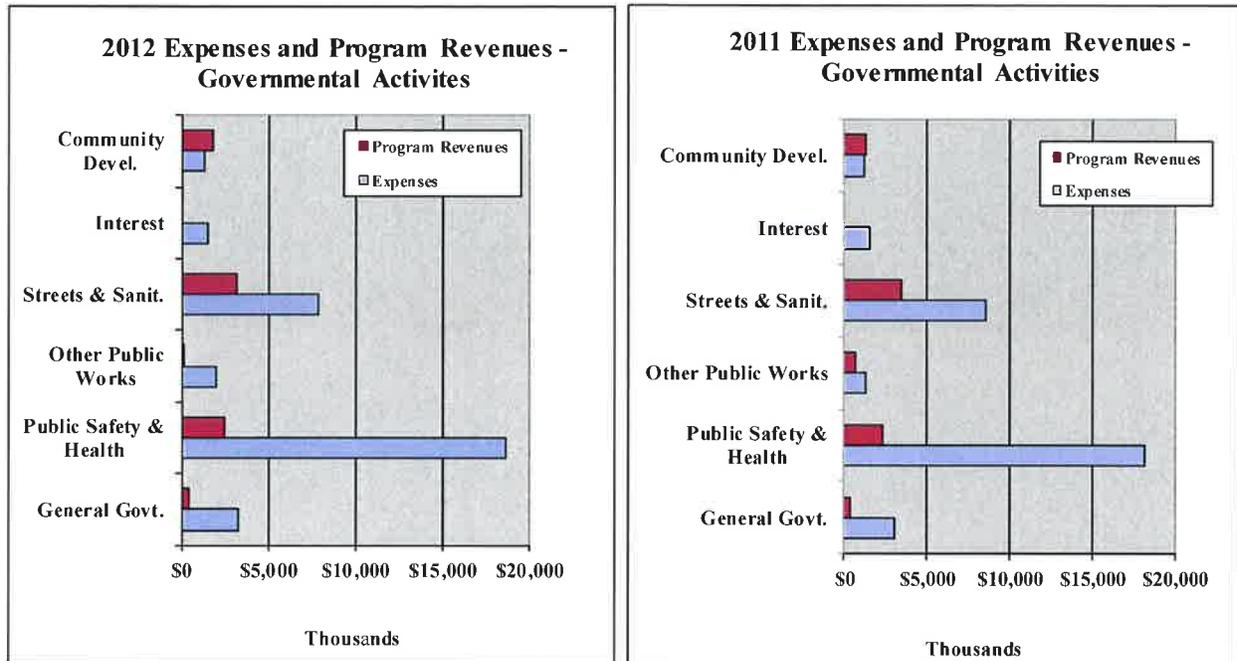
Community Development expenses increased \$84 or 7.0% from 2011. Outsourcing of plan reviews and inspections increased \$41 as a result of the increased permit activity noted in the revenues. Business promotion increased \$35 most of which was the result of the expense re-class for holiday lighting noted previously.

The following graph depicts the major governmental expense by function of the Village. The composition of the Village's 2012 governmental activities expenses is similar to 2011. The graph highlights the importance of public safety and street & sanitation services provided to Village residents.



Governmental Activities – By Program

The next two graphs provide a visual of how governmental revenues and expenses match up for each of the years 2012 and 2011. For governmental activities, program revenues covered approximately 23% of expenses. This is a slight decrease from 2011 and is indicative of the increased grant activity in 2011. 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.



Business-Type Activities

As noted previously, the business-type activities reflect private sector-type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation. For the Village that applies to the Water Fund, Sewer Fund and Parking Meter Fund.

Business-Type Activities – Revenues

Total business-type activities revenues amounted to \$11,988 for 2012, an increase of \$704 or 6.2% over 2011.

Program revenues are nearly all from service charges related to the sales of water and sewer. A small percentage is from parking related revenues. These service charges increased by \$1,160 or 9.7% from 2011. Water sales increased \$683 and sewer increased \$480 as a result of the drought conditions in 2012.

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.

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

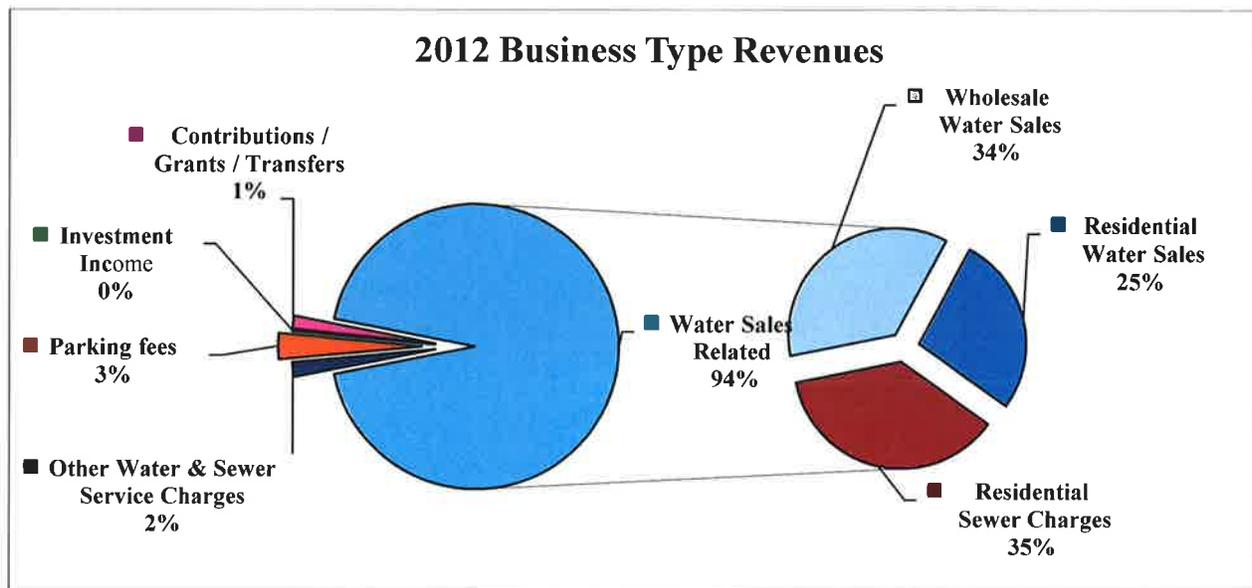
Total program revenues and the rates in effect for 2012 and 2011 are shown as follows:

	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Wholesale Water Sales	4,517	4,210	7.3%
Residential Water Sales	3,399	3,086	10.1%
Residential Sewer Charges	4,647	4,166	11.5%
Other water & Sewer revenues	214	153	39.9%
Operating Grants and Contributions	192	294	-34.7%
Parking fees	394	397	-0.8%
	<u>\$ 13,363</u>	<u>\$ 12,306</u>	<u>8.6%</u>
Wholesale Water Rate	\$ 1.102 / ccf	\$ 1.102 / ccf	0.0%
Residential Water Rate	\$ 2.49 / ccf	\$ 2.49 / ccf	0.0%
Residential Sewer Rate	\$ 3.44 / ccf	\$ 3.44 / ccf	0.0%
METRA Commuter Parking Rates	\$ 2.00 per day	\$ 2.00 per day	0.0%
CTA Commuter Parking Rates	\$ 4.00 per day	\$ 4.00 per day	0.0%

Grants and contributions related to business-type activities are rare. The decrease of \$101 or 34.5% from 2011 is tied to a one-time grants received in 2011 that did not recur in 2012

Other revenues decreased \$4 or 14.3% from 2011. Transfers increased \$350 or 33.3% from 2011. As a result of increased water sales in 2012, the Water Fund transferred an additional \$50 to the General Fund and made a one-time \$300 transfer to the Debt Service Fund. The transfer to the Debt Service Fund will be used toward reducing the tax levy impact of a \$1 million bond issue anticipated for Alley Improvements in 2013.

The following graph depicts the major business-type revenue sources of the Village. The composition of the Village's 2012 business-type activities revenues is similar to 2011.



Business Type Activities – Expenses

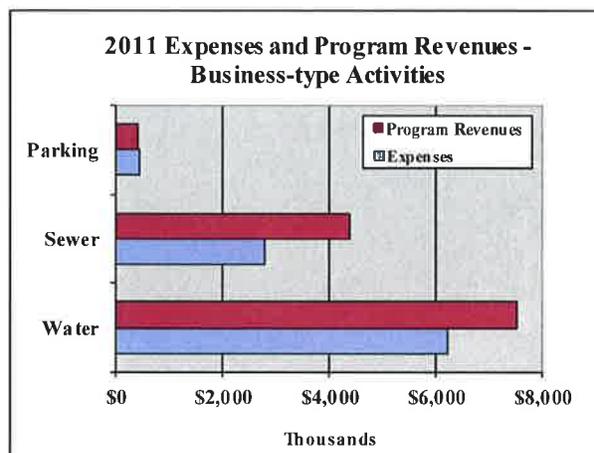
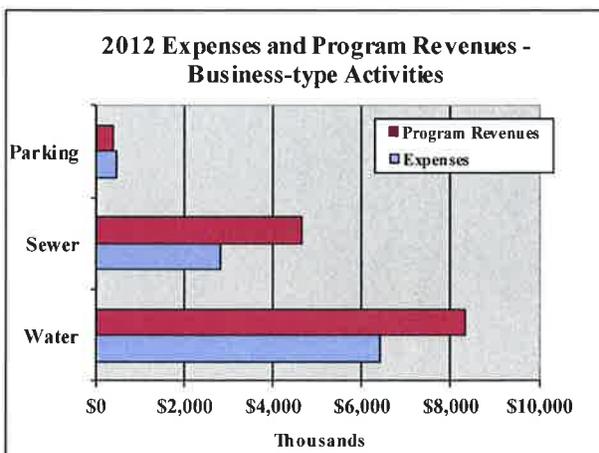
Total business-type activities expenses amounted to \$9,667 for 2012, an increase of \$192 or 2.0% over 2011.

Expenses for the Water Fund increased \$175 or 2.8% from 2011. The increase is comprised of \$115 of personnel expenses related to a department reorganization, additional power costs associated with higher pumpage of \$81, lab testing services for the Park district of \$53, and increased non-capitalized repairs of \$15. Additionally, the Village incurred a cost of \$153 to replace outdated meters as part of the automatic meter reading system. Offsetting these expenses was a decline in debt service costs related to the 2011 bond refunding issuance.

The Sewer Fund expenses increased by only \$18 or 0.6% from 2011. The nominal growth resulted from an increase in water pumping station repair expenses of \$113 that was offset by debt service savings from the 2011 bond refunding issue. The Parking Fund expenses, year over year, are comparable.

Business Type Activities – Programs

The next two graphs provide a visual of how business-type revenues and expenses match up for each of the years 2012 and 2011. As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund generally operates very close to “break-even.”



FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Table 3: General Fund Budgetary Highlights - I

	Original and Final Budget	Actual GAAP Basis
Revenues	\$ 29,381	\$ 30,026
Expenditures	31,294	30,928
Excess (Deficiency) of Revenues over Expenditures	(1,913)	(902)
Other Financing Sources (Uses):		
Debt Issuance	-	250
Transfers in	1,100	1,100
Net Changes in Fund Balance	<u>\$ (813)</u>	<u>\$ 448</u>

The principal goal in setting the 2012 budget was to maintain service levels and keep fund operating reserves stable. While the budget would indicate another \$813 reduction, the use of escrowed monies and anticipated expenditure savings (primarily from the contingency appropriation) were expected to produce a balanced budget as follows:

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

Net Change in Fund Balance per Budget	\$ (813)
Use of Escrowed Funds for Road Resurfacing	182
Use of Escrowed Funds for Youth Programs	19
Expected Personnel and Other Expense Savings	10
2012 GAAP Expense of 2011 Encumbrances	109
2012 Budget Encumbrances	(7)
Expected Contingency Expense Savings	500
Net Projected Change in Budget Reserve	<u>\$ -</u>

Ultimately, improved 2012 revenues and expenditure savings resulted in the \$448 increase in the General Fund fund balance. Revenues were \$645 better than budget as follows:

<u>Revenue Source</u>	<u>2012 Revenue Budget</u>	<u>2012 Actual Revenues</u>	<u>Variance from Final Budget to Actual</u>
Property Taxes	11,407	11,336	(71)
R.E. Transfer Tax	762	938	176
All Other Taxes	9,391	9,391	-
Permits and Licenses	3,316	3,506	190
Intergovernmental	45	172	127
Expense recoveries	-	-	-
Rents	422	463	41
Franchise fees	569	589	20
Service Charges	2,957	2,989	32
Fines & Forfeitures	409	335	(74)
All Other revenues	103	307	204
Total	<u>29,381</u>	<u>30,026</u>	<u>645</u>

Permits and Real Estate Transfer Tax revenues were up \$190 and \$176, respectively, indicative of an improving local economy. Investment earnings from our IRMA excess surplus reserve, which are not budgeted, were \$181 of the \$204 positive variance noted in All Other revenues. Intergovernmental revenues were \$127 above budget tied to three unanticipated grants. Offsetting the positive variances, Property Taxes were \$71 below budget due to increased refund activity.

The 2012 General Fund expenditure budget amounts represent the total appropriations adjusted for encumbrance activity. As noted previously, 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 2012 budget results broken down by category of expenditure:

Table 4: General Fund Budgetary Highlights - II

	Original and Final Budget	GAAP Basis Actual Expenditures	Variance from Final Budget to Actual
Personnel			
Wages	\$ 15,066	\$ 14,701	\$ 365
Benefits	7,610	7,645	(35)
Refuse	2,349	2,285	64
Other Recurring	4,512	4,395	117
EAB expenses	100	127	(27)
Sidewalk & Curb			
Maintenance	40	36	4
Road and Alley	630	569	61
Maintenance			
Capital Outlay	225	979	(754)
Contingency	500	29	471
Other Nonrecurring	202	130	72
Debt Service	60	32	28
	<u>\$ 31,294</u>	<u>\$ 30,928</u>	<u>\$ 366</u>

Table 4 provides details regarding the overall \$366 positive variance the Village attained in 2012. The largest budget savings, \$471, is Contingency which was anticipated. Wage savings generally occur from employee turnover as there is typically a period of time with a position vacancy until a new employee is hired. The Village had 6 retirements and 3 other resignations in 2012. The saving in wages was somewhat diminished by an increase in benefits tied to fire and police pension contributions. In total personnel expense was about 97.5% of budget which is comparable to prior years.

Other large variances include, Other Recurring which were \$117 below budget due mainly to mild weather conditions that required less salt, snow plowing and tree pruning. Refuse expenditures tied to landfill tipping costs were \$64 below budget. The savings are reflective of the increased commitment to recycling by the Village residents which diverts waste going to landfills. Because of favorable bid results, Road and Alley expenditures were \$61 below budget. Offsetting the positive variances, Capital Outlay had a negative variance of \$754. The additional expenditures were tied to the purchase of two new fire trucks and a new street sweeper. It should be noted these additional capital expenditures were authorized in mid-2012 as a result of the recognized positive variances in revenues and expenses as well as the award of a \$250 interest free loan for the purchase of a fire truck.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2012 total \$127,634. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents a net decrease of \$1,034 (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 35-38.

The Governmental Activities net capital assets decreased from last year by \$855. The decrease consists of capital expenditures of \$2,367 netted with depreciation of \$3,222. As noted in the last two years' reports, capital expenditures would likely be deferred until economic conditions improve. Note that expenditure of existing bond proceeds accounted for \$251 and a new interest free fire truck loan accounted for another \$250 of the capital additions.

Business-Type Activities net capital assets decreased by \$179. Capital additions of \$1,945 were netted against depreciation of \$2,124. Economic factors still limit the Village's ability to dedicate operating monies toward capital expenses. Net capital assets only increased in the Sewer Fund with asset additions of \$1,125 offset by depreciation of \$894. Note that the additions were primarily financed from existing debt and new IEPA Loan debt.

Water capital additions totaled \$819 of which \$410 was financed from existing bond proceeds and another \$150 from a State Grant. This was offset by \$1,107 in depreciation. The Parking Meter Fund had no additions (this is as expected) with depreciation of \$123.

DEBT OUTSTANDING

Following the 2011 advance refunding of the 2002 General Obligation Bond Issue and current refunding of four Environmental Protection Agency (EPA) loans, the Village has five general obligation (G.O.) bond issues and five EPA loans outstanding. The following table summarizes the Village's long-term debt outstanding (excluding unamortized bond discount and loss on refunding and compensated absences).

Table 5: Bonded and Similar Indebtedness

	Outstanding at December 31, 2011	Issued in 2012	Retired in 2012	Outstanding at December 31, 2012
General Obligation Bonds	74,375	-	(3,280)	71,095
E.P.A. Loans	1,794	742	(73)	2,463
State Loans	-	250	-	250
Installment Contracts	20	-	(20)	-
Totals	76,189	992	(3,373)	73,808
Governmental Activities	37,970	250	(1,720)	36,500
Business-Type Activities	38,219	742	(1,653)	37,308
Totals	76,189	992	(3,373)	73,808

No new G.O. debt was incurred in 2012. The only new debt consists of a \$250 interest free State Loan for a new Fire Truck and new IEPA debt of \$742 toward the Village's sewer lining and rehabilitation program. The debt retirements noted above were the required amounts per the amortization schedules for this debt. This included the final loan payment for the \$996 Village Museum improvements (undertaken in 2005) entirely repaid by the Wilmette Historical Society.

As noted in the Capital Asset section, future capital outlay will primarily be debt financed or funded from grants. Consistent with that new debt of \$12.7 million is budgeted in 2013 to finance \$1 million of General capital outlay for alley improvements and \$11.7 million of sewer improvements.

The Village, under its home rule authority, does not have a legal debt limit. With the 2011 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. This rating is expected to be reaffirmed with the 2013 bond issue. The Village will continue to attempt to secure EPA loans due to their favorable terms and will also pursue grants whenever possible. Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 39-50.

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% in 2007; another 35% in 2008 and a further decline of 27% in 2009. While the 42% growth in 2010 was positive, it all occurred in the first six months of that year when Federal tax credits were in place. The impact of the tax credits was evident in the final six months of 2010 with a 6% decrease compared to that period in 2009.

While 2011 reflected a 22% decline from the tax credit inflated 2010, the activity did reflect 10% growth from 2009. This turnaround continued in 2012 with a 28% increase over 2011 and early indications in 2013 show that this positive trend should continue with similar activity as in 2012 along with increasing property values. Foreclosure activity is now fairly minimal and while interest rates show signs of rising, they are still at historically low levels.

Investment performance and household income can be key factors in home remodeling projects (as well as for home sales). Rising State income tax revenue and double digit gains in the stock market were both positive signs in 2012. The revenue increase from permit activity by 16% is attributed to this positive influence (along with continued low borrowing costs).

With respect to commercial real estate, the Village is under contract for the sale of 611 Green Bay Road for a multi-use development that is consistent with the recently completed master development plan. Additionally the White Lodging development of a new Marriott Residence Inn broke ground in early 2013.

The Illinois unemployment rate improved from 9.7% in 2011 to 8.9% in 2012 while the local unemployment rate in Wilmette decreased from a 2011 average of 6.5% to 5.8% in 2012. This local rate 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 as a result of the economic downturn in 2008 and 2009. 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, continue to be part of a defined benefit pension plan but this legislation requires employees to work longer to receive a pension benefit along with reductions in the initial pension calculation as well as the annual pension increases. As all employees hired before 2011 continue to accrue pension benefits under prior statutes, it is expected to take a number of years before there is enough employee turnover to see the full impact of these reforms.

While the State of Illinois and other municipalities struggle with rising pension costs, the Village has been very proactive for a number of years in this regard. Using conservative actuarial assumptions, the Village has a schedule of pension contributions (with stabilized growth) to meet all of its pension obligations within the statutory guidelines.

While this is all very positive, there are still concerns that the State of Illinois budget problems (much of which is pension related) may trickle down to local agencies through legislative actions that could reduce revenues received from the State.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Melinda Molloy, Finance Director, Village of Wilmette, 1200 Wilmette Avenue, Wilmette, Illinois 60091.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Position
December 31, 2012**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 3,467,797	3,945,714	7,413,511
Receivables - Net	16,009,669	1,882,368	17,892,037
Due from Other Governments	1,998,664	-	1,998,664
Internal Balances	(836,356)	836,356	-
Inventories/Prepays	61,116	107,410	168,526
Deposits	900,581	-	900,581
Other Assets	210,537	-	210,537
Restricted Assets - Cash and Investments	1,742,412	1,288,317	3,030,729
Total Current Assets	23,554,420	8,060,165	31,614,585
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	6,040,929	2,361,487	8,402,416
Depreciable Capital Assets	75,610,091	110,079,306	185,689,397
Depreciation	(32,337,104)	(34,120,355)	(66,457,459)
	49,313,916	78,320,438	127,634,354
Other Assets			
Land Held for Resale	4,305,000	-	4,305,000
Total Noncurrent Assets	53,618,916	78,320,438	131,939,354
Total Assets	77,173,336	86,380,603	163,553,939

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	\$ 3,411,479	674,357	4,085,836
Accrued Wages and Benefits	125,311	4,907	130,218
Accrued Interest Payable	105,549	103,591	209,140
Deposits Payable	381,569	7,815	389,384
Other Payables	80,030	-	80,030
Compensated Absences Payable	251,520	27,260	278,780
Current Portion Long-Term Debt	2,027,500	1,851,535	3,879,035
Total Current Liabilities	6,382,958	2,669,465	9,052,423
Noncurrent Liabilities			
Compensated Absences Payable	1,011,980	137,340	1,149,320
Net Pension Obligation Payable	1,316,455	-	1,316,455
Net Other Postemployment Benefit Payable	2,944,119	-	2,944,119
EPA Loans Payable	-	2,356,160	2,356,160
General Obligation Bonds Payable - Net	32,881,120	33,100,000	65,981,120
Total Noncurrent Liabilities	38,153,674	35,593,500	73,747,174
Total Liabilities	44,536,632	38,262,965	82,799,597
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	15,046,099	-	15,046,099
Grants	1,320	-	1,320
Total Deferred Inflows of Resources	15,047,419	-	15,047,419
Total Liabilities and Deferred Inflows of Resources	59,584,051	38,262,965	97,847,016
NET POSITION			
Net Investment in Capital Assets	14,842,391	41,954,891	56,797,282
Restricted - Highways and Streets	502,185	-	502,185
Restricted - Police Seizures	47,621	-	47,621
Unrestricted	2,197,088	6,162,747	8,359,835
Total Net Position	17,589,285	48,117,638	65,706,923

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, 2012

	Expenses	Program Revenues	
		Charges for Services	Operating Grants/ Contributions
Governmental Activities			
General Government	\$ 3,266,556	394,563	-
Public Safety	18,405,275	2,245,305	126,109
Streets and Sanitation	8,353,031	2,286,245	837,105
Other Public Works	1,388,357	97,662	-
Public Health	228,675	68,483	-
Community Development	1,293,984	1,737,213	-
Interest on Long-Term Debt	1,464,346	-	-
Total Governmental Activities	34,400,224	6,829,471	963,214
Business-Type Activities			
Water	6,417,546	8,130,836	192,168
Sewer	2,798,432	4,647,206	-
Parking	451,720	393,697	-
Total Business-Type Activities	9,667,698	13,171,739	192,168
	44,067,922	20,001,210	1,155,382

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

Change in Net Position
Net Position - Beginning
Net Position - Ending

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(2,871,993)	-	(2,871,993)
(16,033,861)	-	(16,033,861)
(5,229,681)	-	(5,229,681)
(1,290,695)	-	(1,290,695)
(160,192)	-	(160,192)
443,229	-	443,229
(1,464,346)	-	(1,464,346)
(26,607,539)	-	(26,607,539)
-	1,905,458	1,905,458
-	1,848,774	1,848,774
-	(58,023)	(58,023)
-	3,696,209	3,696,209
(26,607,539)	3,696,209	(22,911,330)
14,326,855	-	14,326,855
3,770,772	-	3,770,772
2,380,064	-	2,380,064
2,488,225	-	2,488,225
937,983	-	937,983
752,065	-	752,065
204,852	24,292	229,144
1,163,937	-	1,163,937
1,400,000	(1,400,000)	-
27,424,753	(1,375,708)	26,049,045
817,214	2,320,501	3,137,715
16,772,071	45,797,137	62,569,208
17,589,285	48,117,638	65,706,923

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

VILLAGE OF WILMETTE, ILLINOIS

**Balance Sheet - Governmental Funds
December 31, 2012**

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 1,438,274	130,602	-	922,002	2,490,878
Receivables - Net of Allowances					
Property Taxes	11,927,822	3,294,002	-	-	15,221,824
Other Taxes	139,625	-	-	-	139,625
Accounts	635,563	-	-	-	635,563
Due from Other Governments	1,765,956	-	176,637	56,071	1,998,664
Due from Other Funds	11,823	-	-	5,000	16,823
Prepays	61,116	-	-	-	61,116
Deposits	900,581	-	-	-	900,581
Restricted Assets - Cash and Investments	47,621	-	1,694,791	-	1,742,412
Other Assets	210,537	-	-	-	210,537
Land Held for Resale	4,305,000	-	-	-	4,305,000
Total Assets	21,443,918	3,424,604	1,871,428	983,073	27,723,023

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

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
LIABILITIES					
Accounts Payable	\$ 1,472,096	-	1,434,333	480,888	3,387,317
Accrued Wages and Benefits	125,311	-	-	-	125,311
Due to Other Funds	841,356	-	-	-	841,356
Deposits Payable	368,964	-	-	-	368,964
Other Prepayments	80,030	-	-	-	80,030
Total Liabilities	2,887,757	-	1,434,333	480,888	4,802,978
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	11,788,871	3,257,228	-	-	15,046,099
Grants	1,320	-	-	-	1,320
Total Deferred Inflows of Resources	11,790,191	3,257,228	-	-	15,047,419
Total Liabilities and Deferred Inflows of Resources	14,677,948	3,257,228	1,434,333	480,888	19,850,397
FUND BALANCE					
Nonspendable	961,697	-	-	-	961,697
Restricted	128,968	167,376	-	502,185	798,529
Assigned	503,336	-	437,095	-	940,431
Unassigned	5,171,969	-	-	-	5,171,969
Total Fund Balances	6,765,970	167,376	437,095	502,185	7,872,626
Total Liabilities, Deferred Inflows of Resources and Fund Balances	21,443,918	3,424,604	1,871,428	983,073	27,723,023

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

VILLAGE OF WILMETTE, ILLINOIS

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

December 31, 2012

Total Governmental Fund Balances	\$ 7,872,626
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	49,313,916
Internal service funds are used by the Village to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	(2,003,133)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(1,316,455)
Current Portion - General Obligation Bonds Payable	(2,027,500)
Compensated Absences Payable	(1,263,500)
General Obligation Bonds Payable - Net	(32,881,120)
Accrued Interest Payable	<u>(105,549)</u>
 Net Position of Governmental Activities	 <u>17,589,285</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, 2012

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
Revenues					
Taxes	\$ 21,665,188	2,990,776	-	-	24,655,964
Licenses, Permits and Fees	3,505,584	-	-	-	3,505,584
Intergovernmental	172,352	-	10,222	780,640	963,214
Charges for Services	2,989,446	-	-	-	2,989,446
Fines and Forfeitures	334,441	-	-	-	334,441
Investment Earnings	195,175	-	2,554	3,443	201,172
Miscellaneous	1,163,937	-	-	-	1,163,937
Total Revenues	30,026,123	2,990,776	12,776	784,083	33,813,758
Expenditures					
Current					
General Government	3,054,387	-	-	-	3,054,387
Public Safety	18,599,081	-	-	-	18,599,081
Streets and Sanitation	5,832,631	-	-	-	5,832,631
Other Public Works	1,909,400	-	-	-	1,909,400
Public Health	226,412	-	-	-	226,412
Community Development	1,274,590	-	-	-	1,274,590
Capital Outlay	-	-	251,364	667,129	918,493
Debt Service					
Principal Retirement	20,000	1,700,000	-	-	1,720,000
Interest and Fiscal Charges	11,708	1,327,191	-	-	1,338,899
Total Expenditures	30,928,209	3,027,191	251,364	667,129	34,873,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	(902,086)	(36,415)	(238,588)	116,954	(1,060,135)
Other Financing Sources					
Debt Issuance	250,000	-	-	-	250,000
Transfers In	1,100,000	300,000	-	-	1,400,000
	1,350,000	300,000	-	-	1,650,000
Net Change in Fund Balances	447,914	263,585	(238,588)	116,954	589,865
Fund Balances - Beginning as Restated	6,318,056	(96,209)	675,683	385,231	7,282,761
Fund Balances - Ending	6,765,970	167,376	437,095	502,185	7,872,626

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, 2012

Net Change in Fund Balances - Total Governmental Funds	\$ 589,865
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	2,367,089
Depreciation Expense	(3,222,138)
The net effect of various transactions involving capital assets is to decrease net position.	
Disposals - Cost	(261,540)
Disposals - Accumulated Depreciation	261,540
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.	
	(111,739)
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	(5,900)
Additions to Net Pension Obligation Payable	(144,516)
Retirement of Debt	1,720,000
New State Loan for Fire Truck	(250,000)
Amortization of Loss on Refunding	(130,414)
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
	<u>4,967</u>
Changes in Net Position of Governmental Activities	<u>817,214</u>

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Fund Net Position - Proprietary Funds
December 31, 2012**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fund Net Position - Proprietary Funds
December 31, 2012

	Business-Type Activities				Governmental Activities Internal Service
	Water	Sewer	Nonmajor	Totals	
			Parking Meter		
ASSETS					
Current Assets					
Cash and Investments	\$ 818,986	2,299,643	827,085	3,945,714	976,919
Restricted Assets					
Cash and Investments	723,158	565,159	-	1,288,317	-
Receivables - Net of Allowances					
Accounts	1,096,072	786,296	-	1,882,368	12,657
Due from Other Funds	836,356	-	-	836,356	-
Inventory	102,773	-	-	102,773	-
Prepays	4,637	-	-	4,637	-
Total Current Assets	3,581,982	3,651,098	827,085	8,060,165	989,576
Noncurrent Assets					
Nondepreciable Capital Assets	1,048,101	654,282	659,104	2,361,487	-
Depreciable Capital Assets	48,637,857	56,475,947	4,965,502	110,079,306	-
Depreciation	(18,046,683)	(14,387,476)	(1,686,196)	(34,120,355)	-
Total Noncurrent Assets	31,639,275	42,742,753	3,938,410	78,320,438	-
Total Assets	35,221,257	46,393,851	4,765,495	86,380,603	989,576

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

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor	Totals	Activities
			Parking Meter		Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 174,678	470,554	29,125	674,357	24,162
Accrued Wages and Benefits	4,638	269	-	4,907	-
Accrued Interest Payable	53,929	49,662	-	103,591	-
Due to Other Funds	-	-	-	-	11,823
Deposits Payable	7,815	-	-	7,815	12,605
Compensated Absences Payable	23,760	3,500	-	27,260	-
EPA Loans Payable	-	106,535	-	106,535	-
General Obligation Bonds Payable	865,000	880,000	-	1,745,000	-
Total Current Liabilities	1,129,820	1,510,520	29,125	2,669,465	48,590
Noncurrent Liabilities					
Compensated Absences Payable	120,740	16,600	-	137,340	-
Net Other Postemployment Benefits Payable	-	-	-	-	2,944,119
General Obligation Bonds Payable	17,945,000	15,155,000	-	33,100,000	-
EPA Loans Payable	-	2,356,160	-	2,356,160	-
Total Noncurrent Liabilities	18,065,740	17,527,760	-	35,593,500	2,944,119
Total Liabilities	19,195,560	19,038,280	29,125	38,262,965	2,992,709
NET POSITION					
Net Investment in Capital Assets Unrestricted	13,532,715	24,483,766	3,938,410	41,954,891	-
	2,492,982	2,871,805	797,960	6,162,747	(2,003,133)
Total Net Assets	16,025,697	27,355,571	4,736,370	48,117,638	(2,003,133)

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
Year Ended December 31, 2012

	Business-Type Activities - Enterprise Funds			Totals	Governmental
	Water	Sewer	Nonmajor		Activities
				Parking	Internal
			Meter		Service
Operating Revenues					
Charges for Services	\$ 8,130,836	4,647,206	393,697	13,171,739	-
Interfund Services	-	-	-	-	6,167,837
Total Operating Revenues	8,130,836	4,647,206	393,697	13,171,739	6,167,837
Operating Expenses					
Administration	652,128	-	-	652,128	170,078
Operations	3,995,893	1,370,088	328,664	5,694,645	6,113,178
Depreciation	1,106,619	894,285	123,056	2,123,960	-
Total Operating Expenses	5,754,640	2,264,373	451,720	8,470,733	6,283,256
Operating Income (Loss)	2,376,196	2,382,833	(58,023)	4,701,006	(115,419)
Nonoperating Revenues (Expenses)					
Investment Earnings	21,313	2,979	-	24,292	3,680
Interest Expense	(662,906)	(534,059)	-	(1,196,965)	-
	(641,593)	(531,080)	-	(1,172,673)	3,680
Income (Loss) Before Capital Contributions and Transfers	1,734,603	1,851,753	(58,023)	3,528,333	(111,739)
Capital Grants	150,000	-	-	150,000	-
Capital Contributions	42,168	-	-	42,168	-
Transfers Out	(1,400,000)	-	-	(1,400,000)	-
Change in Net Position	526,771	1,851,753	(58,023)	2,320,501	(111,739)
Net Position - Beginning	15,498,926	25,503,818	4,794,393	45,797,137	(1,891,394)
Net Position - Ending	16,025,697	27,355,571	4,736,370	48,117,638	(2,003,133)

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, 2012**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2012

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 8,245,367
Receipts from Interfund Services	-
Payments to Employees	(2,038,998)
Payments to Suppliers	(2,721,984)
	<u>3,484,385</u>
Cash Flows from Non-Capital Financing Activities	
Transfers Out	(1,400,000)
Change in Interfund Activity	630,565
	<u>(769,435)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(777,343)
Capital Grants	150,000
Principal Issued on Debt	-
Principal Paid on Debt	(765,000)
Interest Paid on Debt	(662,906)
	<u>(2,055,249)</u>
Cash Flows from Investing Activities	
Interest Received	21,313
	<u>21,313</u>
Net Change in Cash and Cash Equivalents	681,014
Cash and Cash Equivalents - Beginning	861,130
Cash and Cash Equivalents - Ending	<u>1,542,144</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>2,376,196</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation Expense	1,106,619
(Increase) Decrease in Current Assets	114,531
Increase (Decrease) in Current Liabilities	(112,961)
	<u>3,484,385</u>
Net Cash Provided by Operating Activities	<u>3,484,385</u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u>42,168</u>

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

Business-Type Activities - Enterprise Funds			Governmental Activities
Sewer	Nonmajor Parking Meter	Totals	Internal Service
4,701,759	395,542	13,342,668	-
-	-	-	6,167,873
(468,212)	(107,648)	(2,614,858)	(693,498)
(1,019,427)	(210,933)	(3,952,344)	(5,441,324)
3,214,120	76,961	6,775,466	33,051
-	-	(1,400,000)	-
-	-	630,565	2,788
-	-	(769,435)	2,788
(1,125,374)	-	(1,902,717)	-
-	-	150,000	-
742,022	-	742,022	-
(888,018)	-	(1,653,018)	-
(534,059)	-	(1,196,965)	-
(1,805,429)	-	(3,860,678)	-
2,979	-	24,292	3,680
1,411,670	76,961	2,169,645	39,519
1,453,132	750,124	3,064,386	937,400
2,864,802	827,085	5,234,031	976,919
2,382,833	(58,023)	4,701,006	(115,419)
894,285	123,056	2,123,960	-
54,553	1,845	170,929	36
(117,551)	10,083	(220,429)	148,434
3,214,120	76,961	6,775,466	33,051
-	-	42,168	-

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Fiduciary Net Position
December 31, 2012**

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 2,429,810	629,712
Investments		
U.S. Government and Agency Securities	19,627,167	-
Mutual Funds	33,512,321	-
Corporate Bonds	10,947,077	-
Common Stock	4,802,714	-
Receivables		
Accrued Interest	246,586	-
Total Assets	<u>71,565,675</u>	<u>629,712</u>
LIABILITIES		
Accounts Payable	11,443	-
Deposits Payable	-	629,712
Total Liabilities	<u>11,443</u>	<u>629,712</u>
NET POSITION		
Held in Trust for Pension Benefits	<u>71,554,232</u>	-

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2012

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 4,061,300
Contributions - Plan Members	803,312
Total Contributions	<u>4,864,612</u>
Other Income	<u>20</u>
Investment Income	
Investment Earnings	2,726,348
Net Change in Fair Value	3,851,651
	<u>6,577,999</u>
Less Investment Expenses	<u>(145,625)</u>
	<u>6,432,374</u>
Total Additions	<u>11,297,006</u>
Deductions	
Administration	64,739
Benefits and Refunds	4,912,680
	<u>4,977,419</u>
Total Deductions	<u>4,977,419</u>
Change in Net Position	6,319,587
Net Position Held in Trust for Pension Benefits	
Beginning	<u>65,234,645</u>
Ending	<u><u>71,554,232</u></u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Wilmette
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 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. Based upon the criteria set forth in the GASB Statement No. 39, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Police Pension Employees Retirement System – Continued

Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

Firefighters' Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

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

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

Fund Financial Statements

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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

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

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

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

Governmental Funds

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

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

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

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, which accounts for the accumulation of monies for the payment of the following bond issues: \$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, 2012

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 position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

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

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

Fiduciary Funds

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

Basis of Accounting

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

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

Cash and Investments

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

Receivables

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

Prepays/Inventories

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, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Interfund Receivables, Payables and Activity

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

Capital Assets

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

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

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

Buildings	75 Years
Improvements Other Than Buildings	20 Years
Water System	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, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets effective with the beginning of the 2004 fiscal year. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure 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 Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures/expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Net Position

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

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

<u>Fund</u>	<u>Excess</u>
Series 2007, 2009 and 2010 General Obligation Bonds	\$ 18,937
Water	153,181
Municipal Garage	38,942
Employee Insurance	11,406
Workers' Compensation	417
Section 105 Sick Leave	185,419

DEFICIT FUND EQUITY

The following funds had deficit fund equity at year end:

<u>Fund</u>	<u>Deficit</u>
Section 105 Sick Leave	\$ 2,003,133

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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, 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 \$10,444,215 and the bank balances totaled \$10,665,680. At year-end the Village also has \$25 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, 2012

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, 2012, the Village's investments in the Illinois Funds are AAAM rated by Standard & Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. At December 31, 2012, 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, 2012, 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, 2012, 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, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end the carrying amount of the Police Pension Fund’s deposits totaled \$1,248,054 and the bank balances totaled \$1,258,583.

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	\$ 7,357,094	299,838	5,005,489	1,318,922	732,845
U.S Agency Obligations	2,011,804	500	1,551,656	170,329	289,319
International and Corporate Bonds	5,472,913	-	2,075,420	2,453,375	944,118
Mutual Funds	16,755,115	16,755,115	-	-	-
Total	31,596,926	17,055,453	8,632,565	3,942,626	1,966,282

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, 2012, 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, 2012, 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, 2012, 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 \$7,114,453. The Fund also has \$2,381,145 invested in common stock at year-end.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

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 \$1,181,756 and the bank balances totaled \$1,822,598.

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	\$ 8,032,488	401,127	5,298,064	1,462,297	871,000
U.S Agency Obligations	2,225,781	10	1,772,629	163,823	289,319
International and Corporate Bonds	5,474,164	-	2,075,420	2,453,375	945,369
Mutual Funds	16,757,206	16,757,206	-	-	-
Total	32,489,639	17,158,343	9,146,113	4,079,495	2,105,688

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, 2012, 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, 2012, 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, 2012, 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 \$7,032,970 and Blackrock Equity Dividend Fund totaling \$3,505,538. The Fund also has \$2,421,569 invested in common stock at year-end.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, 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, 2013, and September 1, 2013. The County collects such taxes and remits them periodically. Since the 2012 levy is intended to finance the 2013 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	3,581,975	626,367	5,675	4,202,667
	<u>5,420,237</u>	<u>626,367</u>	<u>5,675</u>	<u>6,040,929</u>
Other Capital Assets				
Buildings	19,333,027	9,000	-	19,342,027
Improvements Other Than Buildings	44,233,654	1,209,120	-	45,442,774
Motor Equipment	7,435,474	388,261	188,500	7,635,235
Office Furniture and Equipment	1,017,073	-	-	1,017,073
Other Equipment	2,106,006	140,016	73,040	2,172,982
	<u>74,125,234</u>	<u>1,746,397</u>	<u>261,540</u>	<u>75,610,091</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Buildings	\$ 4,199,758	480,389	-	4,680,147
Improvements Other Than Buildings	18,296,130	2,100,744	-	20,396,874
Motor Equipment	4,972,981	422,225	188,500	5,206,706
Office Furniture and Equipment	525,386	64,431	-	589,817
Other Equipment	1,382,251	154,349	73,040	1,463,560
	<u>29,376,506</u>	<u>3,222,138</u>	<u>261,540</u>	<u>32,337,104</u>
 Total Other Capital Assets	 <u>44,748,728</u>	 <u>(1,475,741)</u>	 <u>-</u>	 <u>43,272,987</u>
 Total Capital Assets	 <u>50,168,965</u>	 <u>(849,374)</u>	 <u>5,675</u>	 <u>49,313,916</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 161,361
Streets and Sanitation	2,636,322
Public Safety - Police	187,758
Public Safety - Fire	<u>236,697</u>
	<u>3,222,138</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

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	975,022	523,466	29,685	1,468,803
	<u>1,867,706</u>	<u>523,466</u>	<u>29,685</u>	<u>2,361,487</u>
Other Capital Assets				
Water System Improvements	27,801,276	68,418	-	27,869,694
Sewer System Improvements	51,855,264	1,099,881	-	52,955,145
Storm Water Pump Stations	2,001,674	-	-	2,001,674
Buildings	12,560,170	193,549	-	12,753,719
Machinery, Equipment, and Vehicles	9,560,654	89,256	85,440	9,564,470
Parking Facilities/Improvements	4,934,604	-	-	4,934,604
	<u>108,713,642</u>	<u>1,451,104</u>	<u>85,440</u>	<u>110,079,306</u>
Less Accumulated Depreciation				
Water System Improvements	7,795,415	537,398	-	8,332,813
Sewer System Improvements	12,258,783	782,609	-	13,041,392
Storm Water Pump Stations	963,416	40,035	-	1,003,451
Buildings	4,667,747	285,380	-	4,953,127
Machinery, Equipment, and Vehicles	4,851,574	358,109	85,440	5,124,243
Parking Facilities/Improvements	1,544,900	120,429	-	1,665,329
	<u>32,081,835</u>	<u>2,123,960</u>	<u>85,440</u>	<u>34,120,355</u>
Total Other Capital Assets	<u>76,631,807</u>	<u>(672,856)</u>	<u>-</u>	<u>75,958,951</u>
Total Capital Assets	<u>78,499,513</u>	<u>(149,390)</u>	<u>29,685</u>	<u>78,320,438</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

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	\$ 1,106,619
Sewer	894,285
Parking Meter	<u>123,056</u>
	<u>2,123,960</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	Workers' Compensation	\$ 11,823
Nonmajor Governmental	General	5,000
Water	General	<u>836,356 *</u>
		<u>853,179</u>

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

Interfund Transfers

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

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – Continued

Interfund Transfers – Continued

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Water	\$ 1,100,000
Debt Service	Water	<u>300,000</u>
		<u><u>1,400,000</u></u>

LINE OF CREDIT

The Village arranged a line of credit with its local depository, North Shore Community Bank, to be used to provide short-term financing of property purchased for resale in the Village Center. The \$4,305,000 purchase was made from cash on hand but the line of credit can be used during periods of reduced cash flow. In 2011 this loan was securitized by certificates of deposit in the Water Fund and Section 105 Fund. The seven month certificates of deposit paid an interest rate of 0.6% and any draws from the line of credit carried an interest rate of 1.1%. Interest expense for 2011 amounted to \$17,284. This line of credit was renewed in December 2011 through December 2012. The available credit amount is \$5 million. It carries 2% interest rate when unsecured and carries an interest rate of 50 basis points greater than the rates paid on certificates of deposit when secured. At December 31, 2012, none of the line of credit was exercised.

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
\$17,525,000 General Obligation Refunding 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	\$ 3,540,000	-	1,200,000	2,340,000
	Sewer	2,625,000	-	25,000	2,600,000
	Water	3,370,000	-	35,000	3,335,000

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$19,850,000 General Obligation Refunding Bonds of 2007, due in annual installments of \$320,000 to \$3,475,000 plus interest at 4.00% to 4.25% through December 1, 2021.	Debt Service	\$ 9,775,000	-	380,000	9,395,000
	Sewer	2,350,000	-	60,000	2,290,000
	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	1,355,000	-	120,000	1,235,000
	Sewer	1,345,000	-	120,000	1,225,000
	Water	5,300,000	-	600,000	4,700,000
\$25,895,000 General Obligation Refunding Bonds of 2010, due in annual installments of \$190,000 to \$4,430,000 plus interest at 2.00% to 4.00% through December 1, 2026.	Debt Service	23,280,000	-	-	23,280,000
	Sewer	1,485,000	-	-	1,485,000
	Water	1,130,000	-	-	1,130,000
\$13,605,000 General Obligation Refunding Bonds of 2011, due in annual installments of \$740,000 to \$2,305,000 plus interest at 2.00% to 3.00% through December 1, 2023.	Sewer	9,045,000	-	610,000	8,435,000
	Water	4,560,000	-	130,000	4,430,000
		74,375,000	-	3,280,000	71,095,000

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2006, due in annual installments of \$8,437 to \$27,333 plus interest of 2.500% through September 13, 2026.	Sewer	\$ 346,541	-	19,303	327,238
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	543,809	-	28,075	515,734
IEPA Revenue Bonds of 2010, due in annual installments of \$8,822 at 0.00% interest through April 7, 2030.	Sewer	163,206	-	8,822	154,384
IEPA Revenue Bonds of 2011, due in annual installments of \$42,888 at 1.25% interest through July 18, 2031.	Sewer	740,135	-	16,818	723,317
IEPA Revenue Bonds of 2012, due in annual installments of \$47,414 at 2.295% interest through August 5, 2032.	Sewer	-	742,022	-	742,022
		1,793,691	742,022	73,018	2,462,695

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

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
\$250,000 Installment Contract of 2012 - due in annual installments of \$12,500 through November 1, 2032.	General	\$ -	250,000	-	250,000
Historical Society improvements note due in October 2012 plus interest at 3.25%.	General	20,000	-	20,000	-
		20,000	250,000	20,000	250,000

In June 2012, the Village received formal notification from the Office of the State Fire Marshal and the Illinois Finance Authority that the Village had been approved for a \$250,000 interest free loan for the purchase of a fire truck. The loan is from the Fire Trust Revolving Loan Program and is to be paid back in equal installments over 20 years. The Village is using the loan to help defray the cost of the purchase of a new Emergency One Fire Pumping Apparatus to replace an approximately 25 year old pumper. As of December 31, 2012, the loan outstanding balance is \$250,000.

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, 2012, the line of credit outstanding balance is \$0.

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, 2012**

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	\$ 1,257,600	11,800	5,900	1,263,500	251,520
Net Pension Obligation					
Police Pension Fund	398,982	7,776	-	406,758	-
Firefighters' Pension Fund	362,244	7,047	-	369,291	-
Illinois Municipal Retirement Fund	410,713	129,693	-	540,406	-
Net Other Post-Employment Benefit Obligation	2,808,778	135,341	-	2,944,119	-
General Obligation Bonds	37,950,000	-	1,700,000	36,250,000	2,015,000
Unamortized Loss on Refunding	(1,721,794)	-	(130,414)	(1,591,380)	-
Installment Contracts/Notes Payable	20,000	250,000	20,000	250,000	12,500
	<u>41,486,523</u>	<u>541,657</u>	<u>1,595,486</u>	<u>40,432,694</u>	<u>2,279,020</u>
Business-Type Activities					
Compensated Absences	150,600	28,000	14,000	164,600	27,260
General Obligation Bonds	36,425,000	-	1,580,000	34,845,000	1,995,000
IEPA Loans	1,793,691	742,022	73,018	2,462,695	106,529
	<u>38,369,291</u>	<u>770,022</u>	<u>1,667,018</u>	<u>37,472,295</u>	<u>2,128,789</u>

The General Fund makes payments on the governmental activities compensated absences, net pension obligations, net other post-employment benefit obligation and the installment contracts/notes payable. The Debt Service Fund, Water Fund, and Sewer Fund make payments on the general obligation bonds. The Sewer Fund makes payments on the IEPA loans. For the business-type activities compensated absences are retired by the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year Ending December 31	Governmental Activities			
	General Obligation Bonds		Installment Contracts/ Notes Payable	
	Principal	Interest	Principal	Interest
2013	\$ 2,015,000	1,266,592	12,500	-
2014	2,090,000	1,191,717	12,500	-
2015	2,160,000	1,112,505	12,500	-
2016	2,325,000	1,030,186	12,500	-
2017	2,495,000	944,136	12,500	-
2018	2,610,000	845,653	12,500	-
2019	2,715,000	743,722	12,500	-
2020	2,820,000	661,910	12,500	-
2021	2,920,000	576,785	12,500	-
2022	3,055,000	488,487	12,500	-
2023	3,245,000	396,837	12,500	-
2024	3,300,000	291,375	12,500	-
2025	3,025,000	180,000	12,500	-
2026	1,475,000	59,000	12,500	-
2027	-	-	12,500	-
2028	-	-	12,500	-
2029	-	-	12,500	-
2030	-	-	12,500	-
2031	-	-	12,500	-
2032	-	-	12,500	-
Total	36,250,000	9,788,905	250,000	-

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

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
2013	\$ 1,995,000	1,134,409	106,529	38,220
2014	2,480,000	1,086,994	123,895	44,562
2015	2,560,000	1,019,207	126,291	42,166
2016	3,360,000	944,215	128,740	39,716
2017	3,545,000	833,064	131,247	37,210
2018	3,655,000	710,089	133,808	34,650
2019	3,780,000	585,470	136,427	32,032
2020	3,455,000	454,283	139,102	29,355
2021	3,520,000	329,062	141,838	26,619
2022	3,205,000	209,887	144,637	23,821
2023	2,160,000	108,787	147,495	20,960
2024	1,130,000	38,137	150,419	18,037
2025	-	-	153,410	15,045
2026	-	-	156,469	11,988
2027	-	-	130,740	9,036
2028	-	-	92,296	6,828
2029	-	-	93,791	5,333
2030	-	-	90,904	3,809
2031	-	-	88,047	2,255
2032	-	-	46,610	804
Total	34,845,000	7,453,604	2,462,695	442,446

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, 2012

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, 2012

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:

Fiscal Year Ending December 31	Interest Rate	Principal
2013	4.45%	\$ 600,000
2014	4.45%	<u>350,000</u>
Total		<u><u>950,000</u></u>

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

Fiscal Year Ending December 31	Interest Rate	Principal
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>2,850,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

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>
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>5,925,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

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 \$4,750,000.

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

Proceeds in the amount of \$5,870,137 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 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 \$18,075,000.

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

Proceeds in the amount of \$21,788,540 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 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, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2011

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

The advance refunding portion was undertaken to benefit from a reduced interest rate and therefore improving the overall cost of the debt. From 2012 through 2023 total debt service for this portion of the bond issue will be reduced by \$969,878 reflecting net present value savings of \$850,600. Proceeds in the amount of \$6,378,904 were used to execute the escrow agreement for the advance refunding.

The current refunding portion was undertaken to lengthen the overall maturities of the four IEPA Loans and to benefit from lower interest rates. From 2012 through 2023 total debt service for this portion of the bond issue will increase by \$812,066 but still reflecting net present value savings of \$32,500. The restructuring of this debt in this manner will provide \$3.6 million in cash flow savings through 2016.

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

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2012:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 49,313,916
Plus Unspent Bond Proceeds	437,095
Less Capital Related Debt:	
General Obligation Bonds	(34,658,620)
Installment Contracts/Notes Payable	<u>(250,000)</u>
Net Investment in Capital Assets	<u>14,842,391</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	78,320,438
Plus Unspent Bond Proceeds	942,148
Less Capital Related Debt:	
Revenue Bonds	(34,845,000)
IEPA Loans	<u>(2,462,695)</u>
Net Investment in Capital Assets	<u>41,954,891</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

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

	General	Debt Service	Series 2007, 2009 and 2010 General Obligation Bonds	Nonmajor	Total
Fund Balances					
Nonspendable					
Prepays	\$ 61,116	-	-	-	61,116
IRMA Insurance Deposit	900,581	-	-	-	900,581
	<u>961,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>961,697</u>
Restricted					
Police Seizures	128,968	-	-	-	128,968
Debt Service	-	167,376	-	-	167,376
Motor Fuel Tax	-	-	-	502,185	502,185
	<u>128,968</u>	<u>167,376</u>	<u>-</u>	<u>502,185</u>	<u>798,529</u>
Assigned					
Affordable Housing	49,210	-	-	-	49,210
Clampitt Account	45,877	-	-	-	45,877
Road Maintenance	207,396	-	-	-	207,396
Encumbrances	200,853	-	264,096	-	464,949
Capital Projects	-	-	172,999	-	172,999
	<u>503,336</u>	<u>-</u>	<u>437,095</u>	<u>-</u>	<u>940,431</u>
Unassigned	<u>5,171,969</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,171,969</u>
Total Fund Balances	<u>6,765,970</u>	<u>167,376</u>	<u>437,095</u>	<u>502,185</u>	<u>7,872,626</u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. The Village reports assigned fund balance in the General Fund and the Series 2007 2009 and 2010 General Obligation Bond Fund, both major funds. The Village's Board, through the fund balance policy, has given authority to management (Village Manager) to assign funds in the General Fund as listed above and in the Series 2007, 2009 and 2010 General Obligation Bond Fund as stated above based on approved management and Board expenditures as determined through the annual budget process.

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

Although the Village has reported land held for resale of \$4,305,000 in the General Fund at year-end, the Village also secured a line of credit related to the purchase of the land which it has not exercised at December 31, 2012. For additional information on the line of credit see the note on page 39. Due to the fact that the Village can exercise the line of credit at any time and immediately replenish the cash in the General Fund used to purchase the land, the land held for resale is not reported as nonspendable fund balance at December 31, 2012.

FUND BALANCE RESTATEMENT

Beginning fund balance was restated to record a prior period adjustment for the IRMA excess surplus reserve. The following is a summary of the fund balances as originally reported and as restated:

<u>Fund Equity</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increase (Decrease)</u>
General	\$ 5,534,821	6,318,056	783,235

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

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, 2012

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, 2012, NSEBC had a total equity of \$1,070,868. The Village's total payments for the year ended December 31, 2012 were \$1,178,525.

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:

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, 2012, there were seven employees in this category and the Village's expense totaled \$7,378.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS – Continued

Post-Employment Health Care Benefits – Continued

Retirees are responsible for the full premium cost with the exception of the City funding 90% of single portion coverage for qualifying, eligible sworn police personnel that retire in accordance with a collective bargaining agreement provision in effect until April 30, 2016. There were 14 retirees and retiree spouses in this category for the year. For the fiscal year ending December 31, 2012, retirees contributed \$248,002. Active employees do not contribute to the plan until retirement.

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, 2012 thirty retirees are receiving benefits under these Plans (three under the Police Union Plan, four under the Fire Union Plan, and twenty-one under the Non-represented Plan).

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is not issued for the Police Pension Plan and Firefighters' Pension Plan. IMRF also issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The 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, 2012

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 and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 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. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 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 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan 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 contribution rate for calendar year 2012 was 10.62 percent of the annual covered payroll. The employer annual required contribution rate for calendar year 2012 was 12.01 percent.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

At December 31, 2012 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	43
Inactive Members	1
Current Employees	
Vested	33
Nonvested	<u>11</u>
	<u>88</u>

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The 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. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, 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. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

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 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

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, 2012 the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	49
Inactive Members	3
Current Employees	
Vested	30
Nonvested	<u>16</u>
	<u>98</u>

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the monthly salary attached to the rank held 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 salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, 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. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Fund – Continued

Covered employees, if any, 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 2040 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% 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.

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 \$7,114,453, and the Firefighters' Pension Fund has over 5% invested in Vanguard totaling \$7,032,970 and Blackrock Equity Dividend Fund totaling \$3,505,538. Information for IMRF is not available.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

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

The pension liability for each Pension Plan as of December 31, 2012, is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 1,044,670	1,843,516	2,217,611	5,105,797
Interest on Net Pension Obligation	30,804	29,126	26,444	86,374
Adjustment to Annual Required Contribution	(22,018)	(21,266)	(19,308)	(62,592)
Annual Pension Cost	1,053,456	1,851,376	2,224,747	5,129,579
Actual Contribution	923,763	1,843,600	2,217,700	4,985,063
Increase (Decrease) to the NPO	129,693	7,776	7,047	144,516
NPO - Beginning of Year	410,713	398,982	362,244	1,171,939
NPO - End of Year	540,406	406,758	369,291	1,316,455

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The Village’s actuarial assumptions and related information for each plan are as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	12.01%	20.59%	23.09%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2012	12/31/2012	12/31/2012
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	22 Years	22 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	7.25% Compounded Annually	7.25% 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, 2012**

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)	2010	\$ 956,196	1,704,645	2,021,341
	2011	1,022,507	1,760,878	2,160,014
	2012	1,053,456	1,851,376	2,224,747
Actual Contributions	2010	745,408	1,540,900	1,880,700
	2011	827,091	1,752,700	2,152,600
	2012	923,763	1,843,600	2,217,700
Percentage of APC Contributed	2010	100.00%	90.39%	93.04%
	2011	80.89%	99.54%	99.66%
	2012	87.69%	99.58%	99.68%
Net Pension Obligation (Asset)	2010	210,788	390,804	354,830
	2011	410,713	398,982	362,244
	2012	540,406	406,758	369,291

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

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	12/31/12	12/31/12	12/31/12
Percent Funded	80.52%	67.40%	62.44%
Actuarial Accrued Liability for Benefits	\$32,328,336	\$54,342,889	\$59,860,901
Actuarial Value of Assets	\$26,029,927	\$36,626,142	\$37,377,777
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$6,298,409)	(\$17,716,747)	(\$22,483,124)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$8,698,335	\$4,079,924	\$4,208,146
Ratio of UAAL to Covered Payroll	72.41%	434.24%	534.28%

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, 2012

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, 2012, retirees contributed \$254,984. Active employees do not contribute to the plan until retirement.

At December 31, 2012, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	30
Active Employees	<u>196</u>
Total	<u>226</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2012**

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, 2012, was calculated as follows:

Annual Required Contribution	\$ 174,730
Interest on the NOPEBO	140,439
Adjustment to the ARC	<u>10,172</u>
Annual OPEB Cost	325,341
Actual Contribution	<u>190,000</u>
Change in the NOPEBO	135,341
NOPEBO - Beginning of Year	<u>2,808,778</u>
NOPEBO - End of Year	<u><u>2,944,119</u></u>

Trend Information

The Villages' 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
2010	\$ 307,058	\$ 165,000	53.74%	\$ 2,739,738
2011	249,040	180,000	72.28%	2,808,778
2012	325,341	190,000	58.40%	2,944,119

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2012, was as follows:

Actuarial Accrued Liability (AAL)	\$ 2,944,119
Actuarial Value of Plan Assets	940,986
Unfunded Actuarial Accrued Liability (UAAL)	2,003,133
Funded Ratio (actuarial value of plan assets/AAL)	31.96%
Covered Payroll (active plan members)	8,698,335
UAAL as a percentage of covered payroll	23.03%

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.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2012

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Actuarial Methods and Assumptions – Continued

In the December 31, 2012 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, 2012, was 26 years.

SUBSEQUENT EVENT

At the December 19, 2012 Board meeting, the Village Trustees adopted an ordinance authorizing a real estate sale and developer's agreement for the property known as 611 Green Bay Road. The property owned by the Village of Wilmette commonly known as 611 Green Bay Road, Wilmette, IL, is presently subject to a contract for sale to Lexington Homes LLC. The purchase price is \$4 million, and the planned development is a multi-story use residential and commercial structure. The contract for sale between the Village of Wilmette and Lexington Homes LLC is currently in a "due diligence" phase, during which the purchaser is entitled to review title and inspect the site. No closing date is presently set for this sale.

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, 2012**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
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%
2011	24,514,832	31,263,056	78.41%	6,748,224	8,570,892	78.73%
2012	26,029,927	32,328,336	80.52%	6,298,409	8,698,335	72.41%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2011	827,091	1,022,507	80.89%
2012	923,763	1,044,670	88.43%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 December 31, 2012

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)
Dec. 31						
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%
2011	34,263,949	51,377,545	66.69%	17,113,596	4,038,326	423.78%
2012	36,626,142	54,342,889	67.40%	17,716,747	4,079,924	434.24%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2011	1,752,700	1,752,679	100.00%
2012	1,843,600	1,843,516	100.00%

- I. 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.
- II. 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.
- III. At 12/31/11 the Village changes the actuarial assumption for interest rate of return from 7.35% to 7.30%. This change increased the Unfunded Accrued Actuarial Liability by \$349,774.
- III. At 12/31/12 the Village changes the actuarial assumption for interest rate of return from 7.30% to 7.25% and updated the assumptions for mortality, retirement rates, terminations and spousal age. These changes increased the Unfunded Accrued Actuarial Liability by \$664,563.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2012**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
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%
2011	34,989,002	57,149,163	61.22%	22,160,161	4,107,555	539.50%
2012	37,377,777	59,860,901	62.44%	22,483,124	4,208,146	534.28%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2011	2,152,600	2,152,570	100.00%
2012	2,217,700	2,217,611	100.00%

I. 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.

II. At 12/31/10 the Village changed 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.

III. At 12/31/11 the Village changes the actuarial assumption for interest rate of return from 7.35% to 7.30%. This change increased the Unfunded Accrued Actuarial Liability by \$368,504.

III. At 12/31/12 the Village changes the actuarial assumption for interest rate of return from 7.30% to 7.25% and updated the assumptions for mortality, retirement rates, terminations and spousal age. These changes increased the Unfunded Accrued Actuarial Liability by \$292,826.

VILLAGE OF WILMETTE, ILLINOIS

Other Post-Employment Benefit Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2012**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2007	\$ 524,091	\$ 2,261,379	23.18%	\$ 1,737,288	\$ 8,437,260	20.59%
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%
2011	917,384	2,808,778	32.66%	1,891,394	8,570,892	22.07%
2012	940,986	2,944,119	31.96%	2,003,133	8,698,335	23.03%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2007	\$ 123,500	\$ 123,471	100.02%
2008	143,400	143,367	100.02%
2009	148,800	148,712	100.06%
2010	165,000	157,054	105.06%
2011	180,000	166,969	107.80%
2012	190,000	174,730	108.74%

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, 2012**

	Original and Final Budget	Actual
Revenues		
Taxes	\$ 21,559,600	21,665,188
Licenses, Permits and Fees	3,316,300	3,505,584
Intergovernmental	45,000	172,352
Charges for Services	2,957,300	2,989,446
Fines and Forfeitures	409,000	334,441
Investment Earnings	12,337	195,175
Miscellaneous	1,081,800	1,163,937
Total Revenues	29,381,337	30,026,123
Expenditures		
General Government	3,432,035	3,054,387
Public Safety	18,211,990	18,599,081
Streets and Sanitation	6,049,094	5,832,631
Other Public Works	1,975,282	1,909,400
Public Health	233,735	226,412
Community Development	1,332,487	1,274,590
Debt Service		
Principal Retirement	-	20,000
Interest and Fiscal Charges	60,000	11,708
Total Expenditures	31,294,623	30,928,209
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,913,286)	(902,086)
Other Financing Sources		
Debt Issuance	-	250,000
Transfers In	1,100,000	1,100,000
	1,100,000	1,350,000
Net Change in Fund Balance	(813,286)	447,914
Fund Balance - Beginning as Restated		6,318,056
Fund Balance - Ending		6,765,970

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

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.

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, 2012

	Original and Final Budget	Actual
Taxes		
Property Taxes	\$ 11,406,800	11,336,079
Municipal Sales Tax	3,353,000	3,262,102
Municipal Sales Tax - Home Rule	525,800	508,670
State Income Tax	2,168,100	2,380,064
Real Estate Transfer Tax	762,200	937,983
Utility Tax	2,600,000	2,488,225
E-911 Surcharge	260,000	239,060
Wireless 911 Tax	157,000	193,771
Personal Property Replacement Tax	236,700	231,765
Fuel Use Tax	90,000	87,469
Total Taxes	21,559,600	21,665,188
Licenses, Permits and Fees		
Licenses		
Animal	1,500	1,660
Business	236,000	243,455
Vehicle	1,350,000	1,360,993
Taxi	19,100	19,605
Liquor Licenses	55,000	64,055
Permits		
Building	1,120,100	1,156,502
Demolition	26,000	47,765
Electric	44,700	71,135
Plumbing	37,500	45,567
Right-of Way	19,800	17,857
Other	76,900	87,820
Fees		
Plan Review	60,300	70,149
Pavement Degradation Fee	20,800	25,704
Inspections	206,000	248,157
Filing	23,900	23,354
Permit Penalties	18,700	21,806
Total Licenses, Permits, and Fees	3,316,300	3,505,584

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2012

	Original and Final Budget	Actual
Intergovernmental		
Police Grants	\$ 35,000	41,149
Fire Grants	10,000	84,960
Emerald Ash Borer Tree Grant	-	19,990
State Reimb. - 10th Street Engineering	-	26,253
Total Intergovernmental	45,000	172,352
Charges for Services		
Refuse Collection Charges	2,168,200	2,141,060
Refuse Collection Charges - unbilled	-	16,000
Sales of Yard Waste Bags	105,000	90,828
Ambulance Transport Charges	405,400	427,406
Fire Alarms	16,000	11,412
Burglar Alarms	10,000	32,535
Elevator Inspections	16,000	12,534
Sanitarian Services	59,900	58,800
Computer Aided Dispatch Services	500	491
Damage to Village Property	30,000	38,357
Shore Line Place Services	18,600	20,007
Fairfield Court Services	53,700	53,731
French Market Services	2,100	1,875
Engineering & Consulting Reimbursements	-	4,650
Park District Personnel Reimbursements	51,200	56,063
School & Park District Ethernet Reimbursements	5,200	6,564
Other Police Service Charges	300	700
Health Department Charges	13,200	9,683
Other Professional Services Reimbursements	-	6,750
Atrium Unit Closing Fees	2,000	-
Total Charges for Services	2,957,300	2,989,446

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Fines and Forfeitures		
Court Fines	\$ 90,000	71,382
Vehicle License and Parking	315,000	259,078
Animal and Impounding Fees	4,000	3,981
Total Fines and Forfeitures	409,000	334,441
Investment Earnings		
Interest	12,337	13,721
I.R.M.A. Excess Surplus Investment Earnings	-	181,454
Total Investment Earnings	12,337	195,175
Miscellaneous		
Rental Income		
Wilmette Park District	54,413	53,037
Cellular Antennae Leases	316,100	320,830
Depot Nuevo	48,887	48,887
1225 Central	-	38,000
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	30,000	-
Cable TV Franchise Fees	485,000	505,610
Commercial Waste Collection Franchise Fees	83,800	83,424
Interest Payments from Property Tax Collections	2,500	874
Other	21,000	19,550
Contributions for Affordable Housing	20,000	20,000
Police Seizures	-	47,621
Section 125 Plan Liability Write-offs	-	862
Contribution from Wilmette Historical Society	17,700	22,842
Total Miscellaneous	1,081,800	1,163,937
 Total Revenues	 29,381,337	 30,026,123

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2012**

	Original and Final Budget	Actual
General Government		
Legislative		
Memberships	\$ 17,365	16,774
Professional Services	-	14,805
Annual Audit	10,700	8,305
Incidentals	2,000	2,359
Total Legislative	30,065	42,243
General Administration		
Salaries - Regular	394,750	379,589
Salaries - Overtime	300	-
Employee Benefits	144,430	139,150
Memberships	4,235	4,044
Professional Services	4,410	4,953
Community Notification System	5,000	3,981
Lease/Purchase - Copier	8,000	8,369
Pre-employment Exams	2,000	3,885
Maintenance of Office Equipment	100	-
Office Supplies	3,000	3,448
Incidentals	1,500	1,171
Training	4,920	4,342
Personnel Training	500	-
Employee Recognition Program	5,855	6,752
Newsletters	13,000	14,665
Publishing Legal Notices	5,500	1,674
Classified Advertisements	1,000	1,182
Total General Administration	598,500	577,205

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
General Government - Continued		
Information Services		
Salaries - Regular	\$ 236,650	224,816
Employee Benefits	78,950	75,643
Memberships	250	250
Professional Services	8,500	14,957
Contractual Hardware Support	13,280	5,878
Contractual Software Support	102,500	102,389
PC Software Subscription	32,000	32,321
Contractual Internet Expenditures	4,900	3,976
Computer Communications	19,900	22,516
Computer Parts	6,600	9,231
Computer Software	2,000	1,195
Office Supplies	500	485
Automotive	4,500	4,700
Incidentals	200	160
Training	400	532
Office Furniture and Equipment	25,200	30,045
Total Information Services	536,330	529,094
Finance Department		
Salaries - Regular	587,275	587,719
Salaries - Overtime	2,000	33
Employee Benefits	177,950	168,450
Memberships	1,390	1,445
Professional Services	25,000	28,297
Lease/Purchase - Copier	16,000	15,275
Bank Charges	16,000	20,584
Postage - General Office	35,000	25,635
Contractual Services	9,300	8,493
Maintenance of Office Equipment	1,200	2,736
Telephone - Office Service	22,000	23,739
Telephone - Maintenance	7,000	5,514

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
General Government - Continued		
Finance Department - Continued		
Telephone - Cellular Service	\$ 22,000	18,184
Telephone - Long Distance	200	87
Office Supplies	17,500	17,862
Supplies Other than Office	8,500	8,467
Incidentals	-	73
Training	500	475
Publishing Legal Notices	1,400	2,189
Total Finance Department	950,215	935,257
Law Department		
Memberships	1,260	1,259
Code Revision service	4,000	1,529
Special Attorney Fees	50,000	128,930
On-line Legal Research Services	4,750	5,050
Contractual Corporation Counsel Services	190,260	190,260
Supplies - Legal	1,200	426
Incidentals	-	239
Litigation Costs	5,000	2,530
Total Law Department	256,470	330,223
Boards and Commissions		
Incidentals	500	150
Housing Commission	48,000	42,870
Community Relations Commission	2,200	750
Fine Arts Commission	500	339
Historic Preservation Commission	1,600	1,124
Bicycle Commission	2,000	1,800
Youth Commission	20,000	20,000
Total Boards and Commissions	74,800	67,033

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
General Government - Continued		
Historical Museum		
Salaries - Regular	\$ 106,150	107,455
Employee Benefits	19,835	21,710
Total Historical Museum	<u>125,985</u>	<u>129,165</u>
Cable Programming Services		
Salaries - Regular	84,525	77,875
Salaries - Other	1,530	1,678
Employee Benefits	29,980	27,751
Memberships	175	175
Contractual Website Services	3,000	3,953
Maintenance - Office Equipment	2,500	995
Hi-Speed Ethernet Service	15,120	14,162
Supplies - Office	450	523
Supplies - Video	3,190	2,226
Incidentals	400	-
Training	600	-
Office Space Rent	13,200	11,815
Total Cable Programming Services	<u>154,670</u>	<u>141,153</u>
Insurance		
General Liability and Property Insurance		
Fixed Premiums	175,000	237,892
Deductible Payments	30,000	35,734
Total Insurance	<u>205,000</u>	<u>273,626</u>
Contingencies		
Regular	400,000	-
Atrium Condo Resales	100,000	29,388
Total Contingencies	<u>500,000</u>	<u>29,388</u>
Total General Government	<u>3,432,035</u>	<u>3,054,387</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Public Safety		
Fire and Police Commission		
Salaries - Regular	\$ 32,125	32,513
Employee Benefits	13,140	12,756
Professional Services	24,500	29,373
Classified Advertisements	5,000	397
Total Fire and Police Commission	74,765	75,039
Police		
General Operations		
Salaries - Regular	4,233,800	4,123,463
Salaries - Overtime	275,400	310,012
Salaries - Overtime - Grant Funded	21,500	5,348
Employee Benefits	2,685,720	2,655,128
Memberships	825	525
Physical Exams	15,000	6,358
Contractual Animal Observation	15,500	18,377
Maintenance - Equipment	16,775	11,350
Maintenance - Radios	32,950	9,540
Uniforms	46,000	61,541
Range Supplies	6,500	6,121
Supplies Other than Office	9,650	9,877
Community Relations Materials	2,000	969
Automotive	268,600	278,040
Incidentals	7,600	5,524
Training	23,500	26,587
Crime Lab Contributions	38,200	38,117
NIPAS Contribution	4,170	4,940
Major Crimes Task Force	4,100	3,600
NIPSTA Contribution	8,140	8,140
Motor Equipment	-	45,811
Other Equipment	-	21,768
Total General Operations	7,715,930	7,651,136

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
General Services		
Salaries - Regular	\$ 438,200	442,872
Salaries - Overtime	260	1,128
Employee Benefits	122,075	167,104
Memberships	510	585
Professional Services	14,950	8,465
Lease/Purchase - Copier	5,385	6,490
Maintenance - Office Equipment	500	130
Reaccreditation Fees	7,000	4,486
L.E.A.D.S./P.I.M.S. Program	3,600	3,000
Professional Services - Police Grant Work	12,000	12,577
Towing - Contractual	1,800	80
Computer Communications	3,450	3,279
Uniforms	300	-
Office Supplies	8,000	7,545
Supplies Other than Office	2,000	1,438
Incidentals	300	449
Training	1,200	408
Care of Prisoners	1,000	96
Total General Services	<u>622,530</u>	<u>660,132</u>
Public Safety Communications		
Salaries - Regular	647,050	635,011
Salaries - Overtime	61,200	44,948
Employee Benefits	223,480	224,256
Memberships	155	157
Contractual Regional Fire Dispatch	185,780	175,469
Contractual Software Support - C.A.D.	50,975	38,432
Maintenance - Office Equipment	300	305

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
Public Safety Communications - Continued		
Maintenance - E-911 System	\$ 57,850	50,258
Maintenance - NORCOM Network	57,000	57,527
IWIN Program	11,000	8,451
Computer Communications	10,200	8,196
Uniforms	3,000	2,577
Incidentals	200	-
Training	1,500	2,951
Total Public Safety Communications	<u>1,309,690</u>	<u>1,248,538</u>
School Crossing Protection		
Salaries - Regular	211,725	217,047
Employee Benefits	19,935	20,426
Uniforms	500	-
Supplies Other than Office	1,000	-
Total School Crossing Protection	<u>233,160</u>	<u>237,473</u>
Total Police	<u>9,881,310</u>	<u>9,797,279</u>
Emergency Fire and Medical Services		
Salaries - Regular	4,427,575	4,381,166
Salaries - Overtime	260,000	198,880
Salaries - Off-Duty Response	20,400	10,744
Employee Benefits	3,040,095	3,121,239
Memberships	3,385	3,428
Professional Services	2,500	210
Lease/Purchase - Copier	4,410	4,812
Physical Exams	15,410	15,138
Maintenance - Equipment	6,450	4,691
Maintenance - Radios	4,850	4,742
Maintenance - Breathing Equipment	5,500	4,950

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Public Safety - Continued		
Emergency Fire and Medical Services - Continued		
Maintenance - Telemetry Equipment	\$ 1,000	512
Maintenance - Special Rescue Equipment	8,350	7,019
Reaccreditation Fees	1,500	1,200
Computer Communications	17,760	19,500
Uniforms	23,300	23,247
Protective Clothing	27,600	21,455
Supplies - Fire Hose	9,500	9,187
Supplies - Medical	7,950	10,358
Supplies - Emergency Equipment	2,750	2,576
Supplies - Office	3,000	2,557
Supplies - Other than Office	7,950	8,394
Materials - Public Education Programming	4,500	4,029
Automotive	122,200	126,551
Incidentals	750	793
Training	33,650	39,285
NIPSTA Contribution	8,325	8,325
MABAS Contribution	5,500	5,275
Rent - Commonwealth Edison	1,500	1,500
Motor Equipment	-	688,411
Office Furniture & Equipment	-	3,982
Other Equipment	90,000	98,820
Total Emergency Fire and Medical Services	8,167,660	8,832,976
Total Public Safety	18,123,735	18,705,294
NonGAAP Activity		
Less Current Year Encumbrances	-	(194,390)
Plus Prior Year Encumbrances	88,255	88,177
Total Public Safety	18,211,990	18,599,081

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Streets and Sanitation		
Streets Department		
Salaries - Regular	\$ 1,005,475	971,424
Salaries - Overtime	77,200	44,538
Employee Benefits	377,270	352,145
Memberships	1,385	1,245
Professional Services	550	-
Lease/Purchase - Copier	4,660	4,970
Contractual Services	65,900	38,753
Contractual Snow Removal	73,110	32,964
Maintenance - Office Equipment	475	379
J.U.L.I.E. Expenditures	4,700	4,689
Landscaping and Maintenance of Public Right of Way	28,205	25,133
Lease Leaf Packers	106,940	91,564
Leaf Disposal	93,275	86,587
Pager Rental	1,550	1,362
Uniforms	5,800	6,395
Supplies - Miscellaneous Tools and Equipment	1,000	999
Supplies - Office	3,800	2,595
Supplies - Other than Office	1,300	400
Materials - Traffic Signs	15,700	15,732
Materials - Salt	179,570	86,449
Materials - Street Repair and Landscaping	27,000	26,928
Automotive	487,800	505,030
Incidentals	1,000	387
Training	4,745	3,881
NIPSTA Contribution	1,500	1,500
Other Equipment - Motor Equipment	-	175,041
Total Streets Department	2,569,910	2,481,090

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Refuse Collection and Disposal		
Contractual Refuse Collection	\$ 912,185	912,135
Recycling Collection	707,135	707,130
Landfill Tipping Fees	498,750	439,923
Contractual Yard Waste Collection	193,215	199,249
Yard Waste Disposal	35,000	24,141
Yard Waste Supplies	2,550	1,998
Promotional and Educational	600	-
Total Refuse Collection and Disposal	2,349,435	2,284,576
Maintenance of Trees		
Salaries - Regular	240,100	239,303
Salaries - Overtime	7,400	2,494
Employee Benefits	98,965	100,136
Contractual Services	2,000	3,329
Tree Planting Program	20,000	23,695
Contractual Tree Pruning	173,280	146,433
Emerald Ash Borer - Tree Removals	100,000	127,231
Uniforms	1,100	950
Materials	2,000	1,972
Automotive	51,500	53,320
Training	1,100	738
Total Maintenance of Trees	697,445	699,601
Street Lighting		
Salaries - Regular	114,975	107,255
Salaries - Overtime	5,400	3,401
Employee Benefits	53,290	47,560
Contractual Services	4,100	2,960
Maintenance & Disposal of Transformers	700	617

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Street Lighting - Continued		
Uniforms	\$ 1,380	1,158
Supplies	22,675	22,953
Supplies - Light Poles and Parts	25,000	28,568
Commonwealth Edison Leased Lighting	26,400	19,837
Street Light Power - Village System	125,000	78,836
Automotive	31,900	33,040
Training	370	65
Total Street Lighting	411,190	346,250
Total Streets and Sanitation	6,027,980	5,811,517
NonGAAP Activity		
Plus Prior Year Encumbrances	21,114	21,114
Total Streets and Sanitation	6,049,094	5,832,631
Other Public Works		
Village Engineer		
Salaries - Regular	409,200	405,962
Salaries - Overtime	500	-
Employee Benefits	144,635	143,535
Memberships	1,410	1,036
Professional Services	35,500	61,457
Maintenance - Office Equipment	2,500	1,649
Maintenance - Traffic Signals	44,100	48,114
Sidewalk Replacement Program	30,000	27,282
Curb Replacement Program	10,000	8,448
Alley Maintenance Program	375,000	338,158
Pavement Marking Program	20,000	17,206
Brick Street Maintenance	40,000	131,870
Crack Sealing Program	10,000	9,735
Street Resurfacing Program	185,172	71,963

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Other Public Works - Continued		
Village Engineer - Continued		
Supplies - Office	\$ 1,000	1,360
Supplies - Other than Office	3,045	2,972
Automotive	19,500	20,150
Incidentals	1,500	1,471
Training	2,800	1,336
Total Village Engineer	1,335,862	1,293,704
Building and Grounds		
Salaries - Regular	211,200	205,348
Salaries - Overtime	8,900	8,666
Employee Benefits	69,540	68,115
Memberships	400	179
Contractual Services	106,510	86,918
Contractual Custodial Services	63,420	60,899
Heating and Cooling System Repairs	48,000	55,825
Uniforms	1,000	908
Supplies - Building	38,700	54,531
Supplies - Grounds	2,500	3,254
Supplies - Printing	6,000	5,077
Building and Furniture Repairs	40,500	33,789
Heating - Gas	30,000	19,297
Automotive	12,500	12,890
Training	250	-
Total Building and Grounds	639,420	615,696
Total Other Public Works	1,975,282	1,909,400

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Public Health		
Salaries - Regular	\$ 157,725	157,937
Employee Benefits	51,000	54,051
Memberships	590	535
Lab Services - Contractual	1,300	1,824
Maintenance - Office Equipment	200	-
Supplies - Laboratory	13,500	3,654
Supplies - Office	300	216
Automotive	6,100	6,310
Incidentals	700	662
Training	1,000	183
C.P.R. Program	1,320	1,040
	<u>233,735</u>	<u>226,412</u>
Community Development		
Community Development		
Salaries - Regular	738,550	722,882
Salaries - Overtime	500	3,047
Employee Benefits	244,400	231,811
Memberships	2,755	2,955
Professional Services	64,550	117,121
Zoning Ordinance Review	11,000	17,000
Contractual Planning & Inspection Services	100,000	-
Maintenance - Office Equipment	1,000	790
Supplies - Office	2,500	2,454
Supplies - Other than Office	3,570	797
Automotive	42,800	44,320
Incidentals	400	118
Training	1,600	672
Publishing Legal Notices	7,000	1,473
Total Community Development	<u>1,220,625</u>	<u>1,145,440</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Community Development - Continued		
Business Development		
Salaries - Regular	\$ 46,800	46,787
Employee Benefits	14,890	14,274
Memberships	875	800
Business Promotion Activities	55,260	47,959
Incidentals	500	575
Land Held for Resale - Holding Costs	-	25,218
Total Business Development	<u>118,325</u>	<u>135,613</u>
Total Community Development	1,338,950	1,281,053
Plus NonGAAP Activity		
Less Current Year Encumbrances	<u>(6,463)</u>	<u>(6,463)</u>
Total Community Development	<u>1,332,487</u>	<u>1,274,590</u>
Debt Service		
Land Held for Resale Interest Expense	60,000	11,708
Historical Society Installment Contract Principal Retirement	-	20,000
Total Debt Service	<u>60,000</u>	<u>31,708</u>
Total Expenditures	<u>31,294,623</u>	<u>30,928,209</u>

VILLAGE OF WILMETTE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 3,018,600	2,990,776
Expenditures		
Debt Service		
Principal Retirement	1,700,000	1,700,000
Interest and Fiscal Charges	1,327,200	1,327,191
Total Expenditures	3,027,200	3,027,191
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,600)	(36,415)
Other Financing Sources		
Transfers In	-	300,000
Net Change in Fund Balance	<u>(8,600)</u>	263,585
Fund Balance - Beginning		<u>(96,209)</u>
Fund Balance - Ending		<u>167,376</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, 2012**

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
State Reimbursement - Sheridan Road Improvements	\$ -	10,222
Investment Earnings	-	2,554
Total Revenues	<u>-</u>	<u>12,776</u>
Expenditures		
Capital Outlay	<u>232,427</u>	<u>251,364</u>
Net Change in Fund Balances	<u>(232,427)</u>	(238,588)
Fund Balances - Beginning		<u>675,683</u>
Fund Balances - Ending		<u><u>437,095</u></u>

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, 2012**

	Original and Final Budget	Actual
Capital Outlay		
Skokie Valley Bike Trail	\$ 30,000	40,741
Sheridan Road Improvements	-	10,222
Public Works Equipment Replacements	90,000	95,179
Police 911 System Replacement	350,000	342,795
Total Capital Outlay	<u>470,000</u>	<u>488,937</u>
NonGAAP Activity		
Plus Prior Year Encumbrances	26,523	26,523
Less Current Year Encumbrances	<u>(264,096)</u>	<u>(264,096)</u>
Total Expenditures	<u><u>232,427</u></u>	<u><u>251,364</u></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, 2012

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 700,000	780,640
Investment Earnings	5,000	3,443
Total Revenues	<u>705,000</u>	<u>784,083</u>
Expenditures		
Capital Outlay		
Road Resurfacing Improvements	<u>800,000</u>	<u>667,129</u>
Net Change in Fund Balance	<u>(95,000)</u>	116,954
Fund Balance - Beginning		<u>385,231</u>
Fund Balance - Ending		<u><u>502,185</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 3,122,000	3,383,905
Unbilled Water Sales	-	15,000
Village of Glenview	3,323,000	3,675,486
Illinois American Water Company	935,000	841,882
Other Water Sales	-	36,977
Other	100,000	177,586
Total Operating Revenues	<u>7,480,000</u>	<u>8,130,836</u>
Operating Expenses		
Administration		
General	150,040	152,391
Administrative	511,545	499,737
Operations		
Water Plant Operations	2,530,220	2,481,842
Distribution	1,024,565	1,081,606
Meter and Reservoir Maintenance	278,470	432,445
Depreciation	-	1,106,619
Total Operating Expenses	<u>4,494,840</u>	<u>5,754,640</u>
Operating Income	<u>2,985,160</u>	<u>2,376,196</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	20,000	21,313
Interest Expense	(664,000)	(662,906)
	<u>(644,000)</u>	<u>(641,593)</u>
Income Before Capital Contributions and Transfers	<u>2,341,160</u>	<u>1,734,603</u>
Capital Grants	-	150,000
Capital Contributions	-	42,168
Transfers Out	(1,100,000)	(1,400,000)
	<u>(1,100,000)</u>	<u>(1,207,832)</u>
Change in Net Position	<u>1,241,160</u>	526,771
Net Position - Beginning		<u>15,498,926</u>
Net Position - Ending		<u>16,025,697</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 64,050	66,699
Salaries - Overtime	500	-
Employee Benefits	25,440	25,469
Annual Audit	14,000	14,000
Bank Charges	17,000	18,591
Postage	22,350	21,312
Supplies - Office - Administrative	4,000	4,305
Supplies - Office - Water Plant	2,100	1,856
Incidentals	100	-
Training	500	159
Total General	150,040	152,391
Administrative		
Salaries - Regular	278,775	277,734
Employee Benefits	95,820	87,462
Memberships	2,350	1,913
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	16,000	18,226
Telephone - Maintenance	2,200	1,490
Telephone - Cellular	7,000	6,061
Supplies - Building	8,000	7,491
Building Furniture and Repairs	6,400	6,746
Training	3,100	2,414
General Liability and Property Insurance	90,200	90,200
Total Administrative	511,545	499,737

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,110,325	1,105,458
Salaries - Accrued Vacation	-	7,900
Salaries - Overtime	30,925	23,828
Employee Benefits	440,320	432,418
Professional Services - SCADA System Maintenance	2,000	-
Contractual Services	20,550	13,096
Maintenance of Equipment	34,300	41,174
Video Communications	-	385
Uniforms	4,400	4,049
Supplies	29,000	30,228
Supplies - Computer Parts	1,000	-
Supplies - Laboratory	11,000	11,516
Equipment Repairs	32,000	30,428
Power	465,000	356,466
Heating Gas	55,000	22,860
Chemicals	172,000	174,036
Automotive	21,400	22,160
Incidentals	1,000	877
Water Reclamation District User Charges	80,000	133,273
Park District Lab Testing Supplies	-	53,320
Building Repairs	20,000	17,782
Building Improvements	150,000	183,100
Pumping Improvements	40,000	1,644
	2,720,220	2,665,998
Less Nonoperating Items		
Capital Outlay	(190,000)	(184,156)
Total Water Plant Operations	2,530,220	2,481,842

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operations - Continued		
Distribution		
Salaries - Regular	\$ 428,700	425,478
Salaries - Accrued Vacation	-	3,050
Salaries - Overtime	31,700	26,013
Employee Benefits	181,515	186,352
Professional Services - System Leak Detection	13,000	11,445
Contractual Services	131,845	212,058
Maintenance - Distribution System	11,000	16,436
Uniforms	4,630	2,943
Supplies - Miscellaneous Tools and Equipment	2,500	1,368
Materials	63,600	60,540
Automotive	103,800	107,450
Incidentals	200	128
Training	3,575	2,288
Fire Hydrant Painting	6,500	6,075
Replacement Fire Hydrants	20,000	19,982
Motor Equipment	96,300	68,418
Other Equipment	22,000	18,430
Distribution Improvements	71,000	42,168
	1,191,865	1,210,622
Less Nonoperating Items		
Capital Outlay	(167,300)	(129,016)
Total Distribution	1,024,565	1,081,606
Meter and Reservoir Maintenance		
Salaries - Regular	113,075	115,240
Salaries - Overtime	600	-
Employee Benefits	48,995	49,289
Contractual Services	6,000	65,140
Maintenance - Reservoir/Pumping Station	3,500	10,406
Uniforms	700	690

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Supplies	\$ 2,300	1,082
Supplies - Reservoir	3,000	2,676
Water Meters - Cost of Sales	20,000	25,253
Water Meters - Repair Parts	5,500	2,162
Water Meter Replacement Program	1,500	1,924
Automatic Meter Reading Program	52,000	136,823
Automotive	21,000	21,760
Training	300	-
Total Meter and Reservoir Maintenance	278,470	432,445
Capital Outlay		
SCADA Software Upgrade	550,000	430,198
Filter Valve Improvements	385,000	25,323
	935,000	455,521
Less Nonoperating Items		
Capital Outlay	(935,000)	(455,521)
Total Capital Outlay	-	-
Debt Service		
Principal Retirement	765,000	765,000
Interest Expense	663,000	661,656
Bond Registrar Fees	1,000	1,250
	1,429,000	1,427,906
Less Nonoperating Items		
Debt Service	(1,429,000)	(1,427,906)
Total Debt Service	-	-
Depreciation	-	1,106,619
Total Operating Expenses	4,494,840	5,754,640

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Sewer Charges	\$ 4,313,000	4,626,206
Sewer Charges - Unbilled	-	21,000
Total Operating Revenues	<u>4,313,000</u>	<u>4,647,206</u>
Operating Expenses		
Operations		
Maintenance of Sewers	1,944,755	1,157,435
Storm Water Pumping Station	141,345	63,670
Capital Outlay	150,000	148,983
Depreciation	-	894,285
Total Operating Expenses	<u>2,236,100</u>	<u>2,264,373</u>
Operating Income	<u>2,076,900</u>	<u>2,382,833</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	-	2,979
Interest Expense	(545,200)	(534,059)
	<u>(545,200)</u>	<u>(531,080)</u>
Change in Net Position	<u>1,531,700</u>	1,851,753
Net Position - Beginning		<u>25,503,818</u>
Net Position - Ending		<u><u>27,355,571</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operations		
Maintenance of Sewers		
Salaries - Regular	\$ 469,225	461,237
Salaries - Accrued Vacation	-	3,050
Salaries - Overtime	8,950	4,072
Employee Benefits	190,950	194,267
Contractual Services	126,200	108,950
Contractual Sewer Improvements	210,000	168,525
Flow Monitoring	25,000	-
N.P.D.E.S. Phase II	6,000	6,002
Uniforms	4,630	3,077
Supplies - Miscellaneous Tools and Equipment	2,500	2,546
Materials	32,775	27,603
Automotive	103,800	107,450
Incidentals	200	5
Training	1,825	1,144
Motor Equipment	96,300	42,168
Relief Sewer Improvements	666,400	27,339
Total Maintenance of Sewers	1,944,755	1,157,435
Storm Water Pumping Station		
Salaries - Overtime	8,950	2,815
Employee Benefits	1,795	516
Contractual Services	2,500	-
Contractual Cleaning of Storm Water Pump Station Sump	25,000	24,524
Maintenance - Equipment	2,400	1,296
Supplies	1,200	1,237
Supplies - Outfall Control	500	-
Power	30,000	24,942

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operations - Continued		
Storm Water Pumping Station - Continued		
Heating Gas	\$ 4,000	2,440
Building Improvements	45,000	5,900
Other Improvements	20,000	24,325
	<u>141,345</u>	<u>87,995</u>
Less Nonoperating Items		
Capital Outlay	(20,000)	(24,325)
Total Storm Water Pumping Station	<u>121,345</u>	<u>63,670</u>
Capital Outlay		
Separate System Modeling	150,000	137,385
Sewer Lining and Rehabilitation	900,000	754,938
Sewer Main Repairs	450,000	352,368
Relief Sewer Improvements	300,000	5,341
	<u>1,800,000</u>	<u>1,250,032</u>
Less Nonoperating Items		
Capital Outlay	(1,650,000)	(1,101,049)
Total Capital Outlay	<u>150,000</u>	<u>148,983</u>
Debt Service		
EPA Loan Proceeds	(900,000)	(742,022)
Principal Retirement	916,200	888,017
Interest Expense	545,200	534,059
	<u>561,400</u>	<u>680,054</u>
Less Nonoperating Items		
Debt Service	(561,400)	(680,054)
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>894,285</u>
Total Operating Expenses	<u>2,236,100</u>	<u>2,264,373</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking fees	\$ 401,795	393,697
Operating Expenses		
Operations		
Central Business District	216,755	200,012
CTA Station	146,075	118,342
Burmeister Parking Facility	15,815	10,310
Depreciation	-	123,056
Total Operating Expenses	378,645	451,720
Change in Net Position	<u>23,150</u>	(58,023)
Net Position - Beginning		<u>4,794,393</u>
Net Position - Ending		<u>4,736,370</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Revenues - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 42,700	44,037
Debit Card Revenue	139,000	143,523
Permit Fees	29,930	31,625
METRA Station Rent	2,765	2,765
Total Central Business District	<u>214,395</u>	<u>221,950</u>
CTA Station		
Commuter Daily Drop Box	139,000	126,598
Commuter Permit Fees	17,800	17,680
Merchant Permit Fees	3,400	3,834
Residential Permit Fees	2,200	960
Total CTA Station	<u>162,400</u>	<u>149,072</u>
Burmeister Parking Facility		
Permit Fees	<u>25,000</u>	<u>22,675</u>
Total Operating Revenues	<u>401,795</u>	<u>393,697</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 72,075	69,843
Salaries - Overtime	2,000	807
Employee Benefits	25,215	24,726
Contractual Services - Railroad Property	19,425	20,594
Contractual Snow Plowing	17,545	7,467
Building Supplies - Railroad Property	315	374
Grounds Supplies - Village Property	4,370	2,279
Grounds Supplies - Railroad Property	2,000	1,997
Building Repairs - Railroad Property	-	2,887
Power - METRA Station	3,700	4,202
Heating Gas - Railroad Property	2,200	881
Lighting	8,000	4,105
Parking Meter Parts - Village Property	400	-
Parking Meter Parts - Railroad Property	6,885	5,386
Rent - Commuter Lot	47,300	48,403
Rent - Poplar Drive Lots	2,250	2,696
Rent - St. Augustine Lot	2,400	2,325
Rent - Masonic Temple Lot	675	1,040
Total Central Business District	216,755	200,012
CTA Station		
Salaries - Regular	39,100	36,860
Salaries - Overtime	3,400	138
Employee Benefits	14,415	14,878
Bank Charges	2,400	2,799
Contractual Services	2,010	2,006
Contractual Grounds Maintenance	4,000	1,311

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operations - Continued		
CTA Station - Continued		
Contractual Snow Plowing	\$ 9,950	4,141
Equipment Repairs	-	343
Materials	2,800	2,474
Rent - CTA	68,000	53,392
Total CTA Station	<u>146,075</u>	<u>118,342</u>
Burmeister Parking Facility		
Contractual Services	4,315	4,501
Materials	250	12
Lighting	11,250	5,797
Total Burmeister Parking Facility	<u>15,815</u>	<u>10,310</u>
Depreciation	<u>-</u>	<u>123,056</u>
Total Operating Expenses	<u>378,645</u>	<u>451,720</u>

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Position

Internal Service Funds

December 31, 2012

	<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	-
Total Current Liabilities	<u>-</u>
Noncurrent Liabilities	
Net Other Postemployment Benefits Payable	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Unrestricted	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
4,392	-	18,936	953,591	976,919
-	12,657	-	-	12,657
4,392	12,657	18,936	953,591	989,576
4,392	834	18,936	-	24,162
-	-	-	12,605	12,605
-	11,823	-	-	11,823
4,392	12,657	18,936	12,605	48,590
-	-	-	2,944,119	2,944,119
4,392	12,657	18,936	2,956,724	2,992,709
-	-	-	(2,003,133)	(2,003,133)

VILLAGE OF WILMETTE, ILLINOIS

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

Internal Service Funds
Year Ended December 31, 2012

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	<u>\$ 1,352,477</u>
Operating Expenses	
Administration	-
Operations	<u>1,352,477</u>
Total Operating Expenses	<u>1,352,477</u>
Operating Income (Loss)	-
Nonoperating Revenues	
Investment Earnings	<u>-</u>
Change in Net Position	-
Net Position - Beginning	<u>-</u>
Net Position - Ending	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,586,106	321,117	1,718,137	190,000	6,167,837
-	-	-	170,078	170,078
2,586,106	321,117	1,718,137	135,341	6,113,178
2,586,106	321,117	1,718,137	305,419	6,283,256
-	-	-	(115,419)	(115,419)
-	-	-	3,680	3,680
-	-	-	(111,739)	(111,739)
-	-	-	(1,891,394)	(1,891,394)
-	-	-	(2,003,133)	(2,003,133)

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2012

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,352,477
Payments to Employees	(552,438)
Payments to Suppliers	(800,039)
	<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
2,586,106	321,153	1,718,137	190,000	6,167,873
(141,060)	-	-	-	(693,498)
(2,450,154)	(323,941)	(1,700,420)	(166,770)	(5,441,324)
(5,108)	(2,788)	17,717	23,230	33,051
-	2,788	-	-	2,788
-	-	-	3,680	3,680
(5,108)	-	17,717	26,910	39,519
9,500	-	1,219	926,681	937,400
4,392	-	18,936	953,591	976,919
-	-	-	(115,419)	(115,419)
-	36	-	-	36
(5,108)	(2,824)	17,717	138,649	148,434
(5,108)	(2,788)	17,717	23,230	33,051

VILLAGE OF WILMETTE, ILLINOIS

Municipal Garage - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,047,400	1,084,351
Sewer Fund Billings	103,800	107,450
Water Fund Billings	146,200	151,370
Insurance Reimbursements	16,135	9,306
Total Operating Revenues	1,313,535	1,352,477
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	555,325	546,830
Overtime Salaries	2,400	5,608
Employee Benefits	181,620	191,249
Contractual Services	40,000	38,451
Contractual Maintenance - Emergency Vehicles	30,000	86,354
Maintenance - Radios	400	-
Contractual Services - Vehicle Washing	1,340	543
Automobile Insurance and Claims	59,000	59,000
Uniforms	3,500	3,233
Supplies - Automotive Parts	139,000	133,259
Supplies - Auto Shop	14,500	13,548
Supplies - Vehicle Striping and Safety	1,200	1,182
Gasoline and Oil	271,000	255,719
Mechanics' Tool Allowance	2,570	2,495
Incidentals	75	116
Training	6,150	1,430
Licenses, Titles and Inspection Fees	4,205	3,375
Other Equipment	-	9,000
Squad Car Transfer Rehabilitation	1,250	1,085
Total Operating Expenses	1,313,535	1,352,477
Change in Net Position	-	-
Net Position - Beginning		-
Net Position - Ending		-

VILLAGE OF WILMETTE, ILLINOIS

Employee Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,048,110	2,036,340
Municipal Garage Fund Billings	74,480	76,409
Parking Meter Fund Billings	15,910	18,211
Sewer Fund Billings	89,380	96,286
Water Fund Billings	346,820	358,860
Total Operating Revenues	<u>2,574,700</u>	<u>2,586,106</u>
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	142,200	141,060
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,312,500	1,178,525
HMO - Illinois	1,050,000	1,193,268
Employee Life Insurance	40,000	37,208
Unemployment Compensation	30,000	22,811
Other Insurance Expense	-	13,234
Total Operating Expenses	<u>2,574,700</u>	<u>2,586,106</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Workers' Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 263,310	244,129
Municipal Garage Fund Billings	9,860	9,040
Parking Meter Fund Billings	2,590	1,900
Sewer Fund Billings	8,290	7,900
Water Fund Billings	36,650	33,350
Insurance Reimbursements	-	24,798
Total Operating Revenues	<u>320,700</u>	<u>321,117</u>
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	278,800	278,800
Payment of Deductibles	41,900	42,317
Total Operating Expenses	<u>320,700</u>	<u>321,117</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,176,000	1,144,099
Municipal Garage Fund Billings	91,590	100,590
Parking Meter Fund Billings	20,310	19,492
Sewer Fund Billings	87,360	85,387
Water Fund Billings	375,060	368,569
Total Operating Revenues	<u>1,750,320</u>	<u>1,718,137</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	938,570	934,951
Employer FICA Contributions	562,470	541,374
Employer Medicare Contributions	249,280	241,812
Total Operating Expenses	<u>1,750,320</u>	<u>1,718,137</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Section 105 Sick Leave - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 159,300	159,370
Municipal Garage Fund Billings	4,400	5,210
Sewer Fund Billings	5,200	5,210
Water Fund Billings	21,100	20,210
Total Operating Revenues	<u>190,000</u>	<u>190,000</u>
Operating Expenses		
Administration	120,000	170,078
Operations		
Sick Leave Accrual	-	135,341
Total Operating Expenses	<u>120,000</u>	<u>305,419</u>
Operating Income (Loss)	70,000	(115,419)
Nonoperating Revenues		
Investment Earnings	<u>7,000</u>	<u>3,680</u>
Change in Net Position	<u>77,000</u>	(111,739)
Net Position - Beginning		<u>(1,891,394)</u>
Net Position - Ending		<u>(2,003,133)</u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
December 31, 2012**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,248,054	1,181,756	2,429,810
Investments			
U.S. Government and Agency Securities	9,368,898	10,258,269	19,627,167
Mutual Funds	16,755,115	16,757,206	33,512,321
Corporate Bonds	5,472,913	5,474,164	10,947,077
Common Stock	2,381,145	2,421,569	4,802,714
Receivables			
Accrued Interest	118,611	127,975	246,586
Total Assets	35,344,736	36,220,939	71,565,675
LIABILITIES			
Accounts Payable	8,003	3,440	11,443
NET POSITION			
Held in Trust for Pension Benefits	35,336,733	36,217,499	71,554,232

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2012**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,843,600	2,217,700	4,061,300
Contributions - Plan Members	404,142	399,170	803,312
Total Contributions	2,247,742	2,616,870	4,864,612
Other Income	-	20	20
Investment Income			
Investment Earnings	1,383,216	1,343,132	2,726,348
Net Change in Fair Value	1,902,719	1,948,932	3,851,651
	3,285,935	3,292,064	6,577,999
Less Investment Expenses	(72,502)	(73,123)	(145,625)
Net Investment Income	3,213,433	3,218,941	6,432,374
Total Additions	5,461,175	5,835,831	11,297,006
Deductions			
Administration	21,519	43,220	64,739
Benefits and Refunds	2,292,550	2,620,130	4,912,680
Total Deductions	2,314,069	2,663,350	4,977,419
Change in Net Position	3,147,106	3,172,481	6,319,587
Net Position Held in Trust for Pension Benefits			
Beginning	32,189,627	33,045,018	65,234,645
Ending	35,336,733	36,217,499	71,554,232

VILLAGE OF WILMETTE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
Year Ended December 31, 2012**

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,824,000	1,843,600
Contributions - Plan Members	393,000	404,142
Total Contributions	<u>2,217,000</u>	<u>2,247,742</u>
Investment Income		
Investment Earnings	2,000,000	1,383,216
Net Change in Fair Value	-	1,902,719
	<u>2,000,000</u>	<u>3,285,935</u>
Less Investment Expenses	(50,000)	(72,502)
Net Investment Income	<u>1,950,000</u>	<u>3,213,433</u>
Total Additions	<u>4,167,000</u>	<u>5,461,175</u>
Deductions		
Administration	14,600	21,519
Benefits and Refunds	2,400,000	2,292,550
Total Deductions	<u>2,414,600</u>	<u>2,314,069</u>
Change in Net Position	<u>1,752,400</u>	3,147,106
Net Position Held in Trust for Pension Benefits		
Beginning		<u>32,189,627</u>
Ending		<u>35,336,733</u>

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
Year Ended December 31, 2012

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 21,547,000	2,217,700
Contributions - Plan Members	401,000	399,170
Total Contributions	<u>21,948,000</u>	<u>2,616,870</u>
Other Income	<u>-</u>	<u>20</u>
Investment Income		
Investment Earnings	2,100,000	1,343,132
Net Change in Fair Value	-	1,948,932
	<u>2,100,000</u>	<u>3,292,064</u>
Less Investment Expenses	(45,000)	(73,123)
Net Investment Income	<u>2,055,000</u>	<u>3,218,941</u>
Total Additions	<u>24,003,000</u>	<u>5,835,831</u>
Deductions		
Administration	10,600	43,220
Benefits and Refunds	<u>2,700,000</u>	<u>2,620,130</u>
Total Deductions	<u>2,710,600</u>	<u>2,663,350</u>
Change in Net Position	<u>21,292,400</u>	3,172,481
Net Position Held in Trust for Pension Benefits		
Beginning		<u>33,045,018</u>
Ending		<u>36,217,499</u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2012**

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u> <u>Balances</u>
ASSETS				
Cash and Investments	<u>\$ 610,320</u>	<u>59,872</u>	<u>40,480</u>	<u>629,712</u>
LIABILITIES				
Deposits Payable	<u>610,320</u>	<u>59,872</u>	<u>40,480</u>	<u>629,712</u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2004
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
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>8,275,000</u>	<u>1,148,350</u>	<u>9,423,350</u>
	2,340,000	General Long-Term Debt	
	2,600,000	Sewer Fund	
	<u>3,335,000</u>	Water Fund	
	<u>8,275,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2007
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
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>16,900,000</u>	<u>3,549,870</u>	<u>20,449,870</u>
	9,395,000	General Long-Term Debt	
	2,290,000	Sewer Fund	
	<u>5,215,000</u>	Water Fund	
	<u>16,900,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2009
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
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>7,160,000</u>	<u>1,372,252</u>	<u>8,532,252</u>
	1,235,000	General Long-Term Debt	
	1,225,000	Sewer Fund	
	<u>4,700,000</u>	Water Fund	
	<u>7,160,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2010
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
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>8,622,786</u>	<u>34,517,786</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

**General Obligation Refunding Bonds of 2011
December 31, 2012**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2013	\$ 750,000	335,515	1,085,515
2014	755,000	320,512	1,075,512
2015	770,000	305,412	1,075,412
2016	945,000	290,012	1,235,012
2017	765,000	271,112	1,036,112
2018	775,000	255,813	1,030,813
2019	955,000	238,375	1,193,375
2020	1,375,000	214,500	1,589,500
2021	2,210,000	173,250	2,383,250
2022	2,305,000	106,950	2,411,950
2023	1,260,000	37,800	1,297,800
	<u>12,865,000</u>	<u>2,549,251</u>	<u>15,414,251</u>
	8,435,000	Sewer Fund	
	<u>4,430,000</u>	Water Fund	
	<u>12,865,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2006
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December			
	Principal	Interest	Totals
2013	\$ 19,789	8,057	27,846
2014	20,288	7,560	27,848
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	27,334	514	27,848
	<u>327,238</u>	<u>62,622</u>	<u>389,860</u>
	<u>327,238</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2007
December 31, 2012**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2013	\$ 28,773	5,812	34,585
2014	29,498	5,480	34,978
2015	30,240	5,140	35,380
2016	31,001	4,792	35,793
2017	31,781	4,434	36,215
2018	32,581	4,068	36,649
2019	33,400	3,693	37,093
2020	34,240	3,307	37,547
2021	35,102	2,912	38,014
2022	35,985	2,508	38,493
2023	36,889	2,093	38,982
2024	37,818	1,668	39,486
2025	38,770	1,232	40,002
2026	39,745	785	40,530
2027	39,911	328	40,239
	<u>515,734</u>	<u>48,252</u>	<u>563,986</u>
	<u>515,734</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2010
December 31, 2012**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
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
2030	4,410	-	4,410
	<u>154,384</u>	<u>-</u>	<u>154,384</u>
	<u>154,384</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2011
December 31, 2012**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2013	\$ 33,952	8,936	42,888
2014	34,377	8,511	42,888
2015	34,808	8,080	42,888
2016	35,244	7,644	42,888
2017	35,687	7,201	42,888
2018	36,134	6,754	42,888
2019	36,588	6,300	42,888
2020	37,046	5,841	42,887
2021	37,511	5,377	42,888
2022	37,981	4,907	42,888
2023	38,457	4,431	42,888
2024	38,939	3,949	42,888
2025	39,427	3,461	42,888
2026	39,922	2,966	42,888
2027	40,422	2,466	42,888
2028	40,929	1,959	42,888
2029	41,443	1,445	42,888
2030	41,962	926	42,888
2031	42,488	400	42,888
	<u>723,317</u>	<u>91,554</u>	<u>814,871</u>
	<u>723,317</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2012
December 31, 2012**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2013	\$ 15,193	8,515	23,708
2014	30,910	16,504	47,414
2015	31,624	15,791	47,415
2016	32,353	15,061	47,414
2017	33,100	14,314	47,414
2018	33,864	13,550	47,414
2019	34,646	12,768	47,414
2020	35,446	11,969	47,415
2021	36,263	11,151	47,414
2022	37,101	10,314	47,415
2023	37,957	9,457	47,414
2024	38,833	8,581	47,414
2025	39,729	7,685	47,414
2026	40,646	6,768	47,414
2027	41,585	5,829	47,414
2028	42,545	4,870	47,415
2029	43,526	3,888	47,414
2030	44,532	2,884	47,416
2031	45,559	1,856	47,415
2032	46,610	804	47,414
	<u>742,022</u>	<u>182,559</u>	<u>924,581</u>
	<u>742,022</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

Installment Contract of 2012

December 31, 2012

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2013	\$ 12,500	-	12,500
2014	12,500	-	12,500
2015	12,500	-	12,500
2016	12,500	-	12,500
2017	12,500	-	12,500
2018	12,500	-	12,500
2019	12,500	-	12,500
2020	12,500	-	12,500
2021	12,500	-	12,500
2022	12,500	-	12,500
2023	12,500	-	12,500
2024	12,500	-	12,500
2025	12,500	-	12,500
2026	12,500	-	12,500
2027	12,500	-	12,500
2028	12,500	-	12,500
2029	12,500	-	12,500
2030	12,500	-	12,500
2031	12,500	-	12,500
2032	12,500	-	12,500
	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>250,000</u>	General Fund	

STATISTICAL SECTION

(Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF WILMETTE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
December 31, 2012 (Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Net Investment in Capital Assets	\$ 6,845,616	7,343,577	8,166,032	8,929,074	10,499,597	11,418,376	14,080,279	13,744,098	14,596,442	14,842,391
Restricted	1,107,740	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806
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	1,790,398	2,197,088
Total Governmental Activities Net Position	10,839,665	11,118,861	13,665,423	14,692,105	16,796,055	16,463,760	16,166,712	16,269,494	16,772,071	17,589,285
Business-Type Activities										
Net Investment in Capital Assets	33,343,412	35,127,266	35,475,772	36,849,485	37,956,144	39,036,902	40,104,715	41,149,679	42,287,795	41,954,891
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	3,509,342	6,162,747
Total Business-Type Activities Net Position	35,652,424	36,644,313	38,816,269	39,454,905	40,840,302	41,299,078	42,139,223	43,988,421	45,797,137	48,117,638
Total Net Position										
Net Investment in Capital Assets	40,189,028	42,470,843	43,641,804	45,778,559	48,455,741	50,455,278	54,184,994	54,893,777	56,884,237	56,797,282
Restricted	1,107,740	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806
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	5,299,740	8,359,835
Total Primary Government Net Position	46,492,089	47,763,174	52,481,692	54,147,010	57,636,357	57,762,838	58,305,935	60,257,915	62,569,208	65,706,923

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2012 (Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	3,041,952	3,266,556
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	17,968,456	18,405,275
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	8,522,586	8,353,031
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	1,307,135	1,388,357
Community Development	145,857	964,234	1,116,566	1,137,139	177,124	170,743	187,546	205,587	225,314	228,675
Public Health	869,963	154,543	160,447	193,970	1,253,997	1,271,890	1,123,256	1,267,254	1,209,544	1,293,984
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	1,540,242	1,464,346
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	33,815,229	34,400,224
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	6,241,730	6,417,546
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	2,779,748	2,798,432
Parking	410,039	417,245	432,340	421,842	442,821	462,824	458,677	459,394	453,310	451,720
Total Business-Type Activities Net Position	8,093,860	7,817,704	8,503,366	8,636,735	9,210,556	9,204,170	9,353,649	8,871,130	9,474,788	9,667,698
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	43,290,017	44,067,922
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	374,785	394,563
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	2,181,609	2,245,305
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	2,244,027	2,286,245
Other Public Works	27,435	25,547	38,000	63,356	121,267	109,484	57,344	65,104	79,657	97,662
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	64,193	68,483
Public Health	11,311	11,589	12,558	39,010	32,582	31,266	35,518	1,306,315	1,309,940	1,737,213
Operating Grants/Contributions	850,178	881,558	1,330,251	999,520	2,935,791	1,955,443	1,532,053	997,955	1,942,760	963,214
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	8,196,971	7,792,685
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	7,447,541	8,130,836
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	4,167,069	4,647,206
Parking	260,831	256,235	312,782	305,994	308,102	320,670	412,436	404,036	397,304	393,697
Operating Grants/Contributions	-	-	-	-	155,024	13,145	119,527	-	293,550	192,168
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	12,305,464	13,363,907
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	20,502,435	21,156,592

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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)	(25,618,258)	(26,607,539)
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	2,830,676	3,696,209
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)	(22,787,582)	(22,911,330)
General Revenues and Other Changes in Net Position										
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	13,885,934	14,326,855
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	3,747,697	3,770,772
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	2,579,823	2,488,225
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	2,146,830	2,380,064
Real Estate Transfer	1,345,450	1,447,829	1,512,987	1,326,561	1,366,260	880,317	634,160	910,128	717,780	937,983
Other	621,325	599,239	652,464	666,020	805,021	859,204	764,396	770,524	724,099	752,065
Investment Income	368,368	220,809	398,842	686,719	565,408	94,736	50,289	161,716	190,532	204,852
Miscellaneous	520,692	483,499	795,150	617,410	1,384,310	1,049,103	878,187	1,114,283	1,078,140	1,163,937
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	1,050,000	1,400,000
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	26,120,835	27,424,753
Business-Type Activities										
Investment Income	131,292	158,554	408,845	549,745	402,847	143,858	24,452	21,846	28,040	24,292
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)	(1,050,000)	(1,400,000)
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)	(1,021,960)	(1,375,708)
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	25,098,875	26,049,045
Changes in Net Position										
Governmental Activities	(849,114)	279,196	1,602,151	1,026,682	2,103,950	(332,295)	(297,048)	102,782	502,577	817,214
Business-Type Activities	1,905,814	991,889	2,171,956	638,636	1,385,397	458,776	840,145	1,849,198	1,808,716	2,320,501
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	2,311,293	3,137,715

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

	2003	2004	2005
General Fund			
Reserved	\$ 500,461	771,163	563,159
Unreserved	4,687,146	4,727,523	5,756,062
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total General Fund	5,187,607	5,498,686	6,319,221
All Other Governmental Funds			
Reserved	5,257	-	-
Unreserved, Reported in:			
Special Revenues Funds	1,056,168	1,107,427	680,990
Debt Service Funds	48,994	49,334	34,553
Capital Projects Funds	13,221,678	8,977,970	4,521,700
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	14,332,097	10,134,731	5,237,243

Data Source: Village Records

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

2006	2007	2008	2009	2010	2011	2012
617,896	564,620	281,354	257,117	97,544	-	-
6,391,407	7,121,664	6,350,014	4,810,519	5,258,531	-	-
-	-	-	-	-	75,589	961,697
-	-	-	-	-	-	128,968
-	-	-	-	-	247,056	503,336
-	-	-	-	-	5,212,176	5,171,969
7,009,303	7,686,284	6,631,368	5,067,636	5,356,075	5,534,821	6,765,970
-	200,000	1,261,330	-	340,915	-	-
431,201	450,725	389,728	331,412	407,836	-	-
28,366	(7,665)	(61,780)	(96,363)	-	-	-
1,816,076	8,444,739	3,787,249	1,383,335	2,492,901	-	-
-	-	-	-	-	385,231	669,561
-	-	-	-	-	675,683	437,095
-	-	-	-	-	(96,209)	-
2,275,643	9,087,799	5,376,527	1,618,384	3,241,652	964,705	1,106,656

VILLAGE OF WILMETTE, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years December 31, 2012 (Unaudited)

Source	2003	2004	2005	2006
Taxes	\$ 19,547,732	20,076,053	21,272,393	21,860,799
Licenses, Permits and Fees	2,094,575	2,172,187	2,824,120	2,678,714
Intergovernmental	2,171,534	200,560	1,177,017	999,520
Charges for Services	1,605,341	1,640,957	1,946,356	2,168,121
Fines and Forfeitures	350,291	363,871	340,006	312,035
Investment Earnings	368,368	220,809	390,758	538,001
Miscellaneous	554,442	513,999	684,793	617,410
Total	26,692,283	25,188,436	28,635,443	29,174,600

Note: 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

2007	2008	2009	2010	2011	2012
23,125,922	23,199,988	22,817,131	23,624,837	23,802,163	24,655,964
3,382,726	3,034,314	2,661,327	3,005,663	3,043,066	3,505,584
2,935,791	1,955,443	1,532,053	997,955	1,942,760	963,214
2,278,003	2,413,363	2,557,660	2,823,915	2,855,787	2,989,446
274,026	391,347	301,546	391,372	355,358	334,441
497,251	273,773	33,656	25,329	24,006	201,172
1,384,310	1,049,103	878,187	1,114,283	1,078,140	1,163,937
33,878,029	32,317,331	30,781,560	31,983,354	33,101,280	33,813,758

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

Function	2003	2004	2005	2006
General Government	\$ 3,575,237	3,195,919	3,330,649	3,466,888
Public Safety	13,224,840	12,681,422	13,334,526	13,727,439
Streets and Sanitation	8,086,777	6,408,770	7,460,718	7,445,005
Other Public Works	1,012,646	1,073,884	1,051,838	1,687,224
Public Health	145,857	154,543	160,447	193,970
Community Development	869,963	964,234	1,116,566	1,137,139
Capital Outlay	-	-	-	-
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	1,590,316	1,570,605	1,447,678	1,404,556
Total	28,505,636	26,049,377	27,902,422	29,062,221

Note: 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

2007	2008	2009	2010	2011	2012
3,147,259	3,195,090	2,892,303	2,925,964	2,818,641	3,054,387
14,863,098	15,844,052	16,155,101	16,900,426	17,591,397	18,599,081
6,795,616	6,346,863	5,807,962	5,567,467	5,761,344	5,832,631
2,149,004	1,759,034	2,479,331	1,811,305	2,341,132	1,909,400
177,824	170,243	187,046	205,787	215,689	226,412
1,451,671	1,386,238	1,120,856	1,267,654	1,174,544	1,274,590
5,068,278	5,178,517	6,795,273	1,147,720	2,910,803	918,493
1,254,235	2,208,316	1,578,609	1,588,176	2,020,000	1,720,000
1,501,513	1,703,656	1,635,271	1,228,122	1,415,931	1,338,899
36,408,498	37,792,009	38,651,752	32,642,621	36,249,481	34,873,893

VILLAGE OF WILMETTE, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2012 (Unaudited)

	2003	2004	2005	2006
Revenues				
Taxes	\$ 18,762,978	19,286,895	21,272,393	21,860,799
Licenses and Permits	2,094,575	2,172,187	2,824,120	2,678,714
Intergovernmental	2,816,192	989,718	1,177,017	999,520
Charges for Services and Fees	1,605,341	1,640,957	1,946,356	2,168,121
Fines and Forfeits	350,291	363,871	340,006	312,035
Investment Income	274,252	260,765	390,758	538,001
Miscellaneous	694,537	513,999	684,793	617,410
Total Revenues	26,598,166	25,228,392	28,635,443	29,174,600
Expenditures				
General Government	2,769,169	2,934,612	2,989,626	3,073,424
Public Safety	11,527,958	12,272,889	13,184,417	13,859,888
Streets and Sanitation	5,181,212	4,857,268	5,327,047	5,237,550
Other Public Works	1,012,646	1,043,884	1,107,204	1,687,224
Public Health	145,857	154,543	160,447	193,970
Community Development	869,963	964,234	1,116,566	1,137,139
Capital Outlay	6,104,435	5,303,393	6,734,692	4,468,596
Debt Service				
Principal	885,000	1,010,000	1,261,869	1,167,764
Interest and Fiscal Charges	1,593,255	1,581,375	1,429,943	1,386,148
Total Expenditures	30,089,495	30,122,198	33,311,811	32,211,703
Excess of Revenues Over (Under) Expenditures	(3,491,329)	(4,893,806)	(4,676,368)	(3,037,103)
Other Financing Sources (Uses)				
Proceeds from Bonds	-	9,300,000	-	-
Proceeds from I.E.P.A. Loan	-	-	-	-
Proceeds from Installment Contract	65,586	314,979	-	-
Premium on Proceeds	-	-	-	-
Payments to Escrow Agent	-	(9,269,407)	-	-
Transfers In	757,886	800,000	1,300,000	1,302,029
Transfers Out	(158,692)	(138,053)	(700,585)	(536,444)
Total Other Financing Sources (Uses)	664,780	1,007,519	599,415	765,585
Net Change in Fund Balances	(2,826,549)	(3,886,287)	(4,076,953)	(2,271,518)
Debt Service as a Percentage of Noncapital Expenditures	10.33%	10.44%	10.18%	9.30%

Note: 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

2007	2008	2009	2010	2011	2012
23,125,922	23,199,988	22,817,131	23,624,837	23,802,163	24,655,964
3,382,726	3,034,314	2,661,327	3,005,663	3,043,066	3,505,584
2,935,791	1,955,443	1,532,053	997,955	1,942,760	963,214
2,278,003	2,413,363	2,557,660	2,823,915	2,855,787	2,989,446
274,026	391,347	301,546	391,372	355,358	334,441
497,251	273,773	33,656	25,329	24,006	201,172
1,384,310	1,049,103	878,187	1,114,283	1,078,140	1,163,937
33,878,029	32,317,331	30,781,560	31,983,354	33,101,280	33,813,758
3,147,259	3,195,090	2,892,303	2,925,964	2,818,641	3,054,387
14,863,098	15,844,052	16,155,101	16,900,426	17,591,397	18,599,081
6,795,616	6,346,863	5,807,962	5,567,467	5,761,344	5,832,631
2,149,004	1,759,034	2,479,331	1,811,305	2,341,132	1,909,400
177,824	170,243	187,046	205,787	215,689	226,412
1,451,671	1,386,238	1,120,856	1,267,654	1,174,544	1,274,590
5,068,278	5,178,517	6,795,273	1,147,720	2,910,803	918,493
1,254,235	2,208,316	1,578,609	1,588,176	2,020,000	1,720,000
1,501,513	1,703,656	1,635,271	1,228,122	1,415,931	1,338,899
36,408,498	37,792,009	38,651,752	32,642,621	36,249,481	34,873,893
(2,530,469)	(5,474,678)	(7,870,192)	(659,267)	(3,148,201)	(1,060,135)
11,673,827	-	1,590,000	23,280,000	-	250,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	8,317	16,635	-	-
(1,773,457)	-	-	(21,725,661)	-	-
600,000	850,000	950,000	1,000,000	1,050,000	1,400,000
(480,764)	(141,510)	-	-	-	-
10,019,606	708,490	2,548,317	2,570,974	1,050,000	1,650,000
7,489,137	(4,766,188)	(5,321,875)	1,911,707	(2,098,201)	589,865
9.07%	12.13%	10.58%	9.08%	10.62%	9.41%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2012 (Unaudited)**

Tax Levy Year	Real Property New Trier Township	Real Property Northfield Township	Railroad Property New Trier Township	Total Equalized Assessed Value	Total Estimated Actual Value	Equalization Factor	Direct Tax Rate
2002	\$ 1,210,079,062	\$ 4,432,414	\$ 158,585	\$ 1,214,670,061	\$ 3,644,010,183	2.4689	\$ 0.739
2003	1,202,287,401	4,377,864	167,938	1,206,833,203	3,620,499,609	2.4598	0.788
2004	1,492,689,803	5,056,436	184,479	1,497,930,718	4,493,792,154	2.5757	0.689
2005	1,623,962,496	5,472,282	174,078	1,629,608,856	4,888,826,568	2.7320	0.671
2006	1,616,506,819	5,577,543	172,349	1,622,256,711	4,866,770,133	2.7076	0.728
2007	2,049,171,401	6,942,143	185,588	2,056,299,132	6,168,897,396	2.8439	0.597
2008	2,186,269,851	7,865,829	199,495	2,194,335,175	6,583,005,525	2.9786	0.593
2009	2,319,401,711	8,654,170	234,590	2,328,290,471	6,984,871,413	3.3701	0.581
2010	2,071,594,749	7,677,648	285,675	2,079,558,072	6,238,674,216	3.3000	0.674
2011	1,862,667,826	6,957,756	302,445	1,869,928,027	5,609,784,081	2.9706	0.778

2012 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, 2012 (Unaudited)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Village of Wilmette										
General Corporate Rate	\$ 0.584	0.608	0.530	0.521	0.530	0.432	0.448	0.449	0.530	0.615
Debt Service Rate	0.155	0.180	0.159	0.150	0.159	0.165	0.145	0.132	0.144	0.163
Total Direct Tax Rate	0.739	0.788	0.689	0.671	0.689	0.597	0.593	0.581	0.674	0.778
Overlapping										
School District #39	2.610	2.707	2.238	2.151	2.238	1.848	1.812	1.716	2.314	2.620
School District #203	1.935	1.799	1.621	1.577	1.621	1.299	1.290	1.237	1.474	1.674
Community College #535	0.179	0.186	0.161	0.158	0.161	0.141	0.140	0.140	0.160	0.196
Wilmette Park District	0.510	0.526	0.440	0.413	0.440	0.360	0.348	0.332	0.390	0.451
Wilmette Public Library	0.315	0.352	0.315	0.283	0.315	0.245	0.241	0.230	0.266	0.302
Cook County	0.690	0.659	0.593	0.547	0.593	0.458	0.415	0.415	0.423	0.487
Sanitary District	0.371	0.361	0.347	0.315	0.347	0.263	0.252	0.261	0.274	0.320
Forest Preserve District	0.061	0.059	0.060	0.060	0.060	0.053	0.051	0.049	0.051	0.058
New Trier Township	0.045	0.048	0.039	0.039	0.039	0.034	0.034	0.033	0.041	0.047
Suburban T.B. Sanitarium	0.006	0.004	0.001	0.005	0.001	-	-	-	-	-
Mosquito Abatement Dist.	0.009	0.009	0.008	0.008	0.008	0.008	0.008	0.008	0.009	0.010
Total Tax Rate	7.470	7.498	6.512	6.227	6.512	5.306	5.184	5.002	6.076	6.943

2012 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago
December 31, 2012 (Unaudited)

Taxpayer	2012			2003		
	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	\$ 30,683,770	1	1.48%	\$ 28,260,252	1	2.33%
Plaza del Lago, Inc.	13,761,649	2	0.66%	10,599,079	2	0.87%
1630 Sheridan Corp.	12,151,293	3	0.58%	9,386,486	3	0.77%
Albertson's	6,577,009	4	0.66%			
Landau & Heyman	5,842,912	5	0.32%	3,414,973	6	0.28%
L.J. Thalmann & Co.	5,295,769	6	0.28%	5,590,696	4	0.46%
William C. Kagan	4,859,025	7	0.25%	3,861,569	5	0.32%
Avgeris & Assoc.	4,618,859	8	0.23%	3,238,501	7	0.27%
Beth Corp.	3,583,904	9	0.17%	2,392,347	10	0.20%
Manor Health Care Corp.	3,290,049	10	0.16%	2,917,107	9	0.24%
Michigan Shores Club	3,108,465	11	0.16%	1,847,280	13	0.15%
Wolin-Levin	3,022,642	12	0.15%	1,211,884	15	0.10%
Rambler Hill, LLC	2,940,971	13	0.15%			
Westmoreland Country Club	2,871,290	14	0.14%	2,997,385	8	0.25%
Wilmette Imports	2,476,262	15	0.14%			
Walgreen's	2,445,710	16	0.12%			
Kretchmar	2,258,610	17	0.12%			
Wil-Ridge Plaza	1,900,967	18	0.11%			
Polan	1,782,360	19	0.09%			
Ivankovich	1,725,919	20	0.09%			
Jeffrey Strange				1,921,733	12	0.16%
Ameritech				2,252,402	11	0.19%
Premiere Bank				1,276,424	14	0.11%
	<u>115,197,435</u>		<u>6.05%</u>	<u>81,168,118</u>		<u>6.68%</u>

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
December 31, 2012 (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
2002	\$ 8,968,044	\$ 8,855,063	98.74%	\$ 35,883	\$ 8,890,946	99.14%
2003	9,505,136	9,039,215	95.10%	390,166	9,429,381	99.20%
2004	10,306,726	10,082,058	97.82%	77,420	10,159,478	98.57%
2005	10,925,600	10,681,712	97.77%	75,773	10,757,485	98.46%
2006	11,801,600	10,492,759	88.91%	1,167,069	11,659,828	98.80%
2007	12,272,800	11,841,358	96.48%	205,688	12,047,046	98.16%
2008	12,999,000	12,742,685	98.03%	101,171	12,843,856	98.81%
2009	13,513,000	13,232,984	97.93%	162,612	13,395,596	99.13%
2010	14,016,100	13,801,603	98.47%	138,518	13,940,121	99.46%
2011	14,533,400	14,379,235	98.94%	*	14,379,235	98.94%
2012	15,039,800	*	*	*	*	*

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

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

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

Fiscal Year Ended Dec 31	Governmental Activities		Business-Type Activities					Unamortized Loss on Refunding	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Installment Contracts	Water General Obligation Bonds	Sewer General Obligation Bonds	Parking Meter General Obligation Bonds	IEPA Revolving Loans					
2003	\$ 34,330,000	\$ 281,232	\$ 20,150,000	\$ 1,980,000	\$ 880,000	\$ 21,492,258	\$ (183,712)	\$ 78,929,778	5.13%	\$ 2,854	
2004	33,590,000	583,969	22,175,000	4,760,000	785,000	19,906,130	(384,202)	81,415,897	5.29%	2,944	
2005	32,445,000	467,100	21,790,000	4,715,000	670,000	18,267,269	(352,400)	78,001,969	5.07%	2,821	
2006	31,390,000	354,336	21,320,000	4,670,000	555,000	16,972,126	(320,597)	74,940,865	4.87%	2,710	
2007	40,195,000	280,101	20,880,000	7,070,000	435,000	15,827,763	(237,859)	84,450,005	5.49%	3,054	
2008	38,030,000	236,785	20,215,000	7,020,000	310,000	14,031,016	(216,549)	79,626,252	5.18%	2,880	
2009	38,090,000	188,176	19,550,000	8,540,000	190,000	12,129,729	(157,942)	78,529,963	5.11%	2,840	
2010	39,950,000	40,000	20,075,000	9,805,000	65,000	10,326,541	(1,878,808)	78,382,733	4.17%	2,894	
2011	37,950,000	20,000	19,575,000	16,850,000	-	1,793,691	(1,721,794)	74,466,897	3.96%	2,749	
2012	36,250,000	250,000	18,810,000	16,035,000	-	2,462,695	(1,591,380)	72,216,315	3.84%	2,666	

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, 2012 (Unaudited)**

Fiscal Year Ended Dec. 31	Gross General Obligation Bonds	Debt Payable From Other Sources	Net General Obligation Bonds	Total Estimated Actual Value	Percentage of Actual Taxable Value of Property	Per Capita
2003	\$ 57,156,288	\$ 48,994	\$ 57,107,294	\$ 3,644,010,183	1.57%	\$ 2,067
2004	60,925,798	49,334	60,876,464	3,620,499,609	1.68%	2,203
2005	59,267,600	34,553	59,233,047	4,493,792,154	1.32%	2,143
2006	57,614,403	28,366	57,586,037	4,888,826,568	1.18%	2,084
2007	68,342,141	-	68,342,141	4,866,770,133	1.40%	2,472
2008	65,358,451	-	65,358,451	6,168,897,396	1.06%	2,364
2009	66,212,058	-	66,212,058	6,583,005,525	1.01%	2,395
2010	68,016,192	340,915	67,675,277	6,984,871,413	0.97%	2,511
2011	72,653,206	-	72,653,206	6,238,674,216	1.16%	2,682
2012	69,503,620	167,376	69,336,244	5,609,784,081	1.24%	2,566

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, 2012 (Unaudited)**

Governmental Unit	**Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 36,500,000	100.000 %	\$ 36,500,000
School Districts:			
Avoca School District #37	2,031,277	37.143 %	754,477
Kenilworth School District #38	9,610,000	2.530 %	243,133
Wilmette School District #39	14,900,000	94.929 %	14,144,421
Community College #535	25,540,000	8.025 %	2,049,585
New Trier Township High School District #203	16,111,456	34.367 %	5,537,024
Total School Districts	68,192,733		22,728,640
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,804,385,000	1.230 %	46,793,936
Wilmette Park District	2,177,297,899	1.255 %	27,325,089
Glenview Park District	22,785,000	100.000 %	22,785,000
Wilmette Public Library District	12,147,000	.143 %	17,370
Wilmette Public Library District	-	100.000 %	-
Total Other Agencies	6,016,614,899		96,921,394
Total Overlapping Debt	6,084,807,632		119,650,035
Total Direct and Overlapping Debt	\$ 6,121,307,632		\$ 156,150,035

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

** Does not include unamortized loss on refunding

Data Source: Cook County and Wilmette Finance Department

VILLAGE OF WILMETTE, ILLINOIS

Legal Debt Margin - Last Ten Fiscal Years December 31, 2012 (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, 2012 (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	
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
2011	12,011,914	5,796,545	6,215,369	14,617,985	1,429,651	0.39
2012	13,171,739	6,346,773	6,824,966	1,653,018	1,196,965	2.39

*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, 2012 (Unaudited)

Fiscal Year Ended December 31	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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	27,087	1,878,800	69,363	44.5	8,401	6.40%
2011	27,087	1,878,800	69,363	44.5	8,401	5.70%
2012	27,087	1,878,800	69,363	44.5	8,401	5.20%

Data Source: 2000 and 2010 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2012 (Unaudited)**

Employer	2012			2003		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wilmette School District #39	540	1	N/A	507	1	N/A
Loyola Academy	275	2	N/A	250	3	N/A
Jewel	222	3	N/A			
Carson, Pirie, Scott & Co.	220	4	N/A	300	2	N/A
Village of Wilmette	196	5	N/A	204	4	N/A
Chalet Nursery	100	6	N/A			
Koenig & Strey, Inc.	100	7	N/A	75	6	N/A
ManorCare Health Services	90	8	N/A	80	5	N/A
Wilmette Park District	71	9	N/A			
Westmoreland Country Club	70	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>1,884</u>		<u>N/A</u>	<u>1,691</u>		<u>N/A</u>

N/A - Not Available

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Administration & Law	7.15	7.15	7.15	7.15	7.25	7.10	7.03	6.03	6.03	6.15
Finance & Information										
Services	13.38	12.63	12.53	12.51	12.51	12.51	11.75	11.45	11.45	11.95
Other	3.05	3.05	2.55	3.05	3.15	3.15	3.15	3.10	3.10	3.10
Police										
Officers	45.00	45.00	46.00	46.00	46.00	45.00	45.00	44.00	44.00	44.00
Telecommunicators	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.50	9.00	9.00
Other Civilians	17.50	17.50	17.50	17.50	17.50	17.50	16.50	14.80	14.70	14.33
Fire										
Firefighters and Officers	45.00	45.00	45.00	44.00	44.00	45.00	44.00	45.00	45.00	45.00
Civilians	2.25	2.25	2.00	3.00	2.45	2.45	2.25	2.25	2.25	2.25
Health										
	2.00	1.75	1.75	1.75	1.88	1.88	1.88	1.88	2.00	2.00
Public Works										
Streets and Sanitation	29.10	28.85	30.10	30.60	32.10	32.10	29.55	27.55	27.55	28.18
Water and Sewer	29.50	29.50	30.00	30.00	31.00	30.00	30.00	29.00	28.00	28.80
Engineering	7.55	7.55	7.55	7.55	7.55	7.55	7.05	5.85	5.85	5.55
Other	3.75	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50	3.50
Community Development										
	11.25	11.25	11.25	11.25	12.25	12.20	11.60	10.75	9.95	9.95
Total	225.48	224.23	226.13	226.11	229.14	227.94	221.26	213.66	212.38	213.76

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

Function/Program	2003	2004	2005
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	465	488	486
Misdemeanors (Part II Crimes)	2,010	2,026	1,843
Miscellaneous Offenses (Incidents Reported)	17,246	17,612	16,162
Traffic Accidents	1,054	1,006	1,021
Fire			
Emergency Responses	3,108	2,981	3,195
Fires Extinguished	48	50	57
Inspections	475	400	610
Public Works			
Street Resurfacing (Miles)	3.07	4.00	3.25
Potholes Repaired	1,031	2,153	2,811
Water			
Average Daily Consumption (Thousands of Gallons)	13,026	12,430	13,941
Peak Daily Consumption (Thousands of Gallons)	24,477	20,905	29,540

N/A - Not Available

Data Source: Village Records

2006	2007	2008	2009	2010	2011	2012
N/A	N/A	513	427	390	318	417
N/A	N/A	630	485	512	486	350
N/A	N/A	18,040	15,594	18,930	20,178	18,712
423	367	N/A	N/A	N/A	N/A	N/A
1,912	1,703	N/A	N/A	N/A	N/A	N/A
15,046	15,116	N/A	N/A	N/A	N/A	N/A
964	959	1,115	826	797	771	779
3,180	4,104	3,679	3,221	3,095	3,154	3,122
51	59	43	47	35	51	40
618	1,250	1,037	720	856	975	680
3.50	2.10	0.75	3.79	1.68	1.19	0.90
1,909	1,590	2,058	2,000	1,553	1,943	889
11,931	12,207	11,931	11,244	11,458	11,149	11,997
24,474	22,545	24,474	19,325	20,029	22,979	24,281

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2012 (Unaudited)**

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	19	19	19	20	20	20	20	20	20	20
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (Miles)	87.8	87.8	87.8	87.8	87.8	87.8	89.4	89.4	89.4	89.4
Streetlights	2,510	2,510	2,510	2,510	2,580	2,580	2,580	2,580	2,580	2,580
Traffic Signals:										
Village Owned	7	8	8	9	9	9	10	10	10	10
Other	18	17	17	17	17	17	16	16	16	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	975	975	975	977	982	982	983	984	984	984
System Capacity (Millions of Gallons)	34	42	44	44	44	44	44	44	44	44

Data Source: Village Records