

VILLAGE OF
WILMETTE, ILLINOIS



COMPREHENSIVE
ANNUAL
FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED
DECEMBER 31, 2013

**VILLAGE OF WILMETTE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013**

Prepared by Department of Finance

Melinda Molloy, Director of Finance/Village Treasurer

Robert Amoruso, CPA, Accountant

Margaret Boyich, CPA, Accountant

Michael Braiman, Assistant Village Manager

VILLAGE OF WILMETTE, ILLINOIS

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INTRODUCTORY SECTION

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

VILLAGE OF WILMETTE, ILLINOIS

**Principal Officials
December 31, 2013**

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Robert Bielinski – President

Mike Basil – Trustee

Ted McKenna – Trustee

Carol Ducommun – Trustee

Alan Swanson – Trustee

Cameron Krueger – Trustee

Julie Wolf – Trustee

ADMINISTRATIVE

Timothy J. Frenzer, Village Manager

Michael Braiman, Assistant Village Manager

FINANCE DEPARTMENT

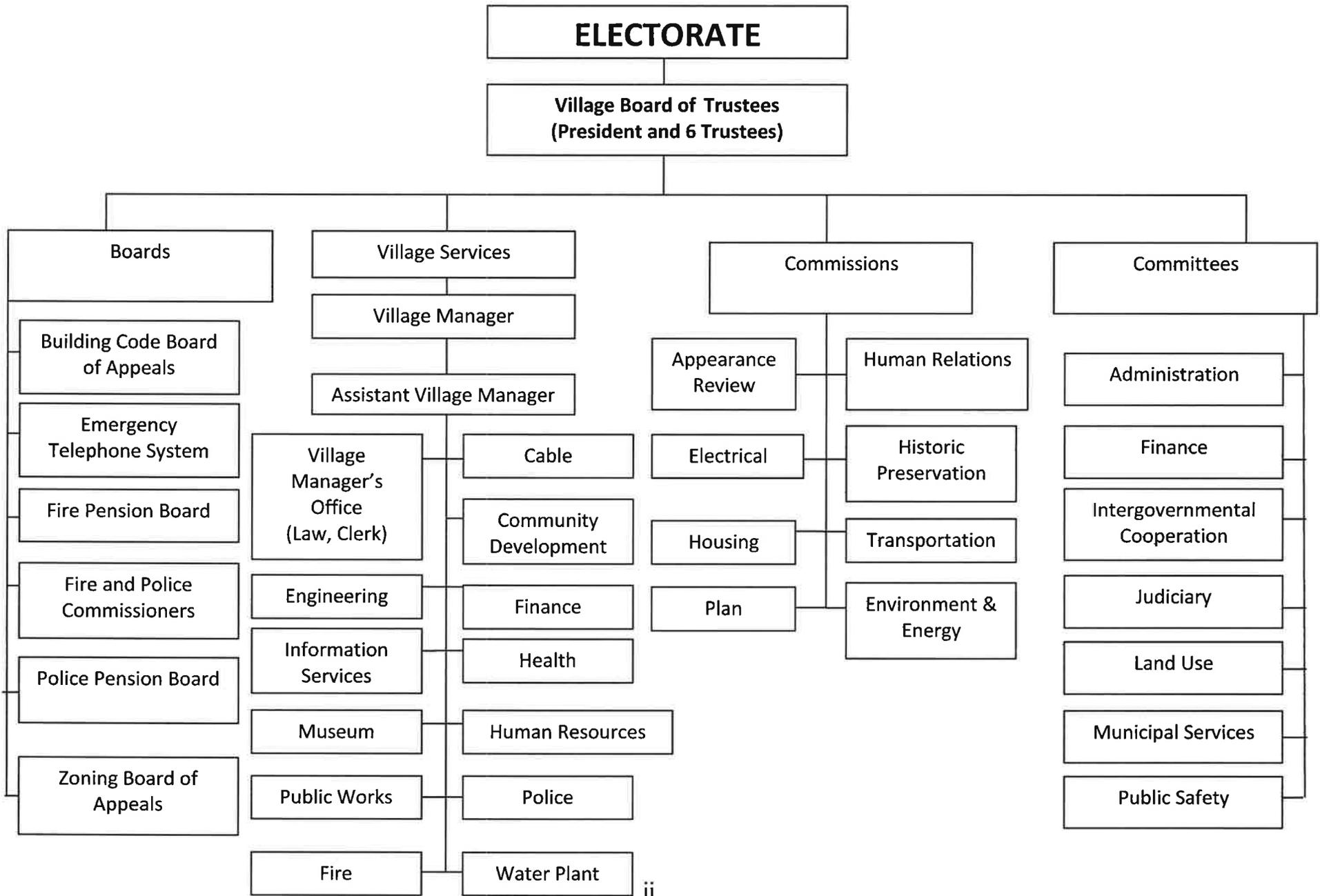
Melinda Molloy, Finance Director/Village Treasurer

Blythe Trilling, Assistant Finance Director

Robert Amoruso, Accountant

Margaret Boyich, Accountant

VILLAGE OF WILMETTE ORGANIZATIONAL STRUCTURE





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WILMETTE, ILLINOIS 60091-0040

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May 7, 2014

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, 2013 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP), and that an independent firm of certified public accountants audit this report in accordance with generally accepted auditing standards. Although formally addressed to the elected officials and citizens of Wilmette, this financial report has numerous other users. Foremost among these other users are the bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other governmental entities.

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

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

The Reporting Entity and its Services

The Village of Wilmette, incorporated in 1872, is located approximately 16 miles from downtown Chicago in New Trier Township. It is one of eight Chicago suburban communities north of Chicago fronting on Lake Michigan and collectively referred to as the "North Shore." The Village operates under the council/manager form of government with a legislative body

consisting of the Village President and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day operation of the Village. The Village occupies a land area of 5.1 square miles and has a population of 27,087 per the 2010 census. The Village is a home rule municipality as defined by the Illinois constitution. Additional demographic information may be found in the statistical section of this report.

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

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

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

Accounting System and Budgetary Control

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

Management of the Village is responsible for establishing and maintaining a system of internal accounting controls. This system should ensure that: (1) the assets of the Village are protected from loss, theft or misuse; and (2) adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that

these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

Factors Affecting Financial Condition

Economic Outlook. The Village has long been known as one of the most prestigious residential areas in Chicagoland. Per the 2010 Census Bureau data, median household family income for the Village was \$128,028. This compares to the 2010 household family income of \$53,942 for Cook County and \$55,735 for the State of Illinois. This ranks Wilmette as the wealthiest community in the State of Illinois among communities with populations over 25,000 and Wilmette also ranks highly in this category, nationally.

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

- Home sales decreased 13% in 2006 and remained flat for 2007;
- Home sales decreased another 35% in 2008 and a further decline of 27% in 2009;
- While a 42% increase took place in 2010, this all occurred in the first six months when Federal tax credits were in place. The final six months of 2010 reflected a 6% decline from the same period in 2009;
- While 2011 reflected a 22% decline from the tax credit inflated 2010, the activity did reflect 10% growth from 2009 indicating positive signs of a real estate turnaround;
- This continued into 2012 with a 28% increase over 2011 and then again into 2013 with a 7.9% increase over 2012: early indicators in 2014 show a slight decline which could be due to the polar vortex at the beginning of the year;
- Foreclosure activity is now fairly minimal and while interest rates show signs of rising, they are still at historically low levels;
- Home remodeling reflected 19% growth in 2013 indicative of improved household incomes from both wages and investments as well as consumer confidence;
- Commercial vacancies have been minimal as new tenants have quickly filled open storefronts, and;
- The White Lodging development of a new Marriott Residence Inn broke ground in early 2013 and is expected to be completed in the Spring of 2014.

Locally, unemployment has never been as serious as has been the case nationally or statewide. The Illinois unemployment rate stayed consistent in 2013 from 8.9% in 2012, while the local unemployment rate in Wilmette decreased from a 2012 average 5.8% to 5.5% in 2013. The Village's rate remains among the lowest rates in Illinois for cities greater than 25,000.

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

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

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

Major Initiatives

Development Initiatives

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

At the December 19, 2012 Village Board meeting, Trustees adopted an ordinance authorizing a real estate sale and developer's agreement for the property known as 611 Green Bay Road. The contract entered a "due diligence" phase during which the purchaser, Lexington Homes LLC, was entitled to review title and inspect the site. On February 14, 2014, the due diligence phase expired and Lexington Homes LLC cancelled the contract. Since then, the Village has received multiple, competitive offers for the purchase of the 611 Green Bay Road property for commercial redevelopment. The Village Board is reviewing the offers with its financial consultants and anticipates selecting a new developer and entering into a contract for the sale of the property during the course of 2014.

The remaining property the Village has purchased continued to remain leased and occupied in 2013.

Marriott Residence Inn - The Village's first hotel broke ground in 2013 and is slated to open in Spring 2014. The hotel is projected to be an important source of revenue for the Village moving forward.

Capital Improvements - With the economic declines noted previously, capital spending has been reduced in recent years. Grants and the spending down of existing bond proceeds provided nearly all of the capital spending for governmental activities in 2011 and 2012. In 2013 a new \$1 million issuance funded the reconstruction of eight alleys.

Street Resurfacing Program - In 2008 the Village completed its commitment made in 1999 to pursue an aggressive multi-year street resurfacing enhancement program. This pledge was made after a study by the Engineering Department and an outside consultant indicated that the Village's previous level of spending was not sufficient to maintain the Village's streets in satisfactory condition. In 2013, \$1.5 million was allocated to resurface 1.73 miles of street, as well as curb, and sidewalk projects throughout the town. These improvements were funded from existing bond proceeds, a State grant, the State-shared motor fuel tax, and dedicated operating revenues in the General Fund (a portion of the vehicle license revenues, a local fuel tax and a pavement degradation fee).

Equipment replacements and upgrades - The final portion of the bond proceeds from the 2010 bond issue will be spent in 2014 with the replacement of the Police Department's 911 System and replacement of the Computer Aided Dispatch server. A number of other capital projects were completed in 2013 including:

Village Hall Boiler Replacement (Partially Grant Funded)	\$172,278
Lighting Improvements (Partially Grant Funded)	\$ 73,830
Mobile Lift Pads	\$ 57,749
Police Vehicle Replacement	\$ 29,996
EMS Paperless Reporting	\$ 14,133

Sewer improvements - In July of 2013, the Village Board determined to embark on an aggressive \$24 million sewer improvement program. The projects will be completed over the course of 2013, 2014 and 2015. The program will be funded by a series of bank qualified bond issues, the first of which occurred in October 2013. In 2013, the Village Board approved an Ordinance increasing the sewer rate by forty cents in 2014 and by forty cents in 2015 to pay the debt service associated with this program.

The following Capital Improvements were completed in 2013:

Relief Sewer Improvements	
\$ 815,173 - operating	
\$ 237,659 - bond	
\$ 200,000 - IGA with neighboring municipality	\$ 1,052,832
Sewer Lining and Rehabilitation (IEPA Loan Funded)	\$ 639,425 - bond
Manhole Rehabilitation (will continue to 2014)	\$ 233,402 - bond
Sewer Main Repairs	\$ 228,179 - operating
Princeton Place Outfall (will continue to 2014)	\$ 67,018 - bond
Capacity Improvements (will continue to 2014)	\$ 61,133 - bond

Water improvements - The Village continues discussions with potential new wholesale customers. In late 2013, the Villages of Wilmette and Glenview initiated discussions to extend the wholesale water contract for 30 years (from 2020 to 2050). As part of the extension, Glenview will begin purchasing Wilmette water in 2020 to supply North Maine Utilities. The addition of North Maine will increase Wilmette's wholesale delivery by

approximately 20%, without requiring any improvements to the Wilmette Water Plant or distribution system. It is anticipated that North Maine will provide additional net wholesale revenue between \$1 million and \$1.3 million. In 2013, the Village also continued discussions with the Village of Kenilworth for wholesale water supply. These discussions are ongoing into 2014.

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, 2012. 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 2013 budget document. This was the fifteenth 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 2014 Budget has been submitted to the GFOA to determine its eligibility for another award.

Acknowledgments

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

Respectfully submitted,



Timothy J. Frenzer
Village Manager



Melinda Molloy
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Wilmette
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

May 7, 2014

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilmette, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wilmette, Illinois, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

Other Information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WILMETTE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2013

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, 2013. 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/deferred outflows exceeded its liabilities/deferred inflows by \$69,153 at December 31, 2013. Of this amount, \$9,345 (*unrestricted net position*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased \$3,446 (5.2%) during the fiscal year ended December 31, 2013. The governmental net position increased by \$1,415 mainly due to strong permit, real estate transfer tax and income tax collections as well as bond financed investments in alley improvements. The business-type net position increased by \$2,031 mainly due to investments in sewer and water capital assets.
- The Village implemented GASB No. 54 in 2012. At December 31, 2013 unassigned fund balance for the General Fund was \$6,702 which is 21.1% of General Fund expenditures and an improvement from the 16.7% ratio from the prior year.
- The Village's total bonded and similar debt increased \$6,374 (8.6%) at December 31, 2013. This is the result of scheduled principal retirements and approximately \$10 million in new debt issued in 2013 to fund a \$1 million alley improvement program and to fund a portion of a \$24 million sewer improvement program.

OVERVIEW OF THE ANNUAL REPORT

The MD&A is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) the government-wide financial statements, 2) the fund financial statements, and 3) the notes to the financial statements. The Village is not accountable for any outside organizations and therefore, no adjustments were made to blend financial information from other legally separate entities into this report. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements (see pages 3-6) are designed to emulate the private sector in that all governmental and business-type activities are consolidated into columns that total the Village as a whole. Such a presentation allows for a broad overview of the Village's finances. The Governmental Activities reflect the Village's basic services, including public safety (police and fire), streets and sanitation, other public works, public health, community development and general government. Property taxes, shared State sales taxes, local utility taxes, shared State income taxes, and local real estate transfer taxes finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Water Fund, Sewer Fund and Parking Meter Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation. Fiduciary activities, such as employee pension plans, are not available to fund Village programs and therefore are not included in the government-wide statements.

The Village's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village's overall financial status. Financial reporting at this level uses accounting similar to full accrual accounting used in the private sector. Inter-fund activity is eliminated and the cost of assets with long service life is spread out over future years so that capital expenditures are amortized (through depreciation) when benefits are realized.

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

The first government-wide statement is the Statement of Net Position. This statement presents information about all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Village is improving or deteriorating. Additionally, one would need to evaluate non-financial factors, such as the condition of the Village's infrastructure, the satisfaction of the residents and other information beyond the scope of this report to make a more complete assessment of the overall health of the Village.

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

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 on major funds, rather than (the previous model's) fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Capital Projects Fund (for the 2007, 2009, 2010 and 2013 General Obligation Bond Issues) and General Debt Service Fund, which are considered to be major funds. The financial data from non-major funds are combined into a single aggregated presentation. The Village's Motor Fuel Tax Fund is its only non-major governmental fund in 2013.

The Village adopts an annual appropriation ordinance for all of its funds. One supplemental appropriation ordinance was adopted in 2013 for the Isabella Relief Sewer and Road Improvement Project. Budgetary comparison schedules have been provided to demonstrate budgetary compliance.

Proprietary Funds. The Village maintains two different types of proprietary funds. **Enterprise Funds** are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for vehicle repair and maintenance and to account for employee fringe benefit expenses (e.g. employer expense for health insurance and pension plan contributions). As Internal Service Funds serve governmental rather than business-type functions, they have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (see pages 12-16) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water and Sewer Funds are considered to be major funds of the Village and are presented in separate columns in the Fund Financial Statements. Currently, the Parking Meter Fund is the only non-major enterprise fund. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for non-major enterprise and internal service funds are presented elsewhere in this report.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 19-62 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 63-66 of this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, total assets exceed liabilities by \$69,153 as of December 31, 2013 as compared to \$65,707 at year end for 2012. The following table reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position (pages 3-4).

Table 1: Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Assets						
Current/Other Assets/Def. Outflows	\$ 30,605	\$ 27,859	\$ 15,986	\$ 8,060	\$ 46,591	\$ 35,919
Capital Assets	48,939	49,314	80,110	78,321	129,049	127,635
Total Assets/Def. Outflows	\$ 79,544	\$ 77,173	\$ 96,096	\$ 86,381	\$ 175,640	\$ 163,554
Liabilities						
Current Liabilities/Def. Inflows	\$ 22,516	\$ 21,430	\$ 3,717	\$ 2,669	\$ 26,233	\$ 24,099
Noncurrent Liabilities	38,024	38,154	42,230	35,594	80,254	73,748
Total Liabilities/Def. Inflows	\$ 60,540	\$ 59,584	\$ 45,947	\$ 38,263	\$ 106,487	\$ 97,847
Net Position						
Net Investment in Capital Assets	\$ 15,482	\$ 14,842	\$ 43,766	\$ 41,955	\$ 59,248	\$ 56,797
Restricted	560	550	-	-	560	550
Unrestricted	2,962	2,197	6,383	6,163	9,345	8,360
Total Net Position	\$ 19,004	\$ 17,589	\$ 50,149	\$ 48,118	\$ 69,153	\$ 65,707

Not surprisingly, the largest portion of the Village's net position, \$59,248 or 86%, is its investment in capital assets (e.g. land, infrastructure, buildings, machinery & equipment) less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens and thus these assets are not available for future spending. Although the Village's investment in its capital assets is shown net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the Village's net position, \$560, represents resources held for specific purposes. A portion is from the Motor Fuel Tax Fund that is restricted for roadway improvements, and a portion is for seized and forfeited assets resulting from Police actions. The final component of the Village's net position, the unrestricted net position, in the amount of \$9,345 or 13%, may be used to meet the Village's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year as reflected in the Table 1.

Of note, current assets within the governmental activities increased \$1,285 primarily a result of an increase in cash and receivables at year end. The increase was driven by additional revenues attributed to an improved local economy and planned growth in the property tax levy. Additionally, still included in assets is \$4,305 of property purchased for resale. For further detail please see the subsequent event footnote. Current assets within the business-type activities increased \$7,926 reflecting the increase in restricted cash in the Sewer Fund from issuance of new debt to fund a portion of a \$24 million multi-year sewer improvement program.

Total liabilities for governmental activities declined \$635 from the prior fiscal year mainly due to the pay down of long-term debt. Total liabilities for business type activities increased \$7,684 from 2012 mainly due to the increase in general obligation bonds payable resulting from the Sewer Fund bond issuance noted in the prior paragraph.

Statement of Activities

As noted before, the Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. Table 2 provides details on changes in net position for both 2013 and 2012 broken out by governmental activities and business-type activities. The net position of the Village's governmental activities increased by \$1,415 to \$19,004 in 2013 as compared to an \$817 increase in 2012. The net position of business-type activities increased by \$2,031 to \$50,149 in 2013. In 2012, the net position increased for business-type activities by \$2,321.

Table 2: Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues						
Charges for Services	\$ 7,663	\$ 6,829	\$ 12,627	\$ 13,172	\$ 20,290	\$ 20,001
Grants / Contributions	1,034	963	95	192	1,129	1,155
General Revenues						
Property Taxes	14,783	14,327	-	-	14,783	14,327
Other Taxes	10,867	10,329	-	-	10,867	10,329
Other Revenue/Transfer:	2,684	2,769	(1,223)	(1,376)	1,461	1,393
Total Revenues	\$37,031	\$35,217	\$11,499	\$11,988	\$48,530	\$47,205
Expenses						
General Government	\$ 3,303	\$ 3,267	\$ -	\$ -	\$ 3,303	\$ 3,267
Public Safety	18,980	18,405	-	-	18,980	18,405
Streets and Sanitation	8,740	8,353	-	-	8,740	8,353
Other Public Works	1,656	1,388	-	-	1,656	1,388
Public Health	237	229	-	-	237	229
Community Development	1,305	1,294	-	-	1,305	1,294
Interest	1,395	1,464	-	-	1,395	1,464
Water	-	-	6,151	6,417	6,151	6,417
Sewer	-	-	2,861	2,798	2,861	2,798
Parking	-	-	456	452	456	452
Total Expenses	\$35,616	\$34,400	\$ 9,468	\$ 9,667	\$45,084	\$44,067
Changes in Net Position	1,415	817	2,031	2,321	3,446	3,138
Net Position January 1	17,589	16,772	48,118	45,797	65,707	62,569
Net Position December 31	\$19,004	\$17,589	\$50,149	\$48,118	\$69,153	\$65,707

Governmental Activities - Revenues

Total governmental activities revenues amounted to \$37,031 for 2013, an increase of \$1,814 or 5.2% over 2012.

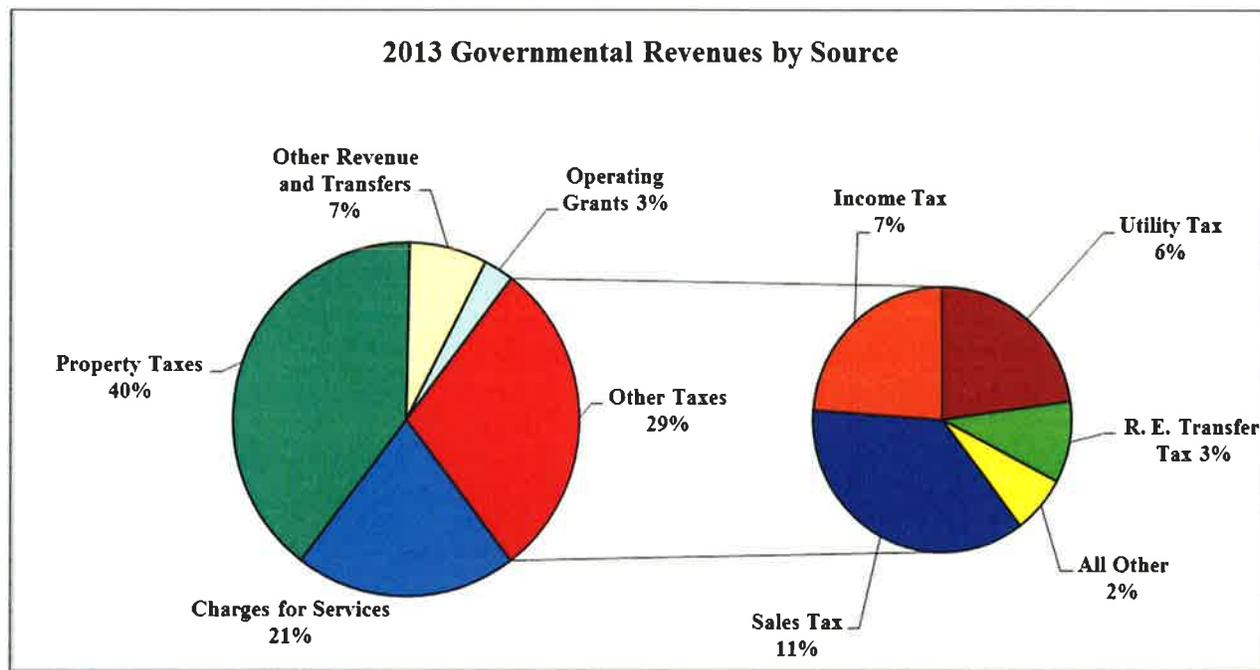
Program revenues in aggregate are up \$905 when comparing 2013 to 2012. Program revenues from grants and contributions often occur irregularly and as such they may fluctuate widely from year to year as the comparison of 2013 to 2012 demonstrates. More importantly, revenues received from governmental service charges increased \$834, or 12.2%, from 2012. Most of the increase, \$593, is due to increased permit activity in Community Development and reflective of an improved local economy with respect to housing and construction. Additionally, improved collections of ambulance transport fees and false alarm charges in Public Safety added \$62. A \$104 increase in Street and Sanitation revenue is tied to the Village's refuse collection contract.

General revenues in aggregate are up \$909 from 2012. General revenues from property taxes increased, \$456 or 3.2% in 2013. The growth in property tax revenues was expected as the Village's 2012 tax levy included a 3.48% increase. Somewhat offsetting the increase in the tax levy is the impact of increasing property tax refunds.

General revenues from other taxes increased, \$538 or 5.2%, in 2013. The increase in other taxes is primarily due to stronger income tax, \$201, sales tax, \$194, and real estate transfer tax collections, \$143. All are indications of an improving economy. Utility tax receipts decreased slightly from 2012 due to the continued decline of land line usage in homes resulting in declining telecommunications tax collections.

General revenues from other revenues increased, \$100 or 7.9%, from 2012. Transfers decreased \$150 from 2012 which was expected since increased water sales in 2012 allowed for the Water Fund to transfer an additional \$50 to the General Fund and made a one-time \$300 transfer to the Debt Service Fund.

The following graph depicts the major governmental revenue sources of the Village. The composition of the Village's 2013 governmental activities revenues is similar to the prior year with charges for services up somewhat due to the aforementioned positive collection of permit revenue in 2013. The graph highlights the importance of property taxes to fund governmental activities.



Governmental Activities - Expense

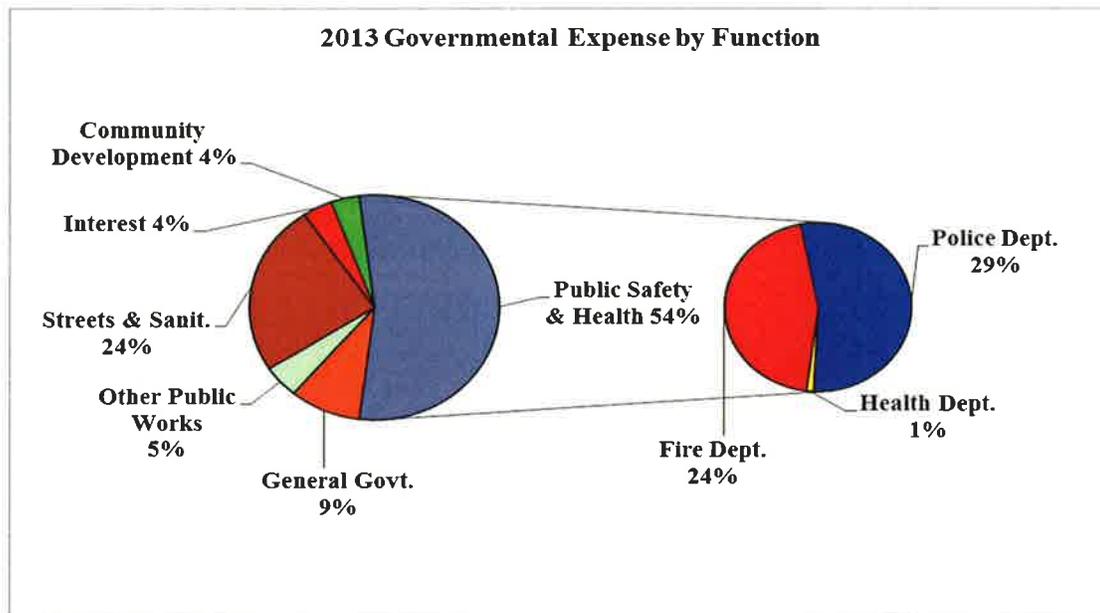
Total governmental activities expenses amounted to \$35,616 for 2013, an increase of \$1,216 or 3.5% over 2012.

Public Safety expenses grew \$575 or 3.1% from 2012. Notably, expenses related to the Fire Department increased by \$312 while expenses related to the Police Department increased by \$263. Growth in both departments is attributed to contractually obligated wage increases of 2%.

Streets and Sanitation expenses increased \$387 or 4.6% from 2012. While wage increases of 2% were provided to the employees in this department, a reorganization kept the personnel cost impact to a minimum. Offsetting the personnel positive variance were increases in refuse costs, salt purchases, leaf collection, and automotive repairs by a total of \$373 compared to 2012.

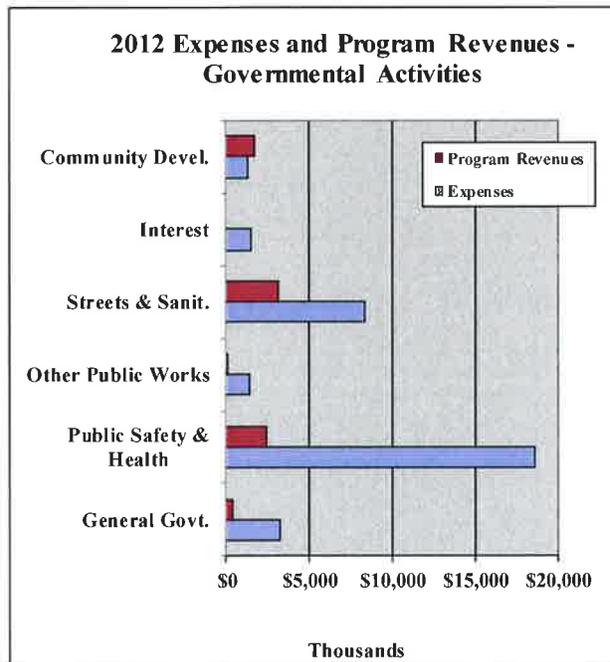
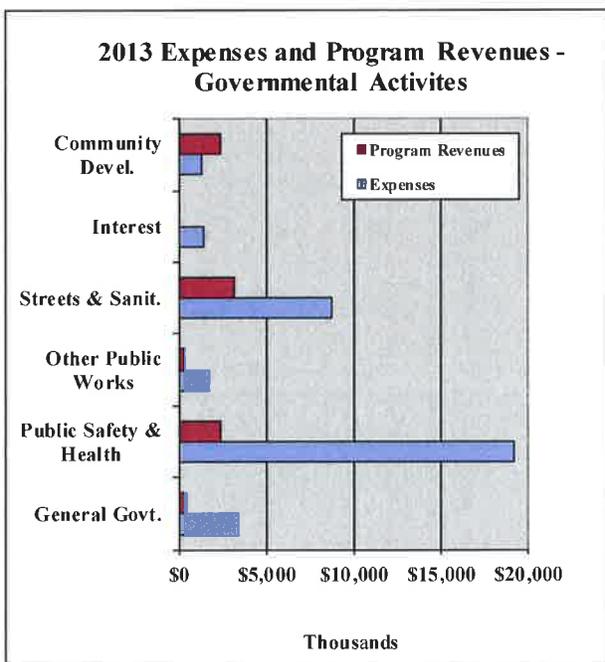
Other Public Works expenses increased \$268 or 19.3% from 2012. Most of the increase can be attributed to additional building improvement work done as a result of receiving \$93 in energy efficiency grants to upgrade lighting and the boiler at Village Hall. Additional outsourcing of plan reviews and inspections increased this category by \$33 which was anticipated given a reorganization of the engineering staff in 2010. An additional \$55 was expended for sidewalk and curb repairs (non-capitalized work) that had been deferred from prior years due to budget considerations.

The following graph depicts the major governmental expense by function of the Village. The composition of the Village's 2013 governmental activities expenses is similar to 2012. The graph highlights the importance of public safety and street & sanitation services provided to Village residents.



Governmental Activities – By Program

The next two graphs provide a visual of how governmental revenues and expenses match up for each of the years 2013 and 2012. For governmental activities, program revenues covered approximately 24% of expenses. This is a slight increase from 2012 and is indicative of the improving economy in 2013. In both years, only Community Development program revenues were sufficient to match the related program expenses. All other categories are substantially subsidized by general revenues-consistent with prior years.



Business-Type Activities

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

Business-Type Activities – Revenues

Total business-type activities revenues amounted to \$11,499 for 2013, a decrease of \$489 or 4.1% compared to 2012.

Program revenues are nearly all from service charges related to the sales of water and sewer. A small percentage is from parking related revenues. These service charges decreased by \$545 or 4.1% from 2012. Water sales decreased \$314 and sewer decreased \$224 which is reflective of the impact that 2012's drought conditions had on boosting water consumption and thus revenues in 2012. Although 2013 started with a very wet spring, the dry hot summer brought usage levels back in line with historic norms.

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

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

Total program revenues and the rates in effect for 2013 and 2012 are shown as follows:

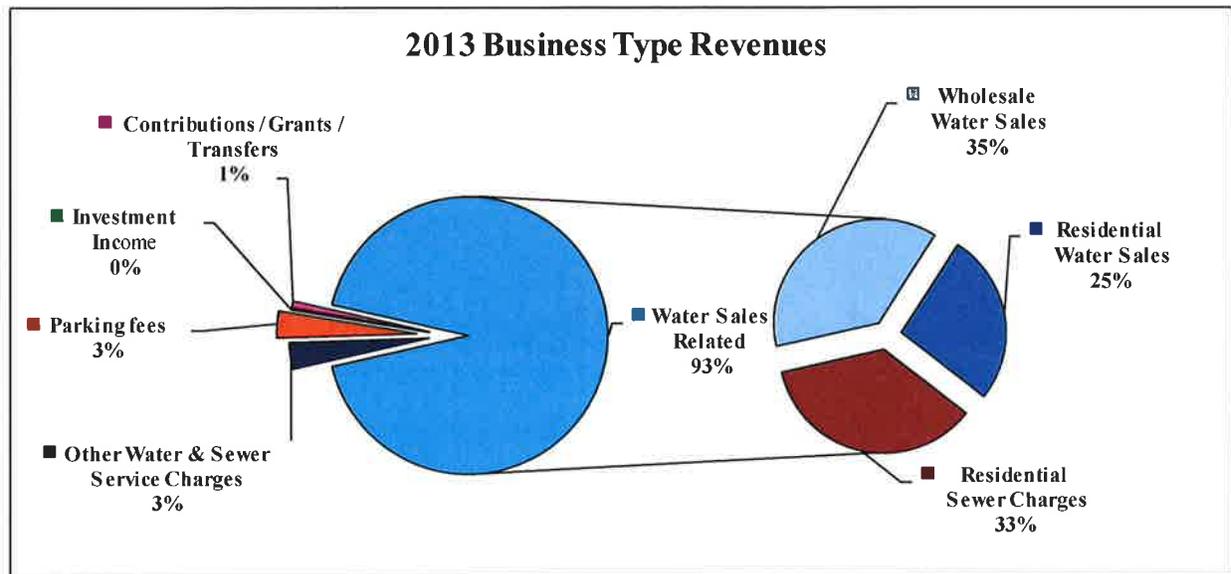
	<u>2013</u>	<u>2012</u>	<u>% Change</u>
Wholesale Water Sales	\$ 4,451	\$ 4,517	-1.5%
Residential Water Sales	3,145	3,399	-7.5%
Residential Sewer Charges	4,245	4,647	-8.7%
Other Water & Sewer Revenues	389	214	81.8%
Operating Grants and Contributions	21	192	-89.1%
Parking Fees	397	394	0.8%
	<u>\$ 12,648</u>	<u>\$ 13,363</u>	<u>-5.4%</u>
Wholesale Water Rate	\$ 1.142 / ccf	\$ 1.102 / ccf	3.6%
Residential Water Rate	\$ 2.49 / ccf	\$ 2.49 / ccf	0.0%
Residential Sewer Rate	\$ 3.44 / ccf	\$ 3.44 / ccf	0.0%
METRA Commuter Parking Rates	\$ 2.00 per day	\$ 2.00 per day	0.0%
CTA Commuter Parking Rates	\$ 4.00 per day	\$ 4.00 per day	0.0%

Note - the wholesale rate noted above was the rate in effect through November 18, 2013. The rate for the remainder of the year was \$1.220 (a 6.8% increase).

Grants and contributions related to business-type activities are rare. The decrease of \$97 or 50.5% from 2012 is tied to a one-time grant received in 2012 that did not recur in 2013.

Other revenues and Transfers were down \$153 or 11% from 2012. The change was anticipated as a result of increased water sales in 2012, the Water Fund transferred an additional \$50 to the General Fund and made a one-time \$300 transfer to the Debt Service Fund.

The following graph depicts the major business-type revenue sources of the Village. The composition of the Village's 2013 business-type activities revenues is similar to 2012.



Business Type Activities – Expenses

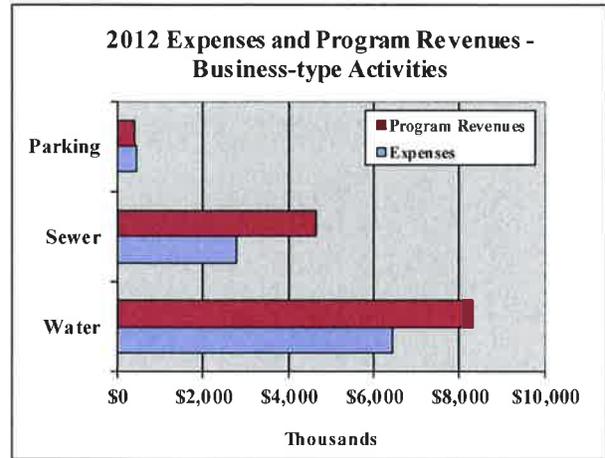
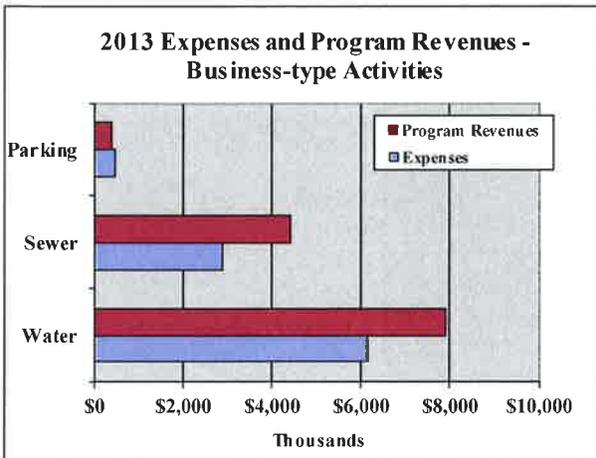
Total business-type activities expenses amounted to \$9,468 for 2013, a decrease of \$199 or 2.1% from 2012.

Expenses for the Water Fund decreased \$266 or 4.1% from 2012. The decrease is comprised of the following declines; power costs associated with lower pumpage (2012 was a drought year) \$48, lab testing services for the Park District of \$34, Water Reclamation District User charge \$39, and water meter replacement program \$91.

The Sewer Fund expenses increased in total by only \$63 or 2.3% from 2012. The increase is comprised of an increase in sewer maintenance expense by \$111, depreciation by \$32 and debt service costs by \$68 that was offset by \$146 tied to a one-time study done in 2012. The Parking Fund expenses, year over year, are comparable.

Business Type Activities – Programs

The next two graphs provide a visual of how business-type revenues and expenses match up for each of the years 2013 and 2012. As expected, program revenues exceed expenses in the Water and Sewer Funds. The Parking Meter Fund generally operates very close to “break-even.”



FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Table 3: General Fund Budgetary Highlights - I

	Original and Final Budget	Actual GAAP Basis
Revenues	\$ 30,535	\$ 31,792
Expenditures	32,728	31,776
Excess (Deficiency) of Revenues over Expenditures	(2,193)	16
Other Financing Sources (Uses):		
Transfers in	1,250	1,250
Net Changes in Fund Balance	<u>\$ (943)</u>	<u>\$ 1,266</u>

The principal goal in setting the 2013 budget was to maintain service levels and keep fund operating reserves stable. While the budget would indicate another \$943 reduction, the use of escrowed monies and anticipated expenditure savings (primarily from the contingency appropriation) were expected to produce a balanced budget as follows:

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

Net Change in Fund Balance per Budget	\$	(943)
Use of Escrowed Funds for Road Resurfacing		222
Use of Escrowed Funds for Youth Programs		19
Expected Personnel and Other Expenditure Savings		1
2013 GAAP Expense of 2012 Encumbrances		201
Expected Contingency Expenditure Savings		500
Net Projected Change in Budget Reserve	\$	<u><u>-</u></u>

Ultimately, improved 2013 revenues and expenditure savings resulted in the \$1,266 increase in the General Fund fund balance. Revenues were \$1,257 better than budget as follows:

<u>Revenue Source</u>	<u>2013 Revenue Budget</u>	<u>2013 Actual Revenues</u>	<u>Variance from Final Budget to Actual</u>
Property Taxes	\$ 11,696	\$ 11,586	\$ (110)
R.E. Transfer Tax	865	1,081	216
State Income Tax	2,367	2,581	214
All Other Taxes	7,156	7,205	49
Permits and Licenses	3,568	4,167	599
Intergovernmental	301	251	(50)
Rents	469	468	(1)
Franchise Fees	595	618	23
Service Charges	3,043	3,137	94
Fines & Forfeitures	364	358	(6)
All Other Revenues	111	340	229
Total	\$ 30,535	\$ 31,792	\$ 1,257

Property tax collections were down \$110 from budget mainly due to an increase in refunds. Real Estate Transfer Tax and Permits and Licenses revenues were up \$216 and \$599, respectively, indicative of an improving local economy. State Income tax was up \$214 due to what is likely the result of one-time taxpayer actions (to minimize the higher 2013 federal tax rate) and strong stock market performance. Investment earnings from our IRMA excess surplus reserve, which are not budgeted, were \$226 of the \$229 positive variance noted in All Other revenues.

The 2013 General Fund expenditure budget amounts represent the total appropriations adjusted for encumbrance activity. As noted previously, in developing the budgeted cash flow projections, savings are factored into certain expenditure categories that historically do not spend 100% of the appropriation. The following table reflects the 2013 budget results broken down by category of expenditure:

Table 4: General Fund Budgetary Highlights - II

	Original and Final Budget	GAAP Basis Actual Expenditures	Variance from Final Budget to Actual
Personnel			
Wages	\$ 15,310	\$ 15,226	\$ 84
Benefits	8,041	7,714	327
Refuse	2,441	2,466	(25)
Other Recurring	4,519	4,695	(176)
EAB Expenditures	100	64	36
Sidewalk & Curb			
Maintenance	110	91	19
Road and Alley Maintenance	672	651	21
Capital Outlay	814	578	236
Contingency	500	132	368
Other Nonrecurring	208	146	62
Debt Service	13	13	-
	<u>\$ 32,728</u>	<u>\$ 31,776</u>	<u>\$ 952</u>

Table 4 provides details regarding the overall \$952 positive variance the Village attained in 2013. The largest budget savings, \$368, is Contingency which was anticipated. The expenditures in the account are tied to two grant projects that were not known at the time the Budget was adopted. Wage savings generally occur from employee turnover as there is typically a period of time with a position vacancy until a new employee is hired. The Village had 6 retirements and 9 resignations in 2013. The savings in benefits was mainly tied to the actuarial required pension contributions to the Fire and Police pension funds being \$221 less than projected. An updating of various actuarial assumptions based upon a recent study performed by the Illinois Department of Insurance and a reduction of the assumed rate of return from 7.3% to 7.25% caused an increase in the liability to the funds which was more than offset by a change in demographics in both funds. In total, personnel expenditures were about 98.2% of budget which is comparable to prior years.

Other large variances include, Other Recurring which were \$176 above budget due mainly to salt purchases, leaf collection activities, professional service costs associated with permit/plan reviews and inspections, automotive repair costs and legal fees. Refuse expenditures tied to landfill tipping costs were \$25 above budget due to additional costs associated with the April 18th historic rain event and subsequent flooding cleanup. EAB expenditures were down \$36 from budget, but the amount is encumbered for 2014. Capital Outlay had a positive variance of \$236 resulting mainly from \$200 in Elmwood Dunes grants/donations that did not materialize in 2013.

The Village's other major governmental funds include the Debt Service Fund and the Series 2007, 2009, 2010 and 2013 General Obligation Bonds Capital Projects Fund. The Debt Service Fund reported a decrease in fund balance for the year of \$85,765, which was budgeted at a decrease of \$50,600. Property tax revenues for the year came in at 98.91% of budget, while actual expenditures nearly exactly matched the budget.

The Series 2007, 2009, 2010 and 2013 General Obligation Bonds Fund reported an increase in fund balance for the year of \$117,548, which was budgeted at a decrease of \$12,216. Although the Village did not budget for any revenues, \$1,695 was collected in interest earnings and expenditures of \$884,147 were under budget by \$128,069 due to the Village's alley improvement program.

CAPITAL ASSETS

The Village's capital assets for its Government and Business-Type Activities at December 31, 2013 total \$129,048. This includes land, buildings, infrastructure, equipment and construction in progress. This amount represents a net increase of \$1,414 (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 33-37.

The Governmental Activities net investment in capital assets increased from last year by \$639. The increase consists of capital additions of \$2,940 and debt repayment of \$2,028 netted with depreciation of \$3,315 and new debt to fund an alley improvement program of \$1,000.

Business-Type Activities net investment in capital assets increased by \$1,811. Capital additions of \$3,927 were netted against depreciation of \$2,124. Net capital assets increased in the Sewer Fund with asset additions of \$2,675. Note that the additions were primarily financed from existing debt and new IEPA Loan debt. Water capital additions totaled \$1,252. The Parking Meter Fund had no additions (this is as expected).

DEBT OUTSTANDING

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

Table 5: Bonded and Similar Indebtedness

	Outstanding at Dec 31, 2012	Issued in 2013	Retired in 2013	Outstanding at Dec 31, 2013
General Obligation Bond:	\$ 71,095	\$ 9,920	\$ (4,010)	\$ 77,005
E.P.A. Loans	2,463	583	(107)	2,939
State Loans	250	-	(12)	238
Totals	\$ 73,808	\$ 10,503	\$ (4,129)	\$ 80,182
Governmental Activities	\$ 36,500	\$ 1,000	\$ (2,027)	\$ 35,473
Business-Type Activities	37,308	9,503	(2,102)	44,709
Totals	\$ 73,808	\$ 10,503	\$ (4,129)	\$ 80,182

As noted in Table 5, the Village issued additional debt in 2013. The new G.O. debt of \$9.9 million was incurred to finance \$1 million of General capital outlay for alley improvements and the remaining amount went toward initial costs associated with the multi-year \$24 million sewer improvement program. Additionally, the Village continued to avail itself of the Illinois EPA Water Pollution Control Loan Program and received approval for \$583 toward the Village's sewer lining and rehabilitation program. The debt retirements noted above were the required amounts per the amortization schedules for this debt.

The Village, under its home rule authority, does not have a legal debt limit. The Village's Aaa bond rating was reaffirmed by Moody's Investors Service in 2013 citing the Village's well-managed financial operations, moderate debt burden and high property values. The Village will continue to attempt to secure EPA loans due to their favorable terms and will also pursue grants whenever possible. Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 38-49.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Beginning in 2008 with the onset of our nation's economic recession, the Village Board and the Village staff have worked diligently and cooperatively to maintain and, when possible, enhance the level of municipal services that Wilmette residents expect from their local government, and which set Wilmette apart as one of the nation's most desirable places to live. In much the same manner as 2012, 2013 has been a year of economic improvement in some categories of revenue and not others. We continue to see the effects of an uneven and slow economic recovery reflected in our own local government revenue. The 2014 Budget projects that revenues will remain fairly stable. Conservative growth is projected in permits based on indexing of permit fees, and no growth is projected in real estate transfer taxes due to continued uncertainty of the housing market.

The single largest source of General Fund revenue is the real estate property tax. Despite the state of the economy, this is a fairly stable revenue source for the Village. However, in recent years property tax revenue has been negatively impacted by rising property tax refunds. This decrease is not attributed to non-payments by property owners, but rather to property tax refunds granted by the Cook County Board of Review and the Cook County Property Tax Appeals Board from property tax assessment appeals.

The Village's share of the average Wilmette resident's property tax bill is approximately 11-12%. The 3.39% 2014 budgeted increase in the Village's share of the property tax levy amounts to about a \$51 annual increase for the average Wilmette homeowner, or less than one half of one percent of the average total property tax bill.

Illinois home sales increased 7.9% in 2013 over 2012. The sales in 2014 seem to be decreasing through the beginning of the year due to the polar vortex at the beginning of the year. Foreclosure activity is now fairly minimal and while interest rates show signs of rising, they are still at historically low levels. The revenue income increase from permit activity (19%) is reflective of the market as investment performance and household income are large factors in remodeling projects, home sales, etc. State income tax revenue continues to increase year to year and the stock market saw another year of larger returns in 2013.

With respect to commercial real estate, the Village is reviewing several potential offers for the purchase of 611 Green Bay Road for a multi-use development that is consistent with the recently completed master development plan. Additionally the White Lodging development of a new Marriott Residence Inn broke ground in 2013 and should open in mid-2014.

The FY 2014 Budget provides for an approximate 11.6% increase (and a projected 10.4% increase in FY 2015) in the Sewer Fee (or approximately \$0.40 in each year), which will fund a program for major sewer projects intended to improve sewer performance in the Village's separate sewer area (west of Ridge Road). These important projects, totaling approximately \$24 million, will be financed through a series of bond issues as cash needs arise. The first issuance was in fall of 2013. These improvements include the Harms Reservoir, Hunter Road back pitched adjustments, Princeton Place Pump Station, manhole rehab, capacity improvements for the separated sewer area, and a study of the separate sewer system.

The Illinois unemployment rate remained the same (8.9%) from 2012 to 2013, while the local unemployment rate in Wilmette decreased from a 2012 average of 5.8% to 5.5% in 2013. This local rate remains well below national and statewide averages and is among the lowest rates in Illinois for cities greater than 25,000.

While this is all very positive, there are still concerns that the State of Illinois budget problems (much of which is pension related) may trickle down to local agencies through legislative actions that could reduce revenues received from the State. While the State of Illinois and other municipalities struggle with rising pension costs, the Village has been very proactive for a number of years in this regard. Using conservative actuarial assumptions, the Village has a schedule of pension contributions (with stabilized growth) to meet all of its pension obligations within the statutory guidelines.

The State of Illinois enacted some level of pension reform in 2010 due to the increasing cost of pension contributions (due to legislation that enhanced defined benefits in conjunction with poor investment performance) that has vexed government budgets over the past decade. New employees, beginning in 2012, continue to be part of a defined benefit pension plan but this legislation requires employees to work longer to receive a pension benefit along with reductions in the initial pension calculation as well as the annual pension increases. As all employees hired before 2012 continue to accrue pension benefits under prior statutes, it is expected to take a number of years before there is enough employee turnover to see the full impact of these reforms.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Position
December 31, 2013**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Net Position
December 31, 2013**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 4,234,355	4,036,543	8,270,898
Receivables - Net	16,501,706	2,287,255	18,788,961
Due from Other Governments	1,960,337	-	1,960,337
Internal Balances	(1,007,377)	1,007,377	-
Inventories/Prepays	52,640	74,579	127,219
Deposits	1,015,281	-	1,015,281
Other Assets	106,510	-	106,510
Restricted Assets - Cash and Investments	1,975,788	8,580,175	10,555,963
Total Current Assets	24,839,240	15,985,929	40,825,169
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	5,647,302	2,862,998	8,510,300
Depreciable Capital Assets	78,943,896	113,297,139	192,241,035
Depreciation	(35,652,614)	(36,050,220)	(71,702,834)
	48,938,584	80,109,917	129,048,501
Other Assets			
Land Held for Resale	4,305,000	-	4,305,000
Total Noncurrent Assets	53,243,584	80,109,917	133,353,501
Total Assets	78,082,824	96,095,846	174,178,670
DEFERRED OUTFLOWS OF RESOURCES			
Loss on Refunding	1,460,968	-	1,460,968
Total Assets and Deferred Outflows of Resources	79,543,792	96,095,846	175,639,638

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

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,813,770	871,778	3,685,548
Accrued Wages and Benefits	76,701	12,614	89,315
Accrued Interest Payable	103,084	156,135	259,219
Deposits Payable	432,970	3,140	436,110
Other Payables	833,612	2,850	836,462
Compensated Absences Payable	515,768	38,280	554,048
Current Portion Long-Term Debt	2,157,500	2,631,717	4,789,217
Total Current Liabilities	6,933,405	3,716,514	10,649,919
Noncurrent Liabilities			
Compensated Absences Payable	3,290,311	153,120	3,443,431
Net Pension Obligation Payable	1,418,891	-	1,418,891
EPA Loans Payable	-	2,787,329	2,787,329
Notes Payable	225,000	-	225,000
General Obligation Bonds Payable	33,090,000	39,290,000	72,380,000
Total Noncurrent Liabilities	38,024,202	42,230,449	80,254,651
Total Liabilities	44,957,607	45,946,963	90,904,570
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	15,571,440	-	15,571,440
Grants	10,840	-	10,840
Total Deferred Inflows of Resources	15,582,280	-	15,582,280
Total Liabilities and Deferred Inflows of Resources	60,539,887	45,946,963	106,486,850
NET POSITION			
Net Investment in Capital Assets	15,481,696	43,766,118	59,247,814
Restricted - Highways and Streets	496,231	-	496,231
Restricted - Police Seizures	64,251	-	64,251
Unrestricted	2,961,727	6,382,765	9,344,492
Total Net Position	19,003,905	50,148,883	69,152,788

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Activities
For the Fiscal Year Ended December 31, 2013

	Expenses	Program Revenues	
		Charges for Services	Operating Grants/ Contributions
Governmental Activities			
General Government	\$ 3,303,014	416,400	-
Public Safety	18,979,618	2,307,524	35,374
Streets and Sanitation	8,740,030	2,390,723	782,835
Other Public Works	1,655,627	146,524	215,661
Public Health	237,168	71,738	-
Community Development	1,305,083	2,329,847	-
Interest on Long-Term Debt	1,395,538	-	-
Total Governmental Activities	35,616,078	7,662,756	1,033,870
Business-Type Activities			
Water	6,150,922	7,806,574	94,793
Sewer	2,860,481	4,423,168	-
Parking	456,325	397,322	-
Total Business-Type Activities	9,467,728	12,627,064	94,793
	45,083,806	20,289,820	1,128,663

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

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

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(2,886,614)	-	(2,886,614)
(16,636,720)	-	(16,636,720)
(5,566,472)	-	(5,566,472)
(1,293,442)	-	(1,293,442)
(165,430)	-	(165,430)
1,024,764	-	1,024,764
(1,395,538)	-	(1,395,538)
(26,919,452)	-	(26,919,452)
-	1,750,445	1,750,445
-	1,562,687	1,562,687
-	(59,003)	(59,003)
-	3,254,129	3,254,129
(26,919,452)	3,254,129	(23,665,323)
14,782,567	-	14,782,567
3,964,885	-	3,964,885
2,580,859	-	2,580,859
2,481,566	-	2,481,566
1,081,380	-	1,081,380
758,549	-	758,549
254,192	27,116	281,308
1,180,074	-	1,180,074
1,250,000	(1,250,000)	-
28,334,072	(1,222,884)	27,111,188
1,414,620	2,031,245	3,445,865
17,589,285	48,117,638	65,706,923
19,003,905	50,148,883	69,152,788

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

VILLAGE OF WILMETTE, ILLINOIS

Balance Sheet - Governmental Funds
December 31, 2013

	General	Debt Service	Series 2007, 2009, 2010 and 2013 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 2,324,387	58,190	-	831,159	3,213,736
Receivables - Net of Allowances					
Property Taxes	12,352,756	3,326,851	-	-	15,679,607
Other Taxes	156,744	-	-	-	156,744
Accounts	653,034	-	-	-	653,034
Due from Other Governments	1,715,919	-	176,637	67,781	1,960,337
Due from Other Funds	9,299	-	-	-	9,299
Prepays	52,640	-	-	-	52,640
Deposits	1,015,281	-	-	-	1,015,281
Restricted Assets - Cash and Investments	62,416	-	1,913,372	-	1,975,788
Other Assets	106,510	-	-	-	106,510
Land Held for Resale	4,305,000	-	-	-	4,305,000
Total Assets	22,753,986	3,385,041	2,090,009	898,940	29,127,976

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

	General	Debt Service	Series 2007, 2009, 2010 and 2013 General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	Total Governmental Funds
LIABILITIES					
Accounts Payable	\$ 857,895	-	1,535,366	402,709	2,795,970
Accrued Wages and Benefits	76,701	-	-	-	76,701
Due to Other Funds	1,007,377	-	-	-	1,007,377
Deposits Payable	420,453	-	-	-	420,453
Other Prepayments	80,500	-	-	-	80,500
Total Liabilities	2,442,926	-	1,535,366	402,709	4,381,001
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	12,268,010	3,303,430	-	-	15,571,440
Grants	10,840	-	-	-	10,840
Total Deferred Inflows of Resources	12,278,850	3,303,430	-	-	15,582,280
Total Liabilities and Deferred Inflows of Resources	14,721,776	3,303,430	1,535,366	402,709	19,963,281
FUND BALANCE					
Nonspendable	1,067,921	-	-	-	1,067,921
Restricted	64,251	81,611	-	496,231	642,093
Assigned	198,348	-	554,643	-	752,991
Unassigned	6,701,690	-	-	-	6,701,690
Total Fund Balances	8,032,210	81,611	554,643	496,231	9,164,695
Total Liabilities, Deferred Inflows of Resources and Fund Balances	22,753,986	3,385,041	2,090,009	898,940	29,127,976

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

VILLAGE OF WILMETTE, ILLINOIS

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

December 31, 2013

Total Governmental Fund Balances	\$ 9,164,695
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Amounts reported for governmental activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	48,938,584
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Internal service funds are used by the Village to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	240,212
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(1,418,891)
Current Portion - General Obligation Bonds Payable	(2,157,500)
Compensated Absences Payable	(3,806,079)
General Obligation Bonds Payable - Net	(31,616,532)
State Fire Truck Loan Payable	(237,500)
Accrued Interest Payable	<u>(103,084)</u>

Net Position of Governmental Activities	<u>19,003,905</u>
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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
For the Fiscal Year Ended December 31, 2013

	General	Debt Service	Series 2007, 2009, 2010 and 2013		Total Governmental Funds
			General Obligation Bonds	Nonmajor Fund Motor Fuel Tax	
Revenues					
Taxes	\$ 22,452,980	3,196,826	-	-	25,649,806
Licenses, Permits and Fees	4,167,041	-	-	-	4,167,041
Intergovernmental	251,035	-	-	782,835	1,033,870
Charges for Services	3,137,432	-	-	-	3,137,432
Fines and Forfeitures	358,283	-	-	-	358,283
Investment Earnings	245,303	-	1,695	3,616	250,614
Miscellaneous	1,180,074	-	-	-	1,180,074
Total Revenues	31,792,148	3,196,826	1,695	786,451	35,777,120
Expenditures					
Current					
General Government	3,267,339	-	-	-	3,267,339
Public Safety	18,691,624	-	-	-	18,691,624
Streets and Sanitation	5,905,510	-	-	-	5,905,510
Other Public Works	2,382,792	-	-	-	2,382,792
Public Health	235,339	-	-	-	235,339
Community Development	1,280,804	-	-	-	1,280,804
Capital Outlay	-	-	884,147	792,405	1,676,552
Debt Service					
Principal Retirement	12,500	2,015,000	-	-	2,027,500
Interest and Fiscal Charges	-	1,267,591	-	-	1,267,591
Total Expenditures	31,775,908	3,282,591	884,147	792,405	36,735,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,240	(85,765)	(882,452)	(5,954)	(957,931)
Other Financing Sources					
Debt Issuance	-	-	1,000,000	-	1,000,000
Transfers In	1,250,000	-	-	-	1,250,000
	1,250,000	-	1,000,000	-	2,250,000
Net Change in Fund Balances	1,266,240	(85,765)	117,548	(5,954)	1,292,069
Fund Balances - Beginning	6,765,970	167,376	437,095	502,185	7,872,626
Fund Balances - Ending	8,032,210	81,611	554,643	496,231	9,164,695

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

For the Fiscal Year Ended December 31, 2013

Net Change in Fund Balances - Total Governmental Funds \$ 1,292,069

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	2,940,178
Depreciation Expense	(3,315,510)

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. (208,123)

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	(91,111)
Additions to Net Pension Obligation Payable	(102,436)
Retirement of Debt	2,027,500
Issuance of General Obligation Bond	(1,000,000)
Amortization of Loss on Refunding	(130,412)

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. 2,465

Changes in Net Position of Governmental Activities 1,414,620

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Fund Net Position - Proprietary Funds
December 31, 2013**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fund Net Position - Proprietary Funds
December 31, 2013

	Business-Type Activities				Governmental
	Water	Sewer	Nonmajor	Totals	Activities
Parking Meter			Internal Service		
ASSETS					
Current Assets					
Cash and Investments	\$ 496,945	2,660,654	878,944	4,036,543	1,020,619
Restricted Assets					
Cash and Investments	317,627	8,262,548	-	8,580,175	-
Receivables - Net of Allowances Accounts	1,208,593	1,078,662	-	2,287,255	12,321
Due from Other Funds	1,007,377	-	-	1,007,377	-
Inventory	71,463	-	-	71,463	-
Prepays	3,116	-	-	3,116	-
Total Current Assets	3,105,121	12,001,864	878,944	15,985,929	1,032,940
Noncurrent Assets					
Nondepreciable Capital Assets	809,572	1,394,322	659,104	2,862,998	-
Depreciable Capital Assets	49,921,122	58,410,515	4,965,502	113,297,139	-
Depreciation	(18,928,215)	(15,313,948)	(1,808,057)	(36,050,220)	-
Total Noncurrent Assets	31,802,479	44,490,889	3,816,549	80,109,917	-
Total Assets	34,907,600	56,492,753	4,695,493	96,095,846	1,032,940

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

	Business-Type Activities				Governmental
	Nonmajor			Totals	Activities
	Water	Sewer	Parking Meter		Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 193,805	662,697	15,276	871,778	17,800
Accrued Wages and Benefits	10,617	1,997	-	12,614	-
Accrued Interest Payable	52,437	103,698	-	156,135	-
Due to Other Funds	-	-	-	-	9,299
Deposits Payable	3,140	-	-	3,140	12,517
Retiree Benefits Payable	-	-	-	-	753,112
Other Prepayments	-	-	2,850	2,850	-
Compensated Absences Payable	33,365	4,915	-	38,280	-
EPA Loans Payable	-	151,717	-	151,717	-
General Obligation Bonds Payable	1,085,000	1,395,000	-	2,480,000	-
Total Current Liabilities	1,378,364	2,320,024	18,126	3,716,514	792,728
Noncurrent Liabilities					
Compensated Absences Payable	121,735	31,385	-	153,120	-
General Obligation Bonds Payable	16,860,000	22,430,000	-	39,290,000	-
EPA Loans Payable	-	2,787,329	-	2,787,329	-
Total Noncurrent Liabilities	16,981,735	25,248,714	-	42,230,449	-
Total Liabilities	18,360,099	27,568,738	18,126	45,946,963	792,728
NET POSITION					
Net Investment in Capital Assets	14,119,511	25,830,058	3,816,549	43,766,118	-
Unrestricted	2,427,990	3,093,957	860,818	6,382,765	240,212
Total Net Position	16,547,501	28,924,015	4,677,367	50,148,883	240,212

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities Internal Service
	Water	Sewer	Nonmajor Parking Meter	Totals	
Operating Revenues					
Charges for Services	\$ 7,806,574	4,423,168	397,322	12,627,064	-
Interfund Services	-	-	-	-	6,456,446
Total Operating Revenues	7,806,574	4,423,168	397,322	12,627,064	6,456,446
Operating Expenses					
Administration	671,212	-	-	671,212	-
Operations	3,743,290	1,331,166	334,464	5,408,920	6,668,147
Depreciation	1,089,262	926,472	121,861	2,137,595	-
Total Operating Expenses	5,503,764	2,257,638	456,325	8,217,727	6,668,147
Operating Income (Loss)	2,302,810	2,165,530	(59,003)	4,409,337	(211,701)
Nonoperating Revenues (Expenses)					
Investment Earnings	21,359	5,757	-	27,116	3,578
Bond Issuance Expense	-	(48,528)	-	(48,528)	-
Interest Expense	(647,158)	(554,315)	-	(1,201,473)	-
	(625,799)	(597,086)	-	(1,222,885)	3,578
Income (Loss) Before Capital Contributions and Transfers	1,677,011	1,568,444	(59,003)	3,186,452	(208,123)
Capital Contributions	94,793	-	-	94,793	-
Transfers Out	(1,250,000)	-	-	(1,250,000)	-
Change in Net Position	521,804	1,568,444	(59,003)	2,031,245	(208,123)
Net Position - Beginning as Restated	16,025,697	27,355,571	4,736,370	48,117,638	448,335
Net Position - Ending	16,547,501	28,924,015	4,677,367	50,148,883	240,212

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

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2013**

See Following Page

VILLAGE OF WILMETTE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2013**

	<u>Water</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 7,726,884
Receipts from Interfund Services	-
Payments to Employees	(2,207,155)
Payments to Suppliers	(2,177,808)
	<u>3,341,921</u>
Cash Flows from Non-Capital Financing Activities	
Transfers Out	(1,250,000)
Change in Interfund Activity	(171,021)
	<u>(1,421,021)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(1,157,673)
Principal Issued on Debt	-
Principal Paid on Debt	(865,000)
Interest Paid on Debt	(647,158)
	<u>(2,669,831)</u>
Cash Flows from Investing Activities	
Interest Received	21,359
	<u>21,359</u>
Net Change in Cash and Cash Equivalents	(727,572)
Cash and Cash Equivalents - Beginning	1,542,144
	<u>1,542,144</u>
Cash and Cash Equivalents - Ending	<u>814,572</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities.	
Operating Income (Loss)	2,302,810
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	1,089,262
(Increase) Decrease in Current Assets	(79,690)
Increase (Decrease) in Current Liabilities	29,539
	<u>29,539</u>
Net Cash Provided by Operating Activities	<u>3,341,921</u>
Noncash Capital and Related Financing Activities	
Capital Contributions	<u>94,793</u>

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

Business-Type Activities - Enterprise Funds			Governmental
	Nonmajor		Activities
Sewer	Parking Meter	Totals	Internal Service
4,130,802	397,322	12,255,008	-
-	-	-	6,456,782
(511,545)	(111,453)	(2,830,153)	(723,392)
(555,515)	(234,010)	(2,967,333)	(5,693,268)
3,063,742	51,859	6,457,522	40,122
-	-	(1,250,000)	-
-	-	(171,021)	-
-	-	(1,421,021)	-
(2,674,607)	-	(3,832,280)	-
9,502,886	-	9,502,886	-
(1,236,535)	-	(2,101,535)	-
(602,843)	-	(1,250,001)	-
4,988,901	-	2,319,070	-
5,757	-	27,116	3,578
8,058,400	51,859	7,382,687	43,700
2,864,802	827,085	5,234,031	976,919
10,923,202	878,944	12,616,718	1,020,619
2,165,530	(59,003)	4,409,337	(211,701)
926,472	121,861	2,137,595	-
(292,366)	-	(372,056)	336
264,106	(10,999)	282,646	251,487
3,063,742	51,859	6,457,522	40,122
-	-	94,793	-

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Fiduciary Net Position
December 31, 2013

	Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 3,713,141	639,398
Investments		
U.S. Government and Agency Securities	14,457,953	-
Mutual Funds	38,249,649	-
Corporate Bonds	10,433,260	-
Common Stock	13,297,717	-
Receivables		
Accrued Interest	220,192	-
Total Assets	<u>80,371,912</u>	<u>639,398</u>
LIABILITIES		
Accounts Payable	17,541	-
Deposits Payable	-	639,398
Total Liabilities	<u>17,541</u>	<u>639,398</u>
NET POSITION		
Held in Trust for Pension Benefits	<u>80,354,371</u>	-

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

VILLAGE OF WILMETTE, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2013

	Pension Trust
Additions	
Contributions - Employer	\$ 4,011,300
Contributions - Plan Members	822,183
Total Contributions	<u>4,833,483</u>
Other Income	<u>-</u>
Investment Income	
Investment Earnings	6,836,967
Net Change in Fair Value	2,503,550
	<u>9,340,517</u>
Less Investment Expenses	(136,023)
Net Investment Income	<u>9,204,494</u>
Total Additions	<u>14,037,977</u>
Deductions	
Administration	71,946
Benefits and Refunds	5,165,892
Total Deductions	<u>5,237,838</u>
Change in Net Position	8,800,139
Net Position Held in Trust for Pension Benefits	
Beginning	<u>71,554,232</u>
Ending	<u><u>80,354,371</u></u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Wilmette
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "the Financial Reporting Omnibus— an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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

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

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

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

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

Fund Financial Statements

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

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

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

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

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

Governmental Funds

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

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

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

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, which accounts for the accumulation of monies for the payment of the following bond issues: \$9,300,000 of Series 2004 General Obligation Refunding, \$11,735,000 of Series 2006 General Obligation Refunding and Improvements, \$1,590,000 of Series 2009 General Obligation Improvements, \$23,280,000 of Series 2010 General Obligation Refunding and Improvements, and \$1,000,000 of Series 2013 General Obligation.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the 2007, 2009, 2010 and 2013 General Obligation Bonds Fund, which is used to account for revenues and expenditures for road resurfacing, alley and other infrastructure improvements, public works facility improvements and large equipment replacements.

Proprietary Funds

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

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

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the District on a cost-reimbursement basis. The Village maintains five internal service funds, the Municipal Garage Fund, the Employee Insurance Fund, the Workers' Compensation Fund, the Illinois Municipal Retirement Fund, and the Section 105 Sick Leave Fund.

Fiduciary Funds

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

Basis of Accounting

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

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

Cash and Investments

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

Receivables

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

Prepays/Inventories

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

Restricted Assets

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Interfund Receivables, Payables and Activity

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

Capital Assets

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

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

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenditures/expenses at the time of issuance.

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Net Position

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

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

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

The budget may be amended only by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the fiscal year, supplemental appropriations were made.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

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>
Municipal Garage	\$ 44,383
Section 105 Sick Leave	293,201
Fire Pension	42,477

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net position. 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 position 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 \$18,826,786 and the bank balances totaled \$19,377,055. At year-end the Village also has \$75 invested in the Illinois Funds.

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

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

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 Village helps limit its exposure to credit risk by investing in securities issued by agencies of the United States Government that are implicitly guaranteed by the United States Government. The Village's investment policy limits authorized investments to the following:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America.
- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits, or any investment constituting direct obligations of any institution as authorized by the Village Board
- Illinois 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, 2013, the Village's investments in the Illinois Funds are AAAM rated by Standard & Poor's.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. At December 31, 2013, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Village's investment policy further limits the custodial credit risk for deposits as follows: The Village requires that its primary depository pledge collateral for all deposits in excess of \$250,000. This collateral is to be held by the Village or by a third party in the Village's name and may not be released or modified without Village approval. The value of the collateral shall be determined by the Village or by the third party custodian. The necessary amount (ranging from 102% to 115% of excess FDIC insured deposits) of collateral is determined under the Village's custodial agreement with its depository bank.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2013, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's policy states "the Village shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions. At December 31, 2013, 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, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits. At year-end the carrying amount of the Police Pension Fund’s deposits totaled \$1,983,957 and the bank balances totaled \$1,994,061.

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

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,626,719	203,908	3,908,902	1,176,015	337,894
U.S Agency Obligations	1,394,642	316,312	805,358	153,343	119,629
Corporate Bonds	5,216,085	5,216,085	-	-	-
Total	12,237,446	5,736,305	4,714,260	1,329,358	457,523

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

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

Custodial Credit Risk – Deposits. The Fund’s investment policy does not limit custodial credit risk for deposits. At December 31, 2013, 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, 2013, the U.S. Government Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

Concentration of Credit Risk. At December 31, 2013, the Pension Fund has over 5% of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard totaling \$10,915,464. The Fund also has \$6,621,639 invested in common stock and \$18,842,683 invested in mutual funds at year-end. The Fund’s investment policy limits investments in equities to 20%-55%; equities/mutual funds to 0%-10%, fixed income to 33%-68%, and cash to 2%-20%.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

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 \$1,729,184 and the bank balances totaled \$1,738,777.

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

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Obligations	\$ 5,935,891	203,908	4,116,794	1,277,296	337,893
U.S Agency Obligations	1,500,701	210,875	1,022,347	175,375	92,104
Corporate Bonds	5,217,175	5,217,175	-	-	-
Total	12,653,767	5,631,958	5,139,141	1,452,671	429,997

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

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

Custodial Credit Risk – Deposits. The Fund’s investment policy does not limit custodial credit risk for deposits. At December 31, 2013, 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, 2013, the U.S. Government Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

Concentration of Credit Risk. At December 31, 2013, the Pension Fund has over 5% of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard totaling \$11,120,084. The Fund also has \$6,676,078 invested in common stock and \$19,406,966 invested in mutual funds at year-end. The Fund’s investment policy limits investments in equities to 20%-55%; equities/mutual funds to 0%-10%, fixed income to 33%-68%, and cash to 2%-20%.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2013 attach as an enforceable lien on January 1, 2013, 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, 2014, and September 1, 2014. The County collects such taxes and remits them periodically. Since the 2013 levy is intended to finance the 2013 fiscal year, the levy has been recorded as receivable and deferred revenue.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Workers' Compensation	\$ 9,299
Water	General	<u>1,007,377</u>
		<u>1,016,676</u>

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Water	<u>\$ 1,250,000</u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,838,262	-	-	1,838,262
Construction in Progress	4,202,667	103,343	496,970	3,809,040
	<u>6,040,929</u>	<u>103,343</u>	<u>496,970</u>	<u>5,647,302</u>
Depreciable Capital Assets				
Buildings	19,342,027	246,107	-	19,588,134
Improvements Other Than Buildings	45,442,774	2,312,317	-	47,755,091
Motor Equipment	7,635,235	717,632	-	8,352,867
Office Furniture and Equipment	1,017,073	-	-	1,017,073
Other Equipment	2,172,982	57,749	-	2,230,731
	<u>75,610,091</u>	<u>3,333,805</u>	<u>-</u>	<u>78,943,896</u>
Less Accumulated Depreciation				
Buildings	4,680,147	486,991	-	5,167,138
Improvements Other Than Buildings	20,396,874	2,178,035	-	22,574,909
Motor Equipment	5,206,706	448,354	-	5,655,060
Office Furniture and Equipment	589,817	59,863	-	649,680
Other Equipment	1,463,560	142,267	-	1,605,827
	<u>32,337,104</u>	<u>3,315,510</u>	<u>-</u>	<u>35,652,614</u>
Total Depreciable Capital Assets	<u>43,272,987</u>	<u>18,295</u>	<u>-</u>	<u>43,291,282</u>
Total Capital Assets	<u>49,313,916</u>	<u>121,638</u>	<u>496,970</u>	<u>48,938,584</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 161,600
Streets and Sanitation	2,715,203
Public Safety - Police	180,444
Public Safety - Fire	<u>258,263</u>
	<u>3,315,510</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 832,453	-	-	832,453
Landscaping	60,231	-	-	60,231
Construction in Progress	1,468,803	1,124,363	622,852	1,970,314
	<u>2,361,487</u>	<u>1,124,363</u>	<u>622,852</u>	<u>2,862,998</u>
Depreciable Capital Assets				
Water System Improvements	27,869,694	1,147,311	-	29,017,005
Sewer System Improvements	52,955,145	1,919,073	-	54,874,218
Storm Water Pump Stations	2,001,674	-	-	2,001,674
Buildings	12,753,719	-	-	12,753,719
Machinery, Equipment, and Vehicles	9,564,470	359,179	207,730	9,715,919
Parking Facilities/Improvements	4,934,604	-	-	4,934,604
	<u>110,079,306</u>	<u>3,425,563</u>	<u>207,730</u>	<u>113,297,139</u>
Less Accumulated Depreciation				
Water System Improvements	8,332,813	556,439	-	8,889,252
Sewer System Improvements	13,041,392	812,809	-	13,854,201
Storm Water Pump Stations	1,003,451	6,352	-	1,009,803
Buildings	4,953,127	323,898	-	5,277,025
Machinery, Equipment, and Vehicles	5,124,243	317,668	207,730	5,234,181
Parking Facilities/Improvements	1,665,329	120,429	-	1,785,758
	<u>34,120,355</u>	<u>2,137,595</u>	<u>207,730</u>	<u>36,050,220</u>
Total Depreciable Capital Assets	<u>75,958,951</u>	<u>1,287,968</u>	<u>-</u>	<u>77,246,919</u>
Total Capital Assets	<u>78,320,438</u>	<u>2,412,331</u>	<u>622,852</u>	<u>80,109,917</u>

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

Water	\$ 1,089,262
Sewer	926,472
Parking Meter	<u>121,861</u>
	<u>2,137,595</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$17,525,000 General Obligation Refunding Bonds of 2004, due in annual installments of \$530,000 to \$1,645,000 plus interest at 3.00% to 4.00% through December 1, 2020.	Debt Service	\$ 2,340,000	-	1,290,000	1,050,000
	Sewer	2,600,000	-	320,000	2,280,000
	Water	3,335,000	-	35,000	3,300,000
\$19,850,000 General Obligation Refunding Bonds of 2007, due in annual installments of \$320,000 to \$3,475,000 plus interest at 4.00% to 4.25% through December 1, 2021.	Debt Service	9,395,000	-	600,000	8,795,000
	Sewer	2,290,000	-	65,000	2,225,000
	Water	5,215,000	-	-	5,215,000
\$9,010,000 General Obligation Refunding Bonds of 2009, due in annual installments of \$375,000 to \$960,000 plus interest at 2.00% to 3.65% through December 1, 2023.	Debt Service	1,235,000	-	125,000	1,110,000
	Sewer	1,225,000	-	125,000	1,100,000
	Water	4,700,000	-	700,000	4,000,000
\$25,895,000 General Obligation Refunding Bonds of 2010, due in annual installments of \$190,000 to \$4,430,000 plus interest at 2.00% to 4.00% through December 1, 2026.	Debt Service	23,280,000	-	-	23,280,000
	Sewer	1,485,000	-	-	1,485,000
	Water	1,130,000	-	-	1,130,000

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

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
\$13,605,000 General Obligation Refunding Bonds of 2011, due in annual installments of \$740,000 to \$2,305,000 plus interest at 2.00% to 3.00% through December 1, 2023.	Sewer	\$ 8,435,000	-	620,000	7,815,000
	Water	4,430,000	-	130,000	4,300,000
\$9,920,000 General Obligation Bonds of 2013, due in annual installments of \$55,000 to \$1,00,000 plus interest at 2.00% to 4.35% through December 1, 2037.	Debt Service	-	1,000,000	-	1,000,000
	Sewer	-	8,920,000	-	8,920,000
		71,095,000	9,920,000	4,010,000	77,005,000

IEPA Revenue Bonds

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2006, due in annual installments of \$8,437 to \$27,333 plus interest of 2.500% through September 13, 2026.	Sewer	\$ 327,238	-	19,789	307,449

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Revenue Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Revenue Bonds of 2007, due in annual installments of \$26,641 to \$39,769 plus interest at 2.500% through October 21, 2027.	Sewer	\$ 515,734	-	28,780	486,954
IEPA Revenue Bonds of 2010, due in annual installments of \$8,822 at 0.00% interest through April 7, 2030.	Sewer	154,384	-	8,822	145,562
IEPA Revenue Bonds of 2011, due in annual installments of \$42,888 at 1.25% interest through July 18, 2031.	Sewer	723,317	-	33,951	689,366
IEPA Revenue Bonds of 2012, due in annual installments of \$47,414 at 2.295% interest through August 5, 2032.	Sewer	742,022	-	15,193	726,829
IEPA Revenue Bonds of 2013, due in semi annual installments of \$17,634 at 1.930% interest through December 1, 2033.	Sewer	-	582,886	-	582,886
		<u>2,462,695</u>	<u>582,886</u>	<u>106,535</u>	<u>2,939,046</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts/Notes Payable

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$250,000 Installment Contract of 2012 - due in annual installments of \$12,500 through November 1, 2032.	General	\$ 250,000	-	12,500	237,500

In June 2013, the Village received formal notification from the Office of the State Fire Marshal and the Illinois Finance Authority that the Village had been approved for a \$250,000 interest free loan for the purchase of a fire truck. The loan is from the Fire Trust Revolving Loan Program and is to be paid back in equal installments over 20 years. The Village is using the loan to help defray the cost of the purchase of a new Emergency One Fire Pumping Apparatus to replace an approximately 25 year old pumper. As of December 31, 2013, the loan outstanding balance is \$237,500.

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions/ Transfers	Deductions/ Transfers	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 3,714,968	182,222	91,111	3,806,079	515,768
Net Pension Obligation					
Police Pension Fund	406,758	7,270	-	414,028	-
Firefighters' Pension Fund	369,291	-	15,134	354,157	-
Illinois Municipal Retirement Fund	540,406	110,300	-	650,706	-
General Obligation Bonds Payable	36,250,000	1,000,000	2,015,000	35,235,000	2,145,000
Installment Contracts/ Notes Payable	250,000	-	12,500	237,500	12,500
	<u>41,531,423</u>	<u>1,299,792</u>	<u>2,133,745</u>	<u>40,697,470</u>	<u>2,673,268</u>

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Type of Debt	Beginning Balances	Additions/ Transfers	Deductions/ Transfers	Ending Balances	Amounts Due within One Year
Business-Type Activities	\$				
Compensated Absences	164,600	53,600	26,800	191,400	38,280
General Obligation Bonds Payable	34,845,000	8,920,000	1,995,000	41,770,000	2,480,000
IEPA Loans Payable	2,462,695	582,886	106,535	2,939,046	151,717
	<u>37,472,295</u>	<u>9,556,486</u>	<u>2,128,335</u>	<u>44,900,446</u>	<u>2,669,997</u>

For governmental activities, the General Fund makes payments on the compensated absences, the net pension obligations, the net other post-employment benefit obligation, and the installment contracts/notes payable. The Debt Service Fund makes payments on the general obligation bonds payable.

For the business-type activities compensated absences are retired by the Water and Sewer Funds. The Sewer Fund makes payments on the IEPA loans payable. The Water and Sewer Funds make payments on the general obligation bonds payable.

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, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities			
	General Obligation Bonds Payable		Installment Contracts/ Notes Payable	
	Principal	Interest	Principal	Interest
2014	\$ 2,145,000	1,218,557	12,500	-
2015	2,220,000	1,136,567	12,500	-
2016	2,385,000	1,053,048	12,500	-
2017	2,555,000	965,800	12,500	-
2018	2,675,000	866,117	12,500	-
2019	2,780,000	762,884	12,500	-
2020	2,885,000	679,772	12,500	-
2021	2,985,000	593,349	12,500	-
2022	3,120,000	503,587	12,500	-
2023	3,315,000	410,311	12,500	-
2024	3,370,000	303,099	12,500	-
2025	3,095,000	189,624	12,500	-
2026	1,550,000	66,526	12,500	-
2027	75,000	5,200	12,500	-
2028	80,000	2,800	12,500	-
2029	-	-	12,500	-
2030	-	-	12,500	-
2031	-	-	12,500	-
2032	-	-	12,500	-
Total	35,235,000	8,757,241	237,500	-

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year	Business-Type Activities			
	General Obligation Bonds Payable		IEPA Loans Payable	
	Principal	Interest	Principal	Interest
2014	\$ 2,480,000	1,444,445	151,717	52,009
2015	2,560,000	1,354,317	150,966	52,760
2016	3,360,000	1,279,325	153,894	49,831
2017	3,545,000	1,168,174	156,889	46,837
2018	3,655,000	1,045,199	159,946	43,781
2019	3,780,000	920,580	163,072	40,656
2020	3,555,000	789,393	166,264	37,462
2021	3,620,000	662,172	169,526	34,200
2022	3,310,000	540,747	172,863	30,864
2023	2,260,000	437,021	176,268	27,456
2024	1,630,000	363,873	179,751	23,974
2025	505,000	310,734	183,310	20,414
2026	500,000	295,584	186,949	16,777
2027	505,000	280,086	161,803	13,235
2028	505,000	263,925	123,969	10,424
2029	500,000	246,250	126,079	8,314
2030	500,000	227,500	123,817	6,165
2031	500,000	207,500	121,600	3,972
2032	500,000	187,500	80,813	1,870
2033	500,000	167,500	29,550	403
2034	500,000	147,500	-	-
2035	1,000,000	127,500	-	-
2036	1,000,000	86,000	-	-
2037	1,000,000	43,500	-	-
Total	41,770,000	12,596,325	2,939,046	521,404

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding

General Obligation Bonds of 2004

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2004 – Continued

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal</u>
2014	4.45%	<u>\$ 350,000</u>

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal</u>
2014	4.60%	\$ 550,000
2015	4.75%	200,000
2016	4.80%	200,000
2017	4.90%	300,000
2018	4.90%	300,000
2019	5.00%	300,000
2020	5.00%	<u>300,000</u>
Total		<u>2,150,000</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2007

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

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

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

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

Fiscal Year	Interest Rate	Principal
2014	5.000%	\$ 250,000
2015	5.250%	300,000
2016	5.250%	650,000
2017	5.375%	800,000
2018	5.375%	850,000
2019	5.375%	875,000
2020	5.500%	950,000
2021	5.500%	<u>1,000,000</u>
Total		<u><u>5,675,000</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2009

On October 27, 2009, the Village passed an ordinance providing for the issuance of \$9,010,000 General Obligation Refunding and Improvements Bond Series 2009 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete the Sheridan Road reconstruction project and for a current refunding of the General Obligation Refunding Bond Series of 1999, issued by the Village and outstanding in the aggregate principal amount of \$4,750,000.

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

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

General Obligation Bonds of 2010

On November 30, 2010, the Village passed an ordinance providing for the issuance of \$23,280,000 General Obligation Refunding and Improvements Bond Series 2010 and the levy and collection of a direct annual tax for the payment of principal and interest on the bonds. The bonds were issued to complete various street resurfacing and alley improvements and for a current refunding of the General Obligation Refunding Bond Series of 2002, issued by the Village and outstanding in the aggregate principal amount of \$18,075,000.

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

Proceeds in the amount of \$21,788,540 from the refunding bonds were used to execute the escrow agreement. The long-term debt for the General Obligation Refunding Bond Series 2002 is recorded in the non-current liabilities of the governmental activities and in the Water and Sewer Funds.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Advance Refunding – Continued

General Obligation Bonds of 2011

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

The advance refunding portion was undertaken to benefit from a reduced interest rate and therefore improving the overall cost of the debt. From 2013 through 2023 total debt service for this portion of the bond issue will be reduced by \$969,878 reflecting net present value savings of \$850,600. Proceeds in the amount of \$6,378,904 were used to execute the escrow agreement for the advance refunding.

The current refunding portion was undertaken to lengthen the overall maturities of the four IEPA Loans and to benefit from lower interest rates. From 2013 through 2023 total debt service for this portion of the bond issue will increase by \$812,066 but still reflecting net present value savings of \$32,500. The restructuring of this debt in this manner will provide \$3.6 million in cash flow savings through 2016.

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

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2013:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 48,938,584
Plus Unspent Bond Proceeds	554,644
Less Capital Related Debt:	
General Obligation Bonds Payable	(35,235,000)
Loss on Refunding	1,460,968
Installment Contracts/Notes Payable	<u>(237,500)</u>
Net Investment in Capital Assets	<u>15,481,696</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	80,109,917
Plus Unspent Bond Proceeds	8,365,247
Less Capital Related Debt:	
General Obligation Bonds Payable	(41,770,000)
IEPA Loans Payable	<u>(2,939,046)</u>
Net Investment in Capital Assets	<u>43,766,118</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

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

	Series 2007, 2009 2010 and 2013				Totals
	General	Debt Service	General Obligation Bonds	Nonmajor	
Fund Balances					
Nonspendable					
Prepays	\$ 52,640	-	-	-	52,640
IRMA Insurance Deposit	1,015,281	-	-	-	1,015,281
	<u>1,067,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,067,921</u>
Restricted					
Police Seizures	64,251	-	-	-	64,251
Debt Service	-	81,611	-	-	81,611
Motor Fuel Tax	-	-	-	496,231	496,231
	<u>64,251</u>	<u>81,611</u>	<u>-</u>	<u>496,231</u>	<u>642,093</u>
Assigned					
Affordable Housing	49,379	-	-	-	49,379
Clampitt Account	27,002	-	-	-	27,002
Road Maintenance	83,521	-	-	-	83,521
Encumbrances	38,446	-	251,880	-	290,326
Capital Projects	-	-	302,763	-	302,763
	<u>198,348</u>	<u>-</u>	<u>554,643</u>	<u>-</u>	<u>752,991</u>
Unassigned	<u>6,701,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,701,690</u>
Total Fund Balances	<u>8,032,210</u>	<u>81,611</u>	<u>554,643</u>	<u>496,231</u>	<u>9,164,695</u>

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. The Village reports assigned fund balance in the General Fund and the Series 2007 2009, 2010 and 2013 General Obligation Bond Fund, both major funds. The Village's Board, through the fund balance policy, has given authority to management (Village Manager) to assign funds in the General Fund as listed above and in the Series 2007, 2009, 2010 and 2013 General Obligation Bond Fund as stated above based on approved management and Board expenditures as determined through the annual budget process.

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

Although the Village has reported land held for resale of \$4,305,000 in the General Fund at year-end, the Village also secured a line of credit related to the purchase of the land which it has not exercised at December 31, 2013. For additional information on the line of credit see the note on page 39. Due to the fact that the Village can exercise the line of credit at any time and immediately replenish the cash in the General Fund used to purchase the land, the land held for resale is not reported as nonspendable fund balance at December 31, 2013.

NET POSITION

Net Position Restatement

The Village has restated beginning net position in the Section 105 Sick Leave Fund from (\$2,003,133) to \$448,335, an increase in \$2,451,468. The restatement is due to removing compensated absences to the governmental activities. Net position at the beginning of the year for total governmental activities remains unchanged.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

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.

North Suburban Employee Benefit Cooperative (NSEBC)

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

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

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

For the year ended December 31, 2013, NSEBC had a total equity of \$1,419,378. The Village's total payments for the year ended December 31, 2013 were \$1,639,387.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

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

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Illinois Municipal Retirement System – Continued

For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution rate for calendar year 2013 was 10.62 percent of the annual covered payroll. The employer annual required contribution rate for calendar year 2013 was 12.01 percent.

Police Pension Plan

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

At December 31, 2013 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	43
Inactive Members	1
Current Employees	
Vested	31
Nonvested	13
	<u>88</u>

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

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.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements
December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Fund – Continued

At December 31, 2013 the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	51
Inactive Members	2
Current Employees	
Vested	27
Nonvested	<u>19</u>
	<u>99</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by $\frac{1}{12}$ of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Fund – Continued

Covered employees, if any, are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Method Used to Value Investments

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

Significant Investments

The Police Pension Fund has over 5% of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in Vanguard totaling \$10,915,464, and the Firefighters' Pension Fund has over 5% invested in Vanguard totaling \$11,120,084. Information for IMRF is not available.

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Related Party Transactions

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

Annual Pension Cost and Net Pension Obligation

The pension liability for each Pension Plan as of December 31, 2013, is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	Totals
Annual Required Contribution	\$ 1,147,192	1,799,814	2,189,397	5,136,403
Interest on Net Pension Obligation	40,530	29,490	26,774	96,794
Adjustment to Annual Required Contribution	(28,971)	(22,034)	(20,005)	(71,010)
Annual Pension Cost	1,158,751	1,807,270	2,196,166	5,162,187
Actual Contribution	1,048,451	1,800,000	2,211,300	5,059,751
Increase (Decrease) to the NPO	110,300	7,270	(15,134)	102,436
NPO - Beginning	540,406	406,758	369,291	1,316,455
NPO - Ending	650,706	414,028	354,157	1,418,891

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	11.68%	20.43%	23.52%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2013	12/31/2013	12/31/2013
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	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	7.25% Compounded Annually	7.25% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.50%	5.50%
Inflation Rate Included	4.00%	4.00%	4.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

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.

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2011	\$ 1,022,507	1,760,878	2,160,014
	2012	1,053,456	1,851,376	2,224,747
	2013	1,158,751	1,807,270	2,196,166
Actual Contributions	2011	827,091	1,752,700	2,152,600
	2012	923,763	1,843,600	2,217,700
	2013	1,048,451	1,800,000	2,211,300
Percentage of APC Contributed	2011	100.00%	99.54%	99.66%
	2012	87.69%	99.58%	99.68%
	2013	90.48%	99.60%	100.69%
Net Pension Obligation	2011	410,713	398,982	362,244
	2012	540,406	406,758	369,291
	2013	650,706	414,028	354,157

VILLAGE OF WILMETTE, ILLINOIS

**Notes to the Financial Statements
December 31, 2013**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

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

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/13	12/31/13	12/31/13
Percent Funded	84.38%	70.10%	65.19%
Actuarial Accrued Liability for Benefits	\$32,470,941	\$56,400,194	\$61,553,823
Actuarial Value of Assets	\$27,400,560	\$39,539,190	\$40,126,135
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$5,070,381)	(\$16,861,004)	(\$21,427,688)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$8,971,450	\$4,118,388	\$4,206,186
Ratio of UAAL to Covered Payroll	56.52%	409.41%	509.43%

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

VILLAGE OF WILMETTE, ILLINOIS

Notes to the Financial Statements December 31, 2013

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its current potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. Although the Village has former employees who have chosen to stay in the Village's health insurance plan, but they pay 100 percent of the premiums; therefore, the implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* is immaterial. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any post-employment benefit liability as of December 31, 2013.

SUBSEQUENT EVENT

At the December 19, 2012 Village Board meeting, Trustees adopted an ordinance authorizing a real estate sale and developer's agreement for the property known as 611 Green Bay Road. The contract entered a "due diligence" phase during which the purchaser, Lexington Homes LLC, was entitled to review title and inspect the site. On February 14, 2014, the due diligence phase expired and Lexington Homes LLC cancelled the contract. Since then, the Village has received multiple, competitive offers for the purchase of the 611 Green Bay Road property for commercial redevelopment. The Village Board is reviewing the offers with its financial consultants and anticipates selecting a new developer and entering into a contract for the sale of the property during the course of 2014. No closing date is presently set for this sale.

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2013**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2008	\$ 24,786,414	\$ 28,995,793	85.48%	\$ 4,209,379	\$ 8,807,392	47.79%
2009	25,732,932	31,310,510	82.19%	5,577,578	8,814,790	63.28%
2010	26,367,785	31,865,129	82.75%	5,497,344	8,499,522	64.68%
2011	24,514,832	31,263,056	78.41%	6,748,224	8,570,892	78.73%
2012	26,029,927	32,328,336	80.52%	6,298,409	8,698,335	72.41%
2013	27,400,560	32,470,941	84.38%	5,070,381	8,971,450	56.52%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 687,857	\$ 687,857	100.00%
2009	702,539	702,539	100.00%
2010	745,408	956,196	77.96%
2011	827,091	1,022,507	80.89%
2012	923,763	1,044,670	88.43%
2013	1,048,451	1,147,192	91.39%

VILLAGE OF WILMETTE, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 December 31, 2013

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded Actuarial Liability (Overfunded) (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2008	\$ 30,449,896	\$ 43,578,850	69.87%	\$ 13,128,954	\$ 3,768,350	348.40%
2009	31,057,872	46,081,936	67.40%	15,024,064	3,835,524	391.71%
2010	31,937,125	48,562,989	65.76%	16,625,864	3,945,408	421.40%
2011	34,263,949	51,377,545	66.69%	17,113,596	4,038,326	423.78%
2012	36,626,142	54,342,889	67.40%	17,716,747	4,079,924	434.24%
2013	39,539,190	56,400,194	70.10%	16,861,004	4,118,388	409.41%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 1,112,000	\$ 1,314,149	84.62%
2009	1,300,000	1,535,884	84.64%
2010	1,540,900	1,701,843	90.54%
2011	1,752,700	1,752,679	100.00%
2012	1,843,600	1,843,516	100.00%
2013	1,800,000	1,799,814	100.01%

- I. At 12/31/07 the Village changed the actuarial assumptions for retirement rates and mortality. These changes increased the Unfunded Accrued Actuarial Liability by \$2,728,111.
- II. At 12/31/10 the Village changes the actuarial assumption for interest rate of return from 7.40% to 7.35%. This change increased the Unfunded Accrued Actuarial Liability by \$334,981.
- III. At 12/31/11 the Village changes the actuarial assumption for interest rate of return from 7.35% to 7.30%. This change increased the Unfunded Accrued Actuarial Liability by \$349,774.
- IV. At 12/31/12 the Village changes the actuarial assumption for interest rate of return from 7.30% to 7.25% and updated the assumptions for mortality, retirement rates, terminations and spousal age. These changes increased the Unfunded Accrued Actuarial Liability by \$664,563.

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
December 31, 2013**

Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded Actuarial (Overfunded) Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2008	\$ 30,969,840	\$ 47,209,466	65.60%	\$ 16,239,626	\$ 3,767,777	431.01%
2009	31,700,500	49,748,319	63.72%	18,047,819	3,928,010	459.46%
2010	32,553,522	53,786,181	60.52%	21,232,659	4,143,165	512.47%
2011	34,989,002	57,149,163	61.22%	22,160,161	4,107,555	539.50%
2012	37,377,777	59,860,901	62.44%	22,483,124	4,208,146	534.28%
2013	40,126,135	61,553,823	65.19%	21,427,688	4,206,186	509.43%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 1,394,000	\$ 1,601,398	87.05%
2009	1,620,000	1,833,191	88.37%
2010	1,880,700	2,018,698	93.16%
2011	2,152,600	2,152,570	100.00%
2012	2,217,700	2,217,611	100.00%
2013	2,211,300	2,189,397	101.00%

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

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

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

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

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Required Supplementary Information
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Revenues		
Taxes	\$ 22,084,200	22,452,980
Licenses, Permits and Fees	3,567,900	4,167,041
Intergovernmental	301,150	251,035
Charges for Services	3,043,535	3,137,432
Fines and Forfeitures	363,700	358,283
Investment Earnings	15,175	245,303
Miscellaneous	1,158,900	1,180,074
Total Revenues	30,534,560	31,792,148
Expenditures		
General Government	3,497,570	3,267,339
Public Safety	18,966,470	18,691,624
Streets and Sanitation	6,155,615	5,905,510
Other Public Works	2,567,460	2,382,792
Public Health	246,800	235,339
Community Development	1,281,168	1,280,804
Debt Service		
Principal Retirement	12,500	12,500
Total Expenditures	32,727,583	31,775,908
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,193,023)	16,240
Other Financing Sources		
Transfers In	1,250,000	1,250,000
Net Change in Fund Balance	(943,023)	1,266,240
Fund Balance - Beginning		6,765,970
Fund Balance - Ending		8,032,210

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

GENERAL FUND

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

SPECIAL REVENUE FUND

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

Motor Fuel Tax Fund

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

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

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

Series 2007, 2009, 2010 and 2013 General Obligation Bonds Fund

The Series 2007, 2009, 2010 and 2013 General Obligation Bonds Fund is used to account for revenue and expenditures for road resurfacing, alley and other infrastructure improvements, Public Works facility improvements and large equipment replacements.

ENTERPRISE FUNDS

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

Water Fund

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

Sewer Fund

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

Parking Meter Fund

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

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Municipal Garage Fund

The Municipal Garage Fund is used to account for the activity necessary to operate and maintain the Village's automotive fleet. User departments are charged a proportionate share determined by the number and types of vehicles in each department

Employee Insurance Fund

The Employee Insurance Fund is used to for account employer provided health and life insurance, employer flexible benefit contributions, and unemployment compensation. User departments are charged the expense incurred on behalf of their employees.

INTERNAL SERVICE FUNDS – Continued

Workers' Compensation Fund

The Workers' Compensation Fund is used to account for employer workers' compensation expense. User departments are charged a proportionate share of this expense determined by the employees in each department.

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for employer Social Security and Medicare contributions as well as employer pension contributions to the Illinois Municipal Retirement Fund (the statewide pension plan for the Village's full-time employees other than sworn police and fire personnel.) User departments are charged a proportionate share of this expense determined by the employees in each department.

Section 105 Sick Leave Fund

The Section 105 Sick Leave Fund is used to account for employer Section 105 sick leave expense. User departments are charged a proportionate share of this expense determined by the employees in each department.

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

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

Firefighters' Pension Fund

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

AGENCY FUND

Fire Insurance Tax Fund

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

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Taxes		
Property Taxes	\$ 11,696,000	11,585,741
Municipal Sales Tax	3,353,000	3,442,043
Municipal Sales Tax - Home Rule	525,800	522,842
State Income Tax	2,367,100	2,580,859
Real Estate Transfer Tax	865,000	1,081,380
Utility Tax	2,540,000	2,481,566
E-911 Surcharge	250,000	230,806
Wireless 911 Tax	157,000	183,226
Personal Property Replacement Tax	240,300	256,932
Fuel Use Tax	90,000	87,585
Total Taxes	22,084,200	22,452,980
Licenses, Permits and Fees		
Licenses		
Animal	1,500	1,225
Business	241,000	249,720
Vehicle	1,350,000	1,361,817
Taxi	19,100	18,100
Liquor Licenses	55,000	77,105
Permits		
Building	1,350,700	1,655,527
Demolition	26,700	79,857
Electric	46,000	85,924
Plumbing	38,600	56,631
Right-of Way	20,400	22,664
Other	78,900	120,207
Fees		
Plan Review	62,100	80,254
Pavement Degradation Fee	21,400	51,371
Inspections	212,700	270,527
Filing	24,600	25,927
Permit Penalties	19,200	10,185
Total Licenses, Permits, and Fees	3,567,900	4,167,041

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Intergovernmental		
Police Grants	\$ 35,000	18,793
Fire Grants	10,000	16,581
State Grant - Skokie / Hibbard Improvements	-	93,898
County Grant - Wilmette Ave. Pedestrian Signal	-	27,898
Elmwood Avenue Right-of-way Grants	200,000	-
Village Hall Boiler Replacement Grant	-	33,000
Village Buildings - Lighting Improvements Grant	56,150	60,865
Total Intergovernmental	301,150	251,035
Charges for Services		
Refuse Collection Charges	2,244,100	2,264,787
Refuse Collection Charges - unbilled	-	3,000
Sales of Yard Waste Bags	105,000	90,556
Ambulance Transport Charges	405,400	464,170
Fire Alarms	16,000	4,110
Burglar Alarms	10,000	54,554
Elevator Inspections	13,000	9,386
Sanitarian Services	61,600	63,860
Computer Aided Dispatch Services	500	1,507
Damage to Village Property	30,000	32,380
Shore Line Place Services	21,000	20,327
Fairfield Court Services	55,000	60,375
French Market Services	1,875	2,100
Engineering & Consulting Reimbursements	-	5,811
Park District Personnel Reimbursements	58,000	42,908
School & Park District Ethernet Reimbursements	6,560	6,564
Other Police Service Charges	300	850
Health Department Charges	13,200	7,878
Other Professional Services Reimbursements	-	2,309
Atrium Unit Closing Fees	2,000	-
Total Charges for Services	3,043,535	3,137,432

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Fines and Forfeitures		
Court Fines	\$ 90,000	82,029
Vehicle License and Parking	270,000	272,082
Animal and Impounding Fees	3,700	4,172
Total Fines and Forfeitures	<u>363,700</u>	<u>358,283</u>
Investment Earnings		
Interest	15,175	18,689
I.R.M.A. Excess Surplus Investment Earnings	-	226,614
Total Investment Earnings	<u>15,175</u>	<u>245,303</u>
Miscellaneous		
Rental Income		
Wilmette Park District	54,413	53,321
Cellular Antennae Leases	325,000	325,518
Depot Nuevo	48,887	48,887
1225 Central	38,000	37,400
3545 Lake Avenue	2,400	2,400
Sale of General Capital Assets	30,000	-
Cable TV Franchise Fees	508,000	532,211
Commercial Waste Collection Franchise Fees	86,700	85,718
Interest Payments from Property Tax Collections	2,500	356
Other	21,000	23,685
Contributions for Affordable Housing	20,000	20,000
Donations	-	1,000
Police Seizures	-	23,035
Section 125 Plan Liability Write-offs	-	(1,009)
Housing Assistance Program Lien Collections	-	3,058
Contribution from Wilmette Historical Society	22,000	24,494
Total Miscellaneous	<u>1,158,900</u>	<u>1,180,074</u>
Total Revenues	<u>30,534,560</u>	<u>31,792,148</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
General Government		
Legislative		
Memberships	\$ 17,365	16,700
Annual Audit	10,700	11,639
Incidentals	2,000	1,376
Total Legislative	30,065	29,715
General Administration		
Salaries - Regular	412,450	358,586
Salaries - Overtime	300	-
Employee Benefits	132,190	125,126
Memberships	4,210	4,435
Professional Services	4,810	4,171
Community Notification System	5,000	3,981
Lease/Purchase - Copier	8,650	7,700
Pre-employment Exams	3,000	4,100
Maintenance of Office Equipment	100	-
Office Supplies	3,000	2,236
Incidentals	1,500	1,397
Training	4,920	4,888
Personnel Training	500	-
Employee Recognition Program	8,800	6,916
Newsletters	13,000	13,455
Publishing Legal Notices	4,000	1,120
Classified Advertisements	1,000	3,719
Total General Administration	607,430	541,830

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
General Government - Continued		
Information Services		
Salaries - Regular	\$ 241,725	239,502
Employee Benefits	84,180	82,154
Memberships	250	250
Professional Services	3,500	3,626
Contractual Hardware Support	7,380	4,471
Contractual Software Support	109,045	110,986
PC Software Subscription	33,500	34,583
Contractual Internet Expenditures	4,000	4,143
Computer Communications	23,000	22,422
Computer Parts	9,000	10,116
Computer Software	2,000	1,328
Office Supplies	500	504
Automotive	4,800	5,020
Incidentals	200	215
Training	3,925	3,525
Office Furniture and Equipment	29,200	28,980
Total Information Services	556,205	551,825
Finance Department		
Salaries - Regular	587,650	628,670
Salaries - Overtime	2,000	-
Employee Benefits	194,900	191,056
Memberships	1,500	1,325
Professional Services	27,000	32,910
Lease/Purchase - Copier	16,000	14,277
Bank Charges	20,500	20,701
Postage - General Office	35,000	29,991
Contractual Services	9,300	8,936
Maintenance of Office Equipment	1,400	2,736
Telephone - Office Service	24,000	27,329
Telephone - Maintenance	5,000	6,119

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
General Government - Continued		
Finance Department - Continued		
Telephone - Cellular Service	\$ 19,000	19,059
Telephone - Long Distance	200	91
Office Supplies	17,500	10,614
Supplies Other than Office	8,500	8,666
Incidentals	-	35
Training	500	552
Publishing Legal Notices	2,000	1,474
Total Finance Department	971,950	1,004,541
Law Department		
Memberships	1,260	1,312
Code Revision service	4,000	3,146
Special Attorney Fees	50,000	142,685
On-line Legal Research Services	4,750	2,616
Contractual Corporation Counsel Services	198,000	198,162
Supplies - Legal	1,000	645
Incidentals	150	-
Litigation Costs	5,000	5,175
Total Law Department	264,160	353,741
Boards and Commissions		
Incidentals	500	28
Housing Commission	48,000	46,463
Historic Preservation Commission	1,600	985
Human Relations Commission	23,200	21,518
Bicycle Task Force	2,000	1,700
Total Boards and Commissions	75,300	70,694

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
General Government - Continued		
Historical Museum		
Salaries - Regular	\$ 108,975	113,810
Employee Benefits	21,155	24,098
Total Historical Museum	130,130	137,908
Cable Programming Services		
Salaries - Regular	86,225	79,290
Salaries - Other	1,560	1,335
Employee Benefits	31,910	29,595
Memberships	175	185
Contractual Website Services	3,000	3,960
Maintenance - Office Equipment	1,500	962
Hi-Speed Ethernet Service	15,120	13,977
Supplies - Office	450	72
Supplies - Video	3,190	1,644
Incidentals	400	10
Training	600	-
Office Space Rent	13,200	11,878
Total Cable Programming Services	157,330	142,908
Insurance		
General Liability and Property Insurance		
Fixed Premiums	175,000	173,765
Village Use of IRMA Excess Surplus Reserve	-	111,914
Deductible Payments	30,000	16,541
Total Insurance	205,000	302,220
Contingencies		
Regular	400,000	-
Skokie / Hibbard Intersection Improvements	-	93,898
Wilmette Avenue Pedestrian Signal	-	27,898
Atrium Condo Resales	100,000	10,161
Total Contingencies	500,000	131,957
Total General Government	3,497,570	3,267,339

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Public Safety		
Fire and Police Commission		
Salaries - Regular	\$ 33,825	36,289
Employee Benefits	15,010	13,857
Professional Services	31,000	28,894
Total Fire and Police Commission	<u>79,835</u>	<u>79,040</u>
Police		
General Operations		
Salaries - Regular	4,328,175	4,350,279
Salaries - Overtime	280,900	342,119
Salaries - Overtime - Grant Funded	21,900	9,347
Employee Benefits	2,809,110	2,643,537
Memberships	825	905
Physical Exams	15,000	6,061
Contractual Services	-	5,309
Contractual Animal Observation	15,500	17,427
Maintenance - Equipment	17,075	15,078
Maintenance - Radios	32,950	11,838
Uniforms	36,400	29,483
Range Supplies	6,500	6,444
Supplies Other than Office	9,650	13,609
Community Relations Materials	2,000	1,733
Automotive	286,000	297,490
Incidentals	6,000	5,730
Training	21,250	17,748
Police Seizure Expense	-	7,705
Crime Lab Contributions	38,200	38,117
NIPAS Contribution	8,670	5,583
Major Crimes Task Force	4,100	4,100
NIPSTA Contribution	8,140	7,304
Motor Equipment	30,000	29,996
Total General Operations	<u>7,978,345</u>	<u>7,866,942</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
General Services		
Salaries - Regular	\$ 480,550	480,122
Salaries - Overtime	300	1,409
Employee Benefits	140,940	189,685
Memberships	510	345
Professional Services	14,950	11,395
Lease/Purchase - Copier	6,100	7,011
Maintenance - Office Equipment	500	135
Reaccreditation Fees	7,000	915
L.E.A.D.S./P.I.M.S. Program	3,600	3,000
Professional Services - Police Grant Work	12,000	-
Towing - Contractual	1,800	-
Computer Communications	3,450	2,891
Uniforms	300	-
Office Supplies	8,000	8,960
Supplies Other than Office	2,000	1,062
Incidentals	300	70
Training	1,200	432
Care of Prisoners	1,000	1,471
Total General Services	684,500	708,903
Public Safety Communications		
Salaries - Regular	668,850	644,926
Salaries - Overtime	62,400	59,946
Employee Benefits	248,125	238,368
Memberships	155	157
Contractual Regional Fire Dispatch	191,300	189,681
Contractual Software Support - C.A.D.	62,825	49,522
Maintenance - Office Equipment	300	324

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Public Safety - Continued		
Police - Continued		
Public Safety Communications - Continued		
Maintenance - E-911 System	\$ 60,580	34,428
Maintenance - NORCOM Network	63,430	68,263
IWIN Program	9,000	8,451
Computer Communications	9,000	8,254
Uniforms	3,000	2,627
Incidentals	200	-
Training	1,500	2,299
Total Public Safety Communications	1,380,665	1,307,246
School Crossing Protection		
Salaries - Regular	217,100	222,601
Employee Benefits	20,355	20,575
Uniforms	500	510
Supplies Other than Office	1,000	573
Total School Crossing Protection	238,955	244,259
Total Police	10,282,465	10,127,350
Emergency Fire and Medical Services		
Salaries - Regular	4,494,675	4,403,862
Salaries - Overtime	265,200	362,942
Salaries - Off-Duty Response	20,800	13,766
Employee Benefits	3,269,335	3,142,756
Memberships	3,385	2,688
Professional Services	2,500	843
Lease/Purchase - Copier	5,000	4,206
Physical Exams	15,410	14,585
Maintenance - Equipment	6,650	2,334
Maintenance - Radios	4,850	3,381
Maintenance - Breathing Equipment	5,500	5,816

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Public Safety - Continued		
Emergency Fire and Medical Services - Continued		
Maintenance - Telemetry Equipment	\$ 750	584
Maintenance - Special Rescue Equipment	8,350	5,889
Reaccreditation Fees	1,500	1,130
Computer Communications	20,000	20,372
Uniforms	23,300	22,603
Protective Clothing	21,000	24,598
Supplies - Fire Hose	9,500	9,179
Supplies - Medical	9,450	11,939
Supplies - Emergency Equipment	2,750	2,561
Supplies - Office	3,000	2,863
Supplies - Other than Office	7,950	7,443
Materials - Public Education Programming	4,500	3,619
Automotive	130,200	135,370
Incidentals	750	992
Training	38,150	49,091
NIPSTA Contribution	8,325	7,470
MABAS Contribution	5,500	5,275
Rent - Commonwealth Edison	1,500	1,500
Motor Equipment	-	2,958
Office Furniture & Equipment	15,000	14,133
Other Equipment	5,000	4,096
Total Emergency Fire and Medical Services	<u>8,409,780</u>	<u>8,290,844</u>
 Total Public Safety	 18,772,080	 18,497,234
 NonGAAP Activity		
Plus Prior Year Encumbrances	<u>194,390</u>	<u>194,390</u>
 Total Public Safety	 <u>18,966,470</u>	 <u>18,691,624</u>

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Streets and Sanitation		
Streets Department		
Salaries - Regular	\$ 986,825	863,735
Salaries - Overtime	78,750	74,526
Employee Benefits	380,485	325,727
Memberships	1,400	1,525
Professional Services	550	-
Lease/Purchase - Copier	5,000	4,537
Contractual Services	65,900	27,333
Contractual Snow Removal	73,110	57,495
Maintenance - Office Equipment	475	-
J.U.L.I.E. Expenditures	4,800	4,766
Landscaping and Maintenance of Public Right of Way	28,205	24,362
Lease Leaf Packers	106,940	106,326
Leaf Disposal	93,275	118,815
Pager Rental	1,550	1,602
Uniforms	5,800	5,399
Supplies - Miscellaneous Tools and Equipment	3,800	3,800
Supplies - Office	3,800	3,312
Supplies - Other than Office	1,000	773
Materials - Traffic Signs	15,700	15,593
Materials - Salt	133,455	196,478
Materials - Street Repair and Landscaping	27,000	26,664
Automotive	519,600	540,432
Incidentals	1,000	557
Training	4,745	2,104
NIPSTA Contribution	1,500	1,500
Other Equipment	115,000	57,749
Total Streets Department	2,659,665	2,465,110

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Refuse Collection and Disposal		
Contractual Refuse Collection	\$ 960,755	1,003,725
Recycling Collection	744,530	741,854
Landfill Tipping Fees	493,500	493,032
Contractual Yard Waste Collection	203,530	203,490
Yard Waste Disposal	35,000	21,550
Yard Waste Supplies	2,550	1,998
Promotional and Educational	600	-
Total Refuse Collection and Disposal	2,440,465	2,465,649
Maintenance of Trees		
Salaries - Regular	247,625	260,060
Salaries - Overtime	7,550	3,075
Employee Benefits	108,000	111,102
Contractual Services	2,000	21
Tree Planting Program	20,000	11,030
Contractual Tree Pruning	173,280	116,670
Emerald Ash Borer - Tree Removals	100,000	100,000
Uniforms	1,100	768
Materials	2,000	1,988
Automotive	54,900	57,060
Training	1,100	844
Total Maintenance of Trees	717,555	662,618
Street Lighting		
Salaries - Regular	93,525	109,177
Salaries - Overtime	5,500	4,347
Employee Benefits	42,180	47,320
Contractual Services	4,100	3,693
Maintenance & Disposal of Transformers	700	596

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Streets and Sanitation - Continued		
Street Lighting - Continued		
Uniforms	\$ 1,380	1,283
Street Light Pole Painting	12,500	-
Supplies	22,675	23,160
Supplies - Light Poles and Parts	25,000	25,551
Commonwealth Edison Leased Lighting	21,000	18,659
Street Light Power - Village System	75,000	78,773
Automotive	34,000	35,350
Training	370	40
Total Street Lighting	337,930	347,949
Total Streets and Sanitation	6,155,615	5,941,326
NonGAAP Activity		
Less Current Year Encumbrances	-	(35,816)
Total Streets and Sanitation	6,155,615	5,905,510
Other Public Works		
Village Engineer		
Salaries - Regular	420,200	406,064
Salaries - Overtime	500	-
Employee Benefits	155,340	150,987
Memberships	1,410	1,252
Professional Services	59,130	94,264
Maintenance - Office Equipment	2,500	627
Maintenance - Traffic Signals	44,100	52,670
Sidewalk Replacement Program	75,000	71,310
Curb Replacement Program	35,000	20,000
Pavement Marking Program	20,000	19,393
Brick Street Maintenance	40,000	40,000
Crack Sealing Program	10,000	9,999
Street Resurfacing Program	602,000	581,349
Elmwood Ave. Right-of-way Improvements	200,000	-

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Other Public Works - Continued		
Village Engineer - Continued		
Supplies - Office	\$ 1,000	1,107
Supplies - Other than Office	2,300	1,337
Automotive	20,700	21,550
Incidentals	1,500	3,620
Training	2,000	1,335
Total Village Engineer	1,692,680	1,476,864
Building and Grounds		
Salaries - Regular	215,800	206,433
Salaries - Overtime	9,100	8,491
Employee Benefits	73,980	72,584
Memberships	400	234
Contractual Services	106,510	72,163
Contractual Custodial Services	63,420	61,427
Heating and Cooling System Repairs	48,000	79,609
Uniforms	1,000	900
Supplies - Building	38,700	46,020
Supplies - Grounds	2,500	2,184
Supplies - Printing	6,000	6,143
Building and Furniture Repairs	40,500	48,565
Heating - Gas	30,000	43,907
Automotive	13,300	13,790
Training	250	-
Building Improvements	225,320	246,107
Total Building and Grounds	874,780	908,557
Total Other Public Works	2,567,460	2,385,421
NonGAAP Activity		
Less Current Year Encumbrances	-	(2,629)
Total Other Public Works	2,567,460	2,382,792

VILLAGE OF WILMETTE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Public Health		
Salaries - Regular	\$ 162,500	162,504
Employee Benefits	59,220	58,164
Memberships	380	370
Lab Services - Contractual	1,300	1,315
Maintenance - Office Equipment	200	15
Supplies - Laboratory	13,500	4,086
Supplies - Office	300	190
Automotive	6,500	6,740
Incidentals	700	436
Training	1,000	499
C.P.R. Program	1,200	1,020
	<hr/>	<hr/>
Total Public Health	246,800	235,339
Community Development		
Community Development		
Salaries - Regular	718,425	730,160
Salaries - Overtime	500	867
Employee Benefits	238,985	232,694
Memberships	2,935	2,985
Professional Services	4,550	4,400
Zoning Ordinance Review	11,000	520
Digital Records Conversion	3,000	3,000
Contractual Planning & Inspection Services	52,000	83,606
Contractual Planning & Inspection Services - Non-Operating	50,000	1,817
Contractual Elevator Inspection Services	8,000	9,345
Maintenance - Office Equipment	1,000	701
Supplies - Office	2,500	2,686
Supplies - Other than Office	1,700	511
Automotive	45,600	47,420
Incidentals	400	237
Training	1,600	850
Publishing Legal Notices	7,000	1,553
	<hr/>	<hr/>
Total Community Development	1,149,195	1,123,352

VILLAGE OF WILMETTE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Community Development - Continued		
Business Development		
Salaries - Regular	\$ 47,725	47,803
Employee Benefits	15,785	15,103
Memberships	875	1,375
Business Promotion Activities	60,625	53,690
Incidentals	500	292
Land Held for Resale - Holding Costs	-	32,726
Total Business Development	<u>125,510</u>	<u>150,989</u>
Total Community Development	1,274,705	1,274,341
Plus NonGAAP Activity		
Plus Prior Year Encumbrances	<u>6,463</u>	<u>6,463</u>
Total Community Development	<u><u>1,281,168</u></u>	<u><u>1,280,804</u></u>
Debt Service		
Fire Truck Loan Principal Retirement	<u>12,500</u>	<u>12,500</u>
Total Debt Service	<u><u>12,500</u></u>	<u><u>12,500</u></u>
Total Expenditures	<u><u>32,727,583</u></u>	<u><u>31,775,908</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Revenues		
Taxes		
Property Taxes	\$ 3,232,000	3,196,826
Expenditures		
Debt Service		
Principal Retirement	2,015,000	2,015,000
Interest and Fiscal Charges	1,267,600	1,267,591
Total Expenditures	3,282,600	3,282,591
Net Change in Fund Balance	<u>(50,600)</u>	(85,765)
Fund Balance - Beginning		<u>167,376</u>
Fund Balance - Ending		<u>81,611</u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2007, 2009, 2010 and 2013 General Obligation Bonds - Capital Projects Fund

Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Revenues		
Investment Earnings	\$ -	1,695
Expenditures		
Capital Outlay	1,012,216	884,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,012,216)	(882,452)
Other Financing Sources		
Debt Issuance	1,000,000	1,000,000
Net Change in Fund Balances	<u>(12,216)</u>	117,548
Fund Balances - Beginning		<u>437,095</u>
Fund Balances - Ending		<u>554,643</u>

VILLAGE OF WILMETTE, ILLINOIS

Series 2007, 2009, 2010 and 2013 General Obligation Bonds - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Capital Outlay		
Alley Improvements Program	\$ 1,000,000	870,666
Police 911 System Replacement	-	1,265
Total Capital Outlay	1,000,000	871,931
NonGAAP Activity		
Plus Prior Year Encumbrances	12,216	12,216
Total Expenditures	1,012,216	884,147

VILLAGE OF WILMETTE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Original and Final Budget	Actual
Revenues		
Intergovernmental		
Motor Fuel Tax Allotments	\$ 680,000	782,835
Investment Earnings	4,500	3,616
Total Revenues	<u>684,500</u>	<u>786,451</u>
Expenditures		
Capital Outlay		
Road Resurfacing Improvements	<u>800,000</u>	<u>792,405</u>
Net Change in Fund Balance	<u>(115,500)</u>	(5,954)
Fund Balance - Beginning		<u>502,185</u>
Fund Balance - Ending		<u><u>496,231</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Water Sales		
Residential	\$ 3,028,000	3,086,747
Unbilled Water Sales	-	58,000
Village of Glenview	3,489,200	3,532,765
Illinois American Water Company	981,700	918,030
Other Water Sales	-	11,130
Other	100,000	199,902
Total Operating Revenues	<u>7,598,900</u>	<u>7,806,574</u>
Operating Expenses		
Administration		
General	154,950	151,922
Administrative	527,090	519,290
Operations		
Water Plant Operations	2,590,305	2,398,806
Distribution	1,026,940	1,036,794
Meter and Reservoir Maintenance	264,510	305,204
Interconnection Study	-	2,486
Depreciation	-	1,089,262
Total Operating Expenses	<u>4,563,795</u>	<u>5,503,764</u>
Operating Income	<u>3,035,105</u>	<u>2,302,810</u>
Nonoperating Revenues (Expenses)		
Investment Earnings	15,000	21,359
Interest Expense	(648,150)	(647,158)
	<u>(633,150)</u>	<u>(625,799)</u>
Income Before Capital Contributions and Transfers	<u>2,401,955</u>	<u>1,677,011</u>
Capital Contributions	-	94,793
Transfers Out	(1,250,000)	(1,250,000)
	<u>(1,250,000)</u>	<u>(1,155,207)</u>
Change in Net Position	<u>1,151,955</u>	521,804
Net Position - Beginning		<u>16,025,697</u>
Net Position - Ending		<u>16,547,501</u>

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Administration		
General		
Salaries - Regular	\$ 65,325	69,825
Salaries - Overtime	500	-
Employee Benefits	27,075	22,163
Annual Audit	14,000	14,000
Bank Charges	19,000	18,241
Postage	22,350	22,556
Supplies - Office - Administrative	4,000	3,185
Supplies - Office - Water Plant	2,100	1,952
Incidentals	100	-
Training	500	-
Total General	154,950	151,922
Administrative		
Salaries - Regular	290,700	285,128
Employee Benefits	99,140	92,492
Memberships	2,500	2,290
Contractual Grounds Maintenance	1,700	-
Telephone - Regular Service	17,350	23,195
Telephone - Maintenance	1,500	1,450
Telephone - Cellular	6,000	6,357
Supplies - Building	8,000	7,253
Building Furniture and Repairs	6,400	7,168
Training	3,600	3,757
General Liability and Property Insurance	90,200	90,200
Total Administrative	527,090	519,290

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operations		
Water Plant Operations		
Salaries - Regular	\$ 1,142,100	1,128,640
Salaries - Accrued Vacation	-	(5,600)
Salaries - Overtime	31,550	20,595
Employee Benefits	470,055	454,091
Professional Services - SCADA System Maintenance	2,000	864
Contractual Services	21,300	18,013
Maintenance of Equipment	34,500	39,184
Video Communications	-	456
Uniforms	5,000	4,685
Supplies	29,000	25,710
Supplies - Computer Parts	1,000	482
Supplies - Laboratory	11,000	10,741
Equipment Repairs	32,000	27,220
Power	400,000	307,962
Heating Gas	55,000	31,359
Chemicals	172,000	166,444
Automotive	22,800	23,750
Incidentals	1,000	611
Water Reclamation District User Charges	100,000	93,764
Park District Lab Testing Supplies	-	18,762
Wetwell #2 Clean Out	60,000	31,073
Pumping Improvements	68,000	61,128
	2,658,305	2,459,934
Less Nonoperating Items		
Capital Outlay	(68,000)	(61,128)
Total Water Plant Operations	2,590,305	2,398,806

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operations - Continued		
Distribution		
Salaries - Regular	\$ 438,700	444,665
Salaries - Accrued Vacation	-	16,200
Salaries - Overtime	32,325	34,896
Employee Benefits	199,765	201,477
Contractual Services	131,845	114,317
Maintenance - Distribution System	11,000	11,475
Uniforms	4,630	2,891
Supplies - Miscellaneous Tools and Equipment	4,300	1,622
Materials	63,600	71,570
Automotive	110,500	114,960
Incidentals	200	104
Training	3,575	2,622
Fire Hydrant Painting	6,500	-
Replacement Fire Hydrants	20,000	19,995
Motor Equipment	62,500	94,793
Other Equipment	-	16,995
Distribution Improvements	562,000	545,567
	<u>1,651,440</u>	<u>1,694,149</u>
Less Nonoperating Items		
Capital Outlay	(624,500)	(657,355)
Total Distribution	<u>1,026,940</u>	<u>1,036,794</u>
Meter and Reservoir Maintenance		
Salaries - Regular	116,600	120,289
Salaries - Overtime	600	25
Employee Benefits	52,110	52,821
Contractual Services	9,000	13,137
Maintenance - Reservoir/Pumping Station	3,500	3,704
Uniforms	700	701
Supplies	2,300	1,566
Supplies - Reservoir	3,000	1,949
Water Meters - Cost of Sales	20,000	39,154

VILLAGE OF WILMETTE, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operations - Continued		
Meter and Reservoir Maintenance - Continued		
Water Meters - Repair Parts	\$ 1,000	2,652
Water Meter Replacement Program	33,000	45,936
Automotive	22,400	23,270
Training	300	-
Water Reservoir Improvements	16,000	7,450
	<u>280,510</u>	<u>312,654</u>
Less Nonoperating Items		
Capital Outlay	(16,000)	(7,450)
Total Meter and Reservoir Maintenance	<u>264,510</u>	<u>305,204</u>
Capital Outlay		
High Lift Pump Conversion	100,000	18,882
Interconnection Study	-	2,486
SCADA Software Upgrade	-	45,195
Building Renovations and Piping Improvements	120,000	-
Filter Valve Improvements	344,000	331,302
	<u>564,000</u>	<u>397,865</u>
Less Nonoperating Items		
Capital Outlay	(564,000)	(395,379)
Total Capital Outlay	<u>-</u>	<u>2,486</u>
Debt Service		
Principal Retirement	865,000	865,000
Interest Expense	647,150	645,658
Bond Registrar Fees	1,000	1,500
	<u>1,513,150</u>	<u>1,512,158</u>
Less Nonoperating Items		
Debt Service	(1,513,150)	(1,512,158)
Total Debt Service	<u>-</u>	<u>-</u>
Depreciation	<u>-</u>	<u>1,089,262</u>
Total Operating Expenses	<u>4,563,795</u>	<u>5,503,764</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013**

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Sewer Charges	\$ 4,185,000	4,185,000	4,160,575
Sewer Charges - Unbilled	-	-	84,000
Evanston Relief Sewer Contribution	-	200,000	178,593
Total Operating Revenues	<u>4,185,000</u>	<u>4,385,000</u>	<u>4,423,168</u>
Operating Expenses			
Operations			
Maintenance of Sewers	1,373,420	1,373,420	1,268,552
Storm Water Pumping Station	74,675	74,675	59,485
Capital Outlay	-	-	3,129
Depreciation	-	-	926,472
Total Operating Expenses	<u>1,448,095</u>	<u>1,448,095</u>	<u>2,257,638</u>
Operating Income	<u>2,736,905</u>	<u>2,936,905</u>	<u>2,165,530</u>
Nonoperating Revenues (Expenses)			
Investment Earnings	10,000	10,000	5,757
Bond Issuance Expense	-	-	(48,528)
Interest Expense	(524,969)	(524,969)	(554,315)
	<u>(514,969)</u>	<u>(514,969)</u>	<u>(597,086)</u>
Change in Net Position	<u>2,221,936</u>	<u>2,421,936</u>	1,568,444
Net Position - Beginning			<u>27,355,571</u>
Net Position - Ending			<u>28,924,015</u>

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual
Operations			
Maintenance of Sewers			
Salaries - Regular	\$ 462,150	462,150	468,105
Salaries - Accrued Vacation	-	-	16,200
Salaries - Overtime	9,125	9,125	11,650
Employee Benefits	203,215	203,215	204,505
Contractual Services	126,200	126,200	88,610
Contractual Sewer Maintenance	325,000	325,000	219,796
Flow Monitoring	25,000	25,000	-
N.P.D.E.S. Phase II	6,000	6,000	6,000
Uniforms	4,630	4,630	2,891
Supplies - Miscellaneous Tools and Equipment	4,300	4,300	1,622
Materials	32,775	32,775	38,721
Automotive	110,500	110,500	114,960
Incidentals	200	200	19
Training	1,825	1,825	680
Motor Equipment	62,500	62,500	94,793
Sewer Main Improvements	300,000	300,000	228,179
Relief Sewer Improvements	-	860,000	815,173
Total Maintenance of Sewers	1,673,420	2,533,420	2,311,904
Less Nonoperating Items			
Capital Outlay	(300,000)	(1,160,000)	(1,043,352)
Total Storm Water Pumping Station	1,373,420	1,373,420	1,268,552
Storm Water Pumping Station			
Salaries - Overtime	9,150	9,150	15,590
Employee Benefits	1,925	1,925	3,503
Contractual Services	2,500	2,500	1,321
Maintenance - Equipment	2,400	2,400	2,570
Supplies	1,200	1,200	715
Supplies - Outfall Control	500	500	809
Power	30,000	30,000	30,662

VILLAGE OF WILMETTE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual
Operations - Continued			
Storm Water Pumping Station - Continued			
Heating Gas	\$ 4,000	4,000	4,315
Other Improvements	23,000	23,000	15,495
	<u>74,675</u>	<u>74,675</u>	<u>74,980</u>
Less Nonoperating Items			
Capital Outlay	(23,000)	(23,000)	(15,495)
Total Storm Water Pumping Station	<u>51,675</u>	<u>51,675</u>	<u>59,485</u>
Capital Outlay			
Sewer Lining and Rehabilitation	900,000	900,000	641,190
Relief Sewer Improvements	-	238,000	237,659
Manhole Rehabilitations	1,500,000	1,500,000	233,402
Princeton Place Outfall	457,000	457,000	67,018
Harms Road Pump Station	1,250,000	1,250,000	61,133
Sewer Capacity Improvements	800,000	800,000	378,487
	<u>4,907,000</u>	<u>5,145,000</u>	<u>1,618,889</u>
Less Nonoperating Items			
Capital Outlay	(4,907,000)	(5,145,000)	(1,615,760)
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>3,129</u>
Debt Service			
EPA Loan Proceeds	(900,000)	(900,000)	(581,121)
G.O. Bond Proceeds	(11,700,000)	(11,700,000)	(8,920,000)
Bond Issuance Expense	-	-	48,528
Principal Retirement	1,256,331	1,256,331	1,236,536
Interest Expense	524,969	524,969	554,315
	<u>(10,818,700)</u>	<u>(10,818,700)</u>	<u>(7,661,742)</u>
Less Nonoperating Items			
Debt Service	10,818,700	10,818,700	7,661,742
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation	-	-	926,472
Total Operating Expenses	<u>1,448,095</u>	<u>1,448,095</u>	<u>2,257,638</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Charges for Services		
Parking Fees	\$ 401,795	397,322
Operating Expenses		
Operations		
Central Business District	216,755	202,980
CTA Station	146,075	118,820
Burmeister Parking Facility	15,815	12,664
Depreciation	-	121,861
Total Operating Expenses	378,645	456,325
Change in Net Position	<u>23,150</u>	(59,003)
Net Position - Beginning		<u>4,736,370</u>
Net Position - Ending		<u>4,677,367</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Charges for Services		
Central Business District		
Parking Meter Revenue	\$ 42,700	37,277
Debit Card Revenue	139,000	151,810
Permit Fees	29,930	44,375
METRA Station Rent	2,765	2,765
Total Central Business District	<u>214,395</u>	<u>236,227</u>
CTA Station		
Commuter Daily Drop Box	139,000	114,808
Commuter Permit Fees	17,800	19,360
Merchant Permit Fees	3,400	4,212
Residential Permit Fees	2,200	1,760
Total CTA Station	<u>162,400</u>	<u>140,140</u>
Burmeister Parking Facility		
Permit Fees	<u>25,000</u>	<u>20,955</u>
Total Operating Revenues	<u>401,795</u>	<u>397,322</u>

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operations		
Central Business District		
Salaries - Regular	\$ 72,075	72,427
Salaries - Overtime	2,000	242
Employee Benefits	25,215	26,738
Contractual Services - Railroad Property	19,425	17,768
Contractual Snow Plowing	17,545	8,353
Building Supplies - Railroad Property	315	338
Grounds Supplies - Village Property	4,370	5,322
Grounds Supplies - Railroad Property	2,000	2,000
Building Repairs - Railroad Property	-	48
Power - METRA Station	3,700	4,931
Heating Gas - Railroad Property	2,200	1,459
Lighting	8,000	3,694
Parking Meter Parts - Village Property	400	-
Parking Meter Parts - Railroad Property	6,885	5,238
Rent - Commuter Lot	47,300	49,284
Rent - Poplar Drive Lots	2,250	2,183
Rent - St. Augustine Lot	2,400	2,200
Rent - Masonic Temple Lot	675	755
Total Central Business District	216,755	202,980
CTA Station		
Salaries - Regular	39,100	38,784
Salaries - Overtime	3,400	-
Employee Benefits	14,415	16,355
Bank Charges	2,400	2,590
Contractual Services	2,010	2,006
Contractual Grounds Maintenance	4,000	1,101

VILLAGE OF WILMETTE, ILLINOIS

Parking Meter - Nonmajor Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operations - Continued		
CTA Station - Continued		
Contractual Snow Plowing	\$ 9,950	4,969
Equipment Repairs	-	2,155
Materials	2,800	1,041
Rent - CTA	68,000	49,819
Total CTA Station	<u>146,075</u>	<u>118,820</u>
 Burmeister Parking Facility		
Contractual Services	4,315	3,318
Materials	250	189
Lighting	11,250	9,157
Total Burmeister Parking Facility	<u>15,815</u>	<u>12,664</u>
 Depreciation	<u>-</u>	<u>121,861</u>
 Total Operating Expenses	<u><u>378,645</u></u>	<u><u>456,325</u></u>

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Net Position

Internal Service Funds

December 31, 2013

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

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,065	-	7,940	1,010,614	1,020,619
-	12,321	-	-	12,321
2,065	12,321	7,940	1,010,614	1,032,940
2,065	3,022	7,940	4,773	17,800
-	-	-	12,517	12,517
-	-	-	753,112	753,112
-	9,299	-	-	9,299
2,065	12,321	7,940	770,402	792,728
-	-	-	240,212	240,212

VILLAGE OF WILMETTE, ILLINOIS

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

Internal Service Funds

For the Fiscal Year Ended December 31, 2013

	<u>Municipal Garage</u>
Operating Revenues	
Interfund Services	\$ 1,446,718
Operating Expenses	
Operations	<u>1,446,718</u>
Operating Income (Loss)	-
Nonoperating Revenues	
Investment Earnings	<u>-</u>
Change in Net Position	-
Net Position - Beginning as Restated	<u>-</u>
Net Position - Ending	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,633,124	312,777	1,846,327	217,500	6,456,446
2,633,124	312,777	1,846,327	429,201	6,668,147
-	-	-	(211,701)	(211,701)
-	-	-	3,578	3,578
-	-	-	(208,123)	(208,123)
-	-	-	448,335	448,335
-	-	-	240,212	240,212

VILLAGE OF WILMETTE, ILLINOIS

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended December 31, 2013

	<u>Municipal Garage</u>
Cash Flows from Operating Activities	
Receipts from Interfund Services	\$ 1,446,718
Payments to Employees	(583,892)
Payments to Suppliers	<u>(862,826)</u>
	<u>-</u>
Cash Flows from Investing Activities	
Interest	<u>-</u>
Net Change in Cash and Cash Equivalents	-
Cash and Cash Equivalents - Beginning	<u>-</u>
Cash and Cash Equivalents - Ending	<u><u>-</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>-</u>
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities	
(Increase) Decrease in Current Assets	-
Increase (Decrease) in Current Liabilities	<u>-</u>
Net Cash Provided by Operating Activities	<u><u>-</u></u>

Employee Insurance	Workers' Compensation	Illinois Municipal Retirement	Section 105 Sick Leave	Totals
2,633,124	313,113	1,846,327	217,500	6,456,782
(139,500)	-	-	-	(723,392)
(2,495,951)	(313,113)	(1,857,323)	(164,055)	(5,693,268)
(2,327)	-	(10,996)	53,445	40,122
-	-	-	3,578	3,578
(2,327)	-	(10,996)	57,023	43,700
4,392	-	18,936	953,591	976,919
2,065	-	7,940	1,010,614	1,020,619
-	-	-	(211,701)	(211,701)
-	336	-	-	336
(2,327)	(336)	(10,996)	265,146	251,487
(2,327)	-	(10,996)	53,445	40,122

VILLAGE OF WILMETTE, ILLINOIS

Municipal Garage - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,115,600	1,160,222
Sewer Fund Billings	110,500	114,960
Water Fund Billings	155,700	161,980
Insurance Reimbursements	20,535	9,556
Total Operating Revenues	<u>1,402,335</u>	<u>1,446,718</u>
Operating Expenses		
Operations		
Maintenance		
Regular Salaries	595,325	579,466
Overtime Salaries	2,450	4,426
Employee Benefits	200,880	209,341
Contractual Services	40,000	36,855
Contractual Maintenance - Emergency Vehicles	60,600	114,057
Maintenance - Radios	200	160
Contractual Services - Vehicle Washing	1,170	781
Automobile Insurance and Claims	59,000	59,000
Uniforms	3,500	3,366
Supplies - Automotive Parts	139,000	140,182
Supplies - Auto Shop	15,000	13,738
Supplies - Vehicle Striping and Safety	2,000	784
Gasoline and Oil	271,000	274,148
Mechanics' Tool Allowance	2,690	2,669
Incidentals	175	238
Training	4,100	3,428
Licenses, Titles and Inspection Fees	3,995	3,804
Squad Car Transfer Rehabilitation	1,250	275
Total Operating Expenses	<u>1,402,335</u>	<u>1,446,718</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Employee Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 2,133,231	2,067,584
Municipal Garage Fund Billings	73,739	82,927
Parking Meter Fund Billings	20,114	19,924
Sewer Fund Billings	98,301	98,638
Water Fund Billings	381,035	364,051
Total Operating Revenues	<u>2,706,420</u>	<u>2,633,124</u>
Operating Expenses		
Operations		
Flexible Benefit Program Contributions	140,760	139,500
Employee Health Insurance		
North Suburban Employee Benefit Co-Op	1,271,395	1,241,679
HMO - Illinois	1,224,265	1,204,673
Employee Life Insurance	40,000	37,459
Unemployment Compensation	30,000	6,052
Other Insurance Expense	-	3,761
Total Operating Expenses	<u>2,706,420</u>	<u>2,633,124</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Workers' Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 263,713	238,203
Municipal Garage Fund Billings	10,063	9,310
Parking Meter Fund Billings	2,008	1,800
Sewer Fund Billings	8,139	7,480
Water Fund Billings	36,777	32,930
Insurance Reimbursements	-	23,054
Total Operating Revenues	320,700	312,777
Operating Expenses		
Operations		
Workers' Compensation		
Fixed Premium Portion	278,800	278,800
Payment of Deductibles	41,900	33,977
Total Operating Expenses	320,700	312,777
Change in Net Position	-	-
Net Position - Beginning		-
Net Position - Ending		-

VILLAGE OF WILMETTE, ILLINOIS

Illinois Municipal Retirement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 1,254,642	1,216,970
Municipal Garage Fund Billings	108,503	110,784
Parking Meter Fund Billings	22,480	21,369
Sewer Fund Billings	91,107	95,566
Water Fund Billings	409,938	401,638
Total Operating Revenues	<u>1,886,670</u>	<u>1,846,327</u>
Operating Expenses		
Operations		
Employer IMRF Contributions	1,052,690	1,041,673
Employer FICA Contributions	577,960	553,749
Employer Medicare Contributions	256,020	250,905
Total Operating Expenses	<u>1,886,670</u>	<u>1,846,327</u>
Change in Net Position	<u>-</u>	-
Net Position - Beginning		<u>-</u>
Net Position - Ending		<u>-</u>

VILLAGE OF WILMETTE, ILLINOIS

Section 105 Sick Leave - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Operating Revenues		
Interfund Services		
General Fund Billings	\$ 162,640	180,430
Municipal Garage Fund Billings	5,322	6,320
Sewer Fund Billings	5,378	6,325
Water Fund Billings	21,660	24,425
Total Operating Revenues	<u>195,000</u>	<u>217,500</u>
Operating Expenses		
Administration	136,000	168,740
Operations		
Retiree Medical Reimbursements	-	260,461
Total Operating Expenses	<u>136,000</u>	<u>429,201</u>
Operating Income	59,000	(211,701)
Nonoperating Revenues		
Investment Earnings	<u>9,000</u>	<u>3,578</u>
Change in Net Position	<u>68,000</u>	(208,123)
Net Position - Beginning as Restated		<u>448,335</u>
Net Position - Ending		<u>240,212</u>

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
December 31, 2013**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,983,957	1,729,184	3,713,141
Investments			
U.S. Government and Agency Securities	7,021,361	7,436,592	14,457,953
Mutual Funds	18,842,683	19,406,966	38,249,649
Corporate Bonds	5,216,085	5,217,175	10,433,260
Common Stock	6,621,639	6,676,078	13,297,717
Receivables			
Accrued Interest	108,682	111,510	220,192
Total Assets	39,794,407	40,577,505	80,371,912
LIABILITIES			
Accounts Payable	-	17,541	17,541
NET POSITION			
Held in Trust for Pension Benefits	39,794,407	40,559,964	80,354,371

VILLAGE OF WILMETTE, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2013

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,800,000	2,211,300	4,011,300
Contributions - Plan Members	423,241	398,942	822,183
Total Contributions	2,223,241	2,610,242	4,833,483
Investment Income			
Investment Earnings	3,363,881	3,473,086	6,836,967
Net Change in Fair Value	1,271,011	1,232,539	2,503,550
	4,634,892	4,705,625	9,340,517
Less Investment Expenses	(67,098)	(68,925)	(136,023)
Net Investment Income	4,567,794	4,636,700	9,204,494
Total Additions	6,791,035	7,246,942	14,037,977
Deductions			
Administration	20,490	51,456	71,946
Benefits and Refunds	2,312,871	2,853,021	5,165,892
Total Deductions	2,333,361	2,904,477	5,237,838
Change in Net Position	4,457,674	4,342,465	8,800,139
Net Position Held in Trust for Pension Benefits			
Beginning	35,336,733	36,217,499	71,554,232
Ending	39,794,407	40,559,964	80,354,371

VILLAGE OF WILMETTE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 1,900,300	1,800,000
Contributions - Plan Members	415,000	423,241
Total Contributions	<u>2,315,300</u>	<u>2,223,241</u>
Investment Income		
Investment Earnings	2,300,000	3,363,881
Net Change in Fair Value	-	1,271,011
	<u>2,300,000</u>	<u>4,634,892</u>
Less Investment Expenses	(60,000)	(67,098)
Net Investment Income	<u>2,240,000</u>	<u>4,567,794</u>
Total Additions	<u>4,555,300</u>	<u>6,791,035</u>
Deductions		
Administration	13,000	20,490
Benefits and Refunds	<u>2,530,000</u>	<u>2,312,871</u>
Total Deductions	<u>2,543,000</u>	<u>2,333,361</u>
Change in Net Position	<u>2,012,300</u>	4,457,674
Net Position Held in Trust for Pension Benefits		
Beginning		<u>35,336,733</u>
Ending		<u>39,794,407</u>

VILLAGE OF WILMETTE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2013

	Original and Final Budget	Actual
Additions		
Contributions - Employer	\$ 2,332,200	2,211,300
Contributions - Plan Members	412,000	398,942
Total Contributions	<u>2,744,200</u>	<u>2,610,242</u>
Investment Income		
Investment Earnings	2,400,000	3,473,086
Net Change in Fair Value	-	1,232,539
	<u>2,400,000</u>	<u>4,705,625</u>
Less Investment Expenses	(50,000)	(68,925)
Net Investment Income	<u>2,350,000</u>	<u>4,636,700</u>
Total Additions	<u>5,094,200</u>	<u>7,246,942</u>
Deductions		
Administration	12,000	51,456
Benefits and Refunds	2,850,000	2,853,021
Total Deductions	<u>2,862,000</u>	<u>2,904,477</u>
Change in Net Position	<u>2,232,200</u>	4,342,465
Net Position Held in Trust for Pension Benefits		
Beginning		<u>36,217,499</u>
Ending		<u>40,559,964</u>

VILLAGE OF WILMETTE, ILLINOIS

Agency Fund - Fire Insurance Tax

**Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended December 31, 2013**

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
ASSETS				
Cash and Investments	<u>\$ 629,712</u>	<u>62,926</u>	<u>53,240</u>	<u>639,398</u>
LIABILITIES				
Deposits Payable	<u>629,712</u>	<u>62,926</u>	<u>53,240</u>	<u>639,398</u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2004
December 31, 2013**

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	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
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>6,630,000</u>	<u>834,138</u>	<u>7,464,138</u>
	1,050,000	Debt Service Fund	
	2,280,000	Sewer Fund	
	<u>3,300,000</u>	Water Fund	
	<u>6,630,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2007
December 31, 2013**

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	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 1,235,000	672,556	1,907,556
2015	1,860,000	623,156	2,483,156
2016	2,710,000	546,432	3,256,432
2017	3,475,000	434,644	3,909,644
2018	3,430,000	291,300	3,721,300
2019	1,360,000	149,813	1,509,813
2020	1,205,000	92,013	1,297,013
2021	960,000	40,800	1,000,800
	<u>16,235,000</u>	<u>2,850,714</u>	<u>19,085,714</u>
	8,795,000	Debt Service Fund	
	2,225,000	Sewer Fund	
	<u>5,215,000</u>	Water Fund	
	<u>16,235,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2009
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 950,000	193,492	1,143,492
2015	960,000	172,118	1,132,118
2016	360,000	145,718	505,718
2017	370,000	134,918	504,918
2018	380,000	123,355	503,355
2019	390,000	111,480	501,480
2020	495,000	98,806	593,806
2021	505,000	82,223	587,223
2022	900,000	64,800	964,800
2023	900,000	32,850	932,850
	<u>6,210,000</u>	<u>1,159,760</u>	<u>7,369,760</u>
	1,110,000	Debt Service Fund	
	1,100,000	Sewer Fund	
	<u>4,000,000</u>	Water Fund	
	<u>6,210,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010
December 31, 2013

Date of Issue	November 9, 2010
Date of Maturity	December 1, 2026
Authorized Issue	\$25,895,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ -	839,626	839,626
2015	205,000	839,626	1,044,626
2016	395,000	835,526	1,230,526
2017	190,000	827,626	1,017,626
2018	1,145,000	822,874	1,967,874
2019	3,295,000	788,524	4,083,524
2020	2,670,000	689,674	3,359,674
2021	2,765,000	609,574	3,374,574
2022	3,055,000	526,624	3,581,624
2023	3,245,000	434,974	3,679,974
2024	4,430,000	329,512	4,759,512
2025	3,025,000	180,000	3,205,000
2026	1,475,000	59,000	1,534,000
	<u>25,895,000</u>	<u>7,783,160</u>	<u>33,678,160</u>
	23,280,000	Debt Service Fund	
	1,485,000	Sewer Fund	
	<u>1,130,000</u>	Water Fund	
	<u>25,895,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Refunding Bonds of 2011
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 755,000	320,512	1,075,512
2015	770,000	305,412	1,075,412
2016	945,000	290,012	1,235,012
2017	765,000	271,112	1,036,112
2018	775,000	255,813	1,030,813
2019	955,000	238,375	1,193,375
2020	1,375,000	214,500	1,589,500
2021	2,210,000	173,250	2,383,250
2022	2,305,000	106,950	2,411,950
2023	1,260,000	37,800	1,297,800
	<u>12,115,000</u>	<u>2,213,736</u>	<u>14,328,736</u>
	7,815,000	Sewer Fund	
	<u>4,300,000</u>	Water Fund	
	<u>12,115,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2013
December 31, 2013**

Date of Issue	November 7, 2013
Date of Maturity	December 1, 2037
Authorized Issue	\$9,920,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 55,000	384,290	439,290
2015	60,000	359,172	419,172
2016	60,000	357,972	417,972
2017	60,000	356,772	416,772
2018	65,000	355,572	420,572
2019	65,000	354,272	419,272
2020	165,000	352,972	517,972
2021	165,000	349,674	514,674
2022	170,000	345,960	515,960
2023	170,000	341,710	511,710
2024	570,000	337,460	907,460
2025	575,000	320,360	895,360
2026	575,000	303,110	878,110
2027	580,000	285,286	865,286
2028	585,000	266,726	851,726
2029	500,000	246,250	746,250
2030	500,000	227,500	727,500
2031	500,000	207,500	707,500
2032	500,000	187,500	687,500
2033	500,000	167,500	667,500
2034	500,000	147,500	647,500
2035	1,000,000	127,500	1,127,500
2036	1,000,000	86,000	1,086,000
2037	1,000,000	43,500	1,043,500
	<u>9,920,000</u>	<u>6,512,058</u>	<u>16,432,058</u>
	1,000,000	Debt Service Fund	
	<u>8,920,000</u>	Sewer Fund	
	<u>9,920,000</u>		

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2006
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 20,288	7,560	27,848
2015	20,797	7,050	27,847
2016	21,320	6,527	27,847
2017	21,857	5,990	27,847
2018	22,407	5,441	27,848
2019	22,971	4,877	27,848
2020	23,548	4,299	27,847
2021	24,140	3,707	27,847
2022	24,748	3,100	27,848
2023	25,370	2,477	27,847
2024	26,007	1,839	27,846
2025	26,662	1,184	27,846
2026	27,334	514	27,848
	<u>307,449</u>	<u>54,565</u>	<u>362,014</u>
	<u>307,449</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

IEPA Revenue Bonds of 2007

December 31, 2013

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 29,498	5,480	34,978
2015	30,240	5,140	35,380
2016	31,001	4,792	35,793
2017	31,781	4,434	36,215
2018	32,581	4,068	36,649
2019	33,400	3,693	37,093
2020	34,240	3,307	37,547
2021	35,102	2,912	38,014
2022	35,985	2,508	38,493
2023	36,889	2,093	38,982
2024	37,818	1,668	39,486
2025	38,770	1,232	40,002
2026	39,745	785	40,530
2027	39,904	328	40,232
	486,954	42,440	529,394
	486,954	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2010
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 8,822	-	8,822
2015	8,822	-	8,822
2016	8,822	-	8,822
2017	8,822	-	8,822
2018	8,822	-	8,822
2019	8,822	-	8,822
2020	8,822	-	8,822
2021	8,822	-	8,822
2022	8,822	-	8,822
2023	8,822	-	8,822
2024	8,822	-	8,822
2025	8,822	-	8,822
2026	8,822	-	8,822
2027	8,822	-	8,822
2028	8,822	-	8,822
2029	8,822	-	8,822
2030	4,410	-	4,410
	<u>145,562</u>	<u>-</u>	<u>145,562</u>
	<u>145,562</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2011
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 34,377	8,511	42,888
2015	34,808	8,080	42,888
2016	35,244	7,644	42,888
2017	35,687	7,201	42,888
2018	36,134	6,754	42,888
2019	36,588	6,300	42,888
2020	37,046	5,841	42,887
2021	37,511	5,377	42,888
2022	37,981	4,907	42,888
2023	38,457	4,431	42,888
2024	38,939	3,949	42,888
2025	39,427	3,461	42,888
2026	39,922	2,966	42,888
2027	40,422	2,466	42,888
2028	40,929	1,959	42,888
2029	41,443	1,445	42,888
2030	41,962	926	42,888
2031	42,489	400	42,889
	<u>689,366</u>	<u>82,618</u>	<u>771,984</u>
	<u>689,366</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2012
December 31, 2013**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 30,910	16,504	47,414
2015	31,624	15,791	47,415
2016	32,353	15,061	47,414
2017	33,100	14,314	47,414
2018	33,864	13,550	47,414
2019	34,646	12,768	47,414
2020	35,446	11,969	47,415
2021	36,263	11,151	47,414
2022	37,101	10,314	47,415
2023	37,957	9,457	47,414
2024	38,833	8,581	47,414
2025	39,729	7,685	47,414
2026	40,646	6,768	47,414
2027	41,585	5,829	47,414
2028	42,545	4,870	47,415
2029	43,526	3,888	47,414
2030	44,532	2,884	47,416
2031	45,559	1,856	47,415
2032	46,610	804	47,414
	726,829	174,044	900,873
	726,829	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

**IEPA Revenue Bonds of 2013
December 31, 2013**

Date of Issue	November 26, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$582,886
Denomination of Bonds	Various
Interest Rate	1.930%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 27,822	7,447	35,269
2015	24,675	10,594	35,269
2016	25,154	10,115	35,269
2017	25,642	9,627	35,269
2018	26,138	9,131	35,269
2019	26,645	8,624	35,269
2020	27,162	8,107	35,269
2021	27,688	7,581	35,269
2022	28,226	7,043	35,269
2023	28,773	6,496	35,269
2024	29,332	5,937	35,269
2025	29,900	5,369	35,269
2026	30,480	4,789	35,269
2027	31,070	4,199	35,269
2028	31,673	3,596	35,269
2029	32,288	2,981	35,269
2030	32,913	2,356	35,269
2031	33,552	1,717	35,269
2032	34,203	1,066	35,269
2033	29,550	403	29,953
	<u>582,886</u>	<u>117,178</u>	<u>700,064</u>
	<u>582,886</u>	Sewer Fund	

VILLAGE OF WILMETTE, ILLINOIS

Long-Term Debt Requirements

Installment Contract of 2012

December 31, 2013

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2014	\$ 12,500	-	12,500
2015	12,500	-	12,500
2016	12,500	-	12,500
2017	12,500	-	12,500
2018	12,500	-	12,500
2019	12,500	-	12,500
2020	12,500	-	12,500
2021	12,500	-	12,500
2022	12,500	-	12,500
2023	12,500	-	12,500
2024	12,500	-	12,500
2025	12,500	-	12,500
2026	12,500	-	12,500
2027	12,500	-	12,500
2028	12,500	-	12,500
2029	12,500	-	12,500
2030	12,500	-	12,500
2031	12,500	-	12,500
2032	12,500	-	12,500
	237,500	-	237,500
	237,500	General Fund	

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF WILMETTE, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net Investment in Capital Assets	\$ 7,343,577	8,166,032	8,929,074	10,499,597	11,418,376	14,080,279	13,744,098	14,596,442	14,842,391	15,481,696
Restricted	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806	560,482
Unrestricted	2,621,235	4,423,233	4,928,203	5,845,733	3,855,656	1,755,021	1,893,264	1,790,398	2,197,088	2,961,727
Total Governmental Activities Net Position	11,118,861	13,665,423	14,692,105	16,796,055	16,463,760	16,166,712	16,269,494	16,772,071	17,589,285	19,003,905
Business-Type Activities										
Net Investment in Capital Assets	35,127,266	35,475,772	36,849,485	37,956,144	39,036,902	40,104,715	41,149,679	42,287,795	41,954,891	43,766,118
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,517,047	3,340,497	2,605,420	2,884,158	2,262,176	2,034,508	2,838,742	3,509,342	6,162,747	6,382,765
Total Business-Type Activities Net Position	36,644,313	38,816,269	39,454,905	40,840,302	41,299,078	42,139,223	43,988,421	45,797,137	48,117,638	50,148,883
Total Net Position										
Net Investment in Capital Assets	42,470,843	43,641,804	45,778,559	48,455,741	50,455,278	54,184,994	54,893,777	56,884,237	56,797,282	59,247,814
Restricted	1,154,049	1,076,158	834,828	450,725	1,189,728	331,412	632,132	385,231	549,806	560,482
Unrestricted	4,138,282	7,763,730	7,533,623	8,729,891	6,117,832	3,789,529	4,732,006	5,299,740	8,359,835	9,344,492
Total Primary Government Net Position	47,763,174	52,481,692	54,147,010	57,636,357	57,762,838	58,305,935	60,257,915	62,569,208	65,706,923	69,152,788

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2013 (Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities										
General Government	\$ 3,195,919	3,330,649	3,466,888	3,395,790	3,341,486	3,104,396	3,381,500	3,041,952	3,266,556	3,303,014
Public Safety	12,681,422	13,334,526	13,727,439	15,071,445	16,501,474	16,704,907	17,608,075	17,968,456	18,405,275	18,979,618
Streets and Sanitation	6,408,770	7,460,718	7,445,005	8,270,333	8,413,098	7,764,833	7,907,842	8,522,586	8,353,031	8,740,030
Other Public Works	1,073,884	1,051,838	1,687,224	2,155,904	1,761,734	1,511,453	1,433,367	1,307,135	1,388,357	1,655,627
Community Development	964,234	1,116,566	1,137,139	177,124	170,743	187,546	205,587	225,314	228,675	237,168
Public Health	154,543	160,447	193,970	1,253,997	1,271,890	1,123,256	1,267,254	1,209,544	1,293,984	1,305,083
Interest	1,570,605	1,447,678	1,404,556	1,636,879	1,718,654	1,648,850	1,213,334	1,540,242	1,464,346	1,395,538
Total Governmental Activities Expenses	26,049,377	27,902,422	29,062,221	31,961,472	33,179,079	32,045,241	33,016,959	33,815,229	34,400,224	35,616,078
Business-Type Activities										
Water	5,253,705	5,634,646	5,770,344	6,146,053	6,207,177	6,155,509	5,950,487	6,241,730	6,417,546	6,150,922
Sewer	2,146,754	2,436,380	2,444,549	2,621,682	2,534,169	2,739,463	2,461,249	2,779,748	2,798,432	2,860,481
Parking	417,245	432,340	421,842	442,821	462,824	458,677	459,394	453,310	451,720	456,325
Total Business-Type Activities Net Position	7,817,704	8,503,366	8,636,735	9,210,556	9,204,170	9,353,649	8,871,130	9,474,788	9,667,698	9,467,728
Total Primary Government Expenses	33,867,081	36,405,788	37,698,956	41,172,028	42,383,249	41,398,890	41,888,089	43,290,017	44,067,922	45,083,806
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	234,736	247,917	265,168	288,614	292,394	297,132	368,144	374,785	394,563	416,400
Public Safety	1,430,121	1,533,081	1,572,175	1,993,313	2,131,372	2,147,962	2,245,337	2,181,609	2,245,305	2,307,524
Streets and Sanitation	1,301,785	1,552,340	1,649,677	1,729,235	1,840,135	1,946,202	2,177,599	2,244,027	2,286,245	2,390,723
Other Public Works	25,547	38,000	63,356	121,267	109,484	57,344	65,104	79,657	97,662	146,524
Community Development	1,173,237	1,726,586	1,569,484	1,769,744	1,434,373	1,036,375	58,451	64,193	68,483	71,738
Public Health	11,589	12,558	39,010	32,582	31,266	35,518	1,306,315	1,309,940	1,737,213	2,329,847
Operating Grants/Contributions	881,558	1,330,251	999,520	2,935,791	1,955,443	1,532,053	997,955	1,942,760	963,214	1,033,870
Capital Grants/Contributions	108,160	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenue	5,166,733	6,440,733	6,158,390	8,870,546	7,794,467	7,052,586	7,218,905	8,196,971	7,792,685	8,696,626
Business-Type Activities										
Charges for Services										
Water	5,333,624	6,508,780	5,757,608	6,380,743	6,402,404	6,981,313	7,261,814	7,447,541	8,130,836	7,806,574
Sewer	3,296,414	3,940,993	3,406,059	3,468,473	3,491,359	3,606,066	4,032,632	4,167,069	4,647,206	4,423,168
Parking	256,235	312,782	305,994	308,102	320,670	412,436	404,036	397,304	393,697	397,322
Operating Grants/Contributions	-	-	-	155,024	13,145	119,527	-	293,550	192,168	94,793
Capital Grants/Contributions	426,713	101,377	21,550	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenue	9,312,986	10,863,932	9,491,211	10,312,342	10,227,578	11,119,342	11,698,482	12,305,464	13,363,907	12,721,857
Total Primary Government Program Revenue	14,479,719	17,304,665	15,649,601	19,182,888	18,022,045	18,171,928	18,917,387	20,502,435	21,156,592	21,418,483

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense) Revenue										
Governmental Activities	\$ (20,882,644)	(21,461,689)	(22,903,831)	(23,090,926)	(25,384,612)	(24,992,655)	(25,798,054)	(25,618,258)	(26,607,539)	(26,919,452)
Business-Type Activities	1,495,282	2,360,566	854,476	1,101,786	1,023,408	1,765,693	2,827,352	2,830,676	3,696,209	3,254,129
Total Net Revenue (Expense)	(19,387,362)	(19,101,123)	(22,049,355)	(21,989,140)	(24,361,204)	(23,226,962)	(22,970,702)	(22,787,582)	(22,911,330)	(23,665,323)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	9,418,575	10,190,069	10,843,388	11,580,802	12,032,926	12,765,894	13,335,569	13,885,934	14,326,855	14,782,567
Sales, Local Use	3,356,036	3,940,023	4,113,029	4,186,809	4,091,855	3,712,906	3,796,368	3,747,697	3,770,772	3,964,885
Utility	2,707,925	2,913,414	2,647,823	2,739,621	2,718,132	2,692,330	2,636,055	2,579,823	2,488,225	2,580,859
Income	1,757,291	2,063,436	2,263,978	2,447,409	2,617,554	2,247,445	2,176,193	2,146,830	2,380,064	2,481,566
Real Estate Transfer	1,447,829	1,512,987	1,326,561	1,366,260	880,317	634,160	910,128	717,780	937,983	1,081,380
Other	599,239	652,464	666,020	805,021	859,204	764,396	770,524	724,099	752,065	758,549
Investment Income	220,809	398,842	686,719	565,408	94,736	50,289	161,716	190,532	204,852	254,192
Miscellaneous	483,499	795,150	617,410	1,384,310	1,049,103	878,187	1,114,283	1,078,140	1,163,937	1,180,074
Gain (Loss) on Disposal of Capital Assets	30,500	-	-	-	-	-	-	-	-	-
Transfers In (Out)	661,947	597,455	765,585	119,236	708,490	950,000	1,000,000	1,050,000	1,400,000	1,250,000
Contributions	478,190	-	-	-	-	-	-	-	-	-
Total Governmental Activities	21,161,840	23,063,840	23,930,513	25,194,876	25,052,317	24,695,607	25,900,836	26,120,835	27,424,753	28,334,072
Business-Type Activities										
Investment Income	158,554	408,845	549,745	402,847	143,858	24,452	21,846	28,040	24,292	27,116
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Transfers In (Out)	(661,947)	(597,455)	(765,585)	(119,236)	(708,490)	(950,000)	(1,000,000)	(1,050,000)	(1,400,000)	(1,250,000)
Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	(503,393)	(188,610)	(215,840)	283,611	(564,632)	(925,548)	(978,154)	(1,021,960)	(1,375,708)	(1,222,884)
Total Primary Government	20,658,447	22,875,230	23,714,673	25,478,487	24,487,685	23,770,059	24,922,682	25,098,875	26,049,045	27,111,188
Changes in Net Position										
Governmental Activities	279,196	1,602,151	1,026,682	2,103,950	(332,295)	(297,048)	102,782	502,577	817,214	1,414,620
Business-Type Activities	991,889	2,171,956	638,636	1,385,397	458,776	840,145	1,849,198	1,808,716	2,320,501	2,031,245
Total Primary Government	1,271,085	3,774,107	1,665,318	3,489,347	126,481	543,097	1,951,980	2,311,293	3,137,715	3,445,865

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

	2004	2005	2006
General Fund			
Reserved	\$ 771,163	563,159	617,896
Unreserved	4,727,523	5,756,062	6,391,407
Nonspendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total General Fund	5,498,686	6,319,221	7,009,303
All Other Governmental Funds			
Reserved	-	-	-
Unreserved, Reported in:			
Special Revenues Funds	1,107,427	680,990	431,201
Debt Service Funds	49,334	34,553	28,366
Capital Projects Funds	8,977,970	4,521,700	1,816,076
Restricted	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	10,134,731	5,237,243	2,275,643

Data Source: Village Records

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

2007	2008	2009	2010	2011	2012	2013
564,620	281,354	257,117	97,544	-	-	-
7,121,664	6,350,014	4,810,519	5,258,531	-	-	-
-	-	-	-	75,589	961,697	1,067,921
-	-	-	-	-	128,968	64,251
-	-	-	-	247,056	503,336	198,348
-	-	-	-	5,212,176	5,171,969	6,701,690
<u>7,686,284</u>	<u>6,631,368</u>	<u>5,067,636</u>	<u>5,356,075</u>	<u>5,534,821</u>	<u>6,765,970</u>	<u>8,032,210</u>
200,000	1,261,330	-	340,915	-	-	-
450,725	389,728	331,412	407,836	-	-	-
(7,665)	(61,780)	(96,363)	-	-	-	-
8,444,739	3,787,249	1,383,335	2,492,901	-	-	-
-	-	-	-	385,231	669,561	577,842
-	-	-	-	675,683	437,095	554,643
-	-	-	-	(96,209)	-	-
<u>9,087,799</u>	<u>5,376,527</u>	<u>1,618,384</u>	<u>3,241,652</u>	<u>964,705</u>	<u>1,106,656</u>	<u>1,132,485</u>

VILLAGE OF WILMETTE, ILLINOIS

General Governmental Revenues by Source - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Source	2004	2005	2006	2007
Taxes	\$ 20,076,053	21,272,393	21,860,799	23,125,922
Licenses, Permits and Fees	2,172,187	2,824,120	2,678,714	3,382,726
Intergovernmental	200,560	1,177,017	999,520	2,935,791
Charges for Services	1,640,957	1,946,356	2,168,121	2,278,003
Fines and Forfeitures	363,871	340,006	312,035	274,026
Investment Earnings	220,809	390,758	538,001	497,251
Miscellaneous	513,999	684,793	617,410	1,384,310
Total	25,188,436	28,635,443	29,174,600	33,878,029

Data Source: Village Records

2008	2009	2010	2011	2012	2013
23,199,988	22,817,131	23,624,837	23,802,163	24,655,964	25,649,806
3,034,314	2,661,327	3,005,663	3,043,066	3,505,584	4,167,041
1,955,443	1,532,053	997,955	1,942,760	963,214	1,033,870
2,413,363	2,557,660	2,823,915	2,855,787	2,989,446	3,137,432
391,347	301,546	391,372	355,358	334,441	358,283
273,773	33,656	25,329	24,006	201,172	250,614
1,049,103	878,187	1,114,283	1,078,140	1,163,937	1,180,074
32,317,331	30,781,560	31,983,354	33,101,280	33,813,758	35,777,120

VILLAGE OF WILMETTE, ILLINOIS

**General Governmental Expenditures by Function - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function	2004	2005	2006	2007
General Government	\$ 3,195,919	3,330,649	3,466,888	3,147,259
Public Safety	12,681,422	13,334,526	13,727,439	14,863,098
Streets and Sanitation	6,408,770	7,460,718	7,445,005	6,795,616
Other Public Works	1,073,884	1,051,838	1,687,224	2,149,004
Public Health	154,543	160,447	193,970	177,824
Community Development	964,234	1,116,566	1,137,139	1,451,671
Capital Outlay	-	-	-	5,068,278
Debt Service				
Principal Retirement	-	-	-	1,254,235
Interest and Fiscal Charges	1,570,605	1,447,678	1,404,556	1,501,513
Total	26,049,377	27,902,422	29,062,221	36,408,498

Data Source: Village Records

2008	2009	2010	2011	2012	2013
3,195,090	2,892,303	2,925,964	2,818,641	3,054,387	3,267,339
15,844,052	16,155,101	16,900,426	17,591,397	18,599,081	18,691,624
6,346,863	5,807,962	5,567,467	5,761,344	5,832,631	5,905,510
1,759,034	2,479,331	1,811,305	2,341,132	1,909,400	2,382,792
170,243	187,046	205,787	215,689	226,412	235,339
1,386,238	1,120,856	1,267,654	1,174,544	1,274,590	1,280,804
5,178,517	6,795,273	1,147,720	2,910,803	918,493	1,676,552
2,208,316	1,578,609	1,588,176	2,020,000	1,720,000	2,027,500
1,703,656	1,635,271	1,228,122	1,415,931	1,338,899	1,267,591
37,792,009	38,651,752	32,642,621	36,249,481	34,873,893	36,735,051

VILLAGE OF WILMETTE, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
December 31, 2013 (Unaudited)

	2004	2005	2006	2007
Revenues				
Taxes	\$ 19,286,895	21,272,393	21,860,799	23,125,922
Licenses and Permits	2,172,187	2,824,120	2,678,714	3,382,726
Intergovernmental	989,718	1,177,017	999,520	2,935,791
Charges for Services and Fees	1,640,957	1,946,356	2,168,121	2,278,003
Fines and Forfeits	363,871	340,006	312,035	274,026
Investment Income	260,765	390,758	538,001	497,251
Miscellaneous	513,999	684,793	617,410	1,384,310
Total Revenues	25,228,392	28,635,443	29,174,600	33,878,029
Expenditures				
General Government	2,934,612	2,989,626	3,073,424	3,147,259
Public Safety	12,272,889	13,184,417	13,859,888	14,863,098
Streets and Sanitation	4,857,268	5,327,047	5,237,550	6,795,616
Other Public Works	1,043,884	1,107,204	1,687,224	2,149,004
Public Health	154,543	160,447	193,970	177,824
Community Development	964,234	1,116,566	1,137,139	1,451,671
Capital Outlay	5,303,393	6,734,692	4,468,596	5,068,278
Debt Service				
Principal	1,010,000	1,261,869	1,167,764	1,254,235
Interest and Fiscal Charges	1,581,375	1,429,943	1,386,148	1,501,513
Total Expenditures	30,122,198	33,311,811	32,211,703	36,408,498
Excess of Revenues Over (Under) Expenditures	(4,893,806)	(4,676,368)	(3,037,103)	(2,530,469)
Other Financing Sources (Uses)				
Proceeds from Bonds	9,300,000	-	-	11,673,827
Proceeds from I.E.P.A. Loan	-	-	-	-
Proceeds from Installment Contract	314,979	-	-	-
Premium on Proceeds	-	-	-	-
Payments to Escrow Agent	(9,269,407)	-	-	(1,773,457)
Transfers In	800,000	1,300,000	1,302,029	600,000
Transfers Out	(138,053)	(700,585)	(536,444)	(480,764)
Total Other Financing Sources (Uses)	1,007,519	599,415	765,585	10,019,606
Net Change in Fund Balances	(3,886,287)	(4,076,953)	(2,271,518)	7,489,137
Debt Service as a Percentage of Noncapital Expenditures	10.44%	10.18%	9.30%	9.07%

Data Source: Village Records

2008	2009	2010	2011	2012	2013
23,199,988	22,817,131	23,624,837	23,802,163	24,655,964	25,649,806
3,034,314	2,661,327	3,005,663	3,043,066	3,505,584	4,167,041
1,955,443	1,532,053	997,955	1,942,760	963,214	1,033,870
2,413,363	2,557,660	2,823,915	2,855,787	2,989,446	3,137,432
391,347	301,546	391,372	355,358	334,441	358,283
273,773	33,656	25,329	24,006	201,172	250,614
1,049,103	878,187	1,114,283	1,078,140	1,163,937	1,180,074
32,317,331	30,781,560	31,983,354	33,101,280	33,813,758	35,777,120
3,195,090	2,892,303	2,925,964	2,818,641	3,054,387	3,267,339
15,844,052	16,155,101	16,900,426	17,591,397	18,599,081	18,691,624
6,346,863	5,807,962	5,567,467	5,761,344	5,832,631	5,905,510
1,759,034	2,479,331	1,811,305	2,341,132	1,909,400	2,382,792
170,243	187,046	205,787	215,689	226,412	235,339
1,386,238	1,120,856	1,267,654	1,174,544	1,274,590	1,280,804
5,178,517	6,795,273	1,147,720	2,910,803	918,493	1,676,552
2,208,316	1,578,609	1,588,176	2,020,000	1,720,000	2,027,500
1,703,656	1,635,271	1,228,122	1,415,931	1,338,899	1,267,591
37,792,009	38,651,752	32,642,621	36,249,481	34,873,893	36,735,051
(5,474,678)	(7,870,192)	(659,267)	(3,148,201)	(1,060,135)	(957,931)
-	1,590,000	23,280,000	-	250,000	1,000,000
-	-	-	-	-	-
-	-	-	-	-	-
-	8,317	16,635	-	-	-
-	-	(21,725,661)	-	-	-
850,000	950,000	1,000,000	1,050,000	1,400,000	1,250,000
(141,510)	-	-	-	-	-
708,490	2,548,317	2,570,974	1,050,000	1,650,000	2,250,000
(4,766,188)	(5,321,875)	1,911,707	(2,098,201)	589,865	1,292,069
12.13%	10.58%	9.08%	10.62%	9.41%	8.97%

VILLAGE OF WILMETTE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2013 (Unaudited)**

Tax Levy Year	Real Property New Trier Township	Real Property Northfield Township	Railroad Property New Trier Township	Total Equalized Assessed Value	Total Estimated Actual Value	Equalization Factor	Direct Tax Rate
2003	\$ 1,202,287,401	\$ 4,377,864	\$ 167,938	\$ 1,206,833,203	\$ 3,620,499,609	2.4598	\$ 0.788
2004	1,492,689,803	5,056,436	184,479	1,497,930,718	4,493,792,154	2.5757	0.689
2005	1,623,962,496	5,472,282	174,078	1,629,608,856	4,888,826,568	2.7320	0.671
2006	1,616,506,819	5,577,543	172,349	1,622,256,711	4,866,770,133	2.7076	0.689
2007	2,049,171,401	6,942,143	185,588	2,056,299,132	6,168,897,396	2.8439	0.597
2008	2,186,269,851	7,865,829	199,495	2,194,335,175	6,583,005,525	2.9786	0.593
2009	2,319,401,711	8,654,170	234,590	2,328,290,471	6,984,871,413	3.3701	0.581
2010	2,071,594,749	7,677,648	285,675	2,079,558,072	6,238,674,216	3.3000	0.674
2011	1,862,667,826	6,957,756	302,445	1,869,928,027	5,609,784,081	2.9706	0.778
2012	1,728,489,728	6,510,620	337,900	1,735,338,248	5,206,014,744	2.8056	0.867

2013 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2013 (Unaudited)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Village of Wilmette										
General Corporate Rate	\$ 0.608	0.530	0.521	0.530	0.432	0.448	0.449	0.530	0.615	0.679
Debt Service Rate	0.180	0.159	0.150	0.159	0.165	0.145	0.132	0.144	0.163	0.188
Total Direct Tax Rate	0.788	0.689	0.671	0.689	0.597	0.593	0.581	0.674	0.778	0.867
Overlapping										
School District #39	2.707	2.238	2.151	2.238	1.848	1.812	1.716	2.314	2.620	2.922
School District #203	1.799	1.621	1.577	1.621	1.299	1.290	1.237	1.474	1.674	1.864
Community College #535	0.186	0.161	0.158	0.161	0.141	0.140	0.140	0.160	0.196	0.219
Wilmette Park District	0.526	0.440	0.413	0.440	0.360	0.348	0.332	0.390	0.451	0.493
Wilmette Public Library	0.352	0.315	0.283	0.315	0.245	0.241	0.230	0.266	0.302	0.335
Cook County	0.659	0.593	0.547	0.593	0.458	0.415	0.415	0.423	0.487	0.531
Sanitary District	0.361	0.347	0.315	0.347	0.263	0.252	0.261	0.274	0.320	0.370
Forest Preserve District	0.059	0.060	0.060	0.060	0.053	0.051	0.049	0.051	0.058	0.063
New Trier Township	0.048	0.039	0.039	0.039	0.034	0.034	0.033	0.041	0.047	0.053
Suburban T.B. Sanitarium	0.004	0.001	0.005	0.001	-	-	-	-	-	-
Mosquito Abatement Dist.	0.009	0.008	0.008	0.008	0.008	0.008	0.008	0.009	0.010	0.010
Total Tax Rate	7.498	6.512	6.227	6.512	5.306	5.184	5.002	6.076	6.943	7.727

2013 Data - Currently Not Available

Data Source: Cook County Clerk

VILLAGE OF WILMETTE, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2013 (Unaudited)**

Taxpayer	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Joseph Freed & Associates	\$ 26,464,330	1	1.53%	\$ 28,156,088	1	2.33%
Plaza del Lago, Inc.	9,857,648	2	0.57%	10,560,012	2	0.88%
1630 Sheridan Corp.	8,534,356	3	0.49%	9,351,889	3	0.77%
Albertson's	6,597,107	4	0.38%			
Landau & Heyman	5,518,371	5	0.32%	3,402,386	6	0.28%
L.J. Thalmann & Co.	5,001,618	6	0.29%	5,570,089	4	0.46%
William C. Kagan	4,589,134	7	0.26%	3,847,336	5	0.32%
Koenig & Strey	3,794,439	8	0.22%			
Beth Corp.	3,384,838	9	0.20%	2,383,529	10	0.20%
Manor Health Care Corp.	3,156,588	10	0.18%	2,906,355	9	0.24%
Avergis				3,226,564	7	0.27%
Westmoreland Country Club				2,986,337	8	0.25%
	<u>76,898,429</u>		<u>4.43%</u>	<u>72,390,585</u>		<u>6.00%</u>

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
December 31, 2013 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	\$ 9,505,136	\$ 9,039,215	95.10%	\$ 390,166	\$ 9,429,381	99.20%
2004	10,306,726	10,082,058	97.82%	77,420	10,159,478	98.57%
2005	10,925,600	10,681,712	97.77%	75,773	10,757,485	98.46%
2006	11,801,600	10,492,759	88.91%	1,167,069	11,659,828	98.80%
2007	12,272,800	11,841,358	96.48%	205,688	12,047,046	98.16%
2008	12,999,000	12,742,685	98.03%	101,171	12,843,856	98.81%
2009	13,513,000	13,232,984	97.93%	162,612	13,395,596	99.13%
2010	14,016,100	13,801,603	98.47%	138,518	13,940,121	99.46%
2011	14,533,400	14,379,235	98.94%	84,746	14,463,981	99.52%
2012	15,039,800	14,864,317	98.83%	*	14,864,317	98.83%
2013	15,548,900	*	*	*	*	*

*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, 2013 (Unaudited)**

Fiscal Year	Governmental Activities		Business-Type Activities				Unamortized Loss on Refunding	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Installment Contracts	Water General Obligation Bonds	Sewer General Obligation Bonds	Parking Meter General Obligation Bonds	IEPA Revolving Loans				
2004	\$ 33,590,000	\$ 583,969	\$ 22,175,000	\$ 4,760,000	\$ 785,000	\$ 19,906,130	\$ (384,202)	\$ 81,415,897	5.29%	\$ 2,944
2005	32,445,000	467,100	21,790,000	4,715,000	670,000	18,267,269	(352,400)	78,001,969	5.07%	2,821
2006	31,390,000	354,336	21,320,000	4,670,000	555,000	16,972,126	(320,597)	74,940,865	4.87%	2,710
2007	40,195,000	280,101	20,880,000	7,070,000	435,000	15,827,763	(237,859)	84,450,005	5.49%	3,054
2008	38,030,000	236,785	20,215,000	7,020,000	310,000	14,031,016	(216,549)	79,626,252	5.18%	2,880
2009	38,090,000	188,176	19,550,000	8,540,000	190,000	12,129,729	(157,942)	78,529,963	5.11%	2,840
2010	39,950,000	40,000	20,075,000	9,805,000	65,000	10,326,541	(1,878,808)	78,382,733	4.17%	2,894
2011	37,950,000	20,000	19,575,000	16,850,000	-	1,793,691	(1,721,794)	74,466,897	3.96%	2,749
2012	36,250,000	250,000	18,810,000	16,035,000	-	2,462,695	(1,591,380)	72,216,315	3.84%	2,666
2013	35,235,000	237,500	17,945,000	23,825,000	-	2,939,046	(1,460,966)	78,720,580	4.19%	2,906

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, 2013 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Debt Payable From Other Sources	Net General Obligation Bonds	Total Estimated Actual Value	Percentage of Actual Taxable Value of Property	Per Capita
2004	\$ 60,925,798	\$ 49,334	\$ 60,876,464	\$ 3,620,499,609	1.68%	\$ 2,203
2005	59,267,600	34,553	59,233,047	4,493,792,154	1.32%	2,143
2006	57,614,403	28,366	57,586,037	4,888,826,568	1.18%	2,084
2007	68,342,141	-	68,342,141	4,866,770,133	1.40%	2,472
2008	65,358,451	-	65,358,451	6,168,897,396	1.06%	2,364
2009	66,212,058	-	66,212,058	6,583,005,525	1.01%	2,395
2010	68,016,192	340,915	67,675,277	6,984,871,413	0.97%	2,511
2011	72,653,206	-	72,653,206	6,238,674,216	1.16%	2,682
2012	72,653,206	167,376	72,485,830	5,609,784,081	1.29%	2,682
2013	69,503,620	81,611	69,422,009	5,206,014,744	1.33%	2,566

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

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

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
December 31, 2013 (Unaudited)**

Governmental Unit	**Gross Debt	*Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Wilmette	\$ 35,472,500	100.000 %	\$ 35,472,500
School Districts:			
Avoca School District #37	1,285,832	35.360 %	454,670
Kenilworth School District #38	8,985,000	2.540 %	228,219
Wilmette School District #39	13,540,000	94.870 %	12,845,398
Community College #535	23,510,000	8.030 %	1,887,853
New Trier Township High School District #203	19,185,000	34.367 %	6,593,309
Total School Districts	66,505,832		22,009,449
Other Agencies:			
Cook County and Forest Preserve Metropolitan Water Reclamation District of Greater Chicago	3,758,560,000	1.270 %	47,733,712
Wilmette Park District	2,168,368,889	1.300 %	28,188,796
Glenview Park District	19,515,000	100.000 %	19,515,000
Wilmette Public Library District	27,405,000	.140 %	38,367
Wilmette Public Library District	-	100.000 %	-
Total Other Agencies	5,973,848,889		95,475,875
Total Overlapping Debt***	6,040,354,721		117,485,324
Total Direct and Overlapping Debt	6,075,827,221		152,957,824

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

** Does not include unamortized loss on refunding

*** As of 5/16/2014

Data Source: Cook County and Wilmette Finance Department

VILLAGE OF WILMETTE, ILLINOIS

Legal Debt Margin - Last Ten Fiscal Years December 31, 2013 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and may require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one per cent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Pledged-Revenue Coverage - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Fiscal Year	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	
2004	\$ 8,886,273	\$ 4,402,576	\$ 4,483,697	\$ 2,046,127	\$ 1,971,160	1.12
2005	10,762,555	4,993,804	5,768,751	2,138,861	1,869,222	1.44
2006	9,469,661	5,051,138	4,418,523	2,323,360	1,793,394	1.07
2007	10,157,318	5,538,804	4,618,514	2,483,118	1,780,847	1.08
2008	10,214,433	5,603,520	4,610,913	2,679,063	1,682,119	1.06
2009	10,999,815	5,770,446	5,229,369	2,756,585	1,604,963	1.20
2010	11,698,482	5,455,208	6,243,274	2,925,216	1,410,464	1.44
2011	12,011,914	5,796,545	6,215,369	14,617,985	1,429,651	0.39
2012	13,171,739	6,346,773	6,824,966	1,653,018	1,196,965	2.39
2013	12,627,064	6,080,132	6,546,932	2,101,536	1,199,973	1.98

*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, 2013 (Unaudited)

Fiscal Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2004	27,651	\$ 1,537,700	\$ 55,611	42.2	8,383	3.90%
2005	27,651	1,537,700	55,611	42.2	8,383	3.70%
2006	27,651	1,537,700	55,611	42.2	8,383	2.80%
2007	27,651	1,537,700	55,611	42.2	8,383	3.00%
2008	27,651	1,537,700	55,611	42.2	8,383	3.80%
2009	27,651	1,537,700	55,611	42.2	8,383	6.30%
2010	27,087	1,878,800	69,363	44.5	8,401	6.40%
2011	27,087	1,878,800	69,363	44.5	8,401	5.70%
2012	27,087	1,878,800	69,363	44.5	8,401	5.20%
2013	27,087	1,878,800	69,363	44.5	8,401	5.50%

Data Source: 2000 and 2010 census data

VILLAGE OF WILMETTE, ILLINOIS

**Principal Employers - Current Fiscal Year and Ten Fiscal Years Ago
December 31, 2013 (Unaudited)**

Employer	2013			2004		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wilmette School District #39	540	1	N/A	507	1	N/A
Loyola Academy	275	2	N/A	250	3	N/A
Jewel	222	3	N/A			
Carson, Pirie, Scott & Co.	220	4	N/A	300	2	N/A
Village of Wilmette	196	5	N/A	204	4	N/A
Chalet Nursery	100	6	N/A			
Koenig & Strey, Inc.	100	7	N/A	75	6	N/A
ManorCare Health Services	90	8	N/A	80	5	N/A
Wilmette Park District	71	9	N/A			
Westmoreland Country Club	70	10	N/A	75	6	N/A
Regina Dominican				75	6	N/A
Bed, Bath & Beyond				75	6	N/A
Loyola University				50	10	N/A
	<u>1,884</u>		<u>N/A</u>	<u>1,691</u>		<u>N/A</u>

N/A - Not Available

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Administration & Law	7.15	7.15	7.15	7.25	7.10	7.03	6.03	6.03	6.15	6.35
Finance & Information										
Services	12.63	12.53	12.51	12.51	12.51	11.75	11.45	11.45	11.95	11.95
Other	3.05	2.55	3.05	3.15	3.15	3.15	3.10	3.10	3.10	3.10
Police										
Officers	45.00	46.00	46.00	46.00	45.00	45.00	44.00	44.00	44.00	44.00
Telecommunicators	9.00	9.00	8.00	8.00	8.00	8.00	8.50	9.00	9.00	9.00
Other Civilians	17.50	17.50	17.50	17.50	17.50	16.50	14.80	14.70	14.33	14.33
Fire										
Firefighters and Officers	45.00	45.00	44.00	44.00	45.00	44.00	45.00	45.00	45.00	46.00
Civilians	2.25	2.00	3.00	2.45	2.45	2.25	2.25	2.25	2.25	2.25
Health										
	1.75	1.75	1.75	1.88	1.88	1.88	1.88	2.00	2.00	2.00
Public Works										
Streets and Sanitation	28.85	30.10	30.60	32.10	32.10	29.55	27.55	27.55	28.18	28.40
Water and Sewer	29.50	30.00	30.00	31.00	30.00	30.00	29.00	28.00	28.80	28.80
Engineering	7.55	7.55	7.55	7.55	7.55	7.05	5.85	5.85	5.55	5.55
Other	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Community Development										
	11.25	11.25	11.25	12.25	12.20	11.60	10.75	9.95	9.95	10.23
Total	224.23	226.13	226.11	229.14	227.94	221.26	213.66	212.38	213.76	215.46

Data Source: Village Records

VILLAGE OF WILMETTE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006
Police			
Part I Offenses	N/A	N/A	N/A
Other Offenses	N/A	N/A	N/A
Calls for Service	N/A	N/A	N/A
Felonies	488	486	423
Misdemeanors (Part II Crimes)	2,026	1,843	1,912
Miscellaneous Offenses (Incidents Reported)	17,612	16,162	15,046
Traffic Accidents	1,006	1,021	964
Fire			
Emergency Responses	2,981	3,195	3,180
Fires Extinguished	50	57	51
Inspections	400	610	618
Public Works			
Street Resurfacing (Miles)	4.00	3.25	3.50
Potholes Repaired	2,153	2,811	1,909
Water			
Average Daily Consumption (Thousands of Gallons)	12,430	13,941	11,931
Peak Daily Consumption (Thousands of Gallons)	20,905	29,540	24,474

N/A - Not Available

Data Source: Village Records

2007	2008	2009	2010	2011	2012	2013
N/A	513	427	390	318	417	251
N/A	630	485	512	486	350	410
N/A	18,040	15,594	18,930	20,178	18,712	18,320
367	N/A	N/A	N/A	N/A	N/A	N/A
1,703	N/A	N/A	N/A	N/A	N/A	N/A
15,116	N/A	N/A	N/A	N/A	N/A	N/A
959	1,115	826	797	771	779	796
4,104	3,679	3,221	3,095	3,154	3,122	3,149
59	43	47	35	51	40	37
1,250	1,037	720	856	975	680	736
2.10	0.75	3.79	1.68	1.19	0.90	0.90
1,590	2,058	2,000	1,553	1,943	889	889
12,207	11,931	11,244	11,458	11,149	11,997	11,400
22,545	24,474	19,325	20,029	22,979	24,281	19,770

VILLAGE OF WILMETTE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2013 (Unaudited)**

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	19	19	20	20	20	20	20	20	20	20
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets (Miles)	87.8	87.8	87.8	87.8	87.8	89.4	89.4	89.4	89.4	89.4
Streetlights	2,510	2,510	2,510	2,580	2,580	2,580	2,580	2,580	2,580	2,580
Traffic Signals:										
Village Owned	8	8	9	9	9	10	10	10	10	11
Other	17	17	17	17	17	16	16	16	16	16
Water										
Water Mains (Miles)	91	91	91	91	91	91	91	91	91	91
Fire Hydrants	975	975	977	982	982	983	984	984	984	977
System Capacity (Millions of Gallons)	42	44	44	44	44	44	44	44	44	44

Data Source: Village Records