

VILLAGE OF  
WILMETTE, ILLINOIS

COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT



FOR THE FISCAL  
YEAR ENDED  
DECEMBER 31, 2007

**VILLAGE OF WILMETTE,  
ILLINOIS**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**YEAR ENDED DECEMBER 31, 2007**

Prepared by Department of Finance

Robert Amoruso  
Director of Finance

Kathleen Gargano  
Assistant Village Manager

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## **INTRODUCTORY SECTION**

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

**VILLAGE OF WILMETTE, ILLINOIS**

**Principal Officials**

**December 31, 2007**

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**LEGISLATIVE**

**VILLAGE BOARD OF TRUSTEES**

Christopher S. Canning, President

Mike Basil - Trustee

John Levin - Trustee

Karen Spillers - Trustee

Alan Swanson - Trustee

Mari Terman - Trustee

Lali Watt - Trustee

**ADMINISTRATIVE**

Michael J. Earl, Village Manager

Kathleen A. Gargano, Assistant Village Manager

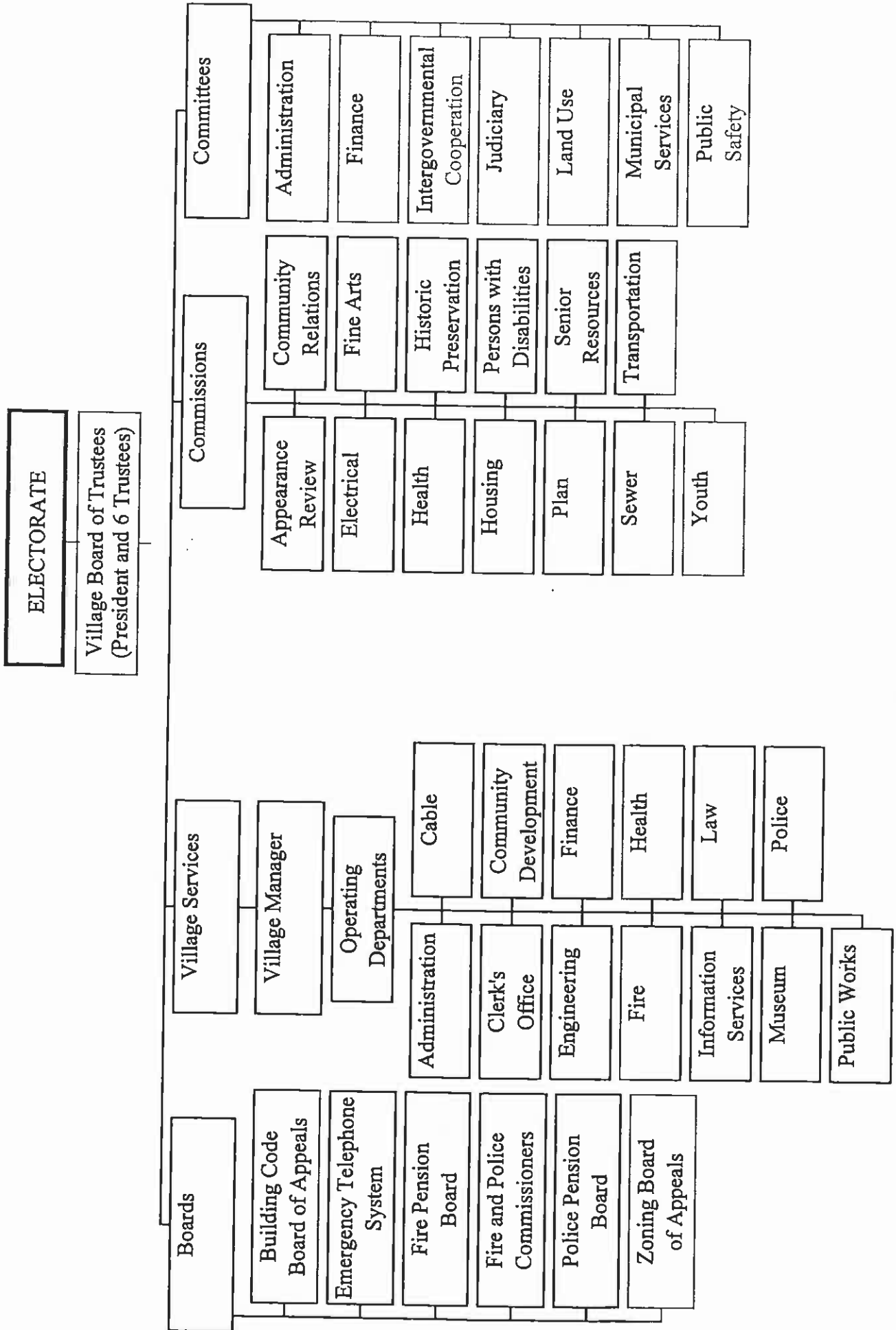
**FINANCE DEPARTMENT**

Robert Amoruso, Finance Director

Blythe Trilling, Assistant Finance Director



# VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE







# 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, 2006

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.



*Charles S. Cox*

President

*Jeffrey R. Emer*

Executive Director





# VILLAGE OF WILMETTE

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WILMETTE, ILLINOIS 60091-0040

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July 28, 2008

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, 2007 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP), and that an independent firm of certified public accountants audit this report in accordance with generally accepted auditing standards. Although formally addressed to the elected officials and citizens of Wilmette, this financial report has numerous other users. Foremost among these other users are the bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other governmental entities.

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

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



## The Reporting Entity and its Services

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

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

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

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

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

### **Accounting System and Budgetary Control**

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

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

Additionally, there are budgetary controls in place to ensure compliance with legal provisions embodied in the annual appropriation ordinance approved by the Village Board of Trustees. Expenditures may not exceed appropriated amounts at the individual fund level. The Village also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

### **Factors Affecting Financial Condition**

**Economic Outlook.** The Village has long been known as one of the most prestigious residential areas in Chicagoland. Per the 2000 Census Bureau data, median household family income for the Village was \$122,515 (an increase of 50% over 1990 median household income). This compares to the 2000 household family income of \$53,784 for Cook County and \$55,545 for the State of Illinois. This ranks Wilmette as the wealthiest community in the State of Illinois among communities with populations over 25,000 and Wilmette also ranks 11<sup>th</sup> in this category, nationally.

Employment levels in the Village have always surpassed both Cook County and the State of Illinois. The 2000 census indicated that a nominal 1.7% of the Village's work force were unemployed. This is well below the Cook County rate of 4.8% as well as the Illinois rate of 3.9% and the national rate of 6.3%. This census also indicated that nearly 67% of those employed were in the "Management / Professional" category.

Wilmette has somewhat felt the impact of the nation's economic concerns in that real estate sales have decreased by about 25%. Homes are generally retaining their value but fewer residents are listing properties in the current market. Additionally planned commercial redevelopments have delayed breaking ground. While substantial growth has been evident with the Village's 2006 equalized assessed valuation being 83% greater than in 2000, the current real estate market may begin to stabilize this growth.

Among Wilmette's largest sales tax producers are four grocery stores and a major drug retailer. Discretionary spending is not as impacted in these businesses as they might be for auto dealers or apparel businesses. As such, the Village does not anticipate any significant reductions in sales tax if the national economy continues to decline.

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

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

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

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

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

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

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

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



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

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

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

### **Major Initiatives**

#### **Development Initiatives**

**Urban Land Institute Review of Village Center** - The Village requested that a Technical Advisory Panel (consisting of professional planners, developers, business owners and government officials) of the Urban Land Institute (ULI) analyze the existing properties in the Village Center toward improving the land usage in this area. The goal of these improvements would be to bring about increased vitality through additional residential and retail opportunities (including restaurant operations) in this area. The panel's analysis would incorporate parking studies that have also been performed for this area.

**Master Development Plan for the Village Center** - From the recommendations of the ULI panel, the Village is seeking proposals from consultants to provide master planning services for the Village center. It is anticipated that such consulting services will be considered in late 2008.

**Depot Property** - In 2005 the restaurant lease held by the Village expired and a commercial real estate broker, Hallmark and Johnson, was retained to search for a new tenant for the approximately 800 square foot space. In 2007 a local restaurateur expressed interest in opening a second restaurant at this site and the Village completed lease negotiations in mid-2007. The negotiated lease provided for an expansion of this property without impacting the historic character of the original building. This restaurant opened in May 2008.

**Kohl Museum Property Redevelopment** - In 2006, the contract purchaser, The Shiner Group, began the process of requesting PUD approval with the Village's Plan Commission. In 2007 plans were approved for a completely commercial redevelopment on this site and construction began. It is expected that construction will be completed at the end of 2008.

**Capital Improvements** – An aggressive capital improvement schedule continued in 2007 for a number of infrastructure and facility improvement projects. In an effort to take advantage of low interest rates, the Village borrowed \$30.4 million in 2002 to fund much of the Village's capital project needs through 2006. This issue was completely spent down in 2007 and additional \$12.5 million in bonds were issued in 2007. The following is a summary of some of the 2007 capital projects activity:

**Public Works Facility** – In 2006, the Village Municipal Services Committee reviewed a consultant's design alternatives for improvements to the Public Works Village Yard facility. These improvement alternatives can be made in multiple phases and detail drawings for the first phase were completed in 2007. The project will be bid in the spring of 2008 with construction occurring in late 2008 and into 2009.

**Information Services - Enterprise Resource Planning System (ERP)** – In 2007 the Information Services Department implemented the final phase of the ERP that began in 2002. The permit tracking module for use by the Community Development and Engineering was fully functional in the fall of 2007.

**Regional Dispatch / Computer Aided Dispatch** – The Village continued to pursue the feasibility and desirability of regional emergency dispatch alternatives for Fire and Police Emergency Communications. After 18 months of fire dispatch services through Glenview's FireComm operation, this service was switched to RED Center in December 2007 as Glenview planned to cut back their dispatch operation. The Police Department partnered with the Village of Winnetka to implement a Computer Aided Dispatch (CAD) system in 2007. With this partnership, the two Villages were able to achieve cost and training efficiencies.

**Street Resurfacing Program** – In 2006 the Village continued 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 2007, \$3 million in street resurfacing projects were completed in various areas of town. Of this amount, \$800,000 was funded by the State-shared motor fuel tax.

**Sheridan Road Improvements** – Following years of coordinating with Federal and State authorities, work began on this \$22.3 million project in 2007. The Village's contribution in this endeavor will total \$8.4 million. Water and sewer improvements will amount to \$3.6 million while the Village's share of the roadway improvements will be \$4.8 million. This project will be completed in 2009.

**Water Plant Filtration Improvements** – In 2007 work continued to improve and upgrade the 1933 and 1971 filtration beds. This \$1.4 million project was about 90% complete at December 31, 2007 and should be finished in 2008. This work is financed from the Water Fund portion of the 2004 bond issue.

### **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, 2006. 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 2007 budget document. This was the eight 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 2008 budget has been submitted to the GFOA to determine its eligibility for another award.

### **Acknowledgments**

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

Respectfully submitted,



Robert N. Amoruso  
Finance Director



## **FINANCIAL SECTION**

This section includes:

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



## **INDEPENDENT AUDITORS' REPORT**





**INDEPENDENT AUDITORS' REPORT**

May 6, 2008

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

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Village of Wilmette, Illinois as of and for the year ended December 31, 2007, which collectively comprise the Village of Wilmette's basic financial statements as listed in the accompanying table of contents. These basic financial statements are the responsibility of the Village of Wilmette, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Wilmette, Illinois as of December 31, 2007, and the respective changes in financial position and the cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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



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

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

A handwritten signature in black ink that reads "Lauterbach + Amen LLP". The script is cursive and fluid, with the company name written in a stylized, connected manner.

LAUTERBACH & AMEN, LLP



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



**VILLAGE OF WILMETTE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2007**

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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, 2007. 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 \$57,636 at December 31, 2007. Of this amount, \$8,730 (*unrestricted net assets*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net assets increased \$3,489 (6.4%) during the fiscal year ended December 31, 2007. Most of this growth is the result of the Village's commitment to its infrastructure as the investment in capital assets net of related debt increased \$2,676. Net assets restricted for highways and streets increased \$20 and unrestricted net assets increased \$793. This increase in unrestricted net assets is the result of new revenues and increased revenues dedicated to road improvements, public parking and affordable housing.
- Governmental net assets increased \$2,104. Of this increase, the Village's investment in capital assets, net of related debt increased \$1,570 and all other net assets increased \$534. Business-type net assets increased \$1,385 consisting of a \$1,106 increase in net capital assets and a \$279 increase in all other net assets. The increases in net capital assets are as expected due to the continuation of an aggressive capital improvements program that began in 1999. The increase in other governmental net assets is primarily the result of \$491 in new revenues dedicated to future road improvements and \$41 in new revenues dedicated to affordable housing. Neither of these two new revenues is expected to be spent before 2009. The \$279 increase in other business-type net assets is due to an increased transfer of \$330 of cellular lease revenues to the Parking Meter Fund offset by lower water and sewer revenues.
- At the end of the current fiscal year, unreserved and undesignated fund balance for the General Fund was \$7,121 or 25% of General Fund expenditures. This \$730 increase represents 11% growth over the prior year.

- Total unrestricted net assets increased \$793 (10%). Nearly all of this change is the result of the collection of \$680 in back rents from cellular antennae leases. The remainder is reflective of the new revenues and revenue fluctuations noted above.
- The Village's total debt increased \$9,426 (12.5%) at December 31, 2007. Following substantial bond issues in 2002 and 2004, no new debt was issued in 2005 and only \$398 in 2006. The \$13,000 in new debt issued in 2007 was noted as a planned in last year's report. This new debt will continue improving the Village's road and water / sewer infrastructure as well as building facilities.

## **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 21-24) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government.

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

The Statement of Activities (see pages 23-24) presents information showing how the Village's net assets changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type) which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless to the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The Governmental Activities reflect the Village's basic services, including public safety (police and fire), streets and sanitation, other public works, public health, community development and general government. Property taxes, shared State sales taxes, local utility taxes, shared State income taxes, and local real estate transfer taxes finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Water Fund, Sewer Fund and



Parking Meter Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

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

**Governmental Funds.** The Governmental Funds presentation (see pages 25-28) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. The focus of government funds is narrower than that of the Government-Wide Financial Statements. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected. The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bond and others) into the Governmental Activities column (in the Government-Wide Statements).

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Capital Projects Fund (for the 2002 and 2007 General Obligation Bond Issues) and General Debt Service Fund, which are considered to be major funds. The financial data from nonmajor funds are combined into a single aggregated presentation. The Village's Motor Fuel Tax Fund is its only nonmajor governmental fund in 2007.

The Village of Wilmette adopts an annual appropriation ordinance for all of its funds. In 2007, a supplemental appropriation ordinance was also adopted related to the large expenditures related to the August 23, 2007 storm. Budgetary comparison statements have been provided to demonstrate budgetary compliance.

**Proprietary Funds.** The Village maintains two different types of proprietary funds. **Enterprise Funds** are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the village's various functions. The Village uses internal service funds to account for vehicle repair and maintenance and to account for

employee fringe benefit expenses (e.g. employer expense for health insurance and pension plan contributions). As Internal Service Funds serve governmental rather than business-type functions, they have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (see pages 29-33) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water and Sewer Funds are considered to be major funds of the Village and are presented in separate columns in the Fund Financial Statements. Currently, the Parking Meter Fund is the only nonmajor enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for nonmajor enterprise and internal service funds are presented elsewhere in this report.

***Fiduciary Funds.*** Fiduciary Funds are used to account for resources held for the benefit of parties outside of the government (see pages 34-35). 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 36-80 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 81-87 of this report.

#### **Infrastructure Assets**

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

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

### Statement of Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Wilmette, assets exceed liabilities by \$57,636 as of December 31, 2007.

The following table reflects the condensed Statement of Net Assets: For more detailed information see the Statement of Net Assets (page 21-22).

**Table 1: Statement of Net Assets as of December 31, 2007**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>Assets</b>						
Current Assets	\$ 33,284	\$ 24,588	\$ 10,572	\$ 9,588	\$ 43,856	\$ 34,176
Noncurrent Assets	42,885	39,245	75,671	74,866	118,556	114,111
<b>Total Assets</b>	<u>\$ 76,169</u>	<u>\$ 63,833</u>	<u>\$ 86,243</u>	<u>\$ 84,454</u>	<u>\$ 162,412</u>	<u>\$ 148,287</u>
<b>Liabilities</b>						
Current Liabilities	\$ 18,682	\$ 16,476	\$ 3,787	\$ 3,976	\$ 22,469	\$ 20,452
Long-Term Liabilities	40,691	32,665	41,616	41,023	82,307	73,688
<b>Total Liabilities</b>	<u>\$ 59,373</u>	<u>\$ 49,141</u>	<u>\$ 45,403</u>	<u>\$ 44,999</u>	<u>\$ 104,776</u>	<u>\$ 94,140</u>
<b>Net Assets:</b>						
Investment in Capital						
Assets, Net of						
Related Debt	\$ 10,499	\$ 8,929	\$ 37,956	\$ 36,850	\$ 48,455	\$ 45,779
Restricted	451	431	-	-	451	431
Unrestricted	5,846	5,332	2,884	2,605	8,730	7,937
<b>Total Net Assets</b>	<u>\$ 16,796</u>	<u>\$ 14,692</u>	<u>\$ 40,840</u>	<u>\$ 39,455</u>	<u>\$ 57,636</u>	<u>\$ 54,147</u>

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

The component of the Village's net assets labeled as restricted represent resources held for specific purposes. Nearly all of this is restricted for future capital spending for roadway improvements. The final component of the Village's net assets, the unrestricted net assets, in the amount of \$8,730 may be used to meet the Village's ongoing obligations to citizens and creditors.

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

An extensive infrastructure improvement program has been ongoing since 1999. This has included numerous road resurfacing and reconstruction projects as well as sewer and water main improvements. Additionally, significant building improvements have occurred at the Village Hall, Water Plant, both of the Village's fire stations and its museum. Most of these improvements have been debt financed with a smaller portion funded by State grants and contributions from the Village of Glenview. In 2007, capital spending and debt principal repayments exceeded depreciation, resulting in a net gain of \$2,676 (5.8%) in the Village's investment in capital assets, net of related debt.

The increase of \$514 for unrestricted governmental net assets is primarily the result of new revenues that the Village is dedicating toward annual road improvements. This money is not planned for expenditure until 2009. The increase of \$279 in business-type unrestricted net assets was the net result of a \$331 increase in the General Fund transfer to the Parking Meter Fund (related to increased cellular antennae rent) offset by a continuation of lower water and sewer revenues that have been exhibited in recent years. These revenue fluctuations will be addressed in greater detail with the statement of activities.

### **Statement of Activities**

**Governmental Activities.** Program revenues increased \$3,532 (23%) in 2007. Operating grants, which may fluctuate widely, increased by \$2,070. A grant of \$886 was received from the Federal Emergency Management Agency (FEMA) related to the August 23, 2007 storm damage (discussed later). Grants totaling \$867 were received for road improvements while grants and contributions of \$296 were received related to the Police Department's implementation of a Computer Aided Dispatch system.

Charges for service increased \$1,462 (10%). Water and sewer rate increases accounted for \$618 of this increase. Residential water rates may be adjusted annually while the wholesale water rate is adjusted every other year – with 2007 being a rate adjustment year. The wholesale rate increased 5.6% by contract calculation while residential water rate and sewer rates were increased 11.4% and 2.5% respectively.

The aforementioned \$395 in new and increased revenues dedicated to future road improvements comprised most of the \$775 increase in service charges for governmental activities. The remainder is primarily from increased permit revenues of \$209 reflecting both rate increases and increased residential remodeling activity. In line with the Village's fee indexing program that has been in place since 2003, most individual fees were increased by about 5% in 2007.

General revenues increased \$1,765 (7.4%) in 2007. An 8% increase in the property tax levy produced additional revenue of \$738. This was in line with expectations as the 2006 tax levy incorporated a growth factor of 3.9% for recurring operations; 2% for expenses related to the Emerald Ash Borer infestation; and 2.1% for increased debt service related to the Village's capital improvements program.

Other taxes increased \$528 over 2006 revenues. A new fuel tax (dedicated to future road improvements) accounted for \$96 of this increase. The utility tax increase of \$92 is attributed to a colder winter and warmer summer than in 2006. The telecommunications tax which decreased in 2006 did not fall further in 2007. The State of Illinois enacted legislation in 2004 that has increased state-wide collections of its income tax. Municipalities in Illinois receive 10% of this tax (on a per capita basis). In 2007 the Village's income tax revenue increased \$183 (8%) which was comparable to 2006 growth. Sales tax revenue increased \$74 (1.8%) over 2007.

The Village leases space in two locations for cellular antennae. Back rents due to the Village were collected in 2007 increasing General Fund revenues by \$681. Due to this additional revenue, the General Fund transfer to the Parking Meter Fund was increased by \$331 and the Water Fund Transfer to the General Fund was reduced by \$350. As such, 2007 other revenue and transfers for governmental activities was essentially unchanged from 2006.

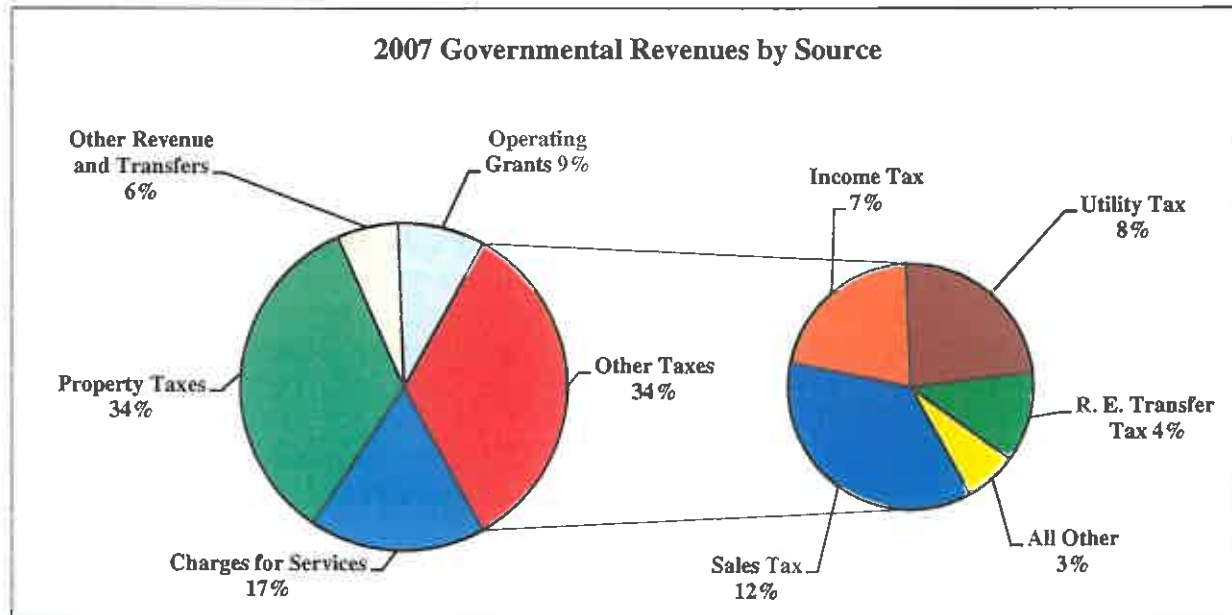
Business-type activities reflect an increase of \$500 from other revenue and transfers. The adjustments to the transfers noted above resulted in a \$681 increase. This was offset by a \$147 decrease in investment earnings from lower short-term interest rates as well as reduced principal available for investment as bond proceeds were drawn down.

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

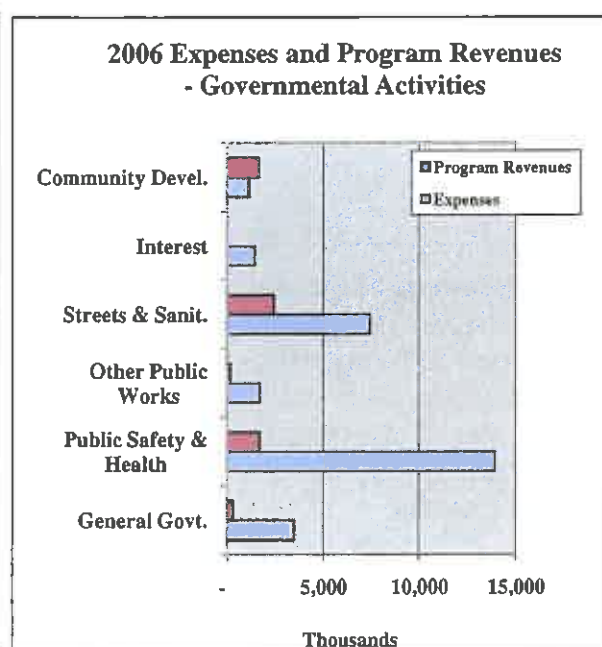
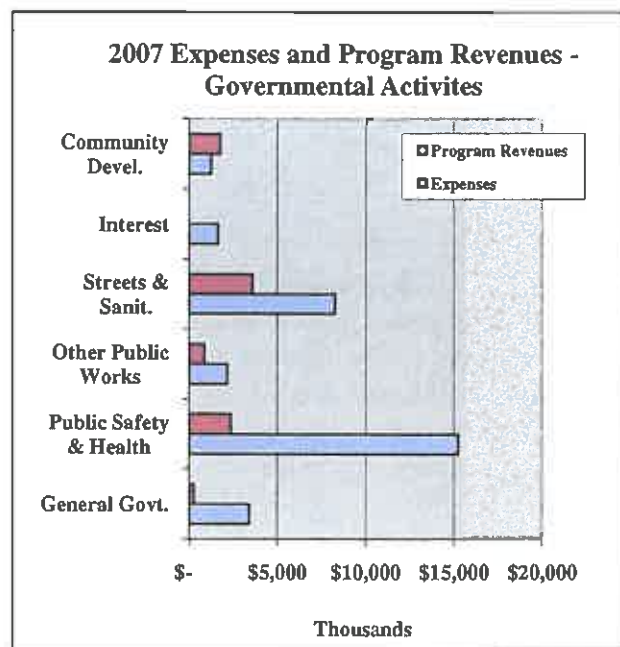
**Table 2: Changes in Net Assets for the Fiscal Year Ended December 31, 2007**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 5,934	\$ 5,159	\$ 10,157	\$ 9,470	\$ 16,091	\$ 14,629
Operating Grants and Contributions	2,936	1,000	155	21	3,091	1,021
General Revenues						
Property Taxes	11,581	10,843	-	-	11,581	10,843
Other Taxes	11,545	11,017	-	-	11,545	11,017
Other Revenue and Transfers	2,069	2,070	284	(216)	2,353	1,854
<b>Total Revenues</b>	<b>\$ 34,065</b>	<b>\$ 30,089</b>	<b>\$ 10,596</b>	<b>\$ 9,275</b>	<b>\$ 44,661</b>	<b>\$ 39,364</b>
<b>Expenses</b>						
General Government	\$ 3,396	\$ 3,467	\$ -	\$ -	\$ 3,396	\$ 3,467
Public Safety	15,071	13,727	-	-	15,071	13,727
Streets and Sanitation	8,270	7,445	-	-	8,270	7,445
Other Public Works	2,156	1,687	-	-	2,156	1,687
Public Health	177	194	-	-	177	194
Community Development	1,254	1,137	-	-	1,254	1,137
Interest	1,637	1,405	-	-	1,637	1,405
Water	-	-	6,146	5,770	6,146	5,770
Sewer	-	-	2,622	2,444	2,622	2,444
Parking	-	-	443	422	443	422
<b>Total Expenses</b>	<b>\$ 31,961</b>	<b>\$ 29,062</b>	<b>\$ 9,211</b>	<b>\$ 8,636</b>	<b>\$ 41,172</b>	<b>\$ 37,698</b>
<b>Changes in Net Assets</b>	<b>2,104</b>	<b>1,027</b>	<b>1,385</b>	<b>639</b>	<b>3,489</b>	<b>1,666</b>
<b>Net Assets January 1</b>	<b>14,692</b>	<b>13,665</b>	<b>39,455</b>	<b>38,816</b>	<b>54,147</b>	<b>52,481</b>
<b>Net Assets December 31</b>	<b>\$ 16,796</b>	<b>\$ 14,692</b>	<b>\$ 40,840</b>	<b>\$ 39,455</b>	<b>\$ 57,636</b>	<b>\$ 54,147</b>

The composition of the Village's 2007 governmental revenues is similar to 2006.

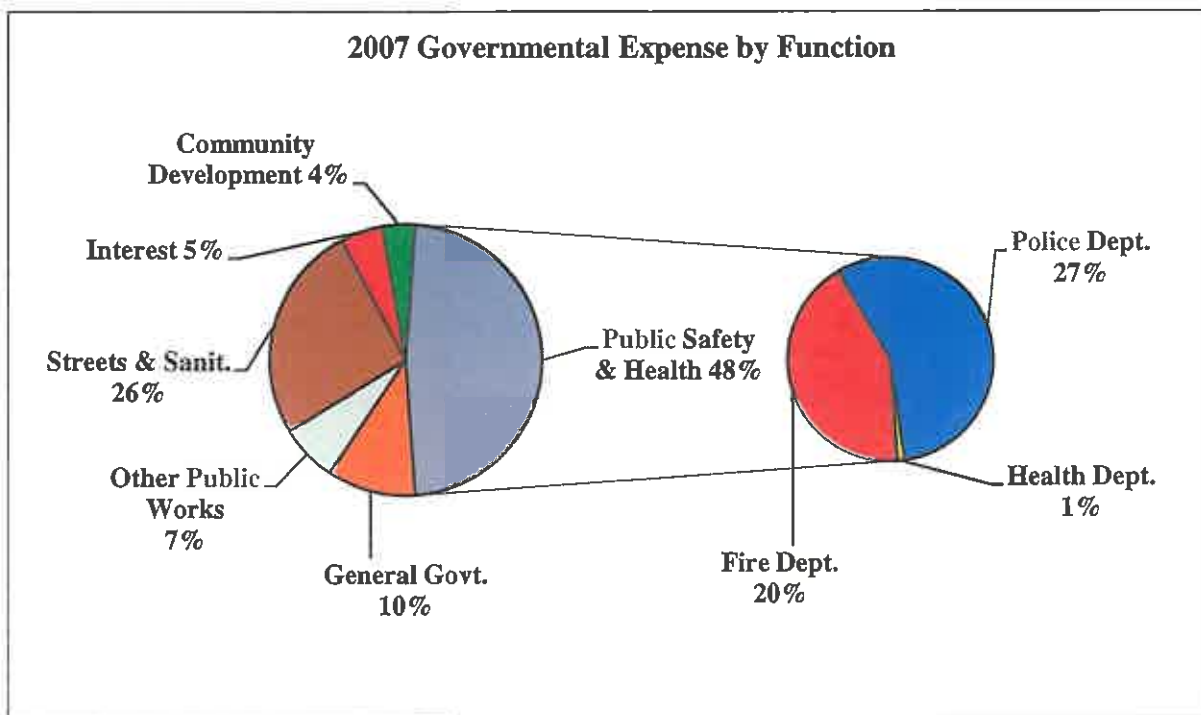


For governmental activities, program revenues covered approximately 28% of expenses. This is considerably more than in 2006 when the ratio was only 21%. Much of this is a distortion resulting from the large increase in grant activity noted previously. Excluding grant activity, service charges covered about 19% of expenses in 2007 compared to 17.8% in 2006. In both years, only Community Development program revenues were sufficient to cover all expenses. All other categories are substantially subsidized by general revenues.



**Governmental expenses.** A significant storm occurred on August 23, 2007 causing major property damage throughout the north and northwest suburbs of Chicago. Unexpected additional expenses of \$1,013 were incurred in 2007 for the clean-up effort on the part of the Village of Wilmette. An aforementioned FEMA grant reimbursed \$886 of this amount.

Operating expense growth in the 2007 budget was projected at 7%. Personnel expense growth of 5.7% was projected based upon existing collective bargaining agreements along with estimated growth in pension contributions. All other operating expenses were estimated to grow by 10.5% attributable to a \$401 increase in budgeted expenses for the Emerald Ash Borer (EAB) tree infestation and increased alley maintenance. Note that personnel costs account for about 72% of the General Fund expenditures and pension contributions have increased 116% since 2002.



Total governmental expenses increased \$2,899 (10%) in 2007. Excluding the expenses from the August 23 storm, this growth was \$1,886 (6.5%). Personnel expense growth of \$1,024 reflected the expected 5.7% increase. The increased expense for the EAB infestation and for alley maintenance was \$445 (slightly more than the expected growth noted above). FY 2007 was the first full year of the contractual expense for the Fire Department's regional dispatch services. This increase of \$80 (84%) was expected. The remaining expense increase of \$337 (1.2%) is considered normal.

Public safety and health represent nearly half of the Village's governmental expenses. Overall, this category increased \$1,327 (9.5%) in 2007. Over 21% of this increase is the result of the aforementioned increase in the employer contributions for the Fire and Police Pension Plans. The increase for regional fire dispatch is also in this category. While the remaining growth of \$963 reflects a 6.9% increase it should be noted that the 2006 expense was unusually low due to higher than normal personnel turnover.

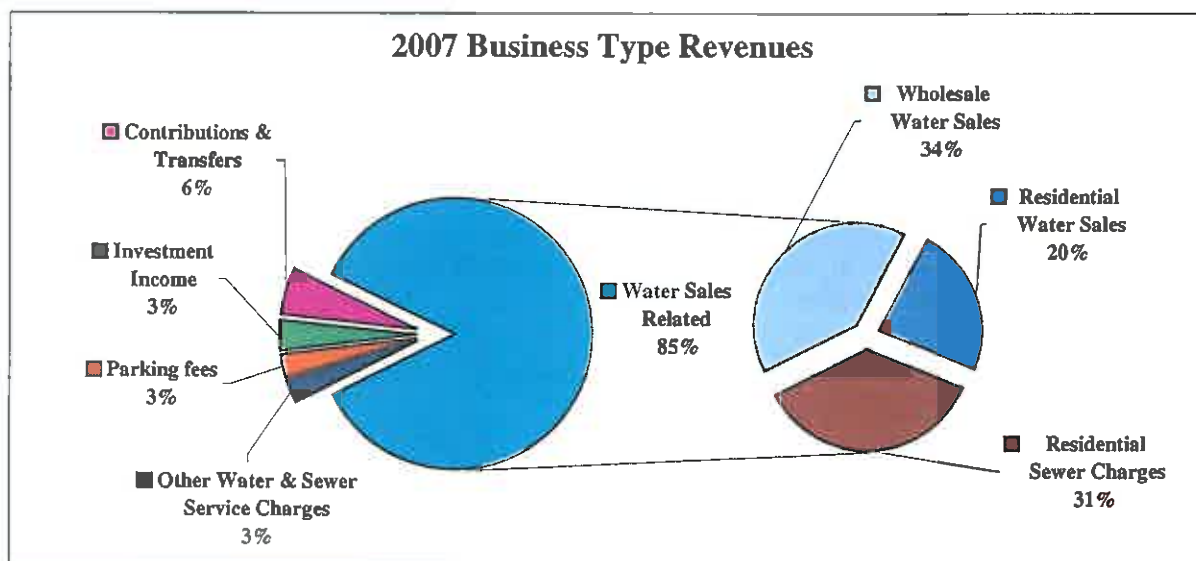


Streets and sanitation (reflecting 26% of the Village's governmental expenses) increased \$825 (11.1%) in 2007. This category includes all of the \$1,013 additional expense for the August 23 storm clean-up. It is also notable that a \$733 decrease resulted from depreciation and fixed assets capitalization in 2007. Net of these two factors, streets and sanitation increased \$545 (7.3%). This is in line with the expectations noted above.

Other public works increased \$469 (27.8%). The increased alley maintenance costs that were previously noted along with brick street renovation account for \$391 of this increase (note these types of capital expenses do not meet the Village's capitalization guidelines). The remaining expense growth in this area is as expected.

General government expense decreased \$71 that was primarily the result of a 2006 depreciation adjustment. Net of that adjustment, general government would have increased \$74 (2.1%). This is in line with expectations in that the Village is working to reduce administrative costs. Community development expenses increased \$117 (10.3%). Due to increased permit activity it was necessary to increase contractual costs in community development for permit reviews. Interest expense increased \$232 (16.5%) reflecting the additional debt issuance in 2007 previously noted.

**Business Type Activities.** Charges for services totaling \$10,157 represent 91% of total business-type activity revenues with contributions and transfers accounting for 6% and investment earnings the remaining 3%. Water sales provide 85% of this amount.



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

Total service charge revenues and the water and sewer rates in effect for 2007 and 2006 are shown as follows:

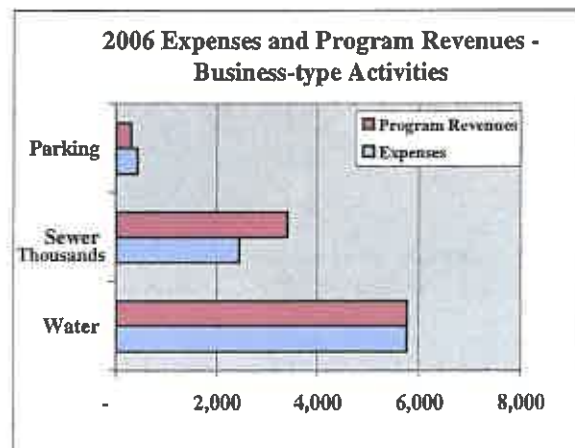
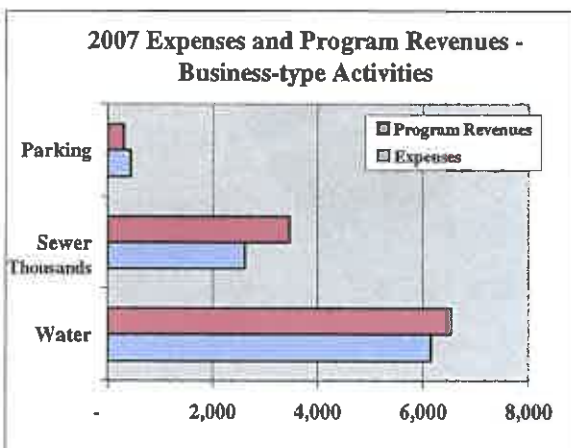
	<u>2007</u>	<u>2006</u>	<u>% Change</u>
Wholesale Water Sales	3,854	3,578	7.7%
Residential Water Sales	2,223	1,978	12.4%
Residential Sewer Charges	3,469	3,372	2.9%
Other water & Sewer revenues	303	236	28.4%
Parking fees	308	306	0.7%
	<u>\$ 10,157</u>	<u>\$ 9,470</u>	<u>7.3%</u>

Wholesale Water Rate	\$ .886 / ccf	\$ .839 / ccf	5.6%
Residential Water Rate	\$ 1.56 / ccf	\$ 1.40 / ccf	11.4%
Residential Sewer Rate	\$ 2.46 / ccf	\$ 2.40 / ccf	2.5%
Commuter Parking Rates	\$ 1.50 per day	\$ 1.50 per day	0.0%

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

Weather in 2007 would be considered average while the summer of 2006 was somewhat rainier. Accordingly, sales growth in 2007 is slightly more than the rate increases noted due to a small increase in the volume of water sales.

In other business-type activities, parking revenues are consistent with 2006 as the same rates were in effect all year. The increase in other water and sewer operating revenues of \$67 (28%) is mainly attributable to trade-in values of vehicle replacements in excess of book values.



As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund is annually subsidized by a transfer of cell tower lease revenues from the General Fund in order to meet all expenses.

Total business-type expenses increased by \$574 (6.6%). Over \$100 of this was from electrical power in operating the water plant. The deregulation of electric utilities in Illinois had its initial impact in 2007 and rates were expected to rise. Additionally, since water pumping was slightly higher than in 2006, power consumption also increased. The remaining 5.5% increase is in line with personnel growth with the addition of one employee in the Water Fund in 2007.

### FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

**Table 3: General Fund Budgetary Highlights - I**

	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual GAAP Basis</u></b>
Revenues	\$ 27,805	\$ 27,805	\$ 28,331
Addition of FEMA grant		-	886
Expenditures	29,212	29,212	27,646
Addition for storm damage		1,100	1,013
Excess (Deficiency) of Revenues Over Expenditures	(1,407)	(2,507)	558
Other Financing Sources (Uses):			
Transfers in	950	900	600
Transfers out	(640)	(534)	(481)
Net Changes in Fund Balance	\$ (1,097)	\$ (2,141)	\$ 677

The August 23 storm expenses required a budget amendment in 2007. When the supplemental appropriation was adopted, the Village's receipt of any FEMA reimbursement was not determinable. As noted above, the storm ultimately resulted in a \$127 decrease in the General Fund. All other General Fund revenues were \$526 (1.9%) greater than the 2007 budget. This is the net result of a number of budget variances within the diversified revenue structure of the General Fund. The major fluctuations of note are (1) cellular lease revenues at \$681 more than budget; (2) residential permits at \$283 greater than budget; (3) income taxes at \$125 above the budget; (4) permits for new commercial developments were \$261 below budget; (5) real estate transfer taxes at \$216 below budget; (6) property taxes were \$128 below budget; and (7) grant revenue at \$149 below budget.

The increase in cellular lease revenues was the result of legal efforts to collect prior years' rents that had been uncollected primarily due to mergers within the telecommunications industry. This is not expected to recur in future years. This increase ultimately impacted the fund transfers with the Water and Parking Meter Funds that will be discussed later.

Residential permit activity increased about 5% in 2007 and rates increased about 5% as well. The increase in home remodeling may be a response to the real estate sales market being down in line with the national economy. Of note also is that the non-recurring permits for large commercial developments did not occur in 2007 with one project deferred to 2008 and another to at least 2009.

The reduction in real estate transfer tax revenue began late in 2006 and has continued into 2008. While the foreclosures that have become problematic nationally have not been a significant concern in the Village, home sales have nonetheless been in decline. This trend will likely continue through 2009. The real estate economy has also impacted property tax collections in that receipts have been slower and assessment reductions have resulted in greater refunds (both the collections of taxes and the property assessments are administered by Cook County). While much of the \$128 in property taxes will be collected in future years the refunds will have a permanent impact that the Village will need to address in its tax levy considerations.

The Village's income tax is an allocation of State's tax collections. While growth has been projected for this revenue, the State's collection efforts have exceeded those projections. This has particularly been the case with corporate tax collections. The \$249 negative variance in grant revenues relates to grants that were not awarded. In these instances there is generally a positive variance on the related expense budget.

The 2007 General Fund expenditure budget amounts represent the total appropriations. However in developing the cash flow projections savings are factored into certain expenditure categories that historically do not spend 100% of the appropriation. Additionally, due to ongoing contract negotiations, some expenditure budgets are based on existing contracts but the cash flow projections allow for the expected increases from contract settlements. The following table reflects the 2007 budget broken down by category of expense.

**Table 4: General Fund Budgetary Highlights – II**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Expenditures</b>	<b>Variance from Final Budget to Actual</b>
Personnel	\$ 19,588	\$ 19,588	\$ 19,190	\$ 398
Refuse	2,117	2,117	2,058	59
Other Recurring	4,392	4,392	4,208	184
EAB expenses	275	275	68	207
Storm Damage	-	1,100	1,013	87
Sidewalk, Alley & Curb Maintenance	689	689	881	(192)
Capital Outlay	1,119	1,119	911	208
Contingency	500	500	5	495
Other Nonrecurring	522	522	250	272
Transfers	640	640	481	159
Debt Service	9	9	75	(66)
	<u>\$ 29,851</u>	<u>\$ 30,951</u>	<u>\$ 29,140</u>	<u>\$ 1,811</u>

The budget savings for personnel expenditures (at a spending level of 98% of budget) is somewhat worse than was expected in the budgeted cash flows due to the aforementioned fire and police pension contributions. The savings in the Village's refuse collection and disposal reflects a greater community commitment to recycling and composting which results in savings for disposal.

The budget savings in the "other recurring" category (at a spending level of 95.8% of budget) is slightly better than was expected in the budgeted cash flows. Much of this savings was from the internal service expense allocation from the Municipal Garage Fund due to fuel prices not increasing to the extent that was expected when the budget was set. The EAB program took more time (in the planning and coordination with the State) at the onset than was anticipated. This will be a multi-year program so the budget savings reflect expense deferrals to future years.

The negative budget variance in sidewalk, alley and curb maintenance was the result of the Village Board's direction to reduce fund balance and increase spending toward improvements of deteriorating alleys after the budget was set. The budget savings in capital outlay relates to a deferral of expense related to a fire grant that was not received (noted previously).

The \$495 budget savings for the contingency category is as expected since this is never included in the budgeted cash flow projections. The savings in other non-recurring expenses is related to expenses that the Village did not incur for the commercial developments that did not begin in 2007 (noted in the discussion of commercial permit revenues).

The variance noted for transfers is comprised of two factors. A \$490 transfer was anticipated to be made to the Capital Projects Fund from the new revenues that are dedicated toward road improvements. This Village Board determined that this money would be retained by the General Fund for future road improvements rather than to use this to reduce debt in 2007 and 2008. The increase in cellular lease revenues allowed for a \$331 greater transfer to the Parking Meter Fund for the annual debt service subsidy. Lastly, the variance for debt service is related to principal repayments made by the Wilmette Historical Society (described below) that are not budgeted.

### CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2007 total \$117,890. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents a net increase of \$4,504 (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 54-57.

The Governmental Activities net capital assets increased from last year by \$3,699. This is primarily the result of expenditures for street improvements and building improvements from the 2002 general obligation bond issue. Business-Type Activities net capital assets increased by \$805. This is mostly from water and sewer main improvements that are taking place in conjunction with the aforementioned street improvements and are being financed from the 2002 and 2004 bond issues.

### DEBT OUTSTANDING

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

**Table 5: Bonded and Similar Indebtedness**

	Outstanding at December 31, <u>2006</u>	Issued <u>in 2007</u>	Retired <u>in 2007</u>	Outstanding at December 31, <u>2007</u>
General Obligation Bonds	57,935	19,850	(9,205)	68,580
E.P.A. Loans	16,972	614	(1,758)	15,828
Installment Contracts	354	-	(74)	280
Totals	<u>75,261</u>	<u>20,464</u>	<u>(11,037)</u>	<u>84,688</u>
Governmental Activities	31,744	11,735	(3,004)	40,475
Business-Type Activities	43,517	8,729	(8,033)	44,213
Totals	<u>75,261</u>	<u>20,464</u>	<u>(11,037)</u>	<u>84,688</u>

A planned bond issue was noted in last year's report and the Village issued \$19,850 with its 2007 general obligation bond issue. Approximately \$12,500 of this was new money while the remainder refunded the outstanding Series 2000 bond issue. The portion to complete the ten year enhanced road improvement program, to improve Sheridan Road, to improve traffic flow along Greenbay Road and to update the Public Works facility amounted to about \$10,000 with the remainder dedicated to continued sewer improvements in conjunction with road improvements. The additional sewer debt from the EPA totaling \$614 is also for this purpose. The general obligation bond and EPA Loan principal retired in 2007 was per the required amortization schedules for this debt.

In 2004, the Village arranged an installment contract (line of credit) to assist the Wilmette Historical Society in building an addition to the Village's Museum. The Society financed 100% of the cost of this project through their own donations and an Illinois State Grant. The installment contract was put in place to provide the Society with adequate cash flow through the construction. This building addition was completed and placed into service in 2005 at a final cost of \$996. The Society is paying for all debt service on this loan and in 2006 the Society repaid \$61 in principal, leaving a balance on this debt of \$115. The only activity for the remaining installment contracts were the scheduled repayments throughout the year.

The Village, under its home rule authority, does not have a legal debt limit. With the 2007 Series Bond Issue, the Village's Aaa bond rating was reaffirmed by Moody's Investors Service citing the Village's well-managed financial operations, moderate debt burden and high property values. A bond issue is projected in 2009 to complete the aforementioned projects. The Village expects its bond rating to be reaffirmed with that issue as well. Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 58-70.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

National economic conditions have been primarily evident in the real estate sector in Wilmette. Sales of existing homes have slowed by at least 25% and it is expected that this will continue throughout 2009 and may get worse. Since it is perceived that it is currently a "buyer's market" for real estate, most residential property owners are not as anxious to list their properties as they might have been in recent years. This situation is worse on the commercial real estate side as plans to improve vacant or under-developed parcels may remain on hold for two or more years while waiting for conditions to improve.

The unemployment rate in Wilmette is expected to continue to be well below national and statewide averages. Based on income tax figures, the Illinois economy improved in 2007 for the third straight year and projections indicate that this will continue into 2008. The 1.8% increase in sales taxes in 2007 is expected to grow another 2% in 2008 with the addition of a new grocery store in the Village. It is expected that fees and taxes will be increased in line with expenditure growth in keeping with the Village's policies for indexing its revenues.

Last year's report noted two commercial redevelopments along the Green Bay Road corridor. The commercial development on the former Kohl Museum site is under construction in 2008 and should be occupied in 2009. However, the mixed-use planned unit development on the former Ford site is not moving forward at this time.

The increasing cost of health insurance (due to the nationwide increases in health care expense) and from pension contributions (due to legislation that enhances defined benefits as well as lagging investment performance in recent years) are expected to have the greatest impact on the Village's operating expenses in the near future.

#### **CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

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



## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

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



**VILLAGE OF WILMETTE, ILLINOIS**

**Statement of Net Assets  
December 31, 2007**

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See Following Page

# VILLAGE OF WILMETTE, ILLINOIS

## Statement of Net Assets December 31, 2007

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 5,813,774	2,258,365	8,072,139
Receivables - Net	14,579,635	1,502,382	16,082,017
Due from Other Governments	2,686,876	-	2,686,876
Internal Balances	286,464	(286,464)	-
Inventories/Prepays	262,008	111,627	373,635
Deposits	664,003	-	664,003
Restricted Assets - Cash and Investments	8,990,819	6,986,249	15,977,068
<b>Total Current Assets</b>	<b>33,283,579</b>	<b>10,572,159</b>	<b>43,855,738</b>
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Land	2,807,973	1,625,784	4,433,757
Depreciable Capital Assets	59,283,414	98,411,455	157,694,869
Depreciation	(19,871,905)	(24,366,565)	(44,238,470)
	<b>42,219,482</b>	<b>75,670,674</b>	<b>117,890,156</b>
<b>Other Assets</b>			
Long-term Note Receivable	255,000	-	255,000
Net Pension Asset	410,707	-	410,707
	<b>665,707</b>	<b>-</b>	<b>665,707</b>
<b>Total Noncurrent Assets</b>	<b>42,885,189</b>	<b>75,670,674</b>	<b>118,555,863</b>
<b>Total Assets</b>	<b>76,168,768</b>	<b>86,242,833</b>	<b>162,411,601</b>

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

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 1,329,680	823,206	2,152,886
Accrued Wages and Benefits	562,533	103,468	666,001
Accrued Interest Payable	141,808	165,784	307,592
Deposits Payable	759,180	1,795	760,975
Unearned Revenues	12,925,009	-	12,925,009
Compensated Absences Payable	669,976	27,260	697,236
Current Portion Long-Term Debt	2,293,328	2,665,077	4,958,405
Total Current Liabilities	18,681,514	3,786,590	22,468,104
Noncurrent Liabilities			
Compensated Absences Payable	2,679,903	135,640	2,815,543
Installment Contracts/Notes Payable	151,773	-	151,773
EPA Loans Payable	-	14,002,686	14,002,686
General Obligation Bonds Payable - Net	37,859,523	27,477,615	65,337,138
Total Noncurrent Liabilities	40,691,199	41,615,941	82,307,140
Total Liabilities	59,372,713	45,402,531	104,775,244
<b>NET ASSETS</b>			
Invested in Capital Assets -			
Net of Related Debt	10,499,597	37,956,144	48,455,741
Restricted			
Highways and Streets	450,725	-	450,725
Unrestricted	5,845,733	2,884,158	8,729,891
Total Net Assets	16,796,055	40,840,302	57,636,357

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, 2007

	Expenses	Program Revenues	
		Charges for Services	Operating Grants/ Contributions
Governmental Activities			
General Government	\$ 3,395,790	288,614	-
Public Safety	15,071,445	1,993,313	336,671
Streets and Sanitation	8,270,333	1,729,235	1,850,749
Other Public Works	2,155,904	121,267	748,371
Public Health	177,124	32,582	-
Community Development	1,253,997	1,769,744	-
Interest on Long-Term Debt	1,636,879	-	-
Total Governmental Activities	31,961,472	5,934,755	2,935,791
Business-Type Activities			
Water	6,146,053	6,380,743	155,024
Sewer	2,621,682	3,468,473	-
Parking	442,821	308,102	-
Total Business-Type Activities	9,210,556	10,157,318	155,024
	41,172,028	16,092,073	3,090,815

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

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(3,107,176)	-	(3,107,176)
(12,741,461)	-	(12,741,461)
(4,690,349)	-	(4,690,349)
(1,286,266)	-	(1,286,266)
(144,542)	-	(144,542)
515,747	-	515,747
(1,636,879)	-	(1,636,879)
(23,090,926)	-	(23,090,926)
-	389,714	389,714
-	846,791	846,791
-	(134,719)	(134,719)
-	1,101,786	1,101,786
(23,090,926)	1,101,786	(21,989,140)
11,580,802	-	11,580,802
4,186,809	-	4,186,809
2,447,409	-	2,447,409
2,739,621	-	2,739,621
1,366,260	-	1,366,260
805,021	-	805,021
565,408	402,847	968,255
1,384,310	-	1,384,310
119,236	(119,236)	-
25,194,876	283,611	25,478,487
2,103,950	1,385,397	3,489,347
14,692,105	39,454,905	54,147,010
16,796,055	40,840,302	57,636,357

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

# VILLAGE OF WILMETTE, ILLINOIS

## Balance Sheet - Governmental Funds December 31, 2007

	General	Debt Service	2002 & 2007 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
<b>ASSETS</b>					
Cash and Investments	\$ 4,869,935	-	-	386,432	5,256,367
Receivables - Net of Allowances				-	
Property Taxes	9,830,656	3,637,335	-	-	13,467,991
Other Taxes	150,042	-	-	-	150,042
Accounts	944,792	-	-	-	944,792
Due from Other Governments	2,484,432	-	138,151	64,293	2,686,876
Due from Other Funds	543,307	-	-	-	543,307
Prepays	62,008	-	200,000	-	262,008
Deposits	664,003	-	-	-	664,003
Restricted Assets - Cash and Investments	117,319	-	8,873,500	-	8,990,819
Long-Term Note Receivable	255,000	-	-	-	255,000
<b>Total Assets</b>	<b>19,921,494</b>	<b>3,637,335</b>	<b>9,211,651</b>	<b>450,725</b>	<b>33,221,205</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	895,304	150	398,162	-	1,293,616
Accrued Wages and Benefits	562,533	-	-	-	562,533
Due to Other Funds	-	242,781	-	-	242,781
Deposits Payable	759,180	-	-	-	759,180
Deferred Revenue	10,018,193	3,402,069	168,750	-	13,589,012
<b>Total Liabilities</b>	<b>12,235,210</b>	<b>3,645,000</b>	<b>566,912</b>	<b>-</b>	<b>16,447,122</b>
<b>Fund Balances</b>					
Reserved - Note Receivable	255,000	-	-	-	255,000
Reserved - Prepays	62,008	-	200,000	-	262,008
Reserved - Encumbrances	242,326	-	-	-	242,326
Reserved - Cable TV	5,286	-	-	-	5,286
Unreserved - Nonmajor Special Revenue	-	-	-	450,725	450,725
Unreserved	7,121,664	(7,665)	8,444,739	-	15,558,738
<b>Total Fund Balances</b>	<b>7,686,284</b>	<b>(7,665)</b>	<b>8,644,739</b>	<b>450,725</b>	<b>16,774,083</b>
<b>Total Liabilities and Fund Balances</b>	<b>19,921,494</b>	<b>3,637,335</b>	<b>9,211,651</b>	<b>450,725</b>	<b>33,221,205</b>

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



## VILLAGE OF WILMETTE, ILLINOIS

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

December 31, 2007

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<b>Total Governmental Fund Balances</b>	<b>\$ 16,774,083</b>
 Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	42,219,482
Certain revenues that are deferred in the governmental funds are available revenues in the statement of net assets.	664,003
A net pension asset is not considered to represent a financial resource and therefore, is not reported in the funds.	410,707
Internal service funds are used by the Village to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Assets.	(1,737,288)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Current Portion - General Obligation Bonds Payable	(2,165,000)
Compensated Absences Payable	(1,088,500)
General Obligation Bonds Payable - Net	(37,859,523)
Installment Contracts/Notes Payable	(280,101)
Accrued Interest Payable	(141,808)
<b>Net Assets of Governmental Activities</b>	<b><u>16,796,055</u></b>

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, 2007

	General	Debt Service	2002 & 2007 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 20,631,721	2,494,201	-	-	23,125,922
Licenses, Permits and Fees	3,382,726	-	-	-	3,382,726
Intergovernmental	983,611	-	1,162,313	789,867	2,935,791
Charges for Services	2,278,003	-	-	-	2,278,003
Fines and Forfeitures	274,026	-	-	-	274,026
Investment Earnings	282,437	-	185,157	29,657	497,251
Miscellaneous	1,384,310	-	-	-	1,384,310
<b>Total Revenues</b>	<b>29,216,834</b>	<b>2,494,201</b>	<b>1,347,470</b>	<b>819,524</b>	<b>33,878,029</b>
<b>Expenditures</b>					
<b>Current</b>					
General Government	3,147,259	-	-	-	3,147,259
Public Safety	14,863,098	-	-	-	14,863,098
Streets and Sanitation	6,795,616	-	-	-	6,795,616
Other Public Works	2,149,004	-	-	-	2,149,004
Public Health	177,824	-	-	-	177,824
Community Development	1,451,671	-	-	-	1,451,671
Capital Outlay	-	-	4,268,278	800,000	5,068,278
<b>Debt Service</b>					
Principal Retirement	74,235	1,180,000	-	-	1,254,235
Interest and Fiscal Charges	382	1,350,232	69,884	-	1,420,498
Issuance Costs	-	10,613	70,402	-	81,015
<b>Total Expenditures</b>	<b>28,659,089</b>	<b>2,540,845</b>	<b>4,408,564</b>	<b>800,000</b>	<b>36,408,498</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>557,745</b>	<b>(46,644)</b>	<b>(3,061,094)</b>	<b>19,524</b>	<b>(2,530,469)</b>
<b>Other Financing Sources (Uses)</b>					
Debt Issuance	-	1,784,070	9,950,930	-	11,735,000
Discount on Debt Issuance	-	-	(61,173)	-	(61,173)
Payment to Escrow Agent	-	(1,773,457)	-	-	(1,773,457)
Transfers In	600,000	-	-	-	600,000
Transfers Out	(480,764)	-	-	-	(480,764)
	119,236	10,613	9,889,757	-	10,019,606
<b>Net Change in Fund Balances</b>	<b>676,981</b>	<b>(36,031)</b>	<b>6,828,663</b>	<b>19,524</b>	<b>7,489,137</b>
<b>Fund Balances - Beginning</b>	<b>7,009,303</b>	<b>28,366</b>	<b>1,816,076</b>	<b>431,201</b>	<b>9,284,946</b>
<b>Fund Balances - Ending</b>	<b>7,686,284</b>	<b>(7,665)</b>	<b>8,644,739</b>	<b>450,725</b>	<b>16,774,083</b>

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, 2007

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 7,489,137</b>
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	6,038,107
Depreciation Expense	(2,292,961)
The net effect of various transactions involving capital assets is to decrease net assets.	
Disposals - Cost	(531,164)
Disposals - Accumulated Depreciation	484,953
Certain revenues are not available in the governmental funds but are reported as revenues in the Statement of Activities.	
	46,509
An increase in a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
	7,080
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.	
	(185,110)
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	(171,100)
Issuance of Debt	(11,735,000)
Retirement of Debt	3,004,235
Amortization of Loss on Refunding	(21,310)
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
	(29,426)
<b>Changes in Net Assets of Governmental Activities</b>	<b>2,103,950</b>

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

**VILLAGE OF WILMETTE, ILLINOIS**

**Statement of Net Assets - Proprietary Funds  
December 31, 2007**

	Business-Type Activities				Governmental
			Nonmajor		Activities
	Water	Sewer	Parking Meter	Totals	Internal Service
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Investments	\$ 891,148	490,755	876,462	2,258,365	557,407
Receivables - Net of Allowances					
Accounts	762,272	740,110	-	1,502,382	16,810
Inventory	109,577	-	-	109,577	-
Prepays	2,050	-	-	2,050	-
<b>Restricted Assets</b>					
Cash and Investments	4,716,924	2,269,325	-	6,986,249	-
Total Current Assets	6,481,971	3,500,190	876,462	10,858,623	574,217
<b>Capital Assets</b>					
Nondepreciable Capital Assets	845,627	121,053	659,104	1,625,784	-
Depreciable Capital Assets	43,261,246	50,199,033	4,951,176	98,411,455	-
Depreciation	(12,990,927)	(10,304,730)	(1,070,908)	(24,366,565)	-
Total Capital Assets	31,115,946	40,015,356	4,539,372	75,670,674	-
Total Assets	37,597,917	43,515,546	5,415,834	86,529,297	574,217

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

	Business-Type Activities				Governmental Activities
			Nonmajor Parking Meter	Totals	Internal Service
	Water	Sewer			
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable	670,245	127,075	25,886	823,206	36,064
Accrued Wages and Benefits	85,710	14,129	3,629	103,468	-
Accrued Interest Payable	74,642	89,990	1,152	165,784	-
Due to Other Funds	286,464	-	-	286,464	14,062
Deposits Payable	1,795	-	-	1,795	-
Compensated Absences Payable	23,760	3,500	-	27,260	-
EPA Loans Payable	-	1,825,077	-	1,825,077	-
General Obligation Bonds Payable	665,000	50,000	125,000	840,000	-
Total Current Liabilities	1,807,616	2,109,771	155,667	4,073,054	50,126
<b>Noncurrent Liabilities</b>					
Compensated Absences Payable	116,540	19,100	-	135,640	2,261,379
EPA Loans Payable	-	14,002,686	-	14,002,686	-
General Obligation Bonds Payable	20,215,000	7,020,000	310,000	27,545,000	-
Unamortized Loss on Refunding	(64,910)	-	(2,475)	(67,385)	-
Total Noncurrent Liabilities	20,266,630	21,041,786	307,525	41,615,941	2,261,379
Total Liabilities	22,074,246	23,151,557	463,192	45,688,995	2,311,505
<b>NET ASSETS</b>					
<b>Invested in Capital Assets - Net of Related Debt</b>					
Unrestricted	14,502,062	19,347,235	4,106,847	37,956,144	-
	1,021,609	1,016,754	845,795	2,884,158	(1,737,288)
Total Net Assets	15,523,671	20,363,989	4,952,642	40,840,302	(1,737,288)

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

# VILLAGE OF WILMETTE, ILLINOIS

## Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds Year Ended December 31, 2007

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service
	Water	Sewer	Nonmajor Parking Meter	Totals	
Operating Revenues					
Charges for Services	\$ 6,380,743	3,468,473	308,102	10,157,318	-
Interfund Services	-	-	-	-	5,301,960
Total Operating Revenues	6,380,743	3,468,473	308,102	10,157,318	5,301,960
Operating Expenses					
Administration	657,444	-	-	657,444	17,790
Operations	3,459,827	1,120,724	300,809	4,881,360	5,490,928
Depreciation	972,134	733,784	123,562	1,829,480	-
Total Operating Expenses	5,089,405	1,854,508	424,371	7,368,284	5,508,718
Operating Income (Loss)	1,291,338	1,613,965	(116,269)	2,789,034	(206,758)
Nonoperating Revenues (Expenses)					
Investment Earnings	361,979	40,868	-	402,847	21,648
Interest Expense	(996,048)	(767,174)	(17,625)	(1,780,847)	-
Amortization of Bond Discount	(60,600)	-	(825)	(61,425)	-
	(694,669)	(726,306)	(18,450)	(1,439,425)	21,648
Income (Loss) Before Contributions and Transfers	596,669	887,659	(134,719)	1,349,609	(185,110)
Contributions	155,024	-	-	155,024	-
Transfers In	-	-	480,764	480,764	-
Transfers Out	(600,000)	-	-	(600,000)	-
Change in Net Assets	151,693	887,659	346,045	1,385,397	(185,110)
Net Assets - Beginning	15,371,978	19,476,330	4,606,597	39,454,905	(1,552,178)
Net Assets - Ending	15,523,671	20,363,989	4,952,642	40,840,302	(1,737,288)

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, 2007**

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See Following Page

# VILLAGE OF WILMETTE, ILLINOIS

## Statement of Cash Flows - Proprietary Funds Year Ended December 31, 2007

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 6,303,871
Receipts from Interfund Services	-
Payments to Employees	(1,922,196)
Payments to Suppliers	<u>(2,280,322)</u>
	<u>2,101,353</u>
Cash Flows from Non-Capital Financing Activities	
Transfers In	-
Transfers Out	(600,000)
Change in Interfund Activity	<u>(1,014,451)</u>
	<u>(1,614,451)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(1,174,389)
Principal Issued on Debt	5,665,000
Principal Paid on Debt	(6,105,000)
Interest Paid on Debt	<u>(996,048)</u>
	<u>(2,610,437)</u>
Cash Flows from Investing Activities	
Interest Received	<u>361,979</u>
Net Change in Cash and Cash Equivalents	(1,761,556)
Cash and Cash Equivalents - Beginning	<u>7,369,628</u>
Cash and Cash Equivalents - Ending	<u><u>5,608,072</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	<u>1,291,338</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	972,134
(Increase) Decrease in Current Assets	(76,872)
Increase (Decrease) in Current Liabilities	<u>(85,247)</u>
Net Cash Provided by Operating Activities	<u><u>2,101,353</u></u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u><u>155,024</u></u>

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



Business-Type Activities - Enterprise Funds			Governmental Activities
	Nonmajor		Internal Service
Sewer	Parking Meter	Totals	
3,448,101	308,102	10,060,074	-
-	-	-	5,298,939
(392,811)	(100,819)	(2,415,826)	(621,043)
(1,013,157)	(183,226)	(3,476,705)	(4,566,912)
2,042,133	24,057	4,167,543	110,984
-	480,764	480,764	-
-	-	(600,000)	-
-	-	(1,014,451)	2,525
-	480,764	(1,133,687)	2,525
(1,304,973)	-	(2,479,362)	-
3,063,755	-	8,728,755	-
(1,808,118)	(120,000)	(8,033,118)	-
(767,174)	(17,625)	(1,780,847)	-
(816,510)	(137,625)	(3,564,572)	-
40,868	-	402,847	21,648
1,266,491	367,196	(127,869)	135,157
1,493,589	509,266	9,372,483	422,250
2,760,080	876,462	9,244,614	557,407
1,613,965	(116,269)	2,789,034	(206,758)
733,784	123,562	1,829,480	-
(20,372)	-	(97,244)	(3,021)
(285,244)	16,764	(353,727)	320,763
2,042,133	24,057	4,167,543	110,984
-	-	155,024	-

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

**VILLAGE OF WILMETTE, ILLINOIS**

**Statement of Net Assets - Fiduciary Funds  
December 31, 2007**

	<u>Pension Trust</u>	<u>Agency</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 2,073,847	537,817
Investments		
U.S. Government and Agency Securities	16,546,768	-
Mutual Funds	40,211,315	-
Receivables		
Accrued Interest	256,733	-
Total Assets	<u>59,088,663</u>	<u>537,817</u>
<b>Liabilities</b>		
Accounts Payable	12,675	-
Deposits Payable	<u>-</u>	<u>537,817</u>
Total Liabilities	<u>12,675</u>	<u>537,817</u>
<b>Net Plan Assets Held in Trust for Pension Benefits</b> (A schedule of funding progress is presented following the notes to the financial schedules.)	<u>59,075,988</u>	<u>-</u>

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

# VILLAGE OF WILMETTE, ILLINOIS

## Statement of Changes in Net Assets - Fiduciary Funds Year Ended December 31, 2007

	<u>Pension Trust</u>
<b>Additions</b>	
Contributions - Employer	\$ 2,262,200
Contributions - Plan Members	<u>672,686</u>
Total Contributions	<u>2,934,886</u>
<b>Investment Income</b>	
Investment Earnings	2,634,050
Net Change in Fair Value	<u>2,203,354</u>
	4,837,404
Less Investment Expenses	<u>(77,446)</u>
	<u>4,759,958</u>
Total Additions	<u>7,694,844</u>
<b>Deductions</b>	
Administration	20,521
Benefits and Refunds	<u>3,451,717</u>
Total Deductions	<u>3,472,238</u>
Change in Net Assets	4,222,606
<b>Net Plan Assets Held in Trust for Pension Benefits</b>	
Beginning	<u>54,853,382</u>
Ending	<u>59,075,988</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, 2007

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# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

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# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

### REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Wilmette
Blended Component Unit:	Police Pension Employees Retirement System Firefighters' Pension Employee Retirement System

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

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

### Blended Component Units

#### Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board.

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements December 31, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **REPORTING ENTITY – Continued**

#### **Blended Component Units – Continued**

#### **Police Pension Employees Retirement System – Continued**

The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

#### **Firefighters' Pension Employees Retirement System**

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

### **BASIS OF PRESENTATION**

#### **Government-Wide Statements**

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

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



## **VILLAGE OF WILMETTE, ILLINOIS**

### **Notes to the Financial Statements December 31, 2007**

---

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **BASIS OF PRESENTATION – Continued**

##### **Government-Wide Statements – Continued**

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, community development, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, community development, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

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

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

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

##### **Fund Financial Statements**

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.



# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

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

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

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

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

#### Governmental Funds

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

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

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

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, which accounts for the accumulation of monies for the payment of the following bond issues: \$3,000,000 of Series 2001 General Obligation Improvements, \$23,400,000 of Series 2002 General Obligation Improvements, \$9,300,000 of Series 2004 General Obligation Refunding, and \$11,735,000 of Series 2006 General Obligation Refunding and Improvements. In addition, this fund accounts for \$100,000 of Series 1988 Central Business District Improvements.

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

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

#### Proprietary Funds

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

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

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

#### Fiduciary Funds

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

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements December 31, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION – Continued**

##### **Fund Financial Statements – Continued**

##### **Fiduciary Funds – Continued**

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

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

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

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

##### **Measurement Focus**

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

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

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

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements December 31, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

##### **Measurement Focus – Continued**

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

##### **Basis of Accounting**

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

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

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

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

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

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2007**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

##### **Basis of Accounting – Continued**

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

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

##### **Cash and Investments**

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

##### **Receivables**

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

##### **Inventories**

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

##### **Restricted Assets**

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



# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

##### Interfund Receivables, Payables and Activity

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

##### Prepays

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

##### Capital Assets

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

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

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

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

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements December 31, 2007**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued**

##### **Capital Assets – Continued**

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

##### **Compensated Absences**

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

##### **Long-Term Obligations**

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

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

##### **Unearned/Deferred Revenue**

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

## VILLAGE OF WILMETTE, ILLINOIS

### Notes to the Financial Statements December 31, 2007

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

###### Fund Equity

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

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

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

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

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

#### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

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

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, 2007

### 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>
Debt Service	\$ 9,262
Section 105 Sick Leave	300,258

#### DEFICIT FUND EQUITY

The following funds had deficit fund equity at year end:

<u>Fund</u>	<u>Deficit</u>
Debt Service	\$ 7,665
Section 105 Sick Leave	1,737,288

### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county,

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

#### Village Credit Risk, Custodial Credit Risk, and Concentration Risk

*Deposits.* At year-end the carrying amount of the Village's deposits for governmental and business-type activities totaled \$24,045,514 and the bank balances totaled \$24,732,134.

*Investments.* At year-end, the Village has the following investments and maturities:

Investment Type	Fair Value	Remaining Maturities - in Years		
		Less Than 1	1-5	6-10
Illinois Funds	\$ 3,693	3,693	-	-

*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".

## VILLAGE OF WILMETTE, ILLINOIS

### Notes to the Financial Statements December 31, 2007

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#### 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, 2007, the Village's investments in the Illinois Funds are triple A rated by Standard & Poor's.

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. At December 31, 2007, 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 \$100,000. 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, 2007, the U.S. Government Securities are categorized as insured, registered, or held by the Village or its agent in the Village's name.

*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, 2007, 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, 2007

### 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 \$838,142 and the bank balances totaled \$838,142.

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

Investment Type	Fair Value	Remaining Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,947,008	710,528	1,920,104	1,096,273	2,220,103
U.S Agency Obligations	2,368,037	-	2,177,042	110,643	80,352
Mutual Funds	19,915,507	19,915,507	-	-	-
Total	28,230,552	20,626,035	4,097,146	1,206,916	2,300,455

*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. treasuries and 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, 2007, 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, 2007, 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, 2007, 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 (\$17,833,626).

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### 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 \$1,235,705 and the bank balances totaled \$1,235,705.

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

Investment Type	Fair Value	Remaining Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,947,009	710,528	1,920,103	1,712,119	1,604,259
U.S Agency Obligations	2,284,714	-	2,120,739	118,606	45,369
Mutual Funds	20,295,808	20,295,808	-	-	-
Total	28,527,531	21,006,336	4,040,842	1,830,725	1,649,628

*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. treasuries and securities 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, 2007, 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, 2007, 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, 2007, 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 (\$18,149,306).

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### PROPERTY TAXES

Property taxes for 2007 attach as an enforceable lien on January 1, 2007, 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, 2007, and September 1, 2007. The County collects such taxes and remits them periodically. Since the 2007 levy is intended to finance the 2008 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	\$ 1,592,378	245,884	-	1,838,262
Construction in Progress	4,063,721	650,077	3,744,087	969,711
	5,656,099	895,961	3,744,087	2,807,973
Other Capital Assets				
Buildings	10,737,571	3,960,920	-	14,698,491
Improvements Other Than Buildings	32,294,486	3,488,247	-	35,782,733
Motor Equipment	6,141,590	714,876	453,143	6,403,323
Office Furniture and Equipment	752,553	44,181	78,021	718,713
Other Equipment	1,002,145	678,009	-	1,680,154
	50,928,345	8,886,233	531,164	59,283,414

**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements  
December 31, 2007****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****CAPITAL ASSETS – Continued****Governmental Activities – Continued**

	Beginning Balances	Increases	Decreases	Ending Balances
Less Accumulated Depreciation				
Buildings	\$ 2,783,142	32,625	-	2,815,767
Improvements Other Than Buildings	9,150,208	1,648,037	-	10,798,245
Motor Equipment	4,872,407	454,429	406,932	4,919,904
Office Furniture and Equipment	572,430	61,806	78,021	556,215
Other Equipment	685,710	96,064	-	781,774
	<u>18,063,897</u>	<u>2,292,961</u>	<u>484,953</u>	<u>19,871,905</u>
 Total Other Capital Assets	 <u>32,864,448</u>	 <u>6,593,272</u>	 <u>46,211</u>	 <u>39,411,509</u>
 Total Capital Assets	 <u>38,520,547</u>	 <u>7,489,233</u>	 <u>3,790,298</u>	 <u>42,219,482</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 94,078
Streets and Sanitation	1,817,044
Public Safety - Police	226,180
Public Safety - Fire	<u>155,659</u>
	<u>2,292,961</u>



**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements  
December 31, 2007****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
<b>Capital Assets - Nondepreciable</b>				
Land	\$ 832,453	-	-	832,453
Landscaping	60,232	163,657	-	223,889
Construction in Progress	1,441,409	-	871,967	569,442
	<u>2,334,094</u>	<u>163,657</u>	<u>871,967</u>	<u>1,625,784</u>
<b>Other Capital Assets</b>				
Water System Improvements	22,844,655	1,271,110	-	24,115,765
Sewer System Improvements	46,439,597	1,277,525	-	47,717,122
Storm Water Pump Stations	2,323,911	-	-	2,323,911
Buildings	11,111,252	336,795	-	11,448,047
Machinery, Equipment, and Vehicles	7,632,554	457,266	234,385	7,855,435
Parking Facilities/Improvements	4,951,175	-	-	4,951,175
	<u>95,303,144</u>	<u>3,342,696</u>	<u>234,385</u>	<u>98,411,455</u>
<b>Less Accumulated Depreciation</b>				
Water System Improvements	5,337,671	455,378	-	5,793,049
Sewer System Improvements	8,830,806	676,084	-	9,506,890
Storm Water Pump Stations	740,140	51,380	-	791,520
Buildings	3,316,007	247,170	-	3,563,177
Machinery, Equipment, and Vehicles	3,599,500	275,906	234,385	3,641,021
Parking Facilities/Improvements	947,346	123,562	-	1,070,908
	<u>22,771,470</u>	<u>1,829,480</u>	<u>234,385</u>	<u>24,366,565</u>
<b>Total Other Capital Assets</b>	<u>72,531,674</u>	<u>1,513,216</u>	<u>-</u>	<u>74,044,890</u>
<b>Total Capital Assets</b>	<u>74,865,768</u>	<u>1,676,873</u>	<u>871,967</u>	<u>75,670,674</u>



# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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### 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	\$ 972,134
Sewer	733,784
Parking Meter	<u>123,562</u>
	<u>1,829,480</u>

### INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

#### Interfund Balances

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

Receivable Fund	Payable Fund	Amount
General	Debt Service	\$ 242,781
General	Workers Compensation	14,062
General	Water	<u>286,464</u>
		<u>543,307</u>

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

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements

December 31, 2007

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – Continued

##### Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer Out	Transfer In	Amount
General	Parking Meter	\$ 480,764
Water	General	<u>600,000</u>
		<u>1,080,764</u>

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

#### LONG-TERM DEBT

##### General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT

##### General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
\$10,000,000 General Obligation Bond Series of 1999, due in annual installments of \$100,000 to \$1,240,000 plus interest at 3.20% to 4.45% through December 1, 2014.	Water	\$ 5,950,000	-	-	5,950,000
\$8,900,000 General Obligation Refunding Bond Series of 2000, due in annual installments of \$345,000 to \$1,000,000 plus interest at 5.00% to 5.50% through December 1, 2021.	Debt Service	1,825,000	-	* 1,750,000 75,000	-
	Water	5,825,000	-	* 5,550,000 275,000	-
\$5,000,000 General Obligation Bond Series of 2001, due in annual installments of \$75,000 to \$125,000 plus interest at 4.00% to 5.00% through December 1, 2008.	Debt Service	50,000	-	25,000	25,000
	Water	150,000	-	50,000	100,000
\$30,400,000 General Obligation Bond Series of 2002, due in annual installments of \$125,000 to \$2,700,000 plus interest at 4.00% to 5.00% through December 1, 2023.	Debt Service	21,330,000	-	50,000	21,280,000
	Sewer	1,920,000	-	25,000	1,895,000
	Water	4,950,000	-	100,000	4,850,000

\* Refunded

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### 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
\$17,525,000 General Obligation Bond Series 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	\$ 8,185,000	-	1,030,000	7,155,000
	Sewer	2,750,000	-	25,000	2,725,000
	Water	4,445,000	-	130,000	4,315,000
	Parking Meter	555,000	-	120,000	435,000
\$19,850,000 General Obligation Refunding Bond Series 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	-	11,735,000	-	11,735,000
	Sewer	-	2,450,000	-	2,450,000
	Water	-	5,665,000	-	5,665,000
		57,935,000	19,850,000	9,205,000	68,580,000

##### IEPA Revenue Bonds

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bond Series of 1993, due in annual installments of \$327,951 to \$638,703 plus interest of 3.58% through December 1, 2013.	Sewer	\$ 3,841,305	-	534,870	3,306,435

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

#### IEPA Revenue Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bond Series of 1993, due in annual installments of \$335,386 to \$654,240 plus interest of 3.58% through January 1, 2014.	Sewer	\$ 4,488,613	-	535,686	3,952,927
IEPA Revenue Bond Series of 1996, due in annual installments of \$155,031 to \$303,636 plus interest of 2.815% through December 1, 2016.	Sewer	2,605,032	-	242,791	2,362,241
IEPA Revenue Bond Series of 1997, due in annual installments of \$422,907 to \$596,423 plus interest of 3.150% through September 8, 2017.	Sewer	5,638,959	-	436,334	5,202,625
IEPA Revenue Bond Series of 2006, due in annual installments of \$8,437 to \$26,887 plus interest of 2.500% through September 13, 2026.	Sewer	398,217	22,498	8,437	412,278
IEPA Revenue Bond Series of 2007, due in annual installments plus interest.	Sewer	-	591,257	-	591,257
		16,972,126	613,755	1,758,118	15,827,763

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Installment Contracts/Notes Payable

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

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Installment contract through November 2010 plus interest at 3.4%.	General	\$ 33,770	-	8,669	25,101
\$165,000 Village Manager housing allowance note payable due in June 2007 plus interest at 3.4%.	General	145,000	-	5,000	140,000
Historical Society improvements note due in October 2008 plus interest at 3.25%	General	175,566	-	60,566	115,000
		354,336	-	74,235	280,101

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, 2007, the line of credit outstanding balance is \$115,000.

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

**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements  
December 31, 2007****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
<b>Governmental Activities</b>					
Compensated Absences	\$ 2,866,311	967,136	483,568	3,349,879	669,976
General Obligation Bonds	31,390,000	11,735,000	2,930,000	40,195,000	2,165,000
Unamortized Loss on Refunding	(191,787)	-	(21,310)	(170,477)	-
Installment Contracts/ Notes Payable	354,336	-	74,235	280,101	128,328
	<u>34,418,860</u>	<u>12,702,136</u>	<u>3,466,493</u>	<u>43,654,503</u>	<u>2,963,304</u>
<b>Business-Type Activities</b>					
Compensated Absences	136,300	53,200	26,600	162,900	27,260
General Obligation Bonds	26,545,000	8,115,000	6,275,000	28,385,000	840,000
Unamortized Bond Discount	(128,810)	-	(61,425)	(67,385)	-
EPA Loans	16,972,126	613,755	1,758,118	15,827,763	1,825,077
	<u>43,524,616</u>	<u>8,781,955</u>	<u>7,998,293</u>	<u>44,308,278</u>	<u>2,692,337</u>

The Debt Service Fund, Water Fund, Sewer Fund, and Parking Meter Funds make payments on the general obligation bonds. Payments on the notes payable are made by the General Fund. The Sewer Fund makes payments on the EPA loans. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$2,261,379 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements****December 31, 2007****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
2008	\$ 2,165,000	1,701,696	128,328	9,222
2009	1,530,000	1,625,958	13,615	5,027
2010	1,325,000	1,568,637	13,158	4,559
2011	2,340,000	1,520,671	5,000	4,250
2012	3,025,000	1,434,951	5,000	4,080
2013	3,630,000	1,317,786	5,000	3,910
2014	3,955,000	1,170,589	5,000	3,740
2015	3,910,000	1,005,636	5,000	3,570
2016	4,000,000	836,123	5,000	3,400
2017	4,480,000	659,573	5,000	3,230
2018	4,245,000	461,491	5,000	3,060
2019	2,060,000	272,885	5,000	2,890
2020	1,760,000	172,975	5,000	2,720
2021	1,760,000	86,735	5,000	2,550
2022	10,000	495	5,000	2,380
2023	-	-	5,000	2,210
2024	-	-	5,000	2,040
2025	-	-	5,000	1,870
2026	-	-	5,000	1,700
2027	-	-	5,000	1,530
2028	-	-	5,000	1,360
2029	-	-	5,000	1,190
2030	-	-	5,000	1,020
2031	-	-	5,000	850
2032	-	-	5,000	680
2033	-	-	5,000	510
2034	-	-	5,000	340
2035	-	-	5,000	170
Total	40,195,000	13,836,201	280,101	74,058



**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements  
December 31, 2007****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		IEPA	
	Bonds		Loans	
	Principal	Interest	Principal	Interest
2008	\$ 840,000	1,182,471	1,825,077	476,976
2009	845,000	1,070,457	1,885,663	416,393
2010	1,090,000	1,039,721	1,948,275	353,781
2011	1,070,000	1,000,751	2,012,974	289,079
2012	1,340,000	958,841	2,079,839	222,216
2013	1,690,000	903,385	1,815,116	153,117
2014	2,220,000	833,761	1,193,650	99,738
2015	2,340,000	743,695	884,377	67,993
2016	2,585,000	650,533	754,075	41,082
2017	2,935,000	557,095	617,922	20,019
2018	2,420,000	384,058	22,040	5,351
2019	2,495,000	377,152	22,594	4,797
2020	2,375,000	289,742	23,163	4,229
2021	2,200,000	197,890	23,746	3,646
2022	1,340,000	96,330	24,343	3,049
2023	600,000	30,000	24,955	2,437
2024	-	-	25,583	1,809
2025	-	-	26,227	1,165
2026	-	-	26,887	505
Total	28,385,000	10,315,882	15,236,506	2,167,382

**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, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Advance Refunding

##### General Obligation Bonds of 1999

On April 13, 1999, the Village passed an ordinance providing for the issuance of \$10,000,000 General Obligation Refunding and Improvements Bond Series of 1999 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. On April 13, 1999, the Village passed an ordinance directing the execution of an escrow agreement in order to refund General Obligation Bond Series of 1997 and General Obligation Bond Series of 1998 issued by the Village and outstanding in the aggregate principal amount of \$3,143,500 and \$2,540,000, respectively.

This advance refunding was undertaken to reduce principal and interest payments by an average of \$228,134 from 1999 through 2011 by extending the life of the debt through 2016. This was done at an economic cost (the difference between the present value of the debt service payments of the refunded and refunding bonds) of \$9,170.

Proceeds in the amount of \$5,872,193 from the refunding bonds were used to execute the escrow agreement. The long-term debt is recorded in the Water Fund, with current principal and interest requirements also begin accounted for in the Water Fund.

Although there has been no legal defeasance (satisfaction of debt) in this transaction, all conditions that normally satisfy defeasance of \$3,143,500 and \$2,540,000 of the General Obligation Bond Series of 1997 and 1998, respectively, have been met. The 1997 and 1998 bonds maturing on or after December 1, 2007 and December 1, 2005, respectively, may be redeemed prior to maturity at the option of the Village.

The following is a schedule of future requirements for the General Obligation Bond Series of 1997 to be paid from escrow:

Fiscal Year Ending December 31	Interest Rate	Principal
2008	5.00%	\$ 280,000
2009	5.00%	325,000
2010	5.15%	345,000
2011	5.20%	425,000
2012	5.25%	525,000
Total		<u>1,900,000</u>

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Advance Refunding – Continued

##### General Obligation Bonds of 1999 – Continued

The following is a schedule of future requirements for the General Obligation Bond Series of 1998 to be paid from escrow:

Fiscal Year Ending December 31	Interest Rate	Principal
2008	4.40%	\$ 215,000
2009	4.40%	185,000
2010	4.40%	195,000
2011	4.40%	205,000
2012	4.40%	215,000
2013	4.40%	225,000
Total		<u>1,240,000</u>

##### 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.

**VILLAGE OF WILMETTE, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2007**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Advance Refunding – Continued**

**General Obligation Bonds of 2004 – Continued**

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.

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

<b>Fiscal Year Ending December 31</b>	<b>Interest Rate</b>	<b>Principal</b>
2008	4.15%	\$ 300,000
2009	4.20%	500,000
2010	4.25%	500,000
2011	4.35%	600,000
2012	4.40%	600,000
2013	4.45%	600,000
2014	4.45%	350,000
Total		<u>3,450,000</u>

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### 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 2001 to be paid from escrow:

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

##### 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.

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

#### Advance Refunding – Continued

#### General Obligation Bonds of 2007 – Continued

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.

Fiscal Year Ending December 31	Interest Rate	Principal
2008	5.000%	\$ 375,000
2009	5.000%	250,000
2010	5.000%	250,000
2011	5.000%	250,000
2012	5.000%	250,000
2013	5.000%	250,000
2014	5.000%	250,000
2015	5.250%	300,000
2016	5.250%	650,000
2017	5.375%	800,000
2018	5.375%	850,000
2019	5.375%	875,000
2020	5.500%	950,000
2021	5.500%	1,000,000
Total		<u>7,300,000</u>

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Notes to the Financial Statements December 31, 2007**

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### **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, 2007**

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### **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 April 30, 2007, NSEBC had a total equity of \$2,430,833. The Village's total payments for the year ended December 31, 2007 were \$2,709,078.

#### **POSTEMPLOYMENT BENEFITS**

##### **Post-Employment Health Care Benefits**

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

- a. Employees who retired prior to 1989 may elect to continue health insurance coverage (single or family) through the Village's carriers, and the Village pays 25 percent of the premium cost and the retiree pays the balance. For the year ended December 31, 2007, there were no retirees in this category.
- b. Employees retiring after February 1989 who are eligible to receive an immediate pension under any of the Village's three pension plans and have at least twenty years of service with the Village may elect to continue health insurance coverage (single or family) through the Village's carriers, and the Village pays 25 percent of the single employee premium cost and the retiree pays the balance. For the year ended December 31, 2007, there were thirteen retirees in this category and the Village's expense totaled \$15,793.



## VILLAGE OF WILMETTE, ILLINOIS

### Notes to the Financial Statements December 31, 2007

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#### NOTE 4 – OTHER INFORMATION – Continued

##### POSTEMPLOYMENT BENEFITS – Continued

##### Post-Employment Health Care Benefits – Continued

- c. Employees retiring after February 1989 who are eligible to receive an immediate pension under the Village's pension plan and have at least fifteen years of pension service and ten years of service with the Village may elect to continue health insurance coverage (single or family) through the Village's carriers. In these instances, the entire premium cost is paid by the employee.
- d. On three occasions since 1995, the Village offered an early retirement incentive program to employees with twenty years of service with the Village who were eligible to retire with an immediate pension under any of the Village's three pension plans. Under this offering, the Village pays 100 percent of the single employee premium for up to eight years or until the employee becomes age 65, whichever occurs first. For the year ended December 31, 2007, twelve employees are covered in this category and the Village's expense totaled \$69,000.

Retirees may only continue participation in the health care plan until age 65. Surviving spouses of these retirees who have not reached age 65 may continue their participation (until they become age 65) but must pay the entire premium expense. There were four retiree spouses in this category for the year ended December 31, 2007. Police officers and firefighters receiving disability pensions who had not completed twenty years of service may also continue participation (until age 65), but must pay the entire premium expense. While the claims of retirees affect the claims experience of the Village (and consequently the annual premium estimated for claims), this cost cannot be reasonably estimated by the Village.

##### Medical Savings Plan

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

Modifications to the Police and Fire Union Plans are subject to collective bargaining. The Village may amend or modify the Plan for the non-represented employees at any time. At December 31, 2007 four retirees are receiving benefits under these Plans (one under the Police Union Plan, one under the Fire Union Plan, and three under the Non-represented Plan).

## **VILLAGE OF WILMETTE, ILLINOIS**

### **Notes to the Financial Statements**

**December 31, 2007**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **POSTEMPLOYMENT BENEFITS – Continued**

###### **Medical Savings Plan – Continued**

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

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

##### **CONTINGENT LIABILITIES**

###### **Litigation**

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

###### **Grants**

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

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS**

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

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements

December 31, 2007

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions, Provisions and Funding Policies

##### Illinois Municipal Retirement System

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

Employees participating in the IMRF are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2007 was 8.39 percent for IMRF.

##### Police Pension Plan

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

At December 31, 2007 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	37
Inactive Members	2
Current Employees	
Vested	28
Nonvested	17
	<u>84</u>

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions, Provisions and Funding Policies – Continued

##### Police Pension Plan - Continued

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

##### Firefighters' Pension Fund

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

At December 31, 2007 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	46
Inactive Members	2
Current Employees	
Vested	29
Nonvested	14
	<u>91</u>

## **VILLAGE OF WILMETTE, ILLINOIS**

### **Notes to the Financial Statements December 31, 2007**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

###### **Plan Descriptions, Provisions and Funding Policies – Continued**

###### **Firefighters' Pension Plan – Continued**

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

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

The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

###### **Summary of Significant Accounting Policies and Plan Asset Matters**

###### **Basis of Accounting**

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

###### **Method Used to Value Investments**

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

# VILLAGE OF WILMETTE, ILLINOIS

## Notes to the Financial Statements December 31, 2007

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Summary of Significant Accounting Policies and Plan Asset Matters – Continued

##### Significant Investments

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

##### Related Party Transactions

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

##### Annual Pension Cost and Net Pension Obligation

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

	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 1,016,367	1,245,768	2,262,135
Interest on Net Pension Obligation	(15,297)	(14,975)	(30,272)
Adjustment to Annual Required Contribution	11,752	11,505	23,257
Annual Pension Cost	1,012,822	1,242,298	2,255,120
Actual Contribution	1,016,400	1,245,800	2,262,200
(Increase) Decrease in the NPA	(3,578)	(3,502)	(7,080)
NPA - Beginning of Year	(203,959)	(199,668)	(403,627)
NPA - End of Year	(207,537)	(203,170)	(410,707)

**VILLAGE OF WILMETTE, ILLINOIS****Notes to the Financial Statements  
December 31, 2007****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Annual Pension Cost and Net Pension Obligation – Continued**

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	8.39%	27.84%	36.12%
Employee	4.50%	9.91%	9.455%
Annual Required Contribution	\$707,886	\$1,016,367	\$1,245,768
Contributions Made	\$707,886	\$1,016,400	\$1,245,800
Actuarial Valuation Date	12/31/2005	12/31/2006	12/31/2006
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	25 Years	27 Years	27 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	7.50% Compounded Annually	7.50% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.00%	5.00%
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, 2007****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)	2005	\$ 568,877	785,483	1,075,006
	2006	663,056	856,151	1,113,390
	2007	707,886	1,012,822	1,242,298
Actual Contributions	2005	568,877	789,400	1,078,808
	2006	663,056	860,000	1,118,000
	2007	707,886	1,016,400	1,245,800
Percentage of APC Contributed	2005	100.00%	100.50%	100.35%
	2006	100.00%	100.45%	100.41%
	2007	100.00%	100.35%	100.28%
Net Pension Asset	2005	-	(200,110)	(195,058)
	2006	-	(203,959)	(199,668)
	2007	-	(207,537)	(203,170)



## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Funding Progress
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Budgetary Comparison Schedules – General Fund

### **Notes to the Required Supplementary Information**

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



**VILLAGE OF WILMETTE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Funding Progress**

**December 31, 2007**

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 20,586,498	\$ 18,457,187	111.54%	\$ (2,129,311)	\$ 6,286,492	(33.87)%
2003	20,260,965	19,072,095	106.23%	(1,188,870)	6,520,073	(18.23)%
2004	21,208,124	20,966,987	101.15%	(241,137)	6,878,824	(3.51)%
2005	23,104,301	22,974,424	100.57%	(129,877)	7,312,047	(1.78)%
2006	25,004,056	24,257,794	103.08%	(746,262)	7,764,125	(9.61)%
2007	28,144,614	27,546,456	102.17%	(598,158)	8,437,260	(7.09)%

# VILLAGE OF WILMETTE, ILLINOIS

## Police Pension Fund

### Required Supplementary Information

### Schedule of Funding Progress

December 31, 2007

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 23,349,649	\$ 27,857,561	83.82%	\$ 4,507,912	\$ 2,550,669	176.73%
2003	23,975,682	30,016,766	79.87%	6,041,084	2,972,254	203.25%
2004	25,256,500	30,875,862	81.80%	5,619,362	3,147,169	178.55%
2005	26,804,907	33,910,192	79.05%	7,105,285	3,318,829	214.09%
2006	28,333,401	35,758,708	79.23%	7,425,307	3,368,903	220.41%
2007	30,186,114	40,633,684	74.29%	10,447,570	3,615,846	288.94%

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

II. At 12/31/06 the Village changed the actuarial assumptions for retirement rates and mortality. These changes increased the Unfunded Accrued Actuarial Liability by \$2,728,111.

**VILLAGE OF WILMETTE, ILLINOIS**

**Firefighters' Pension Fund**

**Required Supplementary Information  
Schedule of Funding Progress  
December 31, 2007**

Actuarial Valuation Date December 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2002	\$ 24,493,712	\$ 29,166,669	83.98%	\$ 4,672,957	\$ 2,848,799	164.03%
2003	25,010,118	30,450,103	82.13%	5,439,985	2,993,008	181.76%
2004	26,087,672	35,218,576	74.07%	9,130,904	3,133,245	291.42%
2005	27,609,198	37,315,512	73.99%	9,706,314	3,171,222	306.07%
2006	28,922,152	39,835,805	72.60%	10,913,653	3,228,600	338.03%
2007	30,668,985	44,470,280	68.97%	13,801,295	3,528,817	391.10%

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

II. At 12/31/06 the Village changed the actuarial assumptions for retirement rates and mortality. These changes increased the Unfunded Accrued Actuarial Liability by \$3,752,251.

**VILLAGE OF WILMETTE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Employer Contributions**

**December 31, 2007**

<b>Calendar Year</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2002	\$ 223,799	\$ 223,799	100.00%
2003	127,141	127,141	100.00%
2004	373,520	373,520	100.00%
2005	568,877	568,877	100.00%
2006	663,056	663,056	100.00%
2007	707,886	707,886	100.00%

**VILLAGE OF WILMETTE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Employer Contributions  
December 31, 2007**

<b>Year Ended December 31</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2002	\$ 511,000	\$ 510,760	100.05%
2003	624,000	623,471	100.08%
2004	774,300	774,290	100.00%
2005	789,400	789,384	100.00%
2006	860,000	859,890	100.01%
2007	1,016,400	1,016,367	100.00%

**VILLAGE OF WILMETTE, ILLINOIS****Firefighters' Pension Fund****Required Supplementary Information****Employer Contributions****December 31, 2007**

<b>Year Ended December 31</b>	<b>Employer Contributions</b>	<b>Annual Required Contribution</b>	<b>Percent Contributed</b>
2002	\$ 638,000	\$ 637,344	100.10%
2003	748,000	747,981	100.00%
2004	818,350	818,345	100.00%
2005	1,078,808	1,078,808	100.00%
2006	1,118,000	1,117,035	100.09%
2007	1,245,800	1,245,768	100.00%



# 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, 2007

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Taxes	\$ 20,793,150	20,793,150	20,631,721
Licenses, Permits and Fees	3,361,150	3,361,150	3,382,726
Intergovernmental	246,300	246,300	983,611
Charges for Services	2,191,175	2,191,175	2,278,003
Fines and Forfeitures	356,000	356,000	274,026
Investment Earnings	250,000	250,000	282,437
Miscellaneous	597,780	597,780	1,384,310
Total Revenues	27,795,555	27,795,555	29,216,834
<b>Expenditures</b>			
General Government	3,830,322	3,830,322	3,147,259
Public Safety	15,214,805	15,214,805	14,863,098
Streets and Sanitation	6,254,875	7,354,875	6,795,616
Other Public Works	2,029,991	2,029,991	2,149,004
Public Health	207,435	207,435	177,824
Community Development	1,464,135	1,464,135	1,451,671
Debt Service			
Principal Retirement	8,669	8,669	74,235
Interest and Fiscal Charges	431	431	382
Total Expenditures	29,010,663	30,110,663	28,659,089
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,215,108)	(2,315,108)	557,745
<b>Other Financing Sources (Uses)</b>			
Transfers In	950,000	950,000	600,000
Transfers Out	(150,000)	(150,000)	(480,764)
	800,000	800,000	119,236
Net Change in Fund Balance	(415,108)	(1,515,108)	676,981
Fund Balance - Beginning			7,009,303
Fund Balance - Ending			7,686,284



## **GENERAL FUND**

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

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## **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.

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## **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.

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## **CAPITAL PROJECTS FUNDS**

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

### **Series 2002 and 2007 General Obligation Bonds Fund**

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

## **ENTERPRISE FUNDS**

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

### **Water Fund**

The Water Fund is used to account for the provision of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

### **Sewer Fund**

The Water Fund is used to account for the provision of the sewer system to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

### **Parking Meter Fund**

The Parking Meter Fund is used to account for the provision of parking to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

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## **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.

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## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

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

#### **Firefighters' Pension Fund**

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

## **TRUST AND AGENCY FUNDS - Continued**

### **AGENCY FUND**

#### **Fire Insurance Tax Fund**

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

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
<b>Taxes</b>		
Property Taxes	\$ 9,214,500	9,086,601
Municipal Sales Tax	3,521,500	3,585,784
Municipal Sales Tax - Home Rule	595,900	601,025
State Income Tax	2,322,500	2,447,409
Real Estate Transfer Tax	1,582,400	1,366,260
Utility Tax	2,755,000	2,739,621
E-911 Surcharge	310,000	287,855
Wireless 911 Tax	115,000	127,406
Personal Property Replacement Tax	253,900	292,975
Fuel Use Tax	120,000	96,613
Municipal Auto Lease Tax	2,450	172
Total Taxes	20,793,150	20,631,721
<b>Licenses, Permits and Fees</b>		
<b>Licenses</b>		
Animal	1,600	1,365
Business	162,100	171,240
Vehicle	1,262,500	1,276,415
Taxi	12,350	13,515
Liquor Licenses	44,000	44,385
<b>Permits</b>		
Building	1,337,000	1,070,740
Demolition	84,000	96,135
Electric	79,000	80,464
Plumbing	52,500	53,274
Other	71,600	83,469
<b>Fees</b>		
Plan Review	60,000	82,844
Pavement Degradation Fee	-	71,829
Inspections	160,000	292,743
Filing	24,000	21,570
Permit Penalties	10,500	22,738
Total Licenses, Permits, and Fees	3,361,150	3,382,726

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2007

	Original and Final Budget	Actual
<b>Intergovernmental</b>		
Police Grants	\$ 51,900	34,406
Emerald Ash Borer Tree Removal Grant	-	56,566
Fire Grants	194,400	6,634
F.E.M.A. Grants - Storm Emergency	-	886,005
Total Intergovernmental	246,300	983,611
<b>Charges for Services</b>		
Refuse Collection Charges	1,550,000	1,554,107
Refuse Collection Charges - unbilled	-	6,000
Sales of Yard Waste Bags	125,000	117,748
Ambulance Transport Charges	300,000	349,976
Fire Alarms	7,600	7,750
Burglar Alarms	30,000	20,957
Elevator Inspections	11,000	13,204
Sanitarian Services	22,000	16,612
Animal Control Services	5,050	5,040
Computer Aided Dispatch Services	-	360
Damage to Village Property	30,000	32,962
Maintenance of State Routes	16,600	18,417
Shore Line Place Services	13,000	14,650
Fairfield Court Services	49,200	56,338
French Market Services	-	1,350
Engineering & Consulting Reimbursements	-	652
Park District Personnel Reimbursements	18,525	42,960
Other Police Service Charges	-	950
Health Department Charges	13,200	15,970
Atrium Unit Closing Fees	-	2,000
Total Charges for Services	2,191,175	2,278,003
<b>Fines and Forfeitures</b>		
Court Fines	80,200	69,370
Vehicle License and Parking	275,000	203,943
Animal and Impounding Fees	800	713
Total Fines and Forfeitures	356,000	274,026



# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2007

	Original and Final Budget	Actual
Investment Earnings		
Interest	\$ 250,000	282,437
Miscellaneous		
Rental Income		
Wilmette Park District	49,500	48,730
Cellular Antennae Leases	150,000	830,764
Depot Rental	14,600	-
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	20,000	12,445
Cable TV Franchise Fees	295,000	348,043
Interest Payments from Property Tax Collections	20,000	17,416
Other	30,400	32,150
Contributions for Affordable Housing	-	41,250
Donations	-	4,300
Section 125 Plan Liability Write-offs	-	298
Insurance Reimbursements	-	6,287
Lien Recoveries	-	900
Sale of Private Activity Volume Cap	-	22,884
Contractor Reimbursements	-	3,019
Contribution from Wilmette Historical Society	15,880	13,424
Total Miscellaneous	597,780	1,384,310
Total Revenues	27,795,555	29,216,834

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
General Government			
Legislative			
Salaries - Regular	\$ 3,990	3,990	3,990
Employee Benefits	310	310	306
Memberships	23,950	23,950	24,962
Professional Services	10,000	10,000	22,702
Annual Audit	8,800	8,800	6,880
Incidentals	5,000	5,000	3,160
Training	1,200	1,200	-
Total Legislative	53,250	53,250	62,000
General Administration			
Salaries - Regular	399,975	399,975	361,410
Salaries - Overtime	300	300	20
Employee Benefits	107,315	107,315	89,686
Memberships	5,115	5,115	4,970
Professional Services	4,000	4,000	14,036
Community Notification System	9,000	9,000	4,200
Lease/Purchase - Copier	12,000	12,000	11,455
Pre-employment Exams	4,600	4,600	6,308
Employee Assistance Program	6,125	6,125	6,200
Maintenance of Office Equipment	500	500	-
Office Supplies	9,000	9,000	4,782
Automotive	4,500	4,500	4,260
Incidentals	2,500	2,500	4,822
Training	7,400	7,400	4,886
Personnel Training	5,000	5,000	5,508
Employee Recognition Program	9,100	9,100	9,831
Newsletters	32,000	32,000	36,687
Publishing Legal Notices	5,500	5,500	4,551
Classified Advertisements	11,000	11,000	16,904
Office Furniture and Equipment	20,000	20,000	18,998
Total General Administration	654,930	654,930	609,514
Information Services			
Salaries - Regular	207,975	207,975	209,795
Employee Benefits	57,320	57,320	56,866
Memberships	350	350	-

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
General Government - Continued			
Information Services - Continued			
Professional Services	\$ 5,000	5,000	1,793
Professional Services - E.R.P. Software	-	-	4,650
Contractual Hardware Support	16,375	16,375	7,762
Contractual Software Support	91,802	91,802	85,696
PC Software Subscription	75,000	75,000	42,425
Contractual Internet Expenditures	9,100	9,100	7,036
Computer Communications	16,750	16,750	19,660
Computer Parts	16,500	16,500	16,442
Computer Software	3,000	3,000	3,211
Website Design Service & Software	7,900	7,900	7,900
Additional AutoCad Software License	2,720	2,720	3,196
Office Supplies	500	500	489
Incidentals	500	500	538
Training	10,400	10,400	6,844
Office Furniture and Equipment	80,000	80,000	74,545
Total Information Services	601,192	601,192	548,848
Finance Department			
Salaries - Regular	492,975	492,975	501,171
Salaries - Overtime	7,000	7,000	2,879
Employee Benefits	150,710	150,710	146,377
Memberships	1,995	1,995	2,043
Professional Services	25,800	25,800	24,132
Lease/Purchase - Copier	28,850	28,850	25,917
Bank Charges	26,500	26,500	14,773
Postage - General Office	37,500	37,500	28,155
Contractual Services	10,500	10,500	9,222
Maintenance of Office Equipment	3,850	3,850	5,649
Telephone - Office Service	76,000	76,000	81,254
Telephone - Maintenance	10,500	10,500	9,204
Telephone - Cellular Service	22,000	22,000	23,822
Telephone - Long Distance	3,500	3,500	3,223
Office Supplies	21,000	21,000	19,195
Supplies Other than Office	8,500	8,500	8,294
Incidentals	550	550	599

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
General Government - Continued			
Finance Department - Continued			
Training	\$ 3,525	3,525	3,028
Publishing Legal Notices	1,000	1,000	1,123
Total Finance Department	932,255	932,255	910,060
Law Department			
Salaries - Regular	235,975	235,975	246,070
Employee Benefits	58,630	58,630	54,221
Memberships	1,650	1,650	469
Code Revision service	3,000	3,000	4,271
Special Attorney Fees	35,000	35,000	46,700
On-line Legal Research Services	9,500	9,500	9,031
Supplies - Legal	2,500	2,500	2,798
Incidentals	750	750	1,168
Training	6,000	6,000	4,268
Litigation Costs	7,500	7,500	2,088
Total Law Department	360,505	360,505	371,084
Boards and Commissions			
Incidentals	6,000	6,000	11,921
Housing Commission	83,200	83,200	48,266
Senior Resources Commission	500	500	-
Community Relations Commission	4,550	4,550	4,284
Fine Arts Commission	1,850	1,850	564
Historic Preservation Commission	1,600	1,600	787
Bicycle Commission	3,500	3,500	1,950
Persons with Disabilities Commission	500	500	178
Youth Commission	27,650	27,650	28,086
Total Boards and Commissions	129,350	129,350	96,036
Historical Museum			
Salaries - Regular	85,200	85,200	81,138
Employee Benefits	20,290	20,290	15,192
Professional Services - Collection Appraisal	5,000	5,000	4,800
Total Historical Museum	110,490	110,490	101,130

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
General Government - Continued			
Cable Programming Services			
Salaries - Regular	\$ 74,400	74,400	69,558
Salaries - Other	8,000	8,000	5,590
Employee Benefits	21,510	21,510	20,185
Memberships	175	175	175
Professional Services	10,000	10,000	3,500
Maintenance - Office Equipment	7,500	7,500	4,892
Supplies - Office	600	600	352
Supplies - Video	2,750	2,750	3,642
Incidentals	800	800	30
Training	600	600	75
Office Space Rent	11,240	11,240	10,856
Office Furniture and Equipment	2,375	2,375	2,368
Total Cable Programming Services	139,950	139,950	121,223
Insurance			
Retiree Health Insurance	90,000	90,000	84,793
General Liability and Property Insurance			
Fixed Premiums	220,150	220,150	220,150
Deductible Payments	40,000	40,000	19,382
Total General Liability	260,150	260,150	239,532
Total Insurance	350,150	350,150	324,325
Contingencies			
Regular	400,000	400,000	3,019
Atrium Condo Resales	100,000	100,000	1,770
Total Contingencies	500,000	500,000	4,789
Total General Government	3,832,072	3,832,072	3,149,009
Less NonGAAP Activity			
Less Current Year Encumbrances	(1,750)	(1,750)	(1,750)
Total General Government	3,830,322	3,830,322	3,147,259

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Public Safety			
Fire and Police Commission			
Salaries - Regular	\$ 17,075	17,075	29,449
Employee Benefits	5,280	5,280	6,580
Professional Services	51,100	51,100	39,358
Classified Advertisements	7,000	7,000	3,695
Total Fire and Police Commission	80,455	80,455	79,082
Police			
General Operations			
Salaries - Regular	3,610,800	3,610,800	3,569,165
Salaries - Overtime	140,000	140,000	218,883
Salaries - Overtime - Grant Funded	41,900	41,900	27,336
Employee Benefits	1,800,350	1,800,350	1,766,048
Memberships	1,535	1,535	1,307
Physical Exams	10,000	10,000	9,240
Contractual Animal Observation	1,000	1,000	695
Maintenance - Equipment	12,950	12,950	5,807
Maintenance - Radios	32,600	32,600	25,455
Uniforms	39,500	39,500	41,210
Range Supplies	5,000	5,000	5,547
Supplies Other than Office	12,700	12,700	11,759
Crime Prevention Materials	13,100	13,100	13,258
Automotive	253,200	253,200	239,390
Incidentals	7,200	7,200	13,011
Training	63,010	63,010	39,692
Crime Lab Contributions	39,700	39,700	39,670
NIPAS Contribution	4,130	4,130	4,505
Major Crimes Task Force	3,600	3,600	3,600
NIPSTA Contribution	9,600	9,600	9,064
Motor Equipment	118,000	118,000	105,313
Other Equipment	60,000	60,000	55,689
Total General Operations	6,279,875	6,279,875	6,205,644

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
General Services			
Salaries - Regular	\$ 590,425	590,425	585,424
Salaries - Overtime	2,200	2,200	8,618
Employee Benefits	174,390	174,390	191,140
Memberships	785	785	700
Professional Services	17,850	17,850	19,378
Lease/Purchase - Copier	7,200	7,200	7,417
Maintenance - Office Equipment	9,400	9,400	200
Reaccreditation Fees	4,030	4,030	4,363
L.E.A.D.S./P.I.M.S. Program	20,400	20,400	12,510
Professional Services - Police Grant Work	10,000	10,000	15,286
Towing - Contractual	750	750	1,875
Pager Rental	1,000	1,000	525
Computer Communications	3,450	3,450	3,279
Uniforms	3,000	3,000	1,257
Office Supplies	16,900	16,900	11,192
Supplies Other than Office	4,150	4,150	3,769
Incidentals	400	400	145
Training	4,000	4,000	2,009
Care of Prisoners	1,500	1,500	552
Total General Services	871,830	871,830	869,639
Public Safety Communications			
Salaries - Regular	541,800	541,800	532,636
Salaries - Overtime	41,400	41,400	83,538
Employee Benefits	202,620	202,620	201,974
Memberships	110	110	136
Professional Services	650	650	189.00
Contractual Regional Fire Dispatch	154,300	154,300	174,973
Maintenance - Office Equipment	300	300	226
Maintenance - E-911 System	57,900	57,900	55,923
Maintenance - NORCOM Network	44,400	44,400	45,670
IWIN Program	9,000	9,000	9,990
Computer Communications	-	-	4,139
Uniforms	4,500	4,500	4,941

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
Public Safety Communications - Continued			
Incidentals	\$ 200	200	-
Training	4,500	4,500	4,941
Other Equipment	35,000	35,000	10,533.00
Total Public Safety Communications	1,096,680	1,096,680	1,129,809
School Crossing Protection			
Salaries - Regular	157,700	157,700	160,489
Employee Benefits	14,680	14,680	14,700
Uniforms	800	800	764
Supplies Other than Office	850	850	753
Total School Crossing Protection	174,030	174,030	176,706
Total Police	8,422,415	8,422,415	8,381,798
Emergency Fire and Medical Services			
Salaries - Regular	3,640,975	3,640,975	3,576,004
Salaries - Overtime	410,000	410,000	362,905
Salaries - Off-Duty Response	26,000	26,000	23,701
Employee Benefits	2,047,780	2,047,780	1,955,267
Memberships	3,385	3,385	4,193
Professional Services	5,500	5,500	7,956
Lease/Purchase - Copier	3,895	3,895	3,925
Physical Exams	15,840	15,840	14,078
Maintenance - Office Equipment	550	550	1,260
Maintenance - Equipment	16,000	16,000	42,587
Maintenance - Radios	9,950	9,950	8,662
Maintenance - Breathing Equipment	4,350	4,350	6,820
Maintenance - Telemetry Equipment	500	500	2,550.00
Maintenance - Special Rescue Equipment	8,500	8,500	6,070
Reaccreditation Fees	1,500	1,500	700
Computer Communications	-	-	652
Pager Rental	4,400	4,400	4,933
Uniforms	22,430	22,430	27,321
Protective Clothing	16,780	16,780	15,757
Supplies - Automotive Parts	19,400	19,400	25,572
Supplies - Auto Shop	1,500	1,500	1,708
Supplies - Office	5,000	5,000	5,517



# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Emergency Fire and Medical Services - Continued			
Supplies - Other than Office	\$ 14,700	14,700	15,550
Materials - Public Education Programming	7,750	7,750	7,622
Gasoline and Oil	27,600	27,600	25,442
Incidentals	750	750	1,381
Training	41,350	41,350	42,115
NIPSTA Contribution	9,100	9,100	9,064
MABAS Contribution	9,600	9,600	9,308
Rent - Commonwealth Edison	1,500	1,500	1,500
Motor Equipment	105,000	105,000	22,446
Other Equipment	230,350	230,350	12,875
Total Emergency Fire and Medical Services	6,711,935	6,711,935	6,245,441
Total Public Safety	15,214,805	15,214,805	14,706,321
NonGAAP Activity			
Plus Prior Year Encumbrances	-	-	156,777
Total Public Safety	15,214,805	15,214,805	14,863,098
Streets and Sanitation			
Streets Department			
Salaries - Regular	971,650	971,650	903,682
Salaries - Overtime	69,950	69,950	93,249
Employee Benefits	367,520	367,520	320,559
Memberships	1,500	1,500	1,382
Professional Services	1,500	1,500	300.00
Lease/Purchase - Copier	7,140	7,140	7,186
Contractual Services	45,540	45,540	36,673
Contractual Snow Removal	11,230	11,230	5,646
Maintenance - Office Equipment	950	950	73
Holiday Light Decorations	31,000	31,000	28,363
J.U.L.I.E. Expenditures	4,200	4,200	4,164
Landscaping and Maintenance of Public			
Right of Way	41,200	41,200	62,300
Lease Leaf Packers	108,150	108,150	87,418
Leaf Disposal	88,455	88,455	95,573
Pager Rental	1,710	1,710	1,715

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Streets and Sanitation - Continued			
Streets Department - Continued			
Uniforms	\$ 7,280	7,280	6,129
Supplies - Miscellaneous Tools and Equipment	2,500	2,500	2,438
Supplies - Office	5,000	5,000	4,989
Supplies - Other than Office	1,500	1,500	1,321
Materials - Traffic Signs	33,240	33,240	33,112
Materials - Salt	93,735	93,735	141,169
Materials - Street Repair and Landscaping	33,250	33,250	33,937
Materials - Leaf Pans & Brooms	4,000	4,000	-
Automotive	469,100	469,100	443,735
Incidentals	1,540	1,540	1,376
Training	9,875	9,875	9,704
NIPSTA Contribution	-	-	750
Motor Equipment	336,000	336,000	296,703
Other Equipment	8,120	8,120	12,184
Total Streets Department	2,756,835	2,756,835	2,635,830
Refuse Collection and Disposal			
Contractual Refuse Collection	874,845	874,845	859,284
Recycling Collection	358,670	358,670	355,205
Landfill Tipping Fees	637,485	637,485	610,705
Contractual Yard Waste Collection	196,595	196,595	183,766
Yard Waste Disposal	39,840	39,840	39,947
Supplies - Sharps Disposal Containers	1,120	1,120	1,568
Yard Waste Supplies	2,550	2,550	2,466
Promotional and Educational	1,000	1,000	463
Other Equipment	4,545	4,545	4,519
Total Refuse Collection and Disposal	2,116,650	2,116,650	2,057,923
Maintenance of Trees			
Salaries - Regular	278,275	278,275	261,055
Salaries - Overtime	6,625	6,625	5,905
Storm Emergency Overtime	-	110,000	104,117
Employee Benefits	91,710	91,710	103,858
Contractual Services	25,370	25,370	6,251
Tree Planting Program	61,045	61,045	53,468
Contractual Tree Pruning	201,500	201,500	199,919

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Streets and Sanitation - Continued			
Maintenance of Trees - Continued			
Emerald Ash Borer - Tree Removals	\$ 275,000	275,000	68,523
Storm Emergency Contractual Services	-	975,000	895,083
Tree Fertilization	3,000	3,000	2,998
Uniforms	2,320	2,320	1,543
Materials	5,700	5,700	4,997
Storm Emergency Materials	-	9,000	7,637
Automotive	49,500	49,500	46,820
Training	2,100	2,100	1,341
Storm Emergency Incidentals	-	6,000	5,758
Other Equipment	6,520	6,520	6,520
Total Maintenance of Trees	1,008,665	2,108,665	1,775,793
Street Lighting			
Salaries - Regular	196,600	196,600	164,201
Salaries - Overtime	9,350	9,350	3,784
Employee Benefits	77,830	77,830	58,951
Contractual Services	2,800	2,800	-
Maintenance & Disposal of Transformers	700	700	275
Uniforms	2,160	2,160	1,956
Supplies	26,675	26,675	26,643
Supplies - Light Poles and Parts	20,000	20,000	22,157
Commonwealth Edison Leased Lighting	16,500	16,500	36,487
Street Light Power - Village System	120,000	120,000	116,277
Automotive	29,300	29,300	27,660
Training	1,440	1,440	513
Other Equipment	11,400	11,400	9,196
Total Street Lighting	514,755	514,755	468,100
Total Streets and Sanitation	6,396,905	7,496,905	6,937,646
Less NonGAAP Activity			
Plus Prior Year Encumbrances	5,752	5,752	5,752
Less Current Year Encumbrances	(147,782)	(147,782)	(147,782)
Total Street and Sanitation	6,254,875	7,354,875	6,795,616

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Other Public Works			
Village Engineer			
Salaries - Regular	\$ 435,200	435,200	415,208
Salaries - Overtime	1,300	1,300	-
Employee Benefits	155,500	155,500	135,766
Memberships	1,990	1,990	2,228
Professional Services	30,000	30,000	30,090
Street Pavement Inventory	15,000	15,000	22,336
Microfilming	4,000	4,000	2,938
Update of Water/Sewer Atlases	9,000	9,000	8,970
Maintenance - Office Equipment	2,500	2,500	2,408
Maintenance - Traffic Signals	35,550	35,550	34,967
Sidewalk Replacement Program	100,000	100,000	100,175
Curb Repair Program	77,300	77,300	77,300
Street and Alley Maintenance Program	200,000	200,000	423,892
Brick Street Maintenance	30,900	30,900	30,900
Pavement Marking Program	15,450	15,450	14,622
Brick Street Renovation	225,000	225,000	220,338
Crack Sealing Program	20,600	20,600	13,596
Traffic Calming Program	20,000	20,000	-
Supplies - Office	3,250	3,250	3,523
Supplies - Other than Office	2,750	2,750	4,301
Automotive	16,900	16,900	15,960
Incidentals	2,500	2,500	3,235
Training	3,950	3,950	4,100
Motor Equipment	28,000	28,000	26,733
Total Village Engineer	1,436,640	1,436,640	1,593,586
Building and Grounds			
Salaries - Regular	177,375	177,375	175,910
Salaries - Overtime	13,125	13,125	15,594
Employee Benefits	65,240	65,240	65,809
Memberships	950	950	873
Contractual Services	49,470	49,470	44,546
Contractual Custodial Services	63,300	63,300	59,535
Heating and Cooling System Repairs	29,800	29,800	47,820
Uniforms	1,935	1,935	966
Supplies - Building	33,365	33,365	37,544

# VILLAGE OF WILMETTE, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2007

	Original Budget	Final Budget	Actual
Other Public Works - Continued			
Building and Grounds - Continued			
Supplies - Grounds	\$ 3,000	3,000	1,828
Supplies - Printing	5,500	5,500	5,992
Building and Furniture Repairs	30,000	30,000	45,280
Heating - Electric	20,600	20,600	-
Heating - Gas	40,000	40,000	38,579
Automotive	11,300	11,300	10,650
Training	800	800	201
Building Improvements	93,000	93,000	49,700
Total Building and Grounds	638,760	638,760	600,827
Total Other Public Works	2,075,400	2,075,400	2,194,413
Less NonGAAP Activity			
Less Current Year Encumbrances	(45,409)	(45,409)	(45,409)
Total Other Public Works	2,029,991	2,029,991	2,149,004
Public Health			
Salaries - Regular	127,625	127,625	102,628
Employee Benefits	56,310	56,310	49,068
Memberships	340	340	230
Lab Services - Contractual	2,200	2,200	647
Maintenance - Office Equipment	200	200	-
Supplies - Laboratory	5,000	5,000	11,042
Supplies - Office	300	300	294
Automotive	11,300	11,300	10,650
Incidentals	460	460	51
Training	2,700	2,700	1,787
C.P.R. Program	1,000	1,000	1,427
Total Public Health	207,435	207,435	177,824
Community Development			
Community Development			
Salaries - Regular	690,125	690,125	664,464
Salaries - Overtime	17,300	17,300	17,499
Employee Benefits	245,700	245,700	221,786
Memberships	4,000	4,000	3,597
Professional Services	22,000	22,000	35,523

**VILLAGE OF WILMETTE, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued  
Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual
Community Development - Continued			
Community Development - Continued			
Zoning Ordinance Review	\$ 30,000	30,000	-
Microfilming	3,800	3,800	4,038
Plan Review Inspection Services	102,000	102,000	151,103
Maintenance - Office Equipment	1,765	1,765	864
Supplies - Office	2,500	2,500	3,245
Supplies - Other than Office	5,000	5,000	4,410
Automotive	40,000	40,000	37,780
Incidentals	600	600	377
Training	5,830	5,830	4,938
Publishing Legal Notices	6,500	6,500	4,107
Total Community Development	1,177,120	1,177,120	1,153,731
Business Development			
Salaries - Regular	35,750	35,750	34,948
Employee Benefits	10,870	10,870	9,440
Memberships	10,725	10,725	11,234
Business Promotion Activities	39,200	39,200	30,664
Incidentals	1,000	1,000	248
Depot Building - Property Taxes	-	-	15,812
Depot Building Improvements	200,000	200,000	207,374
Linden Square Signage	1,250	1,250	-
Total Business Development	298,795	298,795	309,720
Total Community Development	1,475,915	1,475,915	1,463,451
Less NonGAAP Activity			
Less Current Year Encumbrances	(11,780)	(11,780)	(11,780)
Total Community Development	1,464,135	1,464,135	1,451,671
Debt Service			
Historical Museum Principal Retirement	8,669	8,669	8,670
Historical Museum Interest Expense	431	431	382
Housing Subsidy Installment Contract Principal Retirement	-	-	5,000
Historical Society Installment Contract Principal Retirement	-	-	60,565
Total Debt Service	9,100	9,100	74,617

**VILLAGE OF WILMETTE, ILLINOIS****Debt Service Fund****Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 2,528,600	2,494,201
Expenditures		
Debt Service		
Principal Retirement	1,180,000	1,180,000
Interest and Fiscal Charges	1,351,583	1,350,232
Issuance Costs	-	10,613
Total Expenditures	2,531,583	2,540,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,983)	(46,644)
Other Financing Sources (Uses)		
Debt Issuance	-	1,784,070
Payment to Escrow Agent	-	(1,773,457)
	-	10,613
Net Change in Fund Balance	(2,983)	(36,031)
Fund Balance - Beginning		28,366
Fund Balance - Ending		(7,665)

**VILLAGE OF WILMETTE, ILLINOIS****Series 2002 and 2007 General Obligation Bonds - Capital Projects Fund****Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
<b>Revenues</b>		
Intergovernmental		
Sheridan Road Improvements Grant	\$ 428,800	350,712
Sheridan Road Land Acquisition Grant	165,500	175,701
Sheridan Road Bicycle Underpass Grant	-	118,311
Fire Station #26 Bicycle Path Grant	270,000	74,738
County Contribution - 15th & Lake Pedestrian Signal	-	(928)
Winnetka Computer Aided Dispatch Contribution	-	235,516
Evanston sheridan Road Contribution	-	30,352
Cy Pres Distribution of Primeco Litigation Escrow	-	60,115
Illinois E.P.A. - Leaking Fuel Tank Remediation Grant	-	117,796
Investment Earnings	250,000	185,157
Total Revenues	1,114,300	1,347,470
<b>Expenditures</b>		
Capital Outlay	10,203,965	4,268,278
Debt Service		
Interest and Fiscal Charges	275,000	69,884
Issuance Costs	33,000	70,402
Total Expenditures	10,511,965	4,408,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,397,665)	(3,061,094)
<b>Other Financing Sources (Uses)</b>		
Transfers In	490,000	-
Debt Issuance	10,000,000	9,950,930
Discount on Debt Issuance	-	(61,173)
	10,490,000	9,889,757
Net Change in Fund Balances	1,092,335	6,828,663
Fund Balances - Beginning		1,816,076
Fund Balances - Ending		8,644,739



**VILLAGE OF WILMETTE, ILLINOIS****Series 2002 and 2007 General Obligation Bonds - Capital Projects Fund****Schedule of Expenditures - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Capital Outlay		
Police Station Improvements	\$ 50,000	1,575
Public Works Space Study & Design	5,550,000	221,287
Fire Station Improvements	-	(6,029)
Sheridan Road Improvements	327,500	317,075
Sheridan Road Land Acquisition	324,500	245,884
Sheridan Road Bicycle Underpass	-	118,311
Greenbay Road Traffic Signal Improvements	170,000	104,014
Police Computer Aided Dispatch	500,000	630,010
West Village Center Parking	30,000	44,858
Fire Station #26 Bicycle Path	270,000	158,240
Five Village Bike Trail	8,000	21,614
Monopole	450,000	-
Enhanced Street Resurfacing Program	2,300,000	2,187,474
Total Capital Outlay	9,980,000	4,044,313
Debt Service		
Interest and Fiscal Charges	275,000	69,884
Issuance Costs	33,000	70,402
Total Debt Service	308,000	140,286
NonGAAP Activity		
Plus Prior Year Encumbrances	223,965	223,965
Total Expenditures	10,511,965	4,408,564

# 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, 2007

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 800,000	789,867
Investment Earnings	35,000	29,657
Total Revenues	835,000	819,524
Expenditures		
Capital Outlay		
2007 Street Resurfacing Program	800,000	800,000
Net Change in Fund Balance	35,000	19,524
Fund Balance - Beginning		431,201
Fund Balance - Ending		450,725

# VILLAGE OF WILMETTE, ILLINOIS

## Water - Enterprise Fund

### Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 2,392,000	2,169,009
Unbilled Water Sales	-	54,000
Village of Glenview	3,294,500	2,943,062
Illinois American Water Company	892,500	911,311
Other Water Sales	-	41,264
Other	125,000	262,097
Total Operating Revenues	6,704,000	6,380,743
Operating Expenses		
Administration		
General	183,780	170,417
Administrative	511,710	487,027
Operations		
Water Plant Operations	2,371,825	2,214,048
Distribution	980,675	906,967
Meter and Reservoir Maintenance	370,575	338,812
Depreciation	-	972,134
Total Operating Expenses	4,418,565	5,089,405
Operating Income	2,285,435	1,291,338
Nonoperating Revenues (Expenses)		
Investment Earnings	400,000	361,979
Interest Expense	(985,300)	(996,048)
Amortization of Bond Discount	-	(60,600)
	(585,300)	(694,669)
Income Before Contributions and Transfers	1,700,135	596,669
Contributions	-	155,024
Transfers Out	(850,000)	(600,000)
Change in Net Assets	850,135	151,693
Net Assets - Beginning		15,371,978
Net Assets - Ending		15,523,671

**VILLAGE OF WILMETTE, ILLINOIS****Water - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 65,950	70,883
Salaries - Overtime	1,475	-
Employee Benefits	28,680	28,894
Annual Audit	13,000	13,000
Bank Charges	24,000	17,929
Postage	17,000	13,685
Contractual Meter Reading	23,500	19,161
Uniforms	350	29
Supplies - Office - Administrative	6,000	2,797
Supplies - Office - Water Plant	2,400	2,614
Incidentals	100	100
Training	1,325	1,325
Total General	183,780	170,417
Administrative		
Salaries - Regular	269,925	259,952
Employee Benefits	83,085	74,533
Memberships	10,300	8,147
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	28,500	31,196
Telephone - Maintenance	3,200	2,961
Telephone - Cellular	7,000	7,942
Telephone - Long Distance	1,200	1,076
Supplies - Building	8,500	6,645
Building Furniture and Repairs	7,500	4,124
Training	7,500	7,151
General Liability and Property Insurance	83,300	83,300
Total Administrative	511,710	487,027

**VILLAGE OF WILMETTE, ILLINOIS**

**Water - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued**  
**Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,031,875	985,781
Salaries - Accrued Vacation	-	16,400
Salaries - Overtime	26,800	20,610
Employee Benefits	377,350	350,500
Professional Services - SCADA System Maintenance	3,000	4,148
Contractual Services	22,000	24,141
Contractual Custodial Services	13,400	12,731
Maintenance of Equipment	32,000	44,149
Maintenance of Intake	6,500	6,136
Video Communications	2,700	2,352
Uniforms	4,700	3,052
Supplies	32,000	34,211
Supplies - Computer Parts	2,000	1,957
Supplies - Laboratory	11,000	10,774
Equipment Repairs	34,000	25,766
Power	340,000	403,618
Heating Gas	70,000	60,224
Chemicals	95,000	121,021
Automotive	20,300	19,150
Incidentals	1,200	722
Water Reclamation District User Charges	105,000	66,605
Building Improvements	8,000	24,653
Pumping Improvements	141,000	5,702
Office Furniture & Equipment		
Other Equipment	7,500	3,598
	<u>2,387,325</u>	<u>2,248,001</u>
Less Nonoperating Items		
Capital Outlay	(15,500)	(33,953)
Total Water Plant Operations	<u>2,371,825</u>	<u>2,214,048</u>
Distribution		
Salaries - Regular	383,475	385,382
Salaries - Accrued Vacation	-	5,100

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2007

	Original and Final Budget	Actual
Operations - Continued		
Distribution - Continued		
Salaries - Overtime	\$ 27,450	27,036
Employee Benefits	166,290	144,943
Contractual Services	106,700	87,097
Unidirectional Main Flushing	34,150	24,704
Maintenance - Distribution System	11,000	15,155
Uniforms	4,710	3,097
Supplies - Miscellaneous Tools and Equipment	2,500	2,463
Materials	63,600	62,258
Automotive	100,200	94,690
Incidentals	200	107
Training	3,250	725
Fire Hydrant Painting	57,150	36,221
Replacement Fire Hydrants	20,000	17,989
Distribution Improvements	60,000	37,469
Motor Equipment	57,750	45,975
Other Equipment	49,500	47,000
	1,147,925	1,037,411
Less Nonoperating Items		
Capital Outlay	(167,250)	(130,444)
Total Distribution	980,675	906,967
Meter and Reservoir Maintenance		
Salaries - Regular	148,375	151,052
Salaries - Overtime	580	-
Employee Benefits	48,120	51,059
Contractual Services	11,000	10,437
Maintenance - Reservoir/Pumping Station	3,500	-
Uniforms	1,100	738
Supplies	2,200	1,971
Supplies - Reservoir	3,000	1,915
Water Meters - Cost of Sales	30,000	26,468
Water Meters - Repair Parts	7,000	8,266
Water Meter Replacement Program	1,500	1,500

# VILLAGE OF WILMETTE, ILLINOIS

## Water - Enterprise Fund

### Schedule of Operating Expenses - Budget and Actual - Continued Year Ended December 31, 2007

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Automatic Meter Reading Program	\$ 94,000	66,671
Automotive	19,700	18,610
Training	500	125
Reservoir Booster Pump Repair	5,000	4,586
	375,575	343,398
Less Nonoperating Items		
Capital Outlay	(5,000)	(4,586)
Total Meter and Reservoir Maintenance	370,575	338,812
Capital Outlay		
Filter Repairs - 1971 / 1933	1,300,000	617,524
Evanston Interconnection Improvements	225,000	-
Standpipe Reconditioning	1,095,000	3,225
Sheridan Road Water Main	50,000	125,025
Cambridge & Columbus Water Main	75,000	64,679
	2,745,000	810,453
Less Nonoperating Items		
Capital Outlay	(2,745,000)	(810,453)
Total Capital Outlay	-	-
Debt Service		
Principal Retirement	555,000	470,000
Interest Expense	985,300	996,048
Amortization of Bond Discount	-	60,600
	1,540,300	1,526,648
Less Nonoperating Items		
Debt Service	(1,540,300)	(1,526,648)
Total Debt Service	-	-
Depreciation	-	972,134
Total Operating Expenses	4,418,565	5,089,405

**VILLAGE OF WILMETTE, ILLINOIS****Sewer - Enterprise Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Sewer Charges	\$ 3,800,000	3,429,423
Sewer Charges - Unbilled	-	39,000
Other	-	50
Total Operating Revenues	<u>3,800,000</u>	<u>3,468,473</u>
Operating Expenses		
Operations		
Maintenance of Sewers	1,079,755	1,059,481
Storm Water Pumping Station	63,420	52,949
Capital Projects	-	8,294
Depreciation	-	733,784
Total Operating Expenses	<u>1,143,175</u>	<u>1,854,508</u>
Operating Income	<u>2,656,825</u>	<u>1,613,965</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	70,000	40,868
Interest Expense	(858,187)	(767,174)
	<u>(788,187)</u>	<u>(726,306)</u>
Change in Net Assets	<u>1,868,638</u>	887,659
Net Assets - Beginning		<u>19,476,330</u>
Net Assets - Ending		<u>20,363,989</u>



**VILLAGE OF WILMETTE, ILLINOIS****Sewer - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operations		
Maintenance of Sewers		
Salaries - Regular	\$ 386,600	373,089
Salaries - Accrued Vacation	-	5,100
Salaries - Overtime	7,750	9,775
Employee Benefits	159,770	136,525
Contractual Services	110,000	82,094
Contractual Sewer Improvements	210,000	158,366
Flow Monitoring	-	-
N.P.D.E.S. Phase II	6,000	6,000
Uniforms	4,710	3,097
Supplies - Miscellaneous Tools and Equipment	2,500	2,119
Materials	32,775	32,761
Automotive	100,200	94,690
Incidentals	200	126
Training	1,500	715
Motor Equipment	57,750	155,024
Total Maintenance of Sewers	1,079,755	1,059,481
Storm Water Pumping Station		
Salaries - Overtime	7,750	4,847
Employee Benefits	1,370	1,423
Professional Services	15,000	14,484
Contractual Services	1,600	5,525
Contractual Services - SWPS Sump Cleaning	25,000	-
Maintenance - Equipment	3,000	2,328
Supplies	1,000	3,503
Supplies - Outfall Control	500	-
Power	8,200	20,839
Total Storm Water Pumping Station	63,420	52,949

**VILLAGE OF WILMETTE, ILLINOIS****Sewer - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual - Continued  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operations - Continued		
Capital Outlay		
Village Center Stormwater Management Study	\$ -	8,294
Washington Avenue Relief Sewer	-	5,935
Sheridan Road Sewer	50,000	27,447
Sewer Lining and Rehabilitation	400,000	377,997
Sewer Lining and Rehabilitation - Edens	-	287,318
Sewer Main Repairs	200,000	192,045
Sewer Improvements	564,000	414,230
	1,214,000	1,313,266
Less Nonoperating Items		
Capital Outlay	(1,214,000)	(1,304,972)
Total Capital Outlay	-	8,294
Debt Service		
Bond Issue Proceeds	(1,300,000)	-
Principal Retirement	1,799,681	1,808,118
Interest Expense	858,187	767,174
	1,357,868	2,575,292
Less Nonoperating Items		
Debt Service	(1,357,868)	(2,575,292)
Total Debt Service	-	-
Depreciation	-	733,784
Total Operating Expenses	1,143,175	1,854,508

# VILLAGE OF WILMETTE, ILLINOIS

## Parking Meter - Nonmajor Enterprise Fund

### Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking fees	\$ 322,560	308,102
Operating Expenses		
Operations		
Central Business District	215,280	188,536
CTA Station	115,245	97,230
Burmeister Parking Facility	15,325	15,043
Depreciation	-	123,562
Total Operating Expenses	345,850	424,371
Operating Income (Loss)	(23,290)	(116,269)
Nonoperating Revenues (Expenses)		
Investment Earnings	(17,425)	(17,625)
Amortization of Bond Discount	-	(825)
	(17,425)	(18,450)
Income (Loss) Before Transfers	(40,715)	(134,719)
Transfers In	150,000	480,764
Change in Net Assets	109,285	346,045
Net Assets - Beginning		4,606,597
Net Assets - Ending		4,952,642

# VILLAGE OF WILMETTE, ILLINOIS

## Parking Meter - Nonmajor Enterprise Fund

### Schedule of Operating Revenues - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 42,300	33,706
Debit Card Revenue	103,500	113,982
Permit Fees	27,000	28,550
METRA Station Rent	2,765	2,765
Total Central Business District	175,565	179,003
CTA Station		
Commuter Daily Drop Box	97,300	79,160
Commuter Permit Fees	17,520	16,360
Merchant Permit Fees	3,650	3,969
Residential Permit Fees	3,650	4,240
Total CTA Station	122,120	103,729
Burmeister Parking Facility		
Permit Fees	24,875	25,370
Total Operating Revenues	322,560	308,102

# VILLAGE OF WILMETTE, ILLINOIS

## Parking Meter - Nonmajor Enterprise Fund

### Schedule of Operating Expenses - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 69,700	65,980
Salaries - Overtime	1,950	1,777
Employee Benefits	28,900	26,794
Contractual Services - Railroad Property	28,675	19,561
Contractual Snow Plowing	17,545	11,791
Building Supplies - Railroad Property	300	285
Grounds Supplies - Village Property	4,370	-
Grounds Supplies - Railroad Property	2,000	198
Power - METRA Station	4,035	3,495
Heating Gas - Railroad Property	1,800	1,758
Lighting	8,000	7,259
Parking Meter Parts - Village Property	400	275
Parking Meter Parts - Railroad Property	6,385	6,385
Rent - Commuter Lot	35,500	37,085
Rent - Poplar Drive Lots	3,850	3,271
Rent - St. Augustine Lot	1,550	2,267
Rent - Masonic Temple Lot	320	355
Total Central Business District	215,280	188,536
CTA Station		
Salaries - Regular	33,275	33,062
Salaries - Overtime	2,800	-
Employee Benefits	15,560	13,123
Contractual Services	2,450	2,403
Contractual Grounds Maintenance	7,000	5,129
Contractual Snow Plowing	8,360	5,901
Materials	2,800	2,357
Rent - CTA	43,000	35,255
Total CTA Station	115,245	97,230

**VILLAGE OF WILMETTE, ILLINOIS**

**Parking Meter - Nonmajor Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued**  
**Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operations - Continued		
Burmeister Parking Facility		
Contractual Services	\$ 6,300	4,944
Materials	525	-
Lighting	8,500	10,099
Total Burmeister Parking Facility	15,325	15,043
Debt Service		
Principal Retirement	120,000	115,000
Interest Expense	17,425	17,625
Interest Expense - Bond Discount Amortization	-	825
	137,425	133,450
Less Nonoperating Items		
Debt Service	(137,425)	(133,450)
Total Debt Service	-	-
Depreciation	-	123,562
Total Operating Expenses	345,850	424,371

**VILLAGE OF WILMETTE, ILLINOIS**

**Combining Statement of Net Assets**

**Internal Service Funds**

**December 31, 2007**

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See Following Page

**VILLAGE OF WILMETTE, ILLINOIS**

**Combining Statement of Net Assets**

**Internal Service Funds**

**December 31, 2007**

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	<u>Municipal Garage</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Accounts	<u>-</u>
Total Assets	<u>-</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	-
Due to Other Funds	<u>-</u>
Total Current Liabilities	-
Noncurrent Liabilities	
Compensated Absences Payable	<u>-</u>
Total Liabilities	<u>-</u>
<b>NET ASSETS</b>	
Unrestricted	<u><u>-</u></u>



Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
1,875	-	30,709	524,823	557,407
-	16,810	-	-	16,810
1,875	16,810	30,709	524,823	574,217
1,875	2,748	30,709	732	36,064
-	14,062	-	-	14,062
1,875	16,810	30,709	732	50,126
-	-	-	2,261,379	2,261,379
1,875	16,810	30,709	2,262,111	2,311,505
-	-	-	(1,737,288)	(1,737,288)

# VILLAGE OF WILMETTE, ILLINOIS

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

### Internal Service Funds

Year Ended December 31, 2007

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	<u>\$ 1,074,356</u>
Operating Expenses	
Administration	-
Operations	<u>1,074,356</u>
Total Operating Expenses	<u>1,074,356</u>
Operating Income (Loss)	-
Nonoperating Revenues	
Investment Earnings	<u>-</u>
Change in Net Assets	-
Net Assets - Beginning	<u>-</u>
Net Assets - Ending	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,391,355	269,751	1,442,998	123,500	5,301,960
-	-	-	17,790	17,790
2,391,355	269,751	1,442,998	312,468	5,490,928
2,391,355	269,751	1,442,998	330,258	5,508,718
-	-	-	(206,758)	(206,758)
-	-	-	21,648	21,648
-	-	-	(185,110)	(185,110)
-	-	-	(1,552,178)	(1,552,178)
-	-	-	(1,737,288)	(1,737,288)

# VILLAGE OF WILMETTE, ILLINOIS

## Combining Statement of Cash Flows

### Internal Service Funds

Year Ended December 31, 2007

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,074,356
Payments to Employees	(475,213)
Payments to Suppliers	<u>(599,143)</u>
	<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
2,391,355	265,133	1,444,595	123,500	5,298,939
(145,830)	-	-	-	(621,043)
(2,244,334)	(267,658)	(1,438,719)	(17,058)	(4,566,912)
1,191	(2,525)	5,876	106,442	110,984
-	2,525	-	-	2,525
-	-	-	21,648	21,648
1,191	-	5,876	128,090	135,157
684	-	24,833	396,733	422,250
1,875	-	30,709	524,823	557,407
-	-	-	(206,758)	(206,758)
-	(4,618)	1,597	-	(3,021)
1,191	2,093	4,279	313,200	320,763
1,191	(2,525)	5,876	106,442	110,984

# VILLAGE OF WILMETTE, ILLINOIS

## Municipal Garage - Internal Service Fund

### Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 885,100	836,905
Sewer Fund Billings	100,200	94,690
Water Fund Billings	140,200	132,450
Insurance Reimbursements	16,230	10,311
Total Operating Revenues	1,141,730	1,074,356
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	477,400	473,102
Overtime Salaries	2,200	2,111
Employee Benefits	159,960	148,904
Contractual Services	44,000	38,842
Maintenance - Radios	1,000	-
Contractual Services - Vehicle Washing	5,025	3,179
Automobile Insurance and Claims	59,500	59,500
Uniforms	4,105	2,487
Supplies - Automotive Parts	121,580	108,879
Supplies - Auto Shop	11,995	10,923
Supplies - Vehicle Striping and Safety	2,050	1,825
Gasoline and Oil	236,700	212,959
Mechanics' Tool Allowance	2,310	2,310
Incidentals	75	67
Training	2,700	2,697
Licenses, Titles and Inspection Fees	3,930	4,203
Squad Car Transfer Rehabilitation	5,000	497
Other Equipment	2,200	1,871
Total Operating Expenses	1,141,730	1,074,356
Change in Net Assets	-	-
Net Assets - Beginning		-
Net Assets - Ending		-

**VILLAGE OF WILMETTE, ILLINOIS****Employee Insurance - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,251,226	1,924,011
Municipal Garage Fund Billings	74,800	64,788
Parking Meter Fund Billings	22,030	24,275
Sewer Fund Billings	88,670	69,102
Water Fund Billings	348,750	309,179
Total Operating Revenues	2,785,476	2,391,355
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	151,920	145,830
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,998,076	1,575,398
HMO - Illinois	590,000	624,781
Employee Life Insurance	35,480	35,705
Unemployment Compensation	10,000	9,323
Other Insurance Expense	-	318
Total Operating Expenses	2,785,476	2,391,355
Change in Net Assets	-	-
Net Assets - Beginning		-
Net Assets - Ending		-

# VILLAGE OF WILMETTE, ILLINOIS

## Workers' Compensation - Internal Service Fund

### Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2007

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 224,660	198,323
Municipal Garage Fund Billings	7,940	6,860
Parking Meter Fund Billings	1,330	1,540
Sewer Fund Billings	6,400	5,750
Water Fund Billings	36,720	27,950
Insurance Reimbursements	-	29,328
Total Operating Revenues	277,050	269,751
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	232,050	232,876
Payment of Deductibles	45,000	36,875
Total Operating Expenses	277,050	269,751
Change in Net Assets	-	-
Net Assets - Beginning		-
Net Assets - Ending		-



**VILLAGE OF WILMETTE, ILLINOIS****Illinois Municipal Retirement - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operating Revenues		
Interfund for Services		
General Fund Billings	\$ 1,003,280	994,893
Municipal Garage Fund Billings	73,720	74,506
Parking Meter Fund Billings	15,170	14,102
Sewer Fund Billings	60,810	59,797
Water Fund Billings	309,850	299,700
Total Operating Revenues	<u>1,462,830</u>	<u>1,442,998</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	705,410	707,886
Employer FICA Contributions	542,830	526,862
Employer Medicare Contributions	214,590	208,250
Total Operating Expenses	<u>1,462,830</u>	<u>1,442,998</u>
Change in Net Assets	<u>-</u>	-
Net Assets - Beginning		<u>-</u>
Net Assets - Ending		<u>-</u>

**VILLAGE OF WILMETTE, ILLINOIS****Section 105 Sick Leave - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 98,285	104,350
Municipal Garage Fund Billings	2,700	2,750
Sewer Fund Billings	3,250	3,300
Water Fund Billings	12,365	13,100
Total Operating Revenues	116,600	123,500
Operating Expenses		
Administration	30,000	17,790
Operations		
Sick Leave Accrual	-	312,468
Total Operating Expenses	30,000	330,258
Operating Income (Loss)	86,600	(206,758)
Nonoperating Revenues		
Investment Earnings	20,000	21,648
Change in Net Assets	106,600	(185,110)
Net Assets - Beginning		(1,552,178)
Net Assets - Ending		(1,737,288)

**VILLAGE OF WILMETTE, ILLINOIS****Pension Trust Funds****Combining Statement of Net Plan Assets  
December 31, 2007**

	Police Pension	Firefighters' Pension	Totals
<b>Assets</b>			
Cash and Cash Equivalents	\$ 838,142	1,235,705	2,073,847
Investments			
U.S. Government and Agency Securities	8,315,045	8,231,723	16,546,768
Mutual Funds	19,915,507	20,295,808	40,211,315
Receivables			
Accrued Interest	129,381	127,352	256,733
Total Assets	29,198,075	29,890,588	59,088,663
<b>Liabilities</b>			
Accounts Payable	6,365	6,310	12,675
<b>Net Plan Assets Held in Trust for Pension Benefits</b> (A schedule of funding progress is presented following the notes to the financial schedules.)	29,191,710	29,884,278	59,075,988

**VILLAGE OF WILMETTE, ILLINOIS****Pension Trust Funds****Combining Statement of Changes in Net Plan Assets  
Year Ended December 31, 2007**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 1,016,400	1,245,800	2,262,200
Contributions - Plan Members	351,273	321,413	672,686
Total Contributions	1,367,673	1,567,213	2,934,886
<b>Investment Income</b>			
Investment Earnings	1,300,282	1,333,768	2,634,050
Net Change in Fair Value	1,097,710	1,105,644	2,203,354
	2,397,992	2,439,412	4,837,404
Less Investment Expenses	(38,724)	(38,722)	(77,446)
Net Investment Income	2,359,268	2,400,690	4,759,958
Total Additions	3,726,941	3,967,903	7,694,844
<b>Deductions</b>			
Administration	10,673	9,848	20,521
Benefits and Refunds	1,552,416	1,899,301	3,451,717
Total Deductions	1,563,089	1,909,149	3,472,238
Change in Net Assets	2,163,852	2,058,754	4,222,606
<b>Net Plan Assets Held in Trust for Pension Benefits</b>			
Beginning	27,027,858	27,825,524	54,853,382
Ending	29,191,710	29,884,278	59,075,988

**VILLAGE OF WILMETTE, ILLINOIS**

**Police Pension - Pension Trust Fund**

**Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
<b>Additions</b>		
Contributions - Employer	\$ 925,000	1,016,400
Contributions - Plan Members	342,000	351,273
Total Contributions	<u>1,267,000</u>	<u>1,367,673</u>
 Investment Income		
Investment Earnings	1,600,000	1,300,282
Net Change in Fair Value	-	1,097,710
	<u>1,600,000</u>	<u>2,397,992</u>
Less Investment Expenses	(44,000)	(38,724)
Net Investment Income	<u>1,556,000</u>	<u>2,359,268</u>
 Total Additions	<u>2,823,000</u>	<u>3,726,941</u>
 <b>Deductions</b>		
Administration	10,000	10,673
Benefits and Refunds	1,800,000	1,552,416
Total Deductions	<u>1,810,000</u>	<u>1,563,089</u>
 Change in Net Assets	<u>1,013,000</u>	2,163,852
 <b>Net Plan Assets Held in Trust for Pension Benefits</b>		
Beginning		<u>27,027,858</u>
Ending		<u>29,191,710</u>

**VILLAGE OF WILMETTE, ILLINOIS****Firefighters' Pension - Pension Trust Fund****Schedule of Changes in Net Plan Assets - Budget and Actual  
Year Ended December 31, 2007**

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,234,000	1,245,800
Contributions - Plan Members	328,000	321,413
Total Contributions	1,562,000	1,567,213
Investment Income		
Investment Earnings	1,680,000	1,333,768
Net Change in Fair Value	-	1,105,644
	1,680,000	2,439,412
Less Investment Expenses	(44,000)	(38,722)
Net Investment Income	1,636,000	2,400,690
Total Additions	3,198,000	3,967,903
Deductions		
Administration	10,000	9,848
Benefits and Refunds	2,050,000	1,899,301
Total Deductions	2,060,000	1,909,149
Change in Net Assets	1,138,000	2,058,754
Net Plan Assets Held in Trust for Pension Benefits		
Beginning		27,825,524
Ending		29,884,278

**VILLAGE OF WILMETTE, ILLINOIS**

**Agency Fund - Fire Insurance Tax**

**Combining Statement of Changes in Assets and Liabilities  
Year Ended December 31, 2007**

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u> <u>Balances</u>
<b>ASSETS</b>				
Cash and Investments	\$ 506,408	72,709	41,300	537,817
<b>LIABILITIES</b>				
Deposits Payable	506,408	72,709	41,300	537,817





## **SUPPLEMENTAL SCHEDULES**



# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

### General Obligation Bond Series of 1999 December 31, 2007

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Date of Issue	May 1, 1999
Date of Maturity	December 1, 2014
Authorized Issue	\$10,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.20% to 4.45%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	JP Morgan Investments

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ -	262,465	262,465
2009	110,000	262,465	372,465
2010	400,000	257,845	657,845
2011	690,000	240,845	930,845
2012	1,090,000	210,830	1,300,830
2013	1,135,000	162,870	1,297,870
2014	1,185,000	112,363	1,297,363
2015	1,240,000	59,630	1,299,630
2016	100,000	4,450	104,450
	<u>5,950,000</u>	<u>1,573,763</u>	<u>7,523,763</u>
	<u>5,950,000</u>	Water Fund	
	<u>5,950,000</u>		

## VILLAGE OF WILMETTE, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Bond Series of 2001 December 31, 2007

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Date of Issue	February 1, 2001
Date of Maturity	December 1, 2008
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 5.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	JP Morgan Investments

#### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 125,000	3,000	128,000
	25,000	General Long-Term Debt	
	100,000	Water Fund	
	125,000		

# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

### General Obligation Bond Series of 2002 December 31, 2007

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

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 400,000	1,299,350	1,699,350
2009	450,000	1,283,151	1,733,151
2010	450,000	1,264,701	1,714,701
2011	975,000	1,246,026	2,221,026
2012	1,575,000	1,205,563	2,780,563
2013	1,875,000	1,140,201	3,015,201
2014	2,125,000	1,059,576	3,184,576
2015	2,225,000	965,013	3,190,013
2016	2,500,000	863,775	3,363,775
2017	2,700,000	747,525	3,447,525
2018	2,700,000	620,625	3,320,625
2019	2,700,000	492,375	3,192,375
2020	2,400,000	361,425	2,761,425
2021	3,000,000	243,825	3,243,825
2022	1,350,000	96,825	1,446,825
2023	600,000	30,000	630,000
	<u>28,025,000</u>	<u>12,919,956</u>	<u>40,944,956</u>
	21,280,000	General Long-Term Debt	
	1,895,000	Sewer Fund	
	<u>4,850,000</u>	Water Fund	
	<u>28,025,000</u>		

# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

### General Obligation Refunding Bond Series of 2004 December 31, 2007

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

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 1,415,000	520,364	1,935,364
2009	1,015,000	477,911	1,492,911
2010	1,245,000	444,926	1,689,926
2011	1,420,000	404,463	1,824,463
2012	1,260,000	358,313	1,618,313
2013	1,645,000	314,212	1,959,212
2014	1,630,000	252,525	1,882,525
2015	925,000	191,400	1,116,400
2016	1,275,000	156,713	1,431,713
2017	1,240,000	108,900	1,348,900
2018	535,000	62,400	597,400
2019	495,000	41,000	536,000
2020	530,000	21,200	551,200
	<u>14,630,000</u>	<u>3,354,327</u>	<u>17,984,327</u>
	7,155,000	General Long-Term Debt	
	2,725,000	Sewer Fund	
	4,315,000	Water Fund	
	<u>435,000</u>	Parking Meter Fund	
	<u>14,630,000</u>		

## VILLAGE OF WILMETTE, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Refunding Bond Series of 2007 December 31, 2007

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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

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#### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 1,065,000	817,156	1,882,156
2009	800,000	774,556	1,574,556
2010	320,000	742,556	1,062,556
2011	325,000	729,756	1,054,756
2012	440,000	716,756	1,156,756
2013	665,000	699,156	1,364,156
2014	1,235,000	672,556	1,907,556
2015	1,860,000	623,156	2,483,156
2016	2,710,000	546,432	3,256,432
2017	3,475,000	434,644	3,909,644
2018	3,430,000	291,300	3,721,300
2019	1,360,000	149,813	1,509,813
2020	1,205,000	92,013	1,297,013
2021	960,000	40,800	1,000,800
	<u>19,850,000</u>	<u>7,330,650</u>	<u>27,180,650</u>
	11,735,000	General Long-Term Debt	
	2,450,000	Sewer Fund	
	<u>5,665,000</u>	Water Fund	
	<u>19,850,000</u>		

## VILLAGE OF WILMETTE, ILLINOIS

### Long-Term Debt Requirements

#### IEPA Revenue Bond Series of 1993

December 31, 2007

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

#### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 554,189	113,454	667,643
2009	574,207	93,437	667,644
2010	594,948	72,696	667,644
2011	616,437	51,207	667,644
2012	638,703	28,941	667,644
2013	327,951	5,871	333,822
	<u>3,306,435</u>	<u>365,606</u>	<u>3,672,041</u>
	<u>3,306,435</u>	Sewer Fund	



## VILLAGE OF WILMETTE, ILLINOIS

### Long-Term Debt Requirements

#### IEPA Revenue Bond Series of 1995 December 31, 2007

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

#### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 553,836	128,205	682,041
2009	572,602	109,440	682,042
2010	592,003	90,039	682,042
2011	612,061	69,980	682,041
2012	632,799	49,242	682,041
2013	654,240	27,802	682,042
2014	335,386	5,634	341,020
	3,952,927	480,342	4,433,269
	<u>3,952,927</u>	Sewer Fund	

# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

### IEPA Revenue Bond Series of 1996

December 31, 2007

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

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 249,674	64,752	314,426
2009	256,751	57,675	314,426
2010	264,030	50,396	314,426
2011	271,515	42,911	314,426
2012	279,211	35,215	314,426
2013	287,127	27,299	314,426
2014	295,266	19,160	314,426
2015	303,636	10,790	314,426
2016	155,031	2,182	157,213
	<u>2,362,241</u>	<u>310,380</u>	<u>2,672,621</u>
	<u>2,362,241</u>	Sewer Fund	

# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

IEPA Revenue Bond Series of 1997  
December 31, 2007

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

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 450,187	160,365	610,552
2009	464,479	146,073	610,552
2010	479,226	131,326	610,552
2011	494,440	116,112	610,552
2012	510,138	100,414	610,552
2013	526,333	84,218	610,551
2014	543,043	67,508	610,551
2015	560,284	50,268	610,552
2016	578,072	32,480	610,552
2017	596,423	14,127	610,550
	<u>5,202,625</u>	<u>902,891</u>	<u>6,105,516</u>
	<u>5,202,625</u>	Sewer Fund	

# VILLAGE OF WILMETTE, ILLINOIS

## Long-Term Debt Requirements

### IEPA Revenue Bond Series of 2006

December 31, 2007

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

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December	Principal	Interest	Totals
2008	\$ 17,191	10,200	27,391
2009	17,624	9,768	27,392
2010	18,068	9,324	27,392
2011	18,521	8,869	27,390
2012	18,988	8,404	27,392
2013	19,465	7,927	27,392
2014	19,955	7,436	27,391
2015	20,457	6,935	27,392
2016	20,972	6,420	27,392
2017	21,499	5,892	27,391
2018	22,040	5,351	27,391
2019	22,594	4,797	27,391
2020	23,163	4,229	27,392
2021	23,746	3,646	27,392
2022	24,343	3,049	27,392
2023	24,955	2,437	27,392
2024	25,583	1,809	27,392
2025	26,227	1,165	27,392
2026	26,887	505	27,392
	412,278	108,163	520,441
	412,278	Sewer Fund	

## **STATISTICAL SECTION**

### **(Unaudited)**

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

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

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

#### **Demographic and Economic Information**

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

#### **Operating Information**

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



**VILLAGE OF WILMETTE, ILLINOIS**

**Net Assets by Component - Last Five Fiscal Years**  
**December 31, 2007 (Unaudited)**

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See Following Page

## VILLAGE OF WILMETTE, ILLINOIS

### Net Assets by Component - Last Five Fiscal Years December 31, 2007 (Unaudited)

	<u>2003</u>
Governmental Activities	
Invested in Capital Assets, Net of Related Debt	\$ 6,845,616
Restricted	1,107,740
Unrestricted	<u>2,886,309</u>
Total Governmental Activities Net Assets	<u><u>10,839,665</u></u>
Business-Type Activities	
Invested in Capital Assets, Net of Related Debt	33,343,412
Restricted	-
Unrestricted	<u>2,309,012</u>
Total Business-Type Activities Net Assets	<u><u>35,652,424</u></u>
Total Net Assets	
Invested in Capital Assets, Net of Related Debt	40,189,028
Restricted	1,107,740
Unrestricted	<u>5,195,321</u>
Total Primary Government Net Assets	<u><u>46,492,089</u></u>

Data Source: Village Records



2004	2005	2006	2007
7,343,577	8,166,032	8,929,074	10,499,597
1,154,049	1,076,158	834,828	450,725
2,621,235	4,423,233	4,928,203	5,845,733
11,118,861	13,665,423	14,692,105	16,796,055
35,127,266	35,475,772	36,849,485	37,956,144
-	-	-	-
1,517,047	3,340,497	2,605,420	2,884,158
36,644,313	38,816,269	39,454,905	40,840,302
42,470,843	43,641,804	45,778,559	48,455,741
1,154,049	1,076,158	834,828	450,725
4,138,282	7,763,730	7,533,623	8,729,891
47,763,174	52,481,692	54,147,010	57,636,357

# VILLAGE OF WILMETTE, ILLINOIS

## Changes in Net Assets - Last Five Fiscal Years December 31, 2007 (Unaudited)

	2003	2004	2005	2006	2007
<b>Expenses</b>					
<b>Governmental Activities</b>					
General Government	\$ 3,575,237	3,195,919	3,330,649	3,466,888	3,395,790
Public Safety	13,224,840	12,681,422	13,334,526	13,727,439	15,071,445
Streets and Sanitation	8,086,777	6,408,770	7,460,718	7,445,005	8,270,333
Other Public Works	1,012,646	1,073,884	1,051,838	1,687,224	2,155,904
Community Development	145,857	964,234	1,116,566	1,137,139	177,124
Public Health	869,963	154,543	160,447	193,970	1,253,997
Interest	1,590,316	1,570,605	1,447,678	1,404,556	1,636,879
Total Governmental Activities Expenses	28,505,636	26,049,377	27,902,422	29,062,221	31,961,472
<b>Business-Type Activities</b>					
Waterworks	5,276,280	5,253,705	5,634,646	5,770,344	6,146,053
Sewerage	2,407,541	2,146,754	2,436,380	2,444,549	2,621,682
Parking	410,039	417,245	432,340	421,842	442,821
Total Business-Type Activities Net Assets	8,093,860	7,817,704	8,503,366	8,636,735	9,210,556
Total Primary Government Expenses	36,599,496	33,867,081	36,405,788	37,698,956	41,172,028
<b>Program Revenues</b>					
<b>Governmental Activities</b>					
Charges for Services					
General Government	139,939	234,736	247,917	265,168	288,614
Public Safety	1,402,962	1,430,121	1,533,081	1,572,175	1,993,313
Streets and Sanitation	1,270,178	1,301,785	1,552,340	1,649,677	1,729,235
Other Public Works	27,435	25,547	38,000	63,356	121,267
Community Development	1,198,382	1,173,237	1,726,586	1,569,484	1,769,744
Public Health	11,311	11,589	12,558	39,010	32,582
Operating Grants/Contributions	850,178	881,558	1,330,251	999,520	2,935,791
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
<b>Business-Type Activities</b>					
Charges for Services					
Waterworks	5,450,496	5,333,624	6,508,780	5,757,608	6,380,743
Sewerage	2,934,783	3,296,414	3,940,993	3,406,059	3,468,473
Commuter Parking	260,831	256,235	312,782	305,994	308,102
Operating Grants/Contributions	-	-	-	-	155,024
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
Total Primary Government Program Revenue	15,698,354	14,479,719	17,304,665	15,649,601	19,182,888

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

Data Source: Village Records

## VILLAGE OF WILMETTE, ILLINOIS

### Fund Balances of Governmental Funds - Last Ten Fiscal Years December 31, 2007 (Unaudited)

	1998	1999	2000
General Fund			
Reserved	\$ 516,926	425,404	591,673
Unreserved	3,384,445	4,217,227	4,546,813
Total General Fund	3,901,371	4,642,631	5,138,486
All Other Governmental Funds			
Reserved	336,199	83,053	11,127
Unreserved, Reported in:			
Special Revenues Funds	2,249,876	2,236,638	1,653,575
Debt Service Funds	112,948	90,480	95,003
Capital Projects Funds	304,570	2,467,973	1,947,704
Total All Other Governmental Funds	3,003,593	4,878,144	3,707,409

Data Source: Village Records

2001	2002	2003	2004	2005	2006	2007
625,531	900,743	500,461	771,163	563,159	617,896	564,620
3,590,642	3,979,211	4,687,146	4,727,523	5,756,062	6,391,407	7,121,664
4,216,173	4,879,954	5,187,607	5,498,686	6,319,221	7,009,303	7,686,284
30,971	1,918,991	5,257	-	-	-	200,000
1,463,717	1,917,625	1,056,168	1,107,427	680,990	431,201	450,725
55,802	55,720	48,994	49,334	34,553	28,366	(7,665)
658,054	15,926,988	13,221,678	8,977,970	4,521,700	1,816,076	8,444,739
2,208,544	19,819,324	14,332,097	10,134,731	5,237,243	2,275,643	9,087,799

## VILLAGE OF WILMETTE, ILLINOIS

### General Governmental Revenues By Source - Last Ten Fiscal Years December 31, 2007 (Unaudited)

Source	1997	1998	1999	2000
Taxes	\$ 14,666,116	15,960,723	16,966,482	17,796,767
Licenses and Permits	1,562,699	1,380,545	1,594,893	1,526,400
Intergovernmental	2,489	2,743	3,524	3,526
Charges for Services	3,157,407	3,129,073	3,212,219	3,133,083
Fines and Forfeits	313,530	341,324	320,254	286,133
Investment Income	285,034	277,865	423,464	560,906
Miscellaneous	1,193,514	707,262	771,058	692,720
Total	21,180,789	21,799,535	23,291,894	23,999,535

Note: 1996 through 2003 includes General, Special Revenue, Capital Projects and Debt Service Funds.

2003 GASB 34 was implemented. Includes all Governmental Funds.

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

Data Source: Village Records

2001	2002	2003	2004	2005	2006	2007
17,985,396	18,211,850	19,547,732	20,076,053	21,272,393	21,860,799	23,125,922
1,570,827	1,606,897	2,094,575	2,172,187	2,824,120	2,678,714	3,382,726
3,080	2,038,342	2,171,534	200,560	1,177,017	999,520	2,935,791
3,151,875	4,456,680	1,605,341	1,640,957	1,946,356	2,168,121	2,278,003
267,000	297,992	350,291	363,871	340,006	312,035	274,026
399,686	816,990	368,368	220,809	390,758	538,001	497,251
739,168	880,594	554,442	513,999	684,793	617,410	1,384,310
24,117,032	28,309,345	26,692,283	25,188,436	28,635,443	29,174,600	33,878,029

## VILLAGE OF WILMETTE, ILLINOIS

### General Governmental Expenditures By Function - Last Ten Fiscal Years December 31, 2007 (Unaudited)

Function	1998	1999	2000	2001
General Government	\$ 2,184,618	2,223,336	2,223,039	2,577,904
Public Safety	8,512,787	9,043,787	9,630,599	10,330,474
Streets and Sanitation	5,030,217	5,405,380	5,822,727	5,831,953
Other Public Works	1,098,276	927,023	983,121	933,645
Public Health	151,632	156,271	162,908	163,634
Community Development	744,974	709,525	785,065	782,215
Capital Outlay	3,464,201	3,418,887	3,788,753	6,032,847
Debt Service				
Principal	1,856,977	1,945,881	2,047,229	2,166,972
Interest and Fiscal Charges	1,291,398	1,442,871	1,410,160	1,564,737
Total	24,335,080	25,272,961	26,853,601	30,384,381

Note: 1996 through 2003 includes General, Special Revenue, Capital Projects and Debt Service Funds.  
2003 GASB 34 was implemented. Includes all Governmental Funds.  
With the implementation of GASB 34, the Sewer Fund was reclassified as a Proprietary Fund from a  
Special Revenue Fund.

Data Source: Village Records



2002	2003	2004	2005	2006	2007
2,748,934	3,575,237	3,195,919	3,330,649	3,466,888	3,147,259
10,323,232	13,224,840	12,681,422	13,334,526	13,727,439	14,863,098
5,563,500	8,086,777	6,408,770	7,460,718	7,445,005	6,795,616
899,030	1,012,646	1,073,884	1,051,838	1,687,224	2,149,004
148,368	145,857	154,543	160,447	193,970	177,824
846,395	869,963	964,234	1,116,566	1,137,139	1,451,671
8,741,902	-	-	-	-	5,068,278
2,306,600	-	-	-	-	1,254,235
2,333,643	1,590,316	1,570,605	1,447,678	1,404,556	1,501,513
33,911,604	28,505,636	26,049,377	27,902,422	29,062,221	36,408,498

# VILLAGE OF WILMETTE, ILLINOIS

## Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years December 31, 2007 (Unaudited)

	1998	1999	2000	2001
<b>Revenues</b>				
Taxes	\$ 15,960,723	16,966,482	17,796,767	17,985,396
Licenses and Permits	1,380,545	1,594,893	1,526,400	1,570,827
Intergovernmental	2,743	3,524	3,526	3,080
Charges for Services and Fees	3,129,073	3,212,219	3,133,083	3,151,875
Fines and Forfeits	341,324	320,254	286,133	267,000
Investment Income	277,865	423,464	560,906	399,686
Miscellaneous	707,262	771,058	692,720	739,168
<b>Total Revenues</b>	<b>21,799,535</b>	<b>23,291,894</b>	<b>23,999,535</b>	<b>24,117,032</b>
<b>Expenditures</b>				
General Government	2,184,618	2,223,336	2,223,039	2,577,904
Public Safety	8,512,787	9,043,787	9,630,599	10,330,474
Streets and Sanitation	5,030,217	5,405,380	5,822,727	5,831,953
Other Public Works	1,098,276	927,023	983,121	933,645
Public Health	151,632	156,271	162,908	163,634
Community Development	744,974	709,525	785,065	782,215
Capital Outlay	3,464,201	3,418,887	3,788,753	6,032,847
Debt Service				
Principal	1,856,977	1,945,881	2,047,229	2,166,972
Interest and Fiscal Charges	1,291,398	1,442,871	1,410,160	1,564,737
<b>Total Expenditures</b>	<b>24,335,080</b>	<b>25,272,961</b>	<b>26,853,601</b>	<b>30,384,381</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(2,535,545)</b>	<b>(1,981,067)</b>	<b>(2,854,066)</b>	<b>(6,267,349)</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Bonds	2,460,000	4,050,000	2,000,000	3,000,000
Proceeds from I.E.P.A. Loan	406,712	-	-	-
Proceeds from Installment Contract	-	-	-	-
Payments to Escrow Agent	-	-	-	-
Transfers In	700,000	700,000	700,000	700,000
Transfers Out	(234,772)	(153,122)	(185,855)	(157,242)
<b>Total Other Financing Sources (Uses)</b>	<b>3,331,940</b>	<b>4,596,878</b>	<b>2,514,145</b>	<b>3,542,758</b>
<b>Net Change in Fund Balances</b>	<b>796,395</b>	<b>2,615,811</b>	<b>(339,921)</b>	<b>(2,724,591)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>15.09%</b>	<b>15.51%</b>	<b>14.99%</b>	<b>15.32%</b>

Note: 1996 through 2002 includes General, Special Revenue, Capital Projects and Debt Service Funds.  
2003 GASB 34 was implemented. Includes all Governmental Funds.  
With the implementation of GASB 34, the Sewer Fund was reclassified as a Proprietary Fund from  
a Special Revenue Fund

Data Source: Village Records

2002	2003	2004	2005	2006	2007
18,211,850	18,762,978	19,286,895	21,272,393	21,860,799	23,125,922
1,606,897	2,094,575	2,172,187	2,824,120	2,678,714	3,382,726
2,038,342	2,816,192	989,718	1,177,017	999,520	2,935,791
4,456,680	1,605,341	1,640,957	1,946,356	2,168,121	2,278,003
297,992	350,291	363,871	340,006	312,035	274,026
816,990	274,252	260,765	390,758	538,001	497,251
880,594	694,537	513,999	684,793	617,410	1,384,310
28,309,345	26,598,166	25,228,392	28,635,443	29,174,600	33,878,029
2,748,934	2,769,169	2,934,612	2,989,626	3,073,424	3,147,259
10,323,232	11,527,958	12,272,889	13,184,417	13,859,888	14,863,098
5,563,500	5,181,212	4,857,268	5,327,047	5,237,550	6,795,616
899,030	1,012,646	1,043,884	1,107,204	1,687,224	2,149,004
148,368	145,857	154,543	160,447	193,970	177,824
846,395	869,963	964,234	1,116,566	1,137,139	1,451,671
8,741,902	6,104,435	5,303,393	6,734,692	4,468,596	5,068,278
2,306,600	885,000	1,010,000	1,261,869	1,167,764	1,254,235
2,333,643	1,593,255	1,581,375	1,429,943	1,386,148	1,501,513
33,911,604	30,089,495	30,122,198	33,311,811	32,211,703	36,408,498
(5,602,259)	(3,491,329)	(4,893,806)	(4,676,368)	(3,037,103)	(2,530,469)
25,156,952	-	9,300,000	-	-	11,673,827
-	-	-	-	-	-
165,000	65,586	314,979	-	-	-
(1,914,886)	-	(9,269,407)	-	-	(1,773,457)
700,000	757,886	800,000	1,300,000	1,302,029	600,000
(284,329)	(158,692)	(138,053)	(700,585)	(536,444)	(480,764)
23,822,737	664,780	1,007,519	599,415	765,585	10,019,606
18,220,478	(2,826,549)	(3,886,287)	(4,076,953)	(2,271,518)	7,489,137
18.44%	10.33%	10.44%	10.18%	9.30%	9.07%

**VILLAGE OF WILMETTE, ILLINOIS****Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Year  
December 31, 2007 (Unaudited)**

Tax Levy Year	Real Property New Trier Township	Real Property Northfield Township	Railroad Property New Trier Township	Total Assessed Value	Equalization Factor	Direct Tax Rate
1997	\$ 767,728,846	\$ 3,220,131	\$ 146,633	\$ 771,095,610	2.1489	\$ 0.918
1998	861,183,490	3,407,486	136,626	864,727,602	2.1799	0.854
1999	891,271,087	3,509,801	132,765	894,913,653	2.2505	0.854
2000	882,765,423	3,500,518	135,787	886,401,728	2.2235	0.902
2001	1,127,562,716	4,164,954	139,261	1,131,866,931	2.3098	0.748
2002	1,210,079,062	4,432,414	158,585	1,214,670,061	2.4689	0.739
2003	1,202,287,401	4,377,864	167,938	1,206,833,203	2.4598	0.788
2004	1,492,689,803	5,056,436	184,479	1,497,930,718	2.5757	0.689
2005	1,623,962,496	5,472,282	174,078	1,629,608,856	2.7320	0.671
2006	1,616,506,819	5,577,543	172,349	1,622,256,711	2.7076	0.728

2007 Data - Currently Not Available

Data Source: Cook County Clerk

# VILLAGE OF WILMETTE, ILLINOIS

## Direct and Overlapping Property Tax Rates December 31, 2007 (Unaudited)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Village of Wilmette</b>										
General Corporate Rate	\$ 0.806	0.739	0.723	0.753	0.614	0.584	0.608	0.530	0.521	0.530
Debt Service Rate	0.112	0.115	0.132	0.149	0.134	0.155	0.180	0.159	0.150	0.159
Total Direct Tax Rate	0.918	0.854	0.854	0.902	0.748	0.739	0.788	0.689	0.671	0.689
<b>Overlapping</b>										
School District #39	3.314	3.087	3.193	3.454	2.742	2.610	2.707	2.238	2.151	2.238
School District #203	1.967	1.871	1.845	1.936	1.611	1.935	1.799	1.621	1.577	1.621
Community College #535	0.216	0.205	0.203	0.213	0.186	0.179	0.186	0.161	0.158	0.161
Wilmette Park District	0.475	0.430	0.423	0.528	0.425	0.510	0.526	0.440	0.413	0.440
Wilmette Public Library	0.389	0.343	0.338	0.351	0.309	0.315	0.352	0.315	0.283	0.315
Cook County	0.946	0.911	0.877	0.824	0.778	0.690	0.659	0.593	0.547	0.593
Sanitary District	0.451	0.444	0.419	0.415	0.401	0.371	0.361	0.347	0.315	0.347
Forest Preserve District	0.074	0.072	0.070	0.069	0.067	0.061	0.059	0.060	0.060	0.060
New Trier Township	0.060	0.057	0.057	0.058	0.046	0.045	0.048	0.039	0.039	0.039
Suburban T.B. Sanitarium	0.008	0.008	0.008	0.008	0.007	0.006	0.004	0.001	0.005	0.001
Mosquito Abatement Dist.	0.011	0.011	0.011	0.011	0.010	0.009	0.009	0.008	0.008	0.008
Total Tax Rate	8.829	8.293	8.298	8.769	7.330	7.470	7.498	6.512	6.227	6.512

Data Source: Cook County Clerk

# VILLAGE OF WILMETTE, ILLINOIS

## Principal Property Tax Payers - Current Year and Ten Years Ago December 31, 2007 (Unaudited)

Taxpayer	2007			1997		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Joseph Freed & Associates	\$ 36,795,328	1	2.27%	\$ 21,604,370	1	2.80%
1630 Sheridan Corp.	14,851,181	2	0.92%	5,654,167	3	0.73%
Plaza del Lago, Inc.	12,093,370	3	0.75%	8,185,808	2	1.06%
L.J. Thalmann & Co.	6,702,644	4	0.41%	4,434,726	4	0.58%
Albertson's	5,872,682	5	0.36%			
William C. Kagan	4,399,823	6	0.27%	2,219,156	9	0.29%
Landau & Heyman	4,184,263	7	0.26%	2,823,528	5	0.37%
Avgeris & Assoc.	3,790,635	8	0.23%	2,746,307	6	0.36%
Manor Health Care Corp.	3,516,566	9	0.22%	2,219,352	8	0.29%
Wolin-Levin	3,465,728	10	0.21%	1,583,216	13	0.21%
Westmoreland Country Club	3,433,375	11	0.21%	2,555,700	7	0.33%
Beth Corp.	2,995,096	12	0.18%	2,193,360	10	0.28%
Michigan Shores Club	2,177,547	13	0.13%	1,554,371	14	0.20%
Wilmette Imports	2,040,341	14	0.13%			
Jeffrey Strange	1,864,494	15	0.11%	1,747,670	11	0.23%
Ameritech				1,707,937	12	0.22%
	<u>108,183,073</u>		<u>6.67%</u>	<u>61,229,668</u>		<u>7.94%</u>

Data Source: Village Records

# VILLAGE OF WILMETTE, ILLINOIS

## Property Tax Levies and Collections December 31, 2007 (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
1997	\$ 7,072,200	\$ 7,009,834	99.12%	\$ 107,123	\$ 7,116,957	100.63%
1998	7,384,700	7,271,327	98.46%	253,767	7,525,094	101.90%
1999	7,642,700	7,553,626	98.83%	47,235	7,600,861	99.45%
2000	7,994,173	7,971,753	99.72%	(20,743)	7,951,010	99.46%
2001	8,461,616	8,384,855	99.09%	15,571	8,400,426	99.28%
2002	8,968,044	8,855,063	98.74%	55,519	8,910,582	99.36%
2003	9,505,136	9,039,215	95.10%	415,986	9,455,201	99.47%
2004	10,306,726	10,082,058	97.82%	157,008	10,239,066	99.34%
2005	10,925,600	10,681,712	97.77%	176,474	10,858,186	99.38%
2006	11,801,600	10,492,759	88.91%	1,098,878	11,591,637	98.22%
2007	12,272,800	*	*	*	*	*

\* 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, 2007 (Unaudited)

Fiscal Year Ended Dec 31	Governmental Activities			Business-Type Activities							Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Installment Contracts	Water General Obligation Bonds	Sewer General Obligation Bonds	Parking Meter General Obligation Bonds	Water Revenue Bonds	IEPA Revolving Loans						
1998	\$ 7,448,333	\$ 93,708	\$ 14,495,167	\$ -	\$ 1,376,500	\$ -	\$ 28,499,681	\$ 51,913,389	5.09%	\$ 1,956.78			
1999	10,883,333	88,467	14,201,667	-	1,275,000	-	27,168,800	53,617,267	5.25%	2,021.01			
2000	12,233,333	82,860	14,031,667	-	1,150,000	-	25,771,571	53,269,431	3.46%	1,926.49			
2001	14,510,000	76,860	15,735,000	-	1,065,000	-	24,327,934	55,714,794	3.62%	2,014.93			
2002	35,210,000	227,650	20,440,000	2,000,000	975,000	-	22,836,334	81,688,984	5.31%	2,954.29			
2003	34,330,000	281,232	20,150,000	1,980,000	880,000	-	21,492,258	79,113,490	5.14%	2,861.14			
2004	33,590,000	583,969	22,175,000	4,760,000	785,000	-	19,906,130	81,800,099	5.32%	2,958.31			
2005	32,445,000	467,100	21,790,000	4,715,000	670,000	-	18,267,269	78,354,369	5.10%	2,833.69			
2006	31,390,000	354,336	21,320,000	4,670,000	555,000	-	16,972,126	75,261,462	4.89%	2,721.84			
2007	40,195,000	280,101	20,880,000	7,070,000	435,000	-	15,827,763	84,687,864	5.51%	3,062.74			

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, 2007 (Unaudited)

Fiscal Year Ended Dec. 31	Gross General Obligation Bonds	Total Equalized Assessed Valuation	Percentage of Equalized Assessed Valuation	Per Capita
1998	\$ 7,448,333	\$ 864,727,602	0.86%	\$ 280.75
1999	10,883,333	894,913,653	1.22%	410.23
2000	12,233,333	886,401,728	1.38%	442.42
2001	14,510,000	1,131,866,931	1.28%	524.75
2002	35,210,000	1,214,670,061	2.90%	1,273.37
2003	34,330,000	1,206,833,203	2.84%	1,241.55
2004	33,590,000	1,497,930,718	2.24%	1,214.78
2005	32,445,000	1,629,608,856	1.99%	1,173.38
2006	31,390,000	1,622,256,711	1.93%	1,135.22
2007	40,195,000	1,622,256,711	2.48%	1,453.65

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, 2007 (Unaudited)

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 40,195,000	100.000 %	\$ 40,195,000
School Districts:			
Avoca School District #37	4,093,945	36.863	1,509,151
Kenilworth School District #38	13,775,000	2.192	301,948
Wilmette School District #39	12,605,000	95.038	11,979,540
Community College #535	-	7.587	-
New Trier Township High School District #203	16,939,000	34.378	5,823,289
Total School Districts	47,412,945		19,613,928
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,130,980,000	1.124	35,192,215
Wilmette Park District	1,521,282,085	1.147	17,449,106
Glenview Park District	35,380,000	100.000	35,380,000
Wilmette Public Library District	14,070,000	.142	19,979
	-	.000	-
Total Other Agencies	4,701,712,085		88,041,300
Total Overlapping Debt	4,749,125,030		107,655,228
Total Direct and Overlapping Debt	\$ 4,789,320,030		\$ 147,850,228

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

Data Source: Cook County and Wilmette Finance Department

## **VILLAGE OF WILMETTE, ILLINOIS**

### **Legal Debt Margin - Last Ten Fiscal Years December 31, 2007 (Unaudited)**

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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, 2007 (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	
1998	\$ 4,661,231	\$ 2,965,448	\$ 1,695,783	\$ 835,000	\$ 833,028	1.02
1999	5,051,910	3,020,501	2,031,409	661,500	705,131	1.49
2000	4,741,163	3,158,607	1,582,556	390,000	847,900	1.28
2001	5,074,759	3,205,293	1,869,466	381,667	863,116	1.50
2002	5,320,019	3,214,693	2,105,326	385,000	1,042,556	1.47
2003	8,646,110	4,752,315	3,893,795	1,940,099	1,910,077	1.01
2004	8,886,273	4,402,576	4,483,697	2,046,127	1,971,160	1.12
2005	10,762,555	4,993,804	5,768,751	2,138,861	1,869,222	1.44
2006	9,469,661	5,051,138	4,418,523	2,323,360	1,793,394	1.07
2007	10,157,318	5,538,804	4,618,514	2,483,118	1,780,847	1.08

\*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, 2007 (Unaudited)

Fiscal Year Ended December 31	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1998	26,530	\$ 1,020,476	\$ 38,465	N/A	6,896	1.70%
1999	26,530	1,020,476	38,465	N/A	6,896	1.70%
2000	27,651	1,537,700	55,611	42.2	8,383	2.60%
2001	27,651	1,537,700	55,611	42.2	8,383	2.60%
2002	27,651	1,537,700	55,611	42.2	8,383	2.60%
2003	27,651	1,537,700	55,611	42.2	8,383	2.60%
2004	27,651	1,537,700	55,611	42.2	8,383	2.60%
2005	27,651	1,537,700	55,611	42.2	8,383	2.60%
2006	27,651	1,537,700	55,611	42.2	8,383	2.60%
2007	27,651	1,537,700	55,611	42.2	8,383	2.60%

Data Source: 1990 and 2000 census data

# VILLAGE OF WILMETTE, ILLINOIS

## Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago December 31, 2007 (Unaudited)

Employer	2007			1997		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wilmette School District #39	565	1	N/A	400	1	N/A
Loyola Academy	283	2	N/A	230	3	N/A
Carson, Pirie, Scott & Co.	250	3	N/A	300	2	N/A
Jewel	246	4	N/A			
Village of Wilmette	209	5	N/A	198	4	N/A
Chalet Nursery	130	6				
ManorCare Health Services	100	7	N/A	70	8	N/A
Koenig & Strey, Inc.	100	8	N/A	100	5	N/A
Wilmette Park District	82	9	N/A			
Westmoreland Country Club	75	10	N/A	75	6	N/A
Loyola University				70	7	N/A
Regina Dominican				63	9	N/A
Bed, Bath & Beyond				60	10	N/A
	<u>2,040</u>		<u>-</u>	<u>1,566</u>		<u>-</u>

N/A - Not Available

Data Source: Village Records

# VILLAGE OF WILMETTE, ILLINOIS

## Full-Time Equivalent City Government Employees by Function/Program - Last Ten Fiscal Years December 31, 2007 (Unaudited)

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>General Government</b>										
Administration & Law	8.90	8.25	7.00	7.20	7.20	7.20	7.20	7.20	7.20	7.20
Finance & Information										
Services	9.76	10.70	12.58	12.58	11.83	11.78	11.53	11.90	12.50	12.50
Other	2.88	2.88	3.25	3.25	2.88	2.75	2.75	2.25	2.95	2.95
<b>Police</b>										
Officers	43.00	43.00	43.00	43.00	45.00	45.00	45.00	46.00	46.00	46.00
Telecommunicators	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00	8.00
Other Civilians	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50
<b>Fire</b>										
Firefighters and Officers	44.00	44.00	44.00	45.00	45.00	45.00	45.00	45.00	45.00	44.00
Civilians	2.58	3.08	3.08	2.50	2.00	2.00	2.00	2.00	2.00	2.45
<b>Health</b>										
	2.20	2.20	2.20	2.20	2.00	2.00	1.75	1.75	1.75	1.88
<b>Public Works</b>										
Streets and Sanitation	27.58	27.42	29.42	29.42	29.42	27.10	27.10	27.60	28.10	30.10
Water and Sewer	28.13	28.13	28.13	29.00	29.00	29.00	29.00	29.50	29.50	30.50
Engineering	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Other	4.00	4.00	4.00	3.50	3.50	3.50	3.50	3.50	3.50	3.50
<b>Community Development</b>										
	11.20	11.00	11.50	11.25	11.00	11.00	11.00	11.00	11.00	12.00
<b>Total</b>	<u>210.72</u>	<u>211.15</u>	<u>215.65</u>	<u>216.40</u>	<u>216.32</u>	<u>213.83</u>	<u>213.33</u>	<u>215.20</u>	<u>216.00</u>	<u>219.58</u>

Data Source: Village Records

## VILLAGE OF WILMETTE, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2007 (Unaudited)

Function/Program	1998	1999	2000
Police			
Felonies	582	585	575
Misdemeanors (Part II Crimes)	1,322	1,567	1,414
Miscellaneous Offenses (Incidents Reported)	19,044	19,442	17,365
Traffic Accidents	1,059	1,111	1,148
Fire			
Emergency Responses	3,191	3,266	3,280
Fires Extinguished	69	62	53
Inspections	700	700	700
Public Works			
Street Resurfacing (Miles)	N/A	N/A	N/A
Potholes Repaired	N/A	N/A	N/A
Water			
New Connections			
Average Daily Consumption (Thousands of Gallons)	12,127	12,760	12,410
Peak Daily Consumption (Thousands of Gallons)	23,629	25,922	21,919

N/A - Not Available

Data Source: Village Records



2001	2002	2003	2004	2005	2006	2007
526	521	465	488	486	423	367
1,515	1,549	2,010	2,026	1,843	1,912	1,703
17,282	16,494	17,246	17,612	16,162	15,046	15,116
1,055	1,092	1,054	1,006	1,021	964	959
3,527	3,226	3,108	2,981	3,195	3,180	4,104
47	35	48	50	57	51	59
537	638	475	400	610	618	1,250
N/A	3.87	3.07	4.00	3.25	3.50	2.10
N/A	784	1,031	2,153	2,811	1,909	1,590
12,467	12,715	13,026	12,430	13,941	11,931	12,207
22,916	27,829	24,477	20,905	29,540	24,474	22,545

# **VILLAGE OF WILMETTE, ILLINOIS**

## **Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2007 (Unaudited)**

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	19	19	19	19	19	19	19	19	20	20
<b>Fire Stations</b>	2	2	2	2	2	2	2	2	2	2
<b>Public Works</b>										
Streets (Miles)	86.5	86.5	86.5	86.5	86.5	87.8	87.8	87.8	87.8	87.8
Streetlights	2,430	2,430	2,430	2,430	2,429	2,510	2,510	2,510	2,510	2,580
Traffic Signals:										
Village Owned	6	6	6	7	7	7	8	8	9	9
Other	18	18	18	18	18	18	17	17	17	17
<b>Water</b>										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	980	962	962	974	975	975	975	975	977	982
System Capacity (Millions of Gallons)	34	38	38	38	34	34	42	44	44	44

Data Source: Village Records