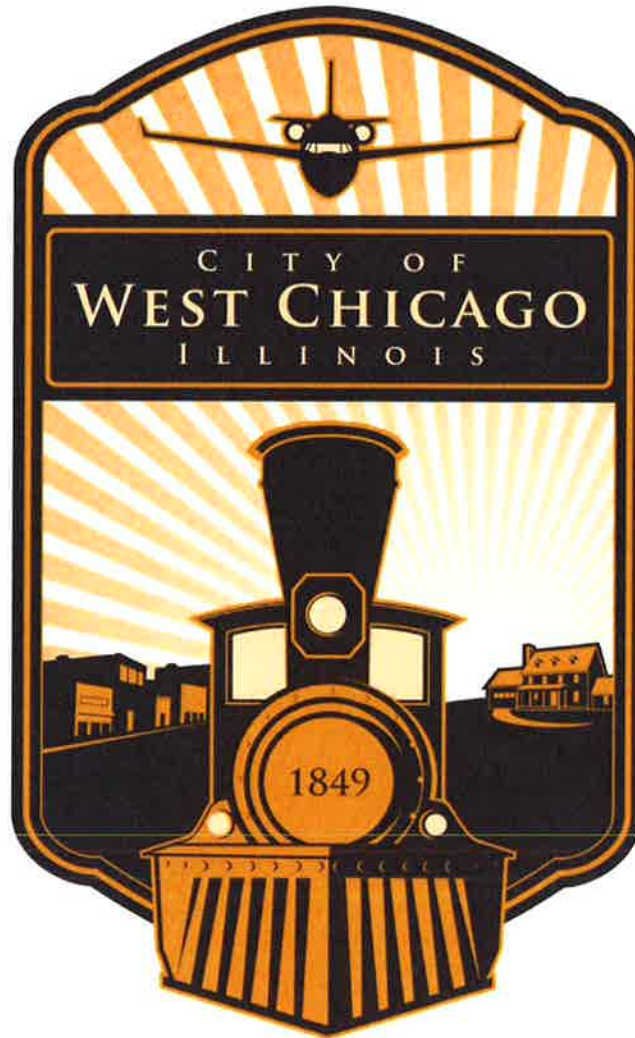


# **CITY OF WEST CHICAGO, ILLINOIS**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

**CITY OF WEST CHICAGO, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

Prepared by

Linda Martin  
Director of Administrative Services

# CITY OF WEST CHICAGO, ILLINOIS

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the City of West Chicago including: List of Principal Officials, Organizational Chart, Letter of Transmittal from the Director of Administrative Services and Certificate of Achievement for Excellence in Financial Reporting.

# **CITY OF WEST CHICAGO, ILLINOIS**

## **List of Principal Officials December 31, 2013**

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### **LEGISLATIVE**

City Mayor: Ruben Pineda  
City Clerk: Nancy M. Smith

### **ALDERMEN**

James Beifuss

John C. Smith, Jr.

Lori Chassee

Donald Earley

Sandra Dimas

Laura Grodoski

Matthew Fuesting

James Smith

Kurt Meissner

Mark Edwalds

Alan Murphy

John F. Banas

Alton Hallet

Rebecca Stout

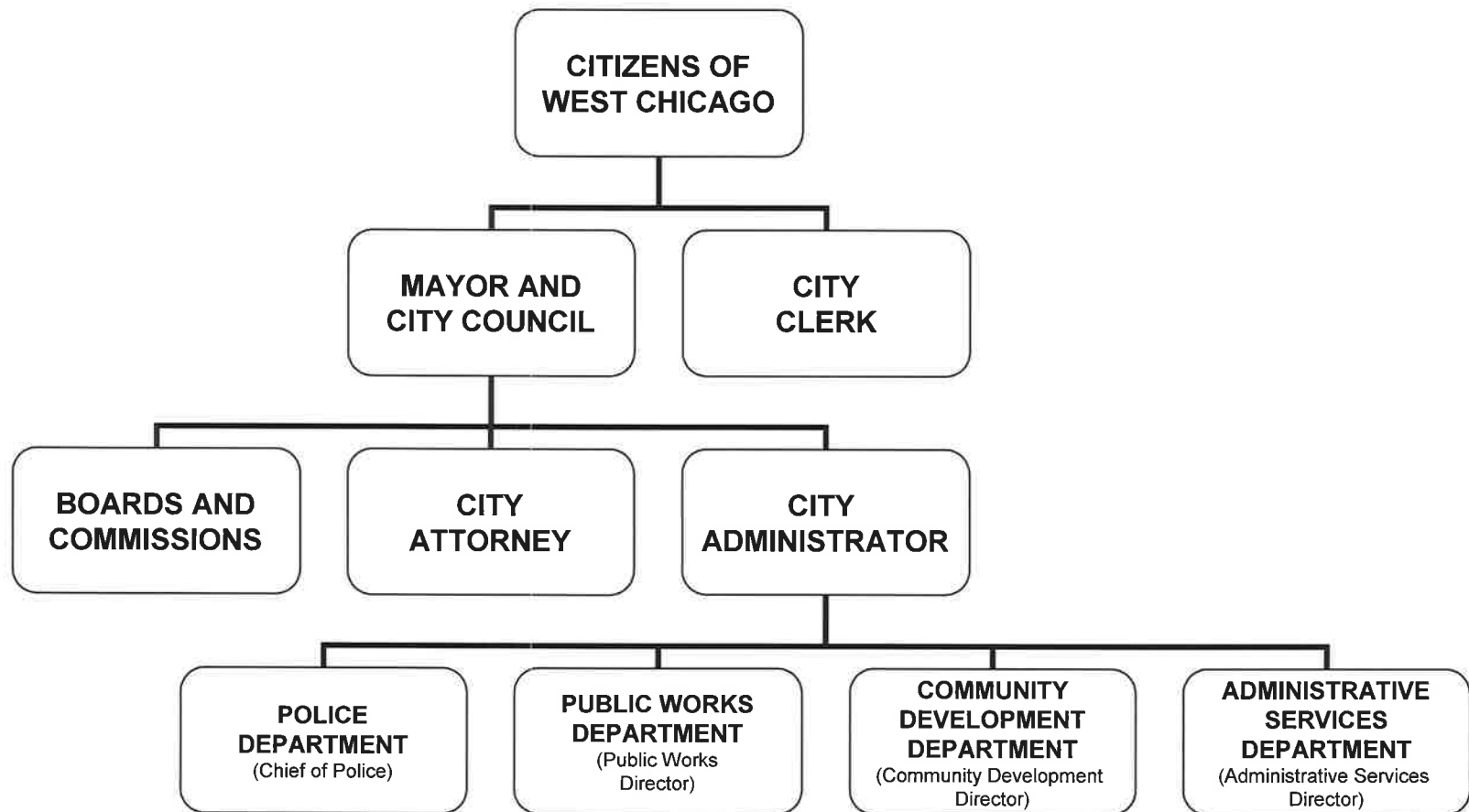
### **ADMINISTRATIVE**

City Administrator: Michael L. Guttman

### **ADMINISTRATIVE SERVICES**

Director of Administrative Services: Linda M. Martin  
Assistant Director of Administrative Services: Nikki Giles

# CITY OF WEST CHICAGO ORGANIZATIONAL CHART





# CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

May 30, 2014

The Honorable Mayor Ruben Pineda  
Members of the West Chicago City Council  
City Administrator Michael Guttman  
Citizens of the City of West Chicago

The Comprehensive Annual Financial Report of the City of West Chicago (City) for the fiscal year ended December 31, 2013, is hereby submitted as mandated by local ordinances and state statutes. These ordinances and statutes require that the City issue a report on its financial position and activity following the end of a fiscal period, and that this report be audited by an independent accounting firm of certified public accountants.

Responsibility for both the accuracy of the data, and the completeness and reliability of the information presented in this report, including all disclosures, rests with management. The City is also responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure adequate accounting of data is compiled to allow for the preparation of the City of West Chicago's financial statements in accordance with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of the costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Lauterbach and Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of West Chicago for the fiscal period ended December 31, 2013, are free of material misstatement. The auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide an introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## PROFILE OF THE CITY OF WEST CHICAGO

The City of West Chicago is a diverse, family-oriented community with a rich cultural mix and a proud heritage, located in northeastern Illinois, approximately 30 miles west of Chicago. West Chicago is the first Illinois community established by the railroads and continues to be a convenient transportation hub served by three major rail lines, Illinois' third-busiest airport and three State highways. The population has nearly tripled since the 1970s, with an official population of 27,086, based upon the results of the census conducted in 2010. West Chicago became a home rule unit of government on March 3, 2004.

The equalized assessed valuation of the City reflects its strong economic condition. The City's assessed valuation has more than doubled since 1996, and one of the City's primary goals continues to be the active pursuit of commercial and industrial development that will aid in alleviating the tax burden on residents, while diversifying the long-term tax base.

The City operates under the Mayor-Council form of government. Policymaking and legislative authority are vested in the City Council, which is comprised of a Mayor and two aldermen from each of seven wards. The City Council is responsible for, among many responsibilities, passing ordinances, adopting an annual budget, appointing committees and hiring the City Administrator. The Council members are elected to four-year staggered terms with seven Council members being elected every two years. The Mayor is elected to a four-year term, as is the City Clerk. The position of elected City Treasurer was eliminated by referendum effective May 1, 2013. The City Administrator is responsible for carrying out the policies of and ordinances adopted by the City Council, for overseeing the day-to-day operations of the City, and for appointing all City staff except the Chief of Police.

The City provides a full range of services, including: police protection, the construction and maintenance of streets and other infrastructure, water and wastewater treatment, the distribution of potable water, the collection of wastewater and stormwater, cultural events, as well as community and economic development.

The annual budget serves as the foundation for the City's financial planning and control. It further prioritizes our core services and administrative functions, and reflects the policy direction established by the City Council. All department directors of the City are required to submit their budget requests to the City Administrator, who then uses these requests as the starting point for developing a proposed budget. The City Administrator presents the proposed budget to the City Council, and budget workshops with the Finance Committee begin shortly thereafter. The City targets budget adoption at a Council meeting approximately one month prior to the beginning of the fiscal year. Once approved, the City Administrator is given the flexibility to transfer amounts between departments and line items within a fund, but City Council action is necessary to transfer money between funds. The following are some of the major components of the budget policy that the City Council has used as a continuing foundation for fiscal discipline:

- Revenues are conservatively projected using historical trends, reasonably expected changes in the coming year, and an analysis of anticipated economic conditions in the region, the state and the nation.

- Expenditures reflect realistic projections of anticipated expenses. Efforts are made to ensure that programs and services are realistically funded. Expenditures will be paid with current revenues.
- Fund balances/unrestricted net position shall be at least 25% of revenues in the General, Water and Sewer Funds.
- User fees, such as water and sewer charges, will be reviewed annually. This is done to ensure that fees cover costs, meet debt service requirements, and are affordable.

## MAJOR INITIATIVES

The City has been involved in a variety of projects throughout the year, which reflect its commitment to ensuring that its citizens are able to experience a high quality of life in an enviable environment. The most significant of these projects are outlined below:

- Received distinction of being named 74<sup>th</sup> Safest City in America by Locations, Inc., creators of the neighborhood research site, NeighborhoodScout, which analyzes crime statistics and population to develop a list of the top 100 safest cities in America with populations of 25,000 or greater.
- Accomplished required improvements and completed all remaining prerequisites necessary to fully implement a Wisconsin Central Railroad Quiet Zone designation which immediately enhanced the surrounding area through significant noise reduction and improved emergency access to South Aurora Street residents.
- Implemented an Ordinance to regulate and license junk peddlers and junk dealers to aid in the enforcement efforts of illegal junk collecting and the retrieval of stolen goods, as well as to address the rising number of junk peddlers working the streets and parking their junk wagons in residential areas.
- Developed an innovative operating structure for the City Museum which resulted in several new exhibits, artifact acquisition and the inventory of the 30,000 piece collection, in addition to forming organizational collaborations that enrich the West Chicago history experience for residents and visitors while recognizing sizable cost savings.
- Finished several major infrastructure improvements that included: (1) a new landscaped parking lot south of Tastee Freez on the west side of Fremont Street providing added convenience for downtown businesses and their customers; (2) the reinstallation of Factory Street between Ann Street and the High School Parking Lot; (3) an addition to the Great Western Trail bike path through the construction of pavement between Reed-Keppler Park and the City's boundary limit at Route 59; and (4) the resurfacing of 1.2 miles of roadway.
- Completed environmental studies to ascertain the level of contamination present within the West Washington Street Redevelopment Area and City contractors and the EPA have started work on the necessary remediation, bringing the City closer to the realization of its vision for a city center.

## **FACTORS AFFECTING LOCAL FINANCIAL CONDITION**

### **Local Economy**

As West Chicago has persistently transitioned itself into a center for commerce and industry, the diversity in its retail and industrial base has helped to reduce dependency on outside revenues. The City continues to aggressively pursue economic development opportunities and partnerships with commercial and corporate developers and business owners, while supporting existing relationships, despite the current state of the economy.

### **Long-term Financial Planning**

The City performs an annual review of its strategy designed to address the structural and cyclical financial challenges that continue to face the City of West Chicago. This strategy includes five major components:

*Reduction in Operating Expenditures* – To address the structural problem of rising operating costs, the City annually undergoes a target budgeting process to manage the organization's expenditure and revenue patterns. Additionally, a comprehensive multi-phased review of both the budget and cost for services continued to determine alternative ways of providing existing services, with any cost savings that result from such adjustments being reallocated to other operational and maintenance needs.

*Systematic Use of Fund Reserves* – As part of its policy, the City met its reserve target for the fiscal period ending December 31, 2013. The City maintains operating reserves that may be utilized during economic downturns and other unexpected circumstances. The systematic use of reserves helps to smooth the City's expenditure patterns and minimize fluctuations in the level of services provided and maintained.

*Identification and Implementation of New Revenues* – The City annually assesses new sources of revenue to ensure the continued delivery of core services to our customers. New revenue sources that are adopted adhere to the City Council's direction that users should pay for certain services from which only they benefit and/or require.

*Increased Economic Development Focus* – The City's Economic Development Program is designed to increase and diversify the City's sales tax and real estate tax bases. By doing so, the City has become more self-sufficient, generating revenues from within the City and reducing dependency on outside revenue sources.

*Maintain and Improve City Services* – The City has a proud history of providing exceptional services. During the implementation of this strategy, it was imperative that the residents and businesses not experience a reduction in service levels unless absolutely necessary. With few exceptions, the City has been able to provide excellent service with fewer employees and leaner budgets.

In addition to this financial strategy, the City continues to have a five-year Capital Improvement Plan (CIP) and a budget process that projects future operating budgets. The CIP lends guidance and continuity in the planning and development of budgets, but more importantly, it identifies and prioritizes infrastructure maintenance and replacement needs, and plans for projects several years in advance. The Capital Projects Fund, Water Fund and Sewer Fund each have their respective five-year plans.

### **Financial Policies**

The following policies had significant impact on the City's financial statements:

The City Council, having determined that the goals of the Downtown Redevelopment Plan and Project would not be completed within the original term of the Tax Increment Financing District, approved a twelve year extension, continuing its existence until 2025.

The City Council, having previously rejected all project bids of a well house to protect and secure Well Number 12 due to the lack of competitive pricing and directing staff to revise the bid plans and conduct a budget review before seeking to re-bid the project, authorized the execution of a contract for the Well #12 Well House Project in an amount not to exceed \$1,645,000.

The City Council has continued its policy of actively seeking outside funding sources from various State and Federal agencies to subsidize the cost of infrastructure improvements. These proactive measures have allowed the City to continue its aggressive Street Resurfacing Program.

In addition to eliminating the remaining engineering position responsible for public projects with those duties being absorbed by the City's primary engineering consultant, museum functions were also outsourced resulting in more effective and efficient operations.

The City Council authorized the seizure of two substantial Letters of Credit that were collateralizing public improvements associated with the development of the Bishop Place Project that had languished over the past several years due to the lack of construction progress.

Maintaining its commitment to supporting programs and services that target at-risk youth and in light of diminished grant funding, the City Council transitioned control over the two remaining Resource Centers to a not-for-profit corporation that had substantially more resources to infuse into the Centers and could offer expanded programming that the City alone couldn't spearhead.

The City Council partnered with the owners of the Mosaic Crossing Shopping Center to cost-share for new monument signs along Routes 59 and 64 in an effort to better market that Center to customers and future lessees; in the summer of 2013, Old Time Pottery leased all of the space formerly occupied by Dominick's.

The City Council reaffirmed its support for cultural arts programming by severing its direct ties to Gallery 200 via the Cultural Arts Commission and entered into a lease with a not-for-profit entity that will govern gallery operations over the next several years, which not only reduced staff time dedicated to such oversight but it also now allows for fundraising and other benefits not afforded to gallery volunteers previously because it was operated by government.

## AWARDS AND ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West Chicago for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2012. This was the fourteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This report can be viewed on the City's website at [www.westchicago.org](http://www.westchicago.org). 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 we are submitting it to the GFOA to determine its eligibility for another Certificate.

The preparation of this report was made possible by the dedicated service of the entire staff of the Department of Administrative Services. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report.

In closing, we would like to acknowledge and thank the Mayor and City Council for their leadership and support in planning and conducting the financial operations of the City in a progressive manner throughout the year, and for their support in maintaining high standards of professionalism in the management of the City's finances.

Respectfully submitted,



Linda M. Martin  
Director of Administrative Services



Nikki T. Giles  
Assistant Director of Administrative  
Services



Government Finance Officers Association

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

Presented to

**City of West Chicago  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

A handwritten signature in black ink, reading "Jeffrey R. Emen".

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 Schedules



## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the City's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

May 30, 2014

The Honorable City Mayor  
Members of the City Council  
City of West Chicago, 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 City of West Chicago, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City'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 City'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 City'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 City of West Chicago, 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 City of West Chicago, 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**

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2013**

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Our discussion and analysis of the City of West Chicago's financial performance provides an overview of the City of West Chicago's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the transmittal letter, which begins on page iii and the City of West Chicago's financial statements, which begin on page 3.

### **FINANCIAL HIGHLIGHTS**

- The City's net position decreased as a result of this year's operations. Net position of business-type activities decreased by \$40,577, or 0.07 percent and net position of the governmental activities decreased by \$687,556 or 0.66 percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$33,972,988, while expenses totaled \$34,701,121, resulting in a decrease to net position of \$728,133.
- The City of West Chicago's net position totaled \$164,136,470 at December 31, 2013, which includes \$144,914,568 net investment in capital assets, \$3,095,437 subject to external restrictions, and \$16,126,465 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a deficit, as planned, this year of \$493,591, resulting in an ending fund balance of \$12,804,799, a decrease of 3.71 percent.

### **USING THIS REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 6) provide information about the activities of the City of West Chicago as a whole and present a longer-term view of the City's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City of West Chicago's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2013**

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### **USING THIS REPORT – Continued**

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

The government-wide financial statements provide readers with a broad overview of the City of West Chicago finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Position reports information on all of the City of West Chicago's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Consideration of other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City of West Chicago.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of 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).

Both of the government-wide financial statements distinguish functions of the City of West Chicago that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of West Chicago include general government, public safety and culture and recreation. The business-type activities of the City of West Chicago include waterworks, sewerage and commuter parking operations.

#### **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 City of West Chicago, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2013**

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### **USING THIS REPORT – Continued**

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

##### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. Such information may be useful in evaluating the City of West Chicago's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City of West Chicago maintains seven 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, Public Benefit Fund, TIF Special Tax Allocation #1 Fund, and Capital Improvement Fund, all of which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of West Chicago adopts an annual appropriated budget for all of the governmental funds, except the Other Special Service Areas Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

##### **Proprietary Funds**

The City of West Chicago maintains two proprietary fund types: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of West Chicago utilizes enterprise funds to account for its water and sewer operations, water and sewer construction, water and sewer debt retirement, and commuter parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2013**

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### **USING THIS REPORT – Continued**

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

#### **Proprietary Funds – Continued**

The City of West Chicago uses internal service funds to account for its Management Information System (MIS) Program. This service predominantly benefits governmental rather than business-type functions, and therefore, has been included within governmental activities in the government-wide financial statements. The internal service fund used to account for the MIS Program was closed at December 31, 2013.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Funds, which are considered to be major funds of the City, and the Commuter Parking Fund, which is a non-major fund. Conversely, the internal service fund is presented in the proprietary fund financial statements in a single column. Individual fund data for the internal service fund is provided elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 13 - 18 of this report.

#### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of West Chicago's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 19 - 20 of this report.

#### **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 21 - 54 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of West Chicago's Illinois Municipal Retirement Fund (I.M.R.F.), police pension, and other post-employment benefits obligations, as well as budgetary comparison schedules for the General Fund and any major special revenue funds. Required supplementary information can be found on pages 55 - 60 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service fund is presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 61 - 91 of this report.



## CITY OF WEST CHICAGO, ILLINOIS

### Management's Discussion and Analysis December 31, 2013

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the City of West Chicago, assets exceeded liabilities/deferred inflows by \$164,136,470.

	Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Current Assets	\$ 26,095,944	26,130,535	8,531,865	10,679,092	34,627,809	36,809,627
Capital Assets	87,923,548	88,988,913	63,726,655	60,586,101	151,650,203	149,575,014
Total Assets	114,019,492	115,119,448	72,258,520	71,265,193	186,278,012	186,384,641
Current Liabilities/Deferred Inflows	7,287,022	7,887,075	5,131,029	3,538,600	12,418,051	11,425,675
Noncurrent Liabilities	3,409,913	3,222,260	6,313,578	6,872,103	9,723,491	10,094,363
Total Liabilities and Deferred Inflows	10,696,935	11,109,335	11,444,607	10,410,703	22,141,542	21,520,038
Net Position						
Net Investment in Capital Assets	87,923,548	88,988,913	56,991,020	53,326,830	144,914,568	142,315,743
Restricted	2,335,435	2,340,095	760,002	3,614,442	3,095,437	5,954,537
Unrestricted	13,063,574	12,681,105	3,062,891	3,913,218	16,126,465	16,594,323
Total Net Position	103,322,557	104,010,113	60,813,913	60,854,490	164,136,470	164,864,603

A large portion of the City's net position, \$144,914,568 or 88.29 percent, reflects its investment in capital assets (i.e., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported 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.

An additional portion, \$3,095,437, or 1.89 percent, of the City of West Chicago's net position represents resources that are subject to external restrictions on how they may be used. The remaining 9.82 percent, or \$16,126,465, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2013

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues						
Charges for Services	\$ 4,937,928	3,318,922	9,678,088	10,333,297	14,616,016	13,652,219
Operating Grants/Contrib.	150,805	181,074	-	-	150,805	181,074
Capital Grants/Contrib.	806,014	819,317	-	1,317,363	806,014	2,136,680
General Revenues						
Property Taxes	4,534,973	4,711,890	8,804	11,671	4,543,777	4,723,561
Other Taxes	1,032,614	1,176,228	-	-	1,032,614	1,176,228
Sales and Use Taxes	4,515,729	4,405,831	1,071,655	1,103,876	5,587,384	5,509,707
Income Taxes	2,580,764	2,379,976	-	-	2,580,764	2,379,976
Replacement Taxes	169,568	144,979	-	-	169,568	144,979
Other	2,051,702	2,013,401	-	-	2,051,702	2,013,401
Interest Income	21,399	79,150	6,142	6,878	27,541	86,028
Miscellaneous	917,461	1,465,234	1,489,342	270,850	2,406,803	1,736,084
Total Revenues	21,718,957	20,696,002	12,254,031	13,043,935	33,972,988	33,739,937
Expenses						
General Government	8,912,745	9,184,108	-	-	8,912,745	9,184,108
Public Safety	9,388,129	8,851,135	-	-	9,388,129	8,851,135
Highway and Streets	4,103,870	6,730,139	-	-	4,103,870	6,730,139
Culture and Recreation	-	83,232	-	-	-	83,232
Interest on Long-Term Debt	1,769	38,097	-	-	1,769	38,097
Waterworks	-	-	6,136,247	6,816,837	6,136,247	6,816,837
Sewerage	-	-	6,073,613	6,602,525	6,073,613	6,602,525
Commuter Parking	-	-	84,748	112,319	84,748	112,319
Total Expenses	22,406,513	24,886,711	12,294,608	13,531,681	34,701,121	38,418,392
Change in Net Position	(687,556)	(4,190,709)	(40,577)	(487,746)	(728,133)	(4,678,455)
Net Position-Beginning	104,010,113	108,200,822	60,854,490	61,342,236	164,864,603	169,543,058
Net Position-Ending	103,322,557	104,010,113	60,813,913	60,854,490	164,136,470	164,864,603

# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2013

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the City of West Chicago's governmental activities decreased 0.66 percent (\$103,322,557 at December 31, 2013, compared to \$104,010,113 at December 31, 2012). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$13,063,574 at December 31, 2013. Net position decreased due to a reduction in capital assets by \$1,065,365, due to depreciation, and an increase in non-current liabilities of \$187,653, due to in part to increases in net pension and other post-employment benefit obligations.

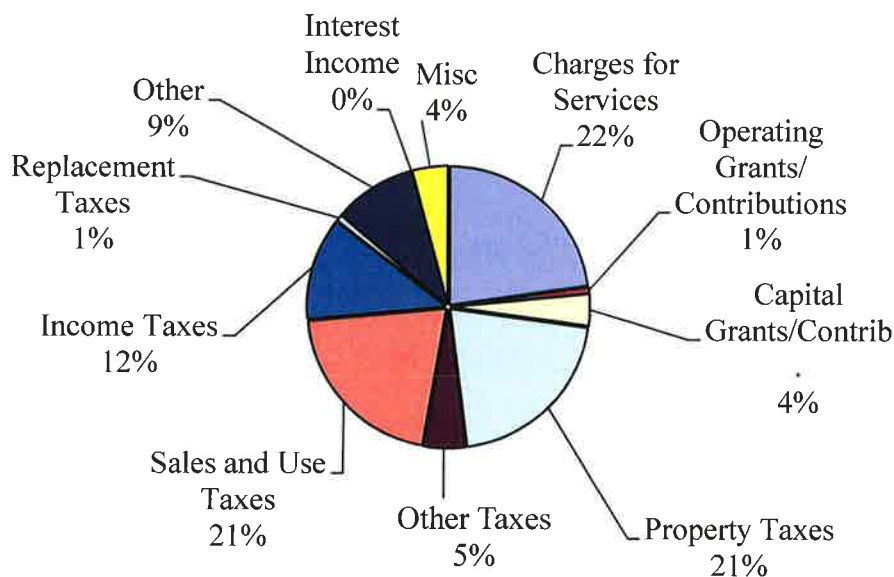
Net position of business-type activities decreased 0.07 of a percent (\$60,813,913 at December 31, 2013 compared to \$60,854,490 at December 31, 2012). A deficit of \$441,246 in the Sewerage Fund was partially offset by surpluses of \$353,601 in the Waterworks Fund and \$47,068 in the Commuter Parking Fund.

### Governmental Activities

Revenues for governmental activities totaled \$21,718,957 while the cost of all governmental functions totaled \$22,406,513. This results in a net position draw down of \$687,556 at December 31, 2013. At December 31, 2012, revenues for governmental activities totaled \$20,696,002, while the cost of all governmental functions totaled \$24,886,711, which resulted in a draw down of \$4,190,709. Revenues for other taxes and property taxes decreased \$143,614 and \$176,917, respectively.

The following table graphically depicts the major revenue sources of the City of West Chicago. It depicts very clearly the reliance on property taxes, sales and use taxes, charges for services and other general revenues to fund governmental activities. It also clearly identifies the less significant percentage the City receives from replacement taxes.

**Revenues by Source - Governmental Activities**



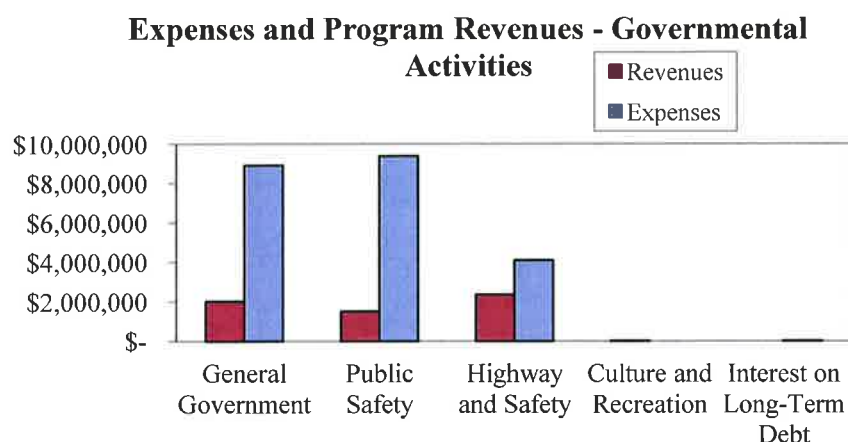
# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2013

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

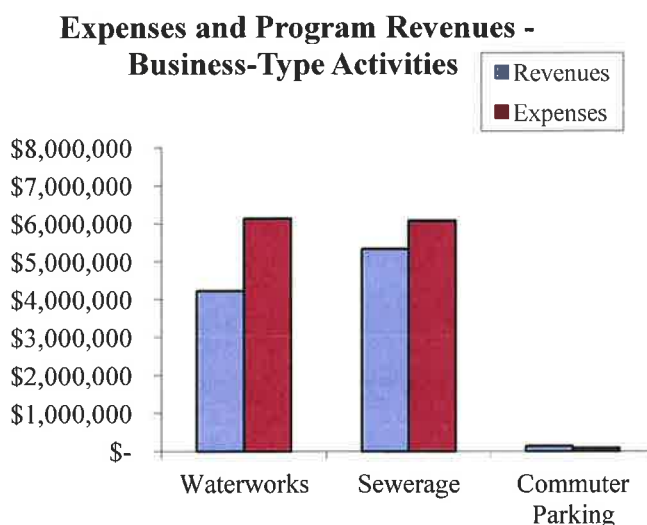
#### Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. These expenses and revenues do not include the major revenue sources, such as property taxes, sales and use taxes and income taxes, described earlier. The Statement of Activities on pages 5 - 6 further outlines those revenues and expenses considered program specific.



#### Business-Type Activities

Business-Type activities posted total revenues of \$12,254,031, while the cost of all business-type activities totaled \$12,294,608. This results in a net position decrease of \$40,577. At December 31, 2012, revenues of \$13,043,935 were less than expenses of \$13,531,681, resulting in a decrease of \$487,746. The above graph compares program revenues to expenses for business-type activities.



## **CITY OF WEST CHICAGO, ILLINOIS**

### **Management's Discussion and Analysis December 31, 2013**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the City of West Chicago uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

##### **Governmental Funds**

The focus of the City of West Chicago's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2013, the City's governmental funds reported combined ending fund balances of \$19,037,008, which is an increase of \$656,872 from last year's total of \$18,380,136. Of the \$19,037,008 total, \$10,931,741, or 57.42 percent, of the fund balance constitutes unassigned fund balance, while \$1,826,295 or 9.59 percent, is designated as nonspendable. Of the remaining \$6,278,972, or 32.99 percent, \$2,335,435, or 12.27 percent has been classified as restricted funds, and \$3,943,537, or 20.72 percent has been classified as assigned funds.

The General Fund is the chief operating fund of the City. The General Fund reported a deficit change in fund balance for the fiscal year of \$493,591, a decrease of 3.71 percent. This decrease is the result of the planned use of reserves as approved in the 2013 Budget by the City Council. Overall, budgeted expenditures totaled \$17,098,900 while actual expenditures totaled \$16,763,857. These variances are further outlined on the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

The Public Benefit Fund is used to account for the accumulation of funds from Kerr McGee to fund projects that meet the criteria established by the City Council and as detailed in the City Code. The Public Benefit Fund reported a surplus change in fund balance for the fiscal year of \$2,294, a result of interest earning activity.

The TIF Special Tax Allocation #1 Fund reported a decrease of \$109,244 for the year, the majority of which resulted from actual revenues totaling \$1,048,419 and actual expenditures totaling \$1,157,663, which was \$168,737 less than expenditures budgeted. The fund balance of \$650,546 will be used for ongoing projects and prospect development.

The Capital Improvement Fund reported a deficit of \$17,468 for the year, which resulted from actual expenditures of \$2,848,167 exceeding actual revenues totaling \$2,830,699, due to the planned use of reserves as approved in the 2013 Budget by the City Council.

## **CITY OF WEST CHICAGO, ILLINOIS**

### **Management's Discussion and Analysis December 31, 2013**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued**

##### **Proprietary Funds**

The City of West Chicago's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City reports the Waterworks Fund and the Sewerage Funds as two major proprietary funds. The Waterworks Fund accounts for all of the operations of the municipal water plant and distribution system while the Sewerage Fund accounts for all of the operations of the municipal sewer plant and collection system. Water is sold to municipal customers at a rate of \$3.88 per one thousand gallons of water (\$2.90 per one hundred cubic feet for water) and a rate of \$5.61 per one thousand gallons of sewer (\$4.20 per one hundred cubic feet for sewer). The variance between the cost of operations and the rates charged to customers is intended to finance the debt and infrastructure of the utility system, including labor costs, supplies, infrastructure maintenance and future infrastructure improvements. The Commuter Parking Fund is recorded as a nonmajor fund.

Each year, the City of West Chicago projects the user rates charged to be sufficient that the funds operate at a breakeven level, including amortization of future capital costs. Periodically, there will be an annual surplus or decrease due to the timing of capital projects. The increase in net position in the Waterworks Fund during the fiscal year was \$353,601, while the increase in the previous fiscal year was \$118,713.

The Sewerage Fund experienced a decrease in net position of \$441,246, while the previous fiscal year reported a decrease of \$627,219. The Commuter Parking Fund had an increase in net position for the fiscal year of \$47,068 and there was an increase in the previous fiscal year of \$20,760. Total net position in the Proprietary Funds were \$60,813,913 (net investment in capital assets, restricted, and unrestricted) at December 31, 2013.

##### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City of West Chicago Council made one budget amendment to the General Fund during the fiscal year, to amend budgeted expenditures only. General Fund actual revenues for the year totaled \$16,250,622 compared to budgeted revenues of \$15,352,000. There were better than anticipated actual results for sales, income and use taxes.

Original budgeted expenditures of \$16,902,000 were increased \$196,900 for TIF and market studies, the purchase of evidence software and increased legal fees. The General Fund actual expenditures for the year were \$335,043 lower than budgeted (\$16,763,857 actual compared to \$17,098,900 final budgeted). The general government's actual expenditures were lower than budgeted expenditures by \$343,378 due to overall cost controlling measures.

# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2013

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The City of West Chicago's investment in capital assets for its governmental and business type activities as of December 31, 2013 was \$151,650,203 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, and parking lot equipment and improvements.

	Capital Assets - Net of Depreciation					
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Land and Right of Way	\$ 46,093,923	46,093,923	4,555,048	4,555,048	50,648,971	50,648,971
Construction in Progress	307,385	208,271	5,170,857	1,942,986	5,478,242	2,151,257
Land Improvements	1,412,241	1,322,472	727,389	794,421	2,139,630	2,116,893
Buildings and Improvements	1,665,647	1,733,231	19,620,504	18,449,272	21,286,151	20,182,503
Machinery and Equipment	367,308	398,485	2,584,800	3,120,746	2,952,108	3,519,231
Infrastructure	38,077,044	39,232,531	31,068,057	31,723,628	69,145,101	70,956,159
Total	87,923,548	88,988,913	63,726,655	60,586,101	151,650,203	149,575,014

This year's major additions included:

Construction in Progress	\$ 3,449,190
Buildings	1,714,908
Land Improvements	202,984
Machinery & Equipment	143,525
	<u>5,510,607</u>

For the year ending December 31, 2014 the capital budget includes \$4.4 million for capital projects, principally for various infrastructure improvements.

Additional information on the City of West Chicago's capital assets can be found in note 3 on pages 36 - 37 of this report.

## CITY OF WEST CHICAGO, ILLINOIS

### Management's Discussion and Analysis December 31, 2013

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

##### Debt Administration

At December 31, 2013, the City of West Chicago had total outstanding debt of \$6,735,635 as compared to \$7,259,271 at December 31, 2012, a decrease of \$523,636. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
IEPA Revolving Loan	\$ -	-	6,735,635	7,259,271	6,735,635	7,259,271

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin. The City is a home rule municipality and to date, the Illinois General Assembly has set no limits for home rule municipalities. Additional information on the City of West Chicago long-term debt can be found in Note 3 on pages 39 - 42 of this report.

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

The City of West Chicago's elected and appointed officials considered many factors when setting the fiscal year 2014 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rates for December 31, 2013, for DuPage County was 6.6 percent and the state and national unemployment rates were 8.9 and 6.7 percent, respectively.

Amounts available for appropriation in the General Fund budget are \$15.2 million, a decrease of seven-tenths percent from the final 2013 budget of \$15.3 million. The City of West Chicago has budgeted increases in income tax earnings and rental income of approximately 5.0 percent and 25.0 percent, respectively. The City of West Chicago's major initiatives in the 2014 budget include completing the construction of the Well Number 12 Well House, water line installation in the W. Brown and W. Pomeroy neighborhood, updating the SCADA system for the City's lift stations, repair and upgrade of the City's primary lift station (lift station #3) and approximately \$1.6 million in planned equipment replacement at the Wastewater Treatment Plant. The City of West Chicago maintains its strong commitment to fiscal accountability and pledges to continue to seek innovative strategies to maximize financial responsibility.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of West Chicago's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Director of Administrative Services, City of West Chicago, 475 Main Street, West Chicago, IL. 60185.



## **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.

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**See Following Page**

# CITY OF WEST CHICAGO, ILLINOIS

## Statement of Net Position December 31, 2013

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 18,197,193	\$ 3,191,454	\$ 21,388,647
Receivables - Net of Allowances	6,868,921	4,696,288	11,565,209
Prepaid Items/Inventories	1,029,830	26,641	1,056,471
Restricted Cash and Investments	-	617,482	617,482
Total Current Assets	26,095,944	8,531,865	34,627,809
Capital Assets			
Nondepreciable	46,401,308	9,725,905	56,127,213
Depreciable	84,934,794	89,284,211	174,219,005
Accumulated Depreciation	(43,412,554)	(35,283,461)	(78,696,015)
Total Capital Assets	87,923,548	63,726,655	151,650,203
Total Assets	114,019,492	72,258,520	186,278,012

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

	Governmental Activities	Business- Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 1,056,436	\$ 2,462,905	\$ 3,519,341
Accrued Payroll	445,899	200,754	646,653
Deposits Payable	723,885	62,792	786,677
Interest Payable	-	57,702	57,702
Other Payables	350,416	265,350	615,766
Sewer Plant Expansion Restricted	-	1,515,566	1,515,566
Current Portion of Long-Term Debt	228,086	565,960	794,046
Total Current Liabilities	2,804,722	5,131,029	7,935,751
Noncurrent Liabilities			
Compensated Absences Payable	912,346	115,122	1,027,468
Net Pension Obligation	1,675,467	-	1,675,467
Net Other Post-Employment Benefit Obligation	822,100	-	822,100
IEPA Revolving Loan Payable	-	6,198,456	6,198,456
Total Noncurrent Liabilities	3,409,913	6,313,578	9,723,491
Total Liabilities	6,214,635	11,444,607	17,659,242
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	4,482,300	-	4,482,300
Total Liabilities and Deferred Inflows of Resources	10,696,935	11,444,607	22,141,542
<b>NET POSITION</b>			
Net Investment in Capital Assets	87,923,548	56,991,020	144,914,568
Restricted - MFT	844,754	-	844,754
Restricted - TIF	772,879	-	772,879
Restricted - Special Service Areas	17,579	-	17,579
Restricted - Public Benefit Projects	700,223	-	700,223
Restricted - Per Intergovernmental Agreement - Sewer Plant Replacement	-	760,002	760,002
Unrestricted	13,063,574	3,062,891	16,126,465
Total Net Position	\$ 103,322,557	\$ 60,813,913	\$ 164,136,470

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

# CITY OF WEST CHICAGO, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended December 31, 2013

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
<b>Governmental Activities</b>				
General Government	\$ 8,912,745	\$ 2,007,405	\$ -	\$ -
Public Safety	9,388,129	1,373,123	140,805	-
Streets and Highways	4,103,870	1,557,400	-	806,014
Culture and Recreation	-	-	10,000	-
Interest on Long-Term Debt	1,769	-	-	-
Total Governmental Activities	22,406,513	4,937,928	150,805	806,014
<b>Business-Type Activities</b>				
Waterworks	6,136,247	4,218,252	-	-
Sewerage	6,073,613	5,328,023	-	-
Commuter Parking	84,748	131,813	-	-
Total Business-Type Activities	12,294,608	9,678,088	-	-
	\$ 34,701,121	\$ 14,616,016	\$ 150,805	\$ 806,014

### General Revenues

#### Taxes

Property Taxes

Telecommunications Taxes

Amusement Taxes

Intergovernmental - Unrestricted

Sales and Use Taxes

Income Taxes

Replacement Taxes

Utility Taxes

Interest Income

Miscellaneous

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
\$ (6,905,340)	\$ -	\$ (6,905,340)
(7,874,201)	-	(7,874,201)
(1,740,456)	-	(1,740,456)
10,000	-	10,000
(1,769)	-	(1,769)
(16,511,766)	-	(16,511,766)
-	(1,917,995)	(1,917,995)
-	(745,590)	(745,590)
-	47,065	47,065
-	(2,616,520)	(2,616,520)
(16,511,766)	(2,616,520)	(19,128,286)
4,534,973	8,804	4,543,777
922,803	-	922,803
109,811	-	109,811
4,515,729	1,071,655	5,587,384
2,580,764	-	2,580,764
169,568	-	169,568
2,051,702	-	2,051,702
21,399	6,142	27,541
917,461	1,489,342	2,406,803
15,824,210	2,575,943	18,400,153
(687,556)	(40,577)	(728,133)
104,010,113	60,854,490	164,864,603
\$ 103,322,557	\$ 60,813,913	\$ 164,136,470

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

**CITY OF WEST CHICAGO, ILLINOIS**

**Balance Sheet - Governmental Funds**

**December 31, 2013**

		Special
	General	Public Benefit
<b>ASSETS</b>		
Cash and Investments	\$ 11,396,732	\$ 700,223
Receivables - Net of Allowances		
Property Taxes	3,463,153	-
Accrued Interest	3,428	-
Other	2,013,739	-
Due From Other Funds	-	-
Prepays/Inventories	1,028,304	-
Advances to Other Funds	-	796,465
Total Assets	17,905,356	1,496,688
<b>LIABILITIES</b>		
Accounts Payable	521,244	-
Accrued Payroll	413,966	-
Deposits Payable	723,885	-
Due to Other Funds	-	-
Advances from Other Funds	-	-
Other Payables	-	-
Total Liabilities	1,659,095	-
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	3,441,462	-
Total Liabilities and Deferred Inflows of Resources	5,100,557	-
<b>FUND BALANCES</b>		
Nonspendable	1,028,304	796,465
Restricted	844,754	700,223
Assigned	-	-
Unassigned	10,931,741	-
Total Fund Balances	12,804,799	1,496,688
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 17,905,356	\$ 1,496,688

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

Revenue			
TIF		Nonmajor	Total
Special Tax	Capital	Governmental	Governmental
Allocation #1	Improvement	Funds	Funds
\$ 1,496,603	\$ 2,754,734	\$ 1,848,901	\$ 18,197,193
1,028,904	-	26,617	4,518,674
-	106	-	3,534
-	332,974	-	2,346,713
-	-	17,579	17,579
954	572	-	1,029,830
-	-	-	796,465
2,526,461	3,088,386	1,893,097	26,909,988
37,823	468,650	28,719	1,056,436
27,406	4,527	-	445,899
-	-	-	723,885
-	17,579	-	17,579
796,465	-	-	796,465
-	350,416	-	350,416
861,694	841,172	28,719	3,390,680
1,014,221	-	26,617	4,482,300
1,875,915	841,172	55,336	7,872,980
954	572	-	1,826,295
649,592	-	140,866	2,335,435
-	2,246,642	1,696,895	3,943,537
-	-	-	10,931,741
650,546	2,247,214	1,837,761	19,037,008
\$ 2,526,461	\$ 3,088,386	\$ 1,893,097	\$ 26,909,988

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



**CITY OF WEST CHICAGO, ILLINOIS**

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

**December 31, 2013**

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<b>Total Governmental Fund Balances</b>	<b>\$ 19,037,008</b>
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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.	87,923,548
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Internal service funds are used by the City to charge the costs of vehicle and equipment management and technology services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	-
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Long-term liabilities are not due and payable in the current  
period and therefore are not reported in the funds.

Compensated Absences Payable	(1,140,432)
Pension Obligation Payable	(1,675,467)
Net Other Post-Employment Benefit Obligation Payable	<u>(822,100)</u>

<b>Net Position of Governmental Activities</b>	<b><u>\$ 103,322,557</u></b>
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The notes to the financial statements are an integral part of this statement.

**CITY OF WEST CHICAGO, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2013**

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**See Following Page**

**CITY OF WEST CHICAGO, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2013**

		Special
	General	Public Benefit
Revenues		
Taxes	\$ 4,705,366	\$ -
Intergovernmental	7,517,487	-
Charges for Services	1,850,544	-
Licenses and Permits	530,638	-
Fines and Forfeitures	999,346	-
Interest Income	13,467	2,294
Miscellaneous	633,774	-
Total Revenues	<u>16,250,622</u>	<u>2,294</u>
Expenditures		
Current		
General Government	7,515,822	-
Public Safety	9,248,035	-
Streets and Highways	-	-
Capital Outlay	-	-
Debt Service		
Interest and Fiscal Charges	-	-
Total Expenditures	<u>16,763,857</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(513,235)	2,294
Other Financing Sources		
Transfers In	<u>19,644</u>	<u>-</u>
Net Change in Fund Balances	(493,591)	2,294
Fund Balances - Beginning	<u>13,298,390</u>	<u>1,494,394</u>
Fund Balances - Ending	<u>\$ 12,804,799</u>	<u>\$ 1,496,688</u>

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

<u>Revenue</u>			
TIF Special Tax Allocation #1	Capital Improvement	Nonmajor Governmental Funds	Total
\$ 1,014,394	\$ 2,587,527	\$ 17,395	\$ 8,324,682
-	-	-	7,517,487
-	-	1,557,400	3,407,944
-	-	-	530,638
-	-	-	999,346
2,645	2,302	599	21,307
31,380	240,870	11,437	917,461
1,048,419	2,830,699	1,586,831	21,718,865
1,155,894	-	5,169	8,676,885
-	-	-	9,248,035
-	-	-	-
-	2,848,167	306,781	3,154,948
1,769	-	-	1,769
1,157,663	2,848,167	311,950	21,081,637
(109,244)	(17,468)	1,274,881	637,228
-	-	-	19,644
(109,244)	(17,468)	1,274,881	656,872
759,790	2,264,682	562,880	18,380,136
\$ 650,546	\$ 2,247,214	\$ 1,837,761	\$ 19,037,008

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

**CITY OF WEST CHICAGO, 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**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 656,872</b>
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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	368,654
Depreciation Expense	(1,434,019)

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 Net Pension Obligation	(81,012)
Additions to Compensated Absences Payable	(118,276)
Additions to Net Other Post-Employment Benefit Obligation Payable	(12,020)

Internal service funds are used by the City to charge the costs of vehicle  
and equipment management and technology services to individual funds.  
The net revenue of certain activities of internal service funds is  
reported with governmental activities.

	<u>(67,755)</u>
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<b>Changes in Net Position of Governmental Activities</b>	<b><u>\$ (687,556)</u></b>
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The notes to the financial statements are an integral part of this statement.

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**See Following Page**

# CITY OF WEST CHICAGO, ILLINOIS

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

	Business-Type Activities - Enterprise				Governmental
			Nonmajor Commuter Parking	Total	Activities Internal Service
	Waterworks	Sewerage			
<b>ASSETS</b>					
Current Assets					
Cash and Investments	\$ -	\$ 3,039,462	\$ 151,992	\$ 3,191,454	\$ -
Receivables - Net of Allowances					
Property Taxes	-	8,745	-	8,745	-
Accounts	2,165,753	2,252,742	2,350	4,420,845	-
Other	266,160	-	-	266,160	-
Accrued Interest	-	538	-	538	-
Due From Other Funds	-	3,062,392	-	3,062,392	-
Advances to Other Funds	-	1,850,000	-	1,850,000	-
Prepays	13,401	13,240	-	26,641	-
Restricted Investments	-	617,482	-	617,482	-
Total Current Assets	2,445,314	10,844,601	154,342	13,444,257	-
Noncurrent Assets					
Capital Assets					
Nondepreciable	9,305,563	420,342	-	9,725,905	-
Depreciable	49,574,635	39,018,734	690,842	89,284,211	-
Accumulated Depreciation	(14,769,720)	(20,102,934)	(410,807)	(35,283,461)	-
Total Noncurrent Assets	44,110,478	19,336,142	280,035	63,726,655	-
Total Assets	46,555,792	30,180,743	434,377	77,170,912	-

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

	Business-Type Activities - Enterprise				Governmental
			Nonmajor		Activities
	Waterworks	Sewerage	Commuter	Total	Internal
			Parking		Service
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	\$ 1,099,658	\$ 1,360,715	\$ 2,532	\$ 2,462,905	\$ -
Accrued Payroll	121,665	77,409	1,680	200,754	-
Interest Payable	57,702	-	-	57,702	-
Other Liabilities	-	62,792	-	62,792	-
Sewer Plant Expansion Restriced	-	1,515,566	-	1,515,566	-
Due to Other Funds	3,062,392	-	-	3,062,392	-
Advances from Other Funds	1,850,000	-	-	1,850,000	-
Other Payables	250,050	-	15,300	265,350	-
Compensated Absences	26,123	2,658	-	28,781	-
IEPA Revolving Loan	537,179	-	-	537,179	-
Total Current Liabilities	7,004,769	3,019,140	19,512	10,043,421	-
Noncurrent Liabilities					
Compensated Absences	104,489	10,633	-	115,122	-
IEPA Revolving Loan	6,198,456	-	-	6,198,456	-
Total Noncurrent Liabilities	6,302,945	10,633	-	6,313,578	-
Total Liabilities	13,307,714	3,029,773	19,512	16,356,999	-
<b>NET POSITION</b>					
Net Investment in Capital Assets	37,374,843	19,336,142	280,035	56,991,020	-
Restricted - Per Intergovernmental Agreement -					
Sewer Plant Replacement	-	760,002	-	760,002	-
Unrestricted (Deficit)	(4,126,765)	7,054,826	134,830	3,062,891	-
Total Net Position	\$ 33,248,078	\$ 27,150,970	\$ 414,865	\$ 60,813,913	\$ -

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



**CITY OF WEST CHICAGO, ILLINOIS**

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

	<u>Waterworks</u>
Operating Revenues	
Charges for Services	\$ 4,181,696
Licenses and Permits	-
Total Operating Revenues	<u>4,181,696</u>
Operating Expenses	
Operations	4,630,351
Depreciation	<u>1,327,162</u>
Total Operating Expenses	<u>5,957,513</u>
Operating Income (Loss)	<u>(1,775,817)</u>
Nonoperating Revenues (Expenses)	
Water and Sewer Connection Fees	36,556
Property Taxes	-
Sales Taxes	1,071,655
Interest Income	665
Other Income	1,199,276
Interest Expense and Fiscal Charges	<u>(178,734)</u>
	<u>2,129,418</u>
Income (Loss) Before Transfers	353,601
Transfers Out	<u>-</u>
Change in Net Position	353,601
Net Position - Beginning	<u>32,894,477</u>
Net Position - Ending	<u>\$ 33,248,078</u>

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

Business-Type Activities - Enterprise			Governmental
	Nonmajor		Activities
Sewerage	Commuter Parking	Total	Internal Service
\$ 5,281,463	\$ 70,365	\$ 9,533,524	\$ -
-	61,448	61,448	-
5,281,463	131,813	9,594,972	-
5,546,810	59,519	10,236,680	48,203
526,803	25,229	1,879,194	-
6,073,613	84,748	12,115,874	48,203
(792,150)	47,065	(2,520,902)	(48,203)
46,560	-	83,116	-
8,804	-	8,804	-
-	-	1,071,655	-
5,474	3	6,142	92
290,066	-	1,489,342	-
-	-	(178,734)	-
350,904	3	2,480,325	92
(441,246)	47,068	(40,577)	(48,111)
-	-	-	(19,644)
(441,246)	47,068	(40,577)	(67,755)
27,592,216	367,797	60,854,490	67,755
\$ 27,150,970	\$ 414,865	\$ 60,813,913	\$ -

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

# CITY OF WEST CHICAGO, ILLINOIS

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

	Waterworks Fund
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,890,126
Payments to Employees	(1,456,171)
Payments to Suppliers	(108,668)
	<u>2,325,287</u>
Cash Flows from Noncapital Financing Activities	
Transfers In (Out)	-
Property Taxes	-
Sales Taxes	1,071,655
	<u>1,071,655</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(2,936,935)
Interest on Capital Debt	(178,734)
Principal on Capital Debt	(523,636)
	<u>(3,639,305)</u>
Cash Flows from Investing Activities	
Interest Received	665
Net Change in Cash and Cash Equivalents	(241,698)
Cash and Cash Equivalents - Beginning	241,698
Cash and Cash Equivalents - Ending	<u>-</u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	(1,775,817)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	1,327,162
Other Income	1,235,832
(Increase) Decrease in Current Assets	(1,527,402)
Increase (Decrease) in Current Liabilities	3,065,512
Net Cash Provided by Operating Activities	<u>\$ 2,325,287</u>

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

Business-Type Activities - Enterprise Funds			
Sewerage Fund	Nonmajor Enterprise Commuter Parking	Total	Governmental Activities Internal Service
\$ 1,401,088	\$ 131,443	\$ 5,422,657	\$ -
(871,800)	(15,432)	(2,343,403)	-
(3,119,554)	(45,085)	(3,273,307)	(143,202)
(2,590,266)	70,926	(194,053)	(143,202)
-	-	-	(19,644)
8,804	-	8,804	-
-	-	1,071,655	-
8,804	-	1,080,459	(19,644)
(2,082,852)	-	(5,019,787)	-
-	-	(178,734)	-
-	-	(523,636)	-
(2,082,852)	-	(5,722,157)	-
5,474	3	6,142	92
(4,658,840)	70,929	(4,829,609)	(162,754)
8,315,784	81,063	8,638,545	162,754
3,656,944	151,992	3,808,936	-
(792,150)	47,065	(2,520,902)	(48,203)
526,803	25,229	1,879,194	-
336,626	-	1,572,458	-
(4,217,001)	(370)	(5,744,773)	-
1,555,456	(998)	4,619,970	(94,999)
\$ (2,590,266)	\$ 70,926	\$ (194,053)	\$ (143,202)

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

**CITY OF WEST CHICAGO, ILLINOIS**

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

	<u>Pension Trust Police Pension</u>	<u>Agency</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 9,804	\$ 130,713
Investments		
Money Market Mutual Funds	650,706	-
U.S. Government and Agency Obligations	2,387,881	-
Mutual Funds	11,863,753	-
Insurance Contracts	6,225,867	-
Prepays	<u>4,878</u>	<u>-</u>
Total Assets	<u>21,142,889</u>	<u>130,713</u>
<b>LIABILITIES</b>		
Accounts Payable	2,020	-
Due to Bondholders	<u>-</u>	<u>130,713</u>
Total Liabilities	<u>2,020</u>	<u>130,713</u>
<b>NET POSITION</b>		
Net Position Held in Trust for Pension Benefits	<u>\$ 21,140,869</u>	<u>\$ -</u>

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

**CITY OF WEST CHICAGO, ILLINOIS**

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

	<u>Pension Trust Police Pension</u>
<b>Additions</b>	
Contributions - Employer	\$ 1,380,000
Contributions - Plan Members	<u>445,071</u>
Total Contributions	<u>1,825,071</u>
<b>Investment Income</b>	
Interest Earned	311,580
Net Change in Fair Value	<u>463,353</u>
	774,933
Less Investment Expenses	<u>(37,952)</u>
	<u>736,981</u>
Total Additions	<u>2,562,052</u>
<b>Deductions</b>	
Administration	41,085
Benefits and Refunds	
Benefits	<u>1,256,463</u>
Total Deductions	<u>1,297,548</u>
Change in Net Position	1,264,504
<b>Net Position Held in Trust for Pension Benefits</b>	
Beginning	<u>19,876,365</u>
Ending	<u>\$ 21,140,869</u>

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

## **CITY OF WEST CHICAGO, ILLINOIS**

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

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

The City of West Chicago, Illinois, incorporated in 1849, is a municipal corporation governed by an elected Mayor and City Council. The City's major operations include public safety, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, water, sanitation, commuter parking 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 City's accounting policies established in GAAP and used by the City are described below.

#### **REPORTING ENTITY**

The City's financial reporting entity comprises the following:

Primary Government:	City of West Chicago
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In determining the financial reporting entity, the City 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 City. 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 City'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 City'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 City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City'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.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

#### **BASIS OF PRESENTATION**

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

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The City's water, sewer and parking services 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. The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City 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 City's functions and business-type activities (general government, public safety, water, sanitation, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, 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 tax, sales tax, intergovernmental revenues, interest income, etc).



# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

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

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

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

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

The financial transactions of the City 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 comprises 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 City can electively add funds, as major funds, which either have debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City 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.

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 City:

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### 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 City:

**General fund** is the general operating fund of the City. 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 City maintains two major and two nonmajor special revenue funds. The two major funds are the Public Benefit Fund, which accounts for the accumulation of restricted funds from Kerr McGee to fund projects that meet the criteria detailed in the City Code, and the TIF Special Tax Allocation #1 Fund, which accounts for the accumulation of funds from restricted incremental revenue generated within the TIF #1 area.

**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 City does not currently utilize debt service funds.

**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 City maintains one major and one nonmajor capital projects fund. The Capital Improvement Fund, the major fund, accounts for utility taxes and a one-quarter percent home rule sales tax that are set aside for funding major capital improvements throughout the City.

#### 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 City:

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Proprietary Funds – Continued

**Enterprise funds** are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is 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 City maintains two major and one nonmajor enterprise funds; the major funds are the Waterworks and the Sewerage Funds. The Waterworks Fund is used to account for the provision of potable water services to the residents of the City. 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. The Sewerage Fund is used to account for the provision of wastewater treatment and collection services to the residents of the City. 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** are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The MIS Replacement Fund accounts for the City's IT equipment purchases, the costs of which are allocated out to the user funds/departments.

#### Fiduciary Funds

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

**Pension trust funds** are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

**Agency funds** are used to account for assets held by the City in a purely custodial capacity. The Special Service Area Funds are used to account for the collection of property taxes within special service areas and payments of related special service area debt. The City is not obligated in any manner for the bonds, but rather is acting in an agent capacity.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

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

##### **Fiduciary Funds – Continued**

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). 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 City, these funds are not incorporated into the government-wide statements.

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

##### **Measurement Focus**

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.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type 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.

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.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

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

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type 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 City 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 fees, 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 City’s enterprise funds, are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap on fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

#### **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, franchise fees, and grants. Business-type activities report utility charges as their major receivables.

##### **Interfund Receivables, Payables and Activity**

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

##### **Prepays/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.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$25,000 - \$30,000 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 City as a whole. Infrastructure such as streets and traffic signals 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:

Land Improvements	20 Years
Buildings	50 Years
Machinery and Equipment	5 – 15 Years
Vehicles	8 Years
Infrastructure	65 Years

##### **Compensated Absences**

The City 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.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

##### **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 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.

##### **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.”



## **CITY OF WEST CHICAGO, ILLINOIS**

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

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

##### **BUDGETARY INFORMATION**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted for the general, special revenue (except the Other Special Service Areas Fund), capital projects, enterprise funds and internal service funds. All annual appropriations lapse at fiscal year end.

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

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

The Budget Officer is authorized to transfer budgeted amounts between departments and line items within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, one supplementary appropriation was approved.

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

##### **DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds except the pension trust fund. 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 City's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds. Pension fund may also invest in certain non-U.S. obligations, Illinois municipal corporation tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and equity securities.

## CITY OF WEST CHICAGO, ILLINOIS

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

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

##### DEPOSITS AND INVESTMENTS – Continued

The deposits and investments of the Pension Fund are held separately from those of other City funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, 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.

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.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

##### **City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits and Investments.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$17,999,527 and the bank balances totaled \$18,404,427. Additionally, at year-end the City has \$36,548 invested in the Illinois Funds and \$3,970,054 invested in the Illinois Metropolitan Investment Fund.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which may be reasonably anticipated in any City Fund. The average maturity for the Illinois Funds and the Illinois Metropolitan Investment Fund is less than one year.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### DEPOSITS AND INVESTMENTS – Continued

##### City Interest Rate Risk, 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. Besides investing in instruments authorized under State Statute, the City's investment policy does not further limit investment choices. The City limits its exposure to credit risk by primarily investing in Illinois Funds which were rated AAAM by Standard & Poor's and in Illinois Metropolitan Investment Trust Convenience Fund which were rated AAAF by Standard & Poor's and the 1-3 Year Fund is rated AAF by Standard & Poor's.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. To limit its exposure, the City's investment policy states funds on deposit in excess of FDIC or Federal Savings and Loan Insurance Corporation limits must be secured by collateral. Acceptable collateral shall consist of any of the following: U.S. Government Securities, obligations of Federal Agencies, obligations of the State of Illinois, general obligations of Municipal Bonds rated "A" or better, and any other collateral identified by the Illinois State Statutes as acceptable for use by the Treasurer of the State of Illinois. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral. The City's investment policy does not specifically address custodial credit risk for investments. At year-end, the City's investment in the Illinois Funds and the Illinois Metropolitan Investment Trust are not subject to custodial credit risk.

*Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that the investment portfolio of the City shall not exceed the following limits:

- No financial institution shall hold more than 40% of the portfolio. This shall not include United States of America Securities held in safekeeping
- The Illinois Investment Pool shall not exceed 80% of the portfolio

At year-end, the City's investment in the Illinois Metropolitan Investment Fund is over 5 percent of the total cash and investment portfolio.

##### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

*Deposits.* At year-end, the carrying amount of the Police Pension Fund's deposits totaled \$660,510 and the bank balances totaled \$666,101.

*Investments.* The fair value and maturities of the Fund's investments at year-end are as follows:

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### DEPOSITS AND INVESTMENTS – Continued

#### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	Greater Than 10
U.S. Treasuries	\$ 1,311,168	\$ -	\$ 374,539	\$ 936,629	\$ -
U.S. Agencies	1,076,713	-	1,076,713		-
	<u>\$ 2,387,881</u>	<u>\$ -</u>	<u>\$ 1,451,252</u>	<u>\$ 936,629</u>	<u>\$ -</u>

*Interest Rate Risk.* In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investments with anticipated cash flow requirements.

*Credit Risk.* The Fund helps limit its 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 Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of the U.S. Government agencies were all rated triple A by Standard & Poor's and Moody's Investor Services.

*Custodial Credit Risk.* At December 31, 2013, all of the Pension Fund's deposits were covered by federal depository or equivalent insurance. The Pension Fund's investment policy states that funds on deposit in excess of FDIC limits must be secured by collateral. The Pension Fund will accept any of the following assets as collateral: government securities, obligations of Federal Agencies, obligations of Federal Instrumentalities, and obligations of the State of Illinois. The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Chicago, designated by the Fund and evidenced by a safekeeping agreement. At December 31, 2013, the U.S. Government Securities are categorized as insured or registered with the Fund or its agent in the Fund's name. Money market mutual funds, equity mutual funds, and insurance contracts are not subject to custodial credit risk disclosures. The Pension Fund's investment policy requires that securities be held by a third party custodian designated by the Fund and evidenced by safekeeping receipts.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### DEPOSITS AND INVESTMENTS – Continued

#### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Concentration Credit Risk.* At December 31, 2013, the Pension Fund has over 5% of net plan position invested in various agency securities as indicated in the table above and the Invesco Floating Rate mutual fund (\$2,003,069), Lord Abbett Floating Rate mutual fund (\$1,116,612), Protective Life Annuity (\$2,562,577), and MetLife Investors Annuity (\$1,927,104). Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the “full faith and credit” backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. In order to reduce the risk of default, the investment portfolio of the Pension Fund shall not exceed the following diversification limits unless specifically authorized by the Board of Trustees:

- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution
- Commercial paper shall not exceed 10% of the Pension Fund’s investment portfolio
- Deposits in the Illinois Public Treasurer’s Investment Pool shall not exceed 50% of the Pension Fund’s investment portfolio
- Brokered certificates of deposit shall not exceed 25% of the Pension Fund’s investment portfolio

Additionally at year-end, the Pension Fund has \$6,225,867 invested in insurance contracts and has diversified its equity mutual fund holdings as follows:

Blackrock Equity	\$ 824,119
Ishares Barclays ETF	333,194
Franklin Floating Rate Daily	489,894
Franklin Templeton Hard Currency	346,757
Hartford Capital	177,039
Hartford Emerging Markets	367,633
Hartford Floating Rate	605,824
Invesco Convertible Securities	343,227
Invesco Floating Rate	2,003,069
Ivy Asset Strategy	872,880
Lord Abbett Floating Rate	1,116,612
Lord Abbett Emerging Market	302,787
Lord Abbett Growth Leaders	212,590
Lord Abbett Stock Appreciation	158,130
Lord Abbett Value	748,554
Nuveen Preferred Securities	340,209
Oppenheimer Capital Appreciation	344,179
Oppenheimer Equity Income	804,639
PIMCO Low Duration	430,009
Prudential Jennison	364,897
TransAmerica Short Term Bond	301,657
Van Eck	375,854
	<u>11,863,753</u>

**CITY OF WEST CHICAGO, 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
<b>Capital Assets - Not Being Depreciated</b>				
Land	\$ 22,505,030	\$ -	\$ -	\$ 22,505,030
Land Right of Way	23,588,893	-	-	23,588,893
Construction in Progress	208,271	99,114	-	307,385
	<u>46,302,194</u>	<u>99,114</u>	<u>-</u>	<u>46,401,308</u>
<b>Other Capital Assets</b>				
Land Improvements	2,061,324	202,984	-	2,264,308
Buildings and Improvements	3,379,219	-	-	3,379,219
Machinery and Equipment	1,188,654	66,556	-	1,255,210
Vehicles	2,929,432	-	-	2,929,432
Infrastructure	75,106,625	-	-	75,106,625
	<u>84,665,254</u>	<u>269,540</u>	<u>-</u>	<u>84,934,794</u>
<b>Less Accumulated Depreciation</b>				
Land Improvements	738,852	113,215	-	852,067
Buildings and Improvements	1,645,988	67,584	-	1,713,572
Machinery and Equipment	930,690	83,681	-	1,014,371
Vehicles	2,788,911	14,052	-	2,802,963
Infrastructure	35,874,094	1,155,487	-	37,029,581
	<u>41,978,535</u>	<u>1,434,019</u>	<u>-</u>	<u>43,412,554</u>
<b>Total Other Capital Assets</b>	<u>42,686,719</u>	<u>(1,164,479)</u>	<u>-</u>	<u>41,522,240</u>
<b>Total Capital Assets</b>	<u>\$ 88,988,913</u>	<u>\$ (1,065,365)</u>	<u>\$ -</u>	<u>\$ 87,923,548</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 57,361
Public Safety	59,082
Highways and Streets	<u>1,317,576</u>
	<u>\$ 1,434,019</u>

**CITY OF WEST CHICAGO, 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
Capital Assets - Not Being Depreciated				
Land	\$ 4,555,048	\$ -	\$ -	\$ 4,555,048
Construction in Progress	1,942,986	3,350,076	122,205	5,170,857
	<u>6,498,034</u>	<u>3,350,076</u>	<u>122,205</u>	<u>9,725,905</u>
Other Capital Assets				
Land Improvements	1,514,118	-	-	1,514,118
Buildings	25,468,918	1,714,908	-	27,183,826
Infrastructure	42,612,141	-	-	42,612,141
Machinery and Equipment	17,674,258	76,969	-	17,751,227
Vehicles	222,899	-	-	222,899
	<u>87,492,334</u>	<u>1,791,877</u>	<u>-</u>	<u>89,284,211</u>
Less Accumulated Depreciation				
Land Improvements	719,697	67,032	-	786,729
Buildings	7,019,646	543,676	-	7,563,322
Infrastructure	10,888,513	655,571	-	11,544,084
Machinery and Equipment	14,553,512	612,915	-	15,166,427
Vehicles	222,899	-	-	222,899
	<u>33,404,267</u>	<u>1,879,194</u>	<u>-</u>	<u>35,283,461</u>
Total Other Capital Assets	<u>54,088,067</u>	<u>(87,317)</u>	<u>-</u>	<u>54,000,750</u>
Total Capital Assets	<u>\$ 60,586,101</u>	<u>\$ 3,262,759</u>	<u>\$ 122,205</u>	<u>\$ 63,726,655</u>

Depreciation expense was charged to business-type as follows:

Waterworks	\$ 1,327,162
Sewerage	526,803
Commuter Parking	<u>25,229</u>
	<u>\$ 1,879,194</u>

# CITY OF WEST CHICAGO, 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 DuPage County and are payable in two installments, on or about June 1, 2014, and September 1, 2014. The County collects such taxes and remits them periodically.

#### INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

##### Interfund Balances

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

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Sewerage	Capital Improvement Waterworks	\$ 17,579 3,062,392 <u>\$ 3,079,971</u>

Interfund balances are advances in anticipation of receipts.

##### Interfund Advances

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
Public Benefit Sewerage	TIF Special Tax Allocation #1 Waterworks	\$ 796,465 1,850,000 <u>\$ 2,646,465</u>

The interfund advance from the Public Benefit Fund is for the purchase of properties within the TIF District as part of future land improvement programs. A total of up to \$1.5 million dollars was approved by the City Council for lending to the TIF District for this purpose in lieu of selling additional bonds at a higher interest rate. The amounts will be repaid, with accrued interest, as part of the agreement over the remaining years of the TIF District. The interfund advance from the Sewerage Fund was for the payoff of the Waterworks General Obligation Alternate Revenue Source Bonds of 2002. The amounts will be repaid, with accrued interest, over the next two years.



# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

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

##### Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	MIS - Replacement	<u>\$ 19,644</u>

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

#### LONG-TERM DEBT

##### IEPA Revolving Loan

The City has entered into an agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA revolving loan currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Waterworks Revolving Loan (\$11,000,000), due in semi-annual installments of \$353,428, including interest at 2.57% through September 9, 2024.	Waterworks	<u>\$ 7,259,271</u>	<u>\$ -</u>	<u>\$ 523,636</u>	<u>\$ 6,735,635</u>

# CITY OF WEST CHICAGO, 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

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 1,594,455	\$ 81,012	\$ -	\$ 1,675,467	\$ -
Compensated Absences	1,022,156	236,552	118,276	1,140,432	228,086
Net Other Post-Employment Benefit Obligation	810,080	12,020	-	822,100	-
	<u>3,426,691</u>	<u>329,584</u>	<u>118,276</u>	<u>3,637,999</u>	<u>228,086</u>
Business-type Activities					
Compensated Absences	170,585	26,682	53,364	143,903	28,781
IEPA Revolving Loan	7,259,271	-	523,636	6,735,635	537,179
	<u>\$ 7,429,856</u>	<u>\$ 26,682</u>	<u>\$ 577,000</u>	<u>\$ 6,879,538</u>	<u>\$ 565,960</u>

For governmental activities the General Fund makes payments on the net pension obligation, the net other post-employment benefit obligation and the compensated absences. For business-type activities, the Waterworks Fund makes payments on the IEPA revolving loan. Compensated absences are liquidated from the Waterworks and Sewerage Funds.

#### Noncommitment Debt

##### Special Service Area Bonds

Special service area bonds outstanding as of the date of this report totaled \$223,000. These bonds are not an obligation of the government and are secured by the levy of an annual tax on the real property within the special service area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### LONG-TERM DEBT – Continued

##### Noncommitment Debt – Continued

##### Industrial Development Revenue Bonds

The City has issued Industrial Development Revenue Bonds (IDRB) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial facilities deemed to be in the public interest and to provide financing for low interest mortgages to qualified applicants. The bonds are secured solely by the property or mortgages financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not recorded as a liability in these financial statements. As of December 31, 2013, there was one IDRB outstanding. The aggregate principal amount payable for the bond series is \$800,000.

##### Debt Service Requirements to Maturity

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

Fiscal Year Ending December 31	Business-Type Activities		
	IEPA Revolving		
	Loan		
	Principal	Interest	Total
2014	\$ 537,179	\$ 169,677	\$ 706,856
2015	551,074	155,782	706,856
2016	565,327	141,529	706,856
2017	579,950	126,906	706,856
2018	594,950	111,906	706,856
2019	610,339	96,517	706,856
2020	626,125	80,731	706,856
2021	642,320	64,536	706,856
2022	658,933	47,923	706,856
2023	675,977	30,879	706,856
2024	693,461	13,395	706,856
Total	\$ 6,735,635	\$ 1,039,781	\$ 7,775,416

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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

#### LONG-TERM DEBT – Continued

##### 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 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 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 City is a home rule municipality.

#### 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	<u>\$ 87,923,548</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	63,726,655
Less Capital Related Debt:	
IEPA Revolving Loan	<u>(6,735,635)</u>
Net Investment in Capital Assets	<u>\$ 56,991,020</u>

# CITY OF WEST CHICAGO, 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:

	General	Public Benefit	TIF Special Tax Allocation #1	Capital Improvement	Nonmajor	Total
<b>Fund Balances</b>						
<b>Nonspendable</b>						
Prepays/Inventories	\$ 1,028,304	\$ -	\$ 954	\$ 572	\$ -	\$ 1,029,830
Advances to Other Funds	-	796,465	-	-	-	796,465
	<u>1,028,304</u>	<u>796,465</u>	<u>954</u>	<u>572</u>	<u>-</u>	<u>1,826,295</u>
<b>Restricted</b>						
Motor Fuel Tax	844,754	-	-	-	-	844,754
Property Taxes						
TIF	-	-	649,592	-	123,287	772,879
Special Service Areas	-	-	-	-	17,579	17,579
Public Benefit Projects	-	700,223	-	-	-	700,223
	<u>844,754</u>	<u>700,223</u>	<u>649,592</u>	<u>-</u>	<u>140,866</u>	<u>2,335,435</u>
<b>Assigned</b>						
Capital Projects	-	-	-	2,246,642	1,696,895	3,943,537
<b>Unassigned</b>	<u>10,931,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,931,741</u>
<b>Total Fund Balances</b>	<u>\$ 12,804,799</u>	<u>\$ 1,496,688</u>	<u>\$ 650,546</u>	<u>\$ 2,247,214</u>	<u>\$ 1,837,761</u>	<u>\$ 19,037,008</u>

In the governmental funds financial statements, the City 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 City 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.

**Assigned Fund Balance.** The City reports assigned fund balance in the Capital Improvement Fund, a major fund and the Capital Equipment Replacement Fund, a nonmajor fund. The City's administrative services director has assigned fund balances in these two funds to future improvement projects and equipment and vehicle purchases based on approved management expenditures as determined through the annual budget process, and under authority granted in the City's policy manual.

**Minimum Fund Balance Policy.** The City's policy manual states that General Fund should maintain a minimum fund balance equal to 25% of current budget projected revenue, with a target goal to increase the amount to 35%.

## **CITY OF WEST CHICAGO, ILLINOIS**

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

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#### **NOTE 4 – OTHER INFORMATION**

##### **RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. These risks are provided for through participation in the Intergovernmental Risk Management Agency (IRMA) and private insurance coverage. The City has purchased insurance from private insurance companies, covered risks included medical, dental, life, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

The City 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 Cooperation's Statute to pool their 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 City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The City 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.

##### **CONTINGENT LIABILITIES**

###### **Litigation**

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

###### **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 City expects such amounts, if any, to be immaterial.

## **CITY OF WEST CHICAGO, ILLINOIS**

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

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

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

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; and the Police Pension Plan that is a single-employer pension plan. Separate, audited GAAP-basis financial statements for the Police Pension Plan can be obtained from the Treasurer of the Police Pension Plan at 475 Main Street, West Chicago, IL 60185. IMRF does issue 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](http://www.imrf.org). The benefit, 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 plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2013 was 13.61 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 City accounts for the plan as a pension trust fund.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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### NOTE 4 – OTHER INFORMATION – Continued

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

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

##### Police Pension Plan – Continued

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	31
Current Employees	
Vested	31
Nonvested	<u>18</u>
	<u>80</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 City 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 City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.



# CITY OF WEST CHICAGO, 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

###### 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.

###### Significant Investments

The Police Pension Fund has 5 percent or more of net position available for benefits (other than U.S. Government and U.S. Government-guaranteed obligations) invested in the Invesco Floating Rate mutual fund (\$2,003,069), Lord Abbett Floating Rate mutual fund (\$1,116,612), Protective Life Annuity (\$2,562,577), and MetLife Investors Annuity (\$1,927,104). Information for IMRF is not available.

###### Related Party Transactions

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

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

The pension liability was determined in accordance with GASB Statement No. 27, “Accounting for Pensions by State and Local Governmental Employers.” There is no net pension obligation for the IMRF plan. The pension liability for the Police Pension Plan is as follows:

	<u>Police Pension</u>
Annual Required Contribution	\$ 1,449,125
Interest on Net Pension Obligation	111,612
Adjustment to Annual Required Contribution	<u>(99,725)</u>
Annual Pension Cost	1,461,012
Actual Contribution	<u>1,380,000</u>
Increase to the NPO	81,012
NPO - Beginning of Year	<u>1,594,455</u>
NPO - End of Year	<u>\$ 1,675,467</u>

**CITY OF WEST CHICAGO, 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 plan information is as follows:

	Illinois Municipal Retirement	Police Pension
Contribution Rates		
Employer	13.61%	35.25%
Employee	4.50%	9.91%
Actuarial Valuation Date	12/31/2013	12/31/2013
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level %of Projected Payroll Open Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	24 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	1.12% to 4.86%
Inflation Rate Included	4.00%	2.50%
Cost-of-Living Adjustments	3.00%	3.00%

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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### NOTE 4 – OTHER INFORMATION – Continued

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

##### Trend Information

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

	Year	Illinois Municipal Retirement	Police Pension
Annual Pension Cost (APC)	2011	\$ 616,541	\$ 1,239,566
	2012	636,873	1,347,505
	2013	664,742	1,461,012
Actual Contributions	2011	\$ 616,541	\$ 1,380,000
	2012	636,873	1,380,000
	2013	664,742	1,380,000
Percentage of APC Contributed	2011	100.00%	111.33%
	2012	100.00%	102.41%
	2013	100.00%	94.46%
Net Pension Obligation	2011	\$ -	\$ 1,626,950
	2012	-	1,594,455
	2013	-	1,675,467

**CITY OF WEST CHICAGO, 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 City's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	12/31/13	12/31/13
Percent Funded	71.62%	61.91%
Actuarial Accrued Liability for Benefits	\$14,113,339	\$35,363,830
Actuarial Value of Assets	\$10,108,009	\$21,893,814
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$4,005,330)	(\$13,470,016)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$4,884,216	\$4,377,060
Ratio of UAAL to Covered Payroll	82.01%	307.74%

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.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS

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

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

The City provides for limited health care insurance coverage and benefits for its eligible retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans.

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

Retirees are responsible for the full premium cost with the exception of the City funding 90% of single portion coverage for qualifying, eligible sworn police personnel that retire in accordance with a collective bargaining agreement provision in effect until April 30, 2016. For the fiscal year ending December 31, 2013, retirees contributed \$118,814. Active employees contribute up to 12% to the plan upon retirement.

At December 31, 2013, the membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	16
Active Employees	<u>77</u>
Total	<u>93</u>
Participating Employers	1

The City does not currently have a funding policy.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2013, was calculated as follows:

Annual Required Contribution	\$ 128,822
Interest on the NOPEBO	40,504
Adjustment to the ARC	<u>(27,000)</u>
Annual OPEB Cost	142,326
Actual Contribution	<u>130,306</u>
Increase in the NPO	12,020
NOPEBO - Beginning of Year	<u>810,080</u>
NOPEBO - End of Year	<u><u>\$ 822,100</u></u>

##### Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 344,490	\$ 140,866	40.89%	\$ 815,816
2012	135,130	140,866	104.24%	810,080
2013	142,326	130,306	91.55%	822,100

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2013

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Funded Status and Funding Progress

The funded status of the plan as of December 31, 2011, the date of the most recent actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 2,412,937
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	2,412,937
Funded Ratio (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	9,668,355
UAAL as a percentage of covered payroll	24.96%

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

##### Actuarial Methods and Assumptions

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

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS – Continued**

**Actuarial Methods and Assumptions – Continued**

In the December 31, 2011 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and including a 3.0% inflation assumption) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6%. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2013, was 30 years.



## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Funding Progress and Employer Contributions
  - Illinois Municipal Retirement Fund
  - Police Pension Fund
  - Other Post-Employment Benefit Plan
- Budgetary Comparison Schedules
  - General Fund
  - Public Benefit – Special Revenue Fund
  - TIF Special Tax Allocation #1 – Special Revenue Fund

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

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

**CITY OF WEST CHICAGO, 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	\$ 8,402,455	\$ 12,585,769	66.76%	\$ 4,183,314	\$ 5,259,079	79.54%
2009	9,209,678	13,260,949	69.45%	4,051,271	5,275,984	76.79%
2010	8,779,713	12,882,498	68.15%	4,102,785	5,169,204	79.37%
2011	9,248,012	14,046,572	65.84%	4,798,560	4,984,163	96.28%
2012	10,382,229	15,034,280	69.06%	4,652,051	4,952,355	93.94%
2013	10,108,009	14,113,339	71.62%	4,005,330	4,884,216	82.01%

**Employer Contributions**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
2008	\$ 530,641	\$ 530,641	100.00%
2009	589,855	589,855	100.00%
2010	666,310	666,310	100.00%
2011	616,541	616,541	100.00%
2012	636,873	636,873	100.00%
2013	664,742	664,742	100.00%

**CITY OF WEST CHICAGO, 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 (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
12/31/08*	\$ 16,406,961	\$ 25,328,066	64.78%	\$ 8,921,105	\$ 3,443,969	259.04%
12/31/09	16,073,611	26,877,186	59.80%	10,803,575	3,638,672	296.91%
12/31/10	17,531,439	29,029,839	60.39%	11,498,400	3,591,014	320.20%
12/31/11	19,313,525	30,706,854	62.90%	11,393,329	3,707,061	307.34%
12/31/12	20,671,600	33,115,477	62.42%	12,443,877	3,954,927	314.64%
12/31/13	21,893,814	35,363,830	61.91%	13,470,016	4,377,060	307.74%

**Employer Contributions**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
12/31/08*	\$ 666,802	\$ 647,551	102.97%
12/31/09	1,007,957	1,108,550	90.93%
12/31/10	1,255,000	1,224,126	102.52%
12/31/11	1,380,000	1,221,404	112.98%
12/31/12	1,380,000	1,332,982	103.53%
12/31/13	1,380,000	1,449,125	95.23%

\* Eight months ended December 31, 2008

**CITY OF WEST CHICAGO, ILLINOIS**

**Other Post-Employment Benefit Plan**

**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	\$ -	\$ 4,759,755	-	\$ 4,759,755	\$ 6,472,339	73.54%
2009	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	2,412,937	-	2,412,937	9,668,355	24.96%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	N/A	N/A	N/A	N/A	N/A	N/A

**Employer Contributions**

Fiscal Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed
12/31/08*	\$ 140,866	\$ 334,976	42.05%
12/31/09	140,866	334,286	42.14%
12/31/10	149,318	354,343	42.14%
12/31/11	140,866	334,286	42.14%
12/31/12	140,866	121,530	115.91%
12/31/13	130,306	128,822	101.15%

\* Eight months ended December 31, 2008

The City Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for other years is not available. The City is required to have the actuarial valuation performed triennially.

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 4,735,000	\$ 4,735,000	\$ 4,705,366
Intergovernmental	7,000,000	7,000,000	7,517,487
Charges for Services	1,779,000	1,779,000	1,850,544
Licenses and Permits	471,000	471,000	530,638
Fines and Forfeitures	810,000	810,000	999,346
Interest Income	20,000	20,000	13,467
Miscellaneous	537,000	537,000	633,774
Total Revenues	<u>15,352,000</u>	<u>15,352,000</u>	<u>16,250,622</u>
Expenditures			
General Government	7,672,800	7,859,200	7,515,822
Public Safety	9,229,200	9,239,700	9,248,035
Total Expenditures	<u>16,902,000</u>	<u>17,098,900</u>	<u>16,763,857</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,550,000)	(1,746,900)	(513,235)
Other Financing Sources (Uses)			
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>19,644</u>
Net Change in Fund Balance	<u>\$ (1,500,000)</u>	<u>\$ (1,696,900)</u>	(493,591)
Fund Balance - Beginning			<u>13,298,390</u>
Fund Balance - Ending			<u>\$ 12,804,799</u>

**CITY OF WEST CHICAGO, ILLINOIS**

**Public Benefit - Special Revenue Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ 1,000	\$ 1,000	\$ 2,294
Expenditures			
Capital Outlay			
Building and Grounds Improvement	150,000	150,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149,000)	(149,000)	2,294
Other Financing (Uses)			
Transfers Out	(50,000)	(50,000)	-
Net Change in Fund Balance	<u>\$ (199,000)</u>	<u>\$ (199,000)</u>	2,294
Fund Balance - Beginning			<u>1,494,394</u>
Fund Balance - Ending			<u>\$ 1,496,688</u>

**CITY OF WEST CHICAGO, ILLINOIS**

**TIF Special Tax Allocation #1 - Special Revenue Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,014,394
Interest Income	4,500	4,500	2,645
Miscellaneous	13,500	13,500	31,380
Total Revenues	1,118,000	1,118,000	1,048,419
Expenditures			
General Government	1,281,400	1,281,400	1,155,894
Debt Service			
Interest and Fiscal Charges	45,000	45,000	1,769
Total Expenditures	1,326,400	1,326,400	1,157,663
Net Change in Fund Balance	\$ (208,400)	\$ (208,400)	(109,244)
Fund Balance - Beginning			759,790
Fund Balance - Ending			\$ 650,546

## **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
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Budgetary Comparison Schedule – Internal Service Fund
- Combining Statement – Agency Funds



# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

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

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## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

### **Public Benefit Fund**

The Public Benefit Fund, a major fund, accounts for the accumulation of funds from Kerr McGee to fund the public portion of certain improvements.

### **TIF Special Tax Allocation Fund #1**

The TIF Special Tax Allocation #1 Fund, a major fund, accounts for the accumulation of funds from incremental revenue generated within the TIF #1 area.

### **TIF Special Tax Allocation Fund #2**

The TIF Special Tax Allocation #2 Fund, a nonmajor fund, accounts for the accumulation of funds from incremental revenue generated within the TIF #2 area.

### **Other Special Service Areas Fund**

The Other Special Service Areas Fund, a nonmajor fund, accounts for the specific tax levies and related costs of the City's other special service areas.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **CAPITAL PROJECTS FUNDS**

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

### **Capital Improvement Fund**

The Capital Improvement Fund, a major fund, accounts for property taxes, utility taxes and home rule sales taxes that are set aside for funding major capital improvements throughout the City.

### **Capital Equipment Replacement Fund**

The Capital Equipment Replacement Fund, a nonmajor fund accounts for funds set aside by the City Council during the budget process and costs allocated to user departments for future capital fleet purchases.

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## **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.

### **Waterworks Fund**

The Waterworks Fund, a major fund, is used to account for the provision of potable water and water treatment services to the residents of the City. 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.

### **Sewerage Fund**

The Sewerage Fund, a major fund, is used to account for the provision of sewer repair, treatment, and improvement services to the residents of the City. 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.

### **Commuter Parking Fund**

The Commuter Parking Fund, a nonmajor fund, was established to account for commuter parking facilities operated by the City that are financed by user fees.

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# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **INTERNAL SERVICE FUND**

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.

### **MIS Replacement Fund**

The MIS Replacement Fund accounts for the City's MIS equipment purchases, the costs of which are allocated out to the user funds/departments.

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## **TRUST AND AGENCY FUNDS**

### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

### **AGENCY FUNDS**

#### **Special Service Area #s 17, 18 & 20 Funds**

These Special Service Area Funds are used to account for the collection of taxes levied against benefited property owners and remittance of those taxes to bond holders. The City is not obligated in any manner for the bonds, but rather is acting in an agent capacity.

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# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes	\$ 3,430,000	\$ 3,430,000	\$ 3,503,184
Telecommunications Tax	1,050,000	1,050,000	922,803
Amusement Tax	105,000	105,000	109,811
Personal Property Replacement Tax	150,000	150,000	169,568
	<u>4,735,000</u>	<u>4,735,000</u>	<u>4,705,366</u>
<b>Intergovernmental</b>			
Sales Tax	3,300,000	3,300,000	3,512,581
Income Tax	2,380,000	2,380,000	2,580,764
MFT Allotments	700,000	700,000	806,014
Use Tax	410,000	410,000	467,323
Grants	210,000	210,000	150,805
	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,517,487</u>
<b>Charges for Services</b>			
Brush Collection Fees	73,000	73,000	75,056
Weed Cutting Fees	1,000	1,000	9,131
Business Registration	25,000	25,000	22,582
Police Counter Service	10,000	10,000	9,700
Police Contractual Services	275,000	275,000	292,622
Police Towing	100,000	100,000	52,900
Change of Occupancy Fees	60,000	60,000	79,783
Rental Inspections	140,000	140,000	212,560
Plan Review Fees	20,000	20,000	6,100
Engineering Fees	150,000	150,000	89,086
Transfer Station Fees	545,000	545,000	556,858
Property Rental	140,000	140,000	175,670
Tower Rental Fees	25,000	25,000	30,740
Cable Franchise Fee	215,000	215,000	237,756
	<u>1,779,000</u>	<u>1,779,000</u>	<u>1,850,544</u>

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
Licenses and Permits			
Building Permits	\$ 250,000	\$ 250,000	\$ 288,477
Building Contractors Licenses	30,000	30,000	40,680
Oversize Truck Permits	15,000	15,000	18,555
Liquor Licenses	100,000	100,000	111,900
Vending Machine/Business Licenses	75,000	75,000	69,293
Other Licenses and Permits	1,000	1,000	1,733
	<u>471,000</u>	<u>471,000</u>	<u>530,638</u>
Fines and Forfeits			
Circuit Court Fines	375,000	375,000	369,346
Local Fines	435,000	435,000	627,794
Seizures	-	-	2,206
	<u>810,000</u>	<u>810,000</u>	<u>999,346</u>
Interest			
Interest Income	<u>20,000</u>	<u>20,000</u>	<u>13,467</u>
Miscellaneous			
Cemetery Lot Sales	25,000	25,000	66,600
Other Reimbursements	50,000	50,000	114,289
Health Insurance Reimbursements	160,000	160,000	161,195
IPBC and IRMA Revenue	200,000	200,000	152,532
Other Miscellaneous	102,000	102,000	139,158
	<u>537,000</u>	<u>537,000</u>	<u>633,774</u>
Total Revenues	<u>\$ 15,352,000</u>	<u>\$ 15,352,000</u>	<u>\$ 16,250,622</u>

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Legislative	\$ 178,300	\$ 198,300	\$ 176,256
Administration	692,900	822,900	737,968
Administrative Services	2,899,300	2,900,700	2,510,095
Public Works	2,907,500	2,907,500	3,048,304
Community Development	994,800	1,029,800	1,043,199
	<u>7,672,800</u>	<u>7,859,200</u>	<u>7,515,822</u>
Public Safety			
Police Department	<u>9,229,200</u>	<u>9,239,700</u>	<u>9,248,035</u>
Total Expenditures	<u>\$ 16,902,000</u>	<u>\$ 17,098,900</u>	<u>\$ 16,763,857</u>

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Personal Services			
Salary of Aldermen	\$ 33,600	\$ 33,600	\$ 23,050
Salary of Mayor	15,000	15,000	15,000
Salary of Corporate Counsel	3,000	3,000	3,000
Salary of City Clerk	4,500	4,500	4,500
Salary of Deputy City Clerk	400	400	-
IMRF and FICA	4,100	4,100	3,256
Contractual Services			
Legal Fees	50,000	70,000	70,071
Consultants	1,000	1,000	-
Training and Tuition	3,000	3,000	44
Memberships/Dues/Subscriptions	38,000	38,000	34,353
Legal Notices	2,000	2,000	942
Printing and Binding	10,000	10,000	8,567
Legal Reporter Fees	500	500	175
Commodities			
Computer and Office Supplies	500	500	292
Postage	200	200	-
Miscellaneous Commodities	2,000	2,000	2,527
Grant Distribution	10,000	10,000	10,000
Other Charges	500	500	479
Total Legislative	178,300	198,300	176,256

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Administration			
Personal Services			
Administrative Salaries	\$ 168,100	\$ 168,100	\$ 170,617
IMRF and FICA	35,900	35,900	33,692
ICMA	8,200	8,200	8,473
Contractual Services			
Legal Fees	11,000	11,000	3,147
Training and Tuition	7,500	7,500	4,545
Memberships/Dues/Subscriptions	4,200	4,200	2,824
Software Maintenance	500	500	462
Telephone and Alarms	7,500	7,500	12,621
Electric	1,000	1,000	-
Printing and Binding	1,000	1,000	682
Advertising	8,000	8,000	7,810
Other Contractual Services	90,300	220,300	75,014
Lobbying Services	36,000	36,000	36,000
IRMA General Insurance	5,200	5,200	5,200
Commodities			
Sales Tax Rebate	300,000	300,000	369,997
Computer and Office Supplies	700	700	738
Gas and Oil	3,200	3,200	2,223
Postage	100	100	-
Gallery 200	1,000	1,000	1,000
Arts Programming Supplies	1,500	1,500	1,779
Miscellaneous Commodities	500	500	45
Special Events	500	500	500
Prospect Development	500	500	386
Other Charges	500	500	213
Total Administration	692,900	822,900	737,968



# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services			
Personal Services			
Salary of Treasurer	\$ 1,500	\$ 1,500	\$ 1,500
Administrative Salaries	438,500	438,500	454,900
Administrative Salaries - Overtime	300	300	-
IMRF and FICA	94,000	94,000	94,771
ICMA	6,200	6,200	5,869
Health/Dental/Life Insurance	1,729,700	1,729,700	1,606,706
Contractual Services			
Legal Fees	31,000	31,000	20,920
Audit Fees	16,800	18,200	17,950
Consultants	2,700	2,700	1,700
Network Charges	13,600	13,600	12,600
Pre-employment Exams	15,100	15,100	14,798
Training and Tuition	23,800	23,800	2,684
Memberships/Dues/Subscriptions	3,500	3,500	2,420
Software Maintenance	72,900	72,900	57,491
Telephone and Alarms	6,600	6,600	10,157
Advertising	2,700	2,700	611
Other Contractual Services	165,000	165,000	63,779
IRMA General Insurance	5,800	5,800	5,200
Telephone Repair	400	400	-
Office Equipment Maintenance and Repair	38,700	38,700	16,162
Postage Meter Rental	1,600	1,600	1,332
Copier Fees	4,100	4,100	3,874
Commodities			
Computer and Office Supplies	18,500	18,500	11,779
Gas and Oil	100	100	97
Postage	7,800	7,800	5,077
Miscellaneous Commodities	800	800	368
Safety Program	7,000	7,000	6,024
Special Events	5,700	5,700	5,103
Bank Fees	6,000	6,000	7,737
Other Charges	100	100	700

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Capital Outlay			
Other Capital Outlay	\$ 137,000	\$ 137,000	\$ 45,780
MIS Replacement	41,800	41,800	32,006
Total Administrative Services	2,899,300	2,900,700	2,510,095
Public Works			
Personal Services			
Administrative Salaries	92,600	92,600	68,709
Operating Salaries	586,300	586,300	555,121
Administrative Salaries - Overtime	56,500	56,500	55,427
IMRF and FICA	152,200	152,200	143,617
Contractual Services			
Legal Fees	21,000	21,000	10,286
Pre-employment Exams	700	700	1,012
Training and Tuition	2,500	2,500	1,299
Memberships/Dues/Subscriptions	1,000	1,000	1,143
Telephone and Alarms	21,000	21,000	31,368
Interments Program	26,300	26,300	18,575
Brush Pickup	66,400	66,400	66,614
Grounds Maintenance	49,800	49,800	43,484
Cemetery Maintenance	6,000	6,000	6,000
Janitor Contract	50,200	50,200	50,171
Heating Gas	6,000	6,000	11,647
Electric	131,000	131,000	127,143
Refuse Disposal	30,000	30,000	28,233
Other Contractual Services	340,800	340,800	303,692
Traffic Signal Maintenance	25,000	25,000	21,389
Street Light Maintenance	18,000	18,000	15,004

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Public Works - Continued			
Contractual Services - Continued			
IRMA General Insurance	\$ 73,100	\$ 73,100	\$ 73,561
Other Insurance	11,000	11,000	14,954
Payment to Taxing Bodies	150,000	150,000	152,433
Vehicle Maintenance and Repair	45,500	45,500	21,525
Commodities			
Computer and Office Supplies	4,500	4,500	4,382
Parts for Vehicles	75,000	75,000	96,656
Tools and Equipment	17,500	17,500	22,140
Gas and Oil	81,500	81,500	79,174
Materials	15,000	15,000	15,922
Street Patch Materials	300	300	-
Street Paint	2,000	2,000	1,792
Ice Control Materials	20,000	20,000	27,023
Parts - Mains	5,000	5,000	6,547
Rock Salt	250,000	250,000	179,303
BIT Patch - Cold	8,000	8,000	2,625
BIT Patch - Hot	45,000	45,000	41,462
Parts for Plows and Spreaders	25,000	25,000	12,103
Postage	100	100	34
Uniforms and Safety Equipment	7,100	7,100	6,747
Miscellaneous	69,000	69,000	72,787
Capital Outlay			
Vehicles	319,600	319,600	657,200
Total Public Works	2,907,500	2,907,500	3,048,304

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development			
Personal Services			
Administrative Salaries	\$ 313,200	\$ 313,200	\$ 316,113
Administrative Salaries - Overtime	1,000	1,000	-
IMRF and FICA	67,000	67,000	65,849
Contractual Services			
Legal Fees	40,000	75,000	81,641
Training and Tuition	7,000	7,000	1,902
Memberships/Dues/Subscriptions	2,000	2,000	1,536
Enforcement & Inspections	307,000	307,000	307,113
Plan Review	50,000	50,000	57,800
Software Maintenance	13,400	13,400	8,786
Legal Notices	2,200	2,200	816
Telephone and Alarms	11,500	11,500	20,540
Weed Cutting	8,000	8,000	10,986
Printing and Binding	2,300	2,300	1,599
Legal Reporter	3,000	3,000	3,967
Filing Fees	5,000	5,000	4,304
Microfiche Expenses	8,000	8,000	7,656
Other Contractual Services	50,100	50,100	43,628
IRMA General Insurance	7,200	7,200	7,200
Other Insurance	-	-	4,631
Copier Fees	600	600	252
Commodities			
Computer and Office Supplies	1,500	1,500	1,899
Maps and Plats	500	500	421
Gas and Oil	3,000	3,000	1,901
Postage	500	500	-
Uniforms and Safety Equipment	300	300	-
Miscellaneous Commodities	1,000	1,000	734
Special Events	80,000	80,000	80,000
Prospect Development	1,500	1,500	1,877
Other Charges	600	600	106

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Continued			
Capital Outlay			
Office Equipment	\$ 3,000	\$ 3,000	\$ 242
Vehicles	4,400	4,400	9,700
Total Community Development	994,800	1,029,800	1,043,199
Total General Government	7,672,800	7,859,200	7,515,822
Public Safety			
Police Department			
Personal Services			
Administrative Salaries	1,091,200	1,091,200	1,088,780
Patrolman Salaries	3,325,400	3,325,400	3,300,896
Patrolman Salaries - Overtime	441,900	441,900	426,764
Sergeants Salaries	656,400	656,400	654,590
CSO Salaries	103,300	103,300	103,638
CSO - Overtime	1,000	1,000	1,554
Contract Services Salaries	20,000	20,000	12,300
Administrative Services - Overtime	1,000	1,000	-
IMRF and FICA	508,100	508,100	484,417
Police Pension	1,380,000	1,380,000	1,380,000
Unemployment Insurance	-	-	9,813
Contractual Services			
Legal Fees	140,000	140,000	118,066
Training and Tuition	32,500	32,500	20,060
Officer Training and Mileage	5,000	5,000	2,179
Memberships/Dues/Subscriptions	10,500	10,500	8,559
Software Maintenance	38,100	38,100	13,906
Telephone and Alarms	23,100	23,100	64,958
Printing and Binding	5,000	5,000	3,480
Grounds Maintenance	2,500	2,500	980
DuComm Quarterly Share	497,500	497,500	469,664
Other Contractual Services	62,700	62,700	59,825
Graffiti Removal	13,500	13,500	3,405
Reception Support	100,000	100,000	92,538

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Contractual Services - Continued			
Crossing Guard - Contractual	\$ 35,700	\$ 35,700	\$ 35,399
IRMA General Insurance	278,000	278,000	278,000
Other Insurance	15,000	15,000	12,699
Radio/Radar Equipment Maint. and Repair	20,800	20,800	23,243
Office Equipment and Repair	14,300	14,300	11,705
Postage Meter Rental	900	900	423
Copier Fees	9,700	9,700	8,823
Commodities			
Computer and Office Supplies	5,600	5,600	5,106
Field Equipment	10,000	10,000	4,731
Gas and Oil	124,000	124,000	118,083
Vehicle License Fees	1,000	1,000	724
Postage	7,000	7,000	1,832
Uniform and Safety Equipment	42,000	42,000	37,893
First Aid Supplies	1,300	1,300	727
Ammunition and Firearms	25,000	25,000	18,645
Tools and Equipment	500	500	12
Educational Programming	6,000	6,000	6,871
Cert Supplies	5,000	5,000	4,802
Miscellaneous Commodities	9,500	9,500	17,236
Capital Outlay			
Vehicles	139,000	139,000	312,600
Communications Equipment	3,200	3,200	936
Other Capital Outlay	17,000	27,500	27,173
Total Public Safety	9,229,200	9,239,700	9,248,035
Total Expenditures	\$ 16,902,000	\$ 17,098,900	\$ 16,763,857

**CITY OF WEST CHICAGO, ILLINOIS**

**TIF Special Tax Allocation #1 - Special Revenue Fund**

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

	Budget		Actual
	Original	Final	
General Government			
Personal Services			
Administrative Salaries	\$ 312,900	\$ 312,900	\$ 317,781
Operational Salaries	87,000	87,000	84,889
Administrative Salaries - Overtime	1,200	1,200	6,853
IMRF and FICA	66,900	66,900	84,059
ICMA	4,100	4,100	4,237
Health/Dental/Life Insurance	67,900	67,900	61,746
Contractual Services			
Legal Fees	15,000	15,000	14,680
Memberships/Dues/Subscriptions	-	-	550
Legal Notices	500	500	164
Telephone and Alarms	1,500	1,500	3,030
Grounds Maintenance	25,000	25,000	13,659
Other	251,000	251,000	242,571
Commodities			
Postage	100	100	-
Special Events	24,000	24,000	13,121
Prospect Development	1,000	1,000	-
Other	10,000	10,000	-
Capital Outlay			
Building Grounds Improvement	205,300	205,300	220,567
Land	75,000	75,000	39,894
Façade Improvement	75,000	75,000	45,219
Streetscape Programs	8,000	8,000	2,874
Retail Grant Programs	50,000	50,000	-
	<u>1,281,400</u>	<u>1,281,400</u>	<u>1,155,894</u>
Debt Service			
Interest and Fiscal Charges	<u>45,000</u>	<u>45,000</u>	<u>1,769</u>
Total Expenditures	<u>\$ 1,326,400</u>	<u>\$ 1,326,400</u>	<u>\$ 1,157,663</u>

**CITY OF WEST CHICAGO, ILLINOIS**

**Capital Improvement - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Utility Taxes	\$ 2,100,000	\$ 2,100,000	\$ 2,051,702
Sales Taxes	500,000	500,000	535,825
Interest Income	10,000	10,000	2,302
Miscellaneous	1,589,300	1,589,300	240,870
Total Revenues	4,199,300	4,199,300	2,830,699
Expenditures			
Capital Outlay	5,309,400	5,309,400	2,848,167
Net Change in Fund Balance	<u>\$ (1,110,100)</u>	<u>\$ (1,110,100)</u>	(17,468)
Fund Balance - Beginning			<u>2,264,682</u>
Fund Balance - Ending			<u>\$ 2,247,214</u>



**CITY OF WEST CHICAGO, ILLINOIS**

**Capital Improvement - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Capital Outlay			
Administrative Salaries	\$ 98,400	\$ 98,400	\$ 69,614
Operational Salaries	-	-	579
Administrative Salaries - Overtime	1,000	1,000	312
IMRF and FICA	21,300	21,300	14,237
Health/Dental/Life Insurance	40,800	40,800	37,042
IRMA General Insurance	7,000	7,000	7,000
Engineering and Inspections	25,900	25,900	66,184
Building and Grounds Improvements	65,000	65,000	32,887
Land	-	-	10,063
Street Improvements	3,733,700	3,733,700	1,343,218
Other Capital Outlay	1,316,300	1,316,300	1,267,031
Total Expenditures	\$ 5,309,400	\$ 5,309,400	\$ 2,848,167

**CITY OF WEST CHICAGO, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
December 31, 2013**

	Special Revenue		Capital Projects	
	TIF	Other Special	Capital	
	Special Tax	Service	Equipment	
	Allocation #2	Areas	Replacement	Total
<b>ASSETS</b>				
Cash and Investments	\$ 123,287	\$ -	\$ 1,725,614	\$ 1,848,901
Receivables - Net of Allowances				
Property Taxes	26,329	288	-	26,617
Due from Other Funds	-	17,579	-	17,579
Total Assets	149,616	17,867	1,725,614	1,893,097
<b>LIABILITIES</b>				
Accounts Payable	-	-	28,719	28,719
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	26,329	288	-	26,617
Total Liabilities and Deferred Inflows of Resources	26,329	288	28,719	55,336
<b>FUND BALANCES</b>				
Restricted	123,287	17,579	-	140,866
Assigned	-	-	1,696,895	1,696,895
Total Fund Balances	123,287	17,579	1,696,895	1,837,761
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 149,616	\$ 17,867	\$ 1,725,614	\$ 1,893,097

# CITY OF WEST CHICAGO, ILLINOIS

## Nonmajor Governmental Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended December 31, 2013

	Special Revenue		Capital Projects	
	TIF	Other Special	Capital	
	Special Tax	Service	Equipment	
	Allocation #2	Areas	Replacement	Total
Revenues				
Taxes	\$ 17,144	\$ 251	\$ -	\$ 17,395
Charges for Services	-	-	1,557,400	1,557,400
Interest Income	65	-	534	599
Miscellaneous	-	-	11,437	11,437
Total Revenues	17,209	251	1,569,371	1,586,831
Expenditures				
Current				
General Government	5,169	-	-	5,169
Capital Outlay	-	-	306,781	306,781
Total Expenditures	5,169	-	306,781	311,950
Net Change in Fund Balances	12,040	251	1,262,590	1,274,881
Fund Balances - Beginning	111,247	17,328	434,305	562,880
Fund Balances - Ending	\$ 123,287	\$ 17,579	\$ 1,696,895	\$ 1,837,761

**CITY OF WEST CHICAGO, ILLINOIS**

**TIF Special Tax Allocation #2 - Special Revenue Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 30,000	\$ 30,000	\$ 17,144
Interest Income	500	500	65
Total Revenues	30,500	30,500	17,209
Expenditures			
General Government			
Contractual Services	50,000	50,000	5,169
Prospect Development	25,000	25,000	-
Total Expenditures	75,000	75,000	5,169
Net Change in Fund Balance	\$ (44,500)	\$ (44,500)	12,040
Fund Balance - Beginning			111,247
Fund Balance - Ending			\$ 123,287

**CITY OF WEST CHICAGO, ILLINOIS**

**Capital Equipment Replacement - Capital Projects Fund**

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

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 780,200	\$ 780,200	\$ 1,557,400
Interest Income	3,000	3,000	534
Miscellaneous	-	-	11,437
Total Revenues	783,200	783,200	1,569,371
Expenditures			
Capital Outlay			
Vehicles	869,200	869,200	306,781
Net Change in Fund Balance	\$ (86,000)	\$ (86,000)	1,262,590
Fund Balance - Beginning			434,305
Fund Balance - Ending			\$ 1,696,895

# CITY OF WEST CHICAGO, ILLINOIS

## Waterworks - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Service	\$ 4,750,000	\$ 4,750,000	\$ 4,181,696
Operating Expenses			
Operations			
Water Distribution	2,804,200	2,805,500	2,684,721
Water Treatment Plant	2,127,500	2,127,500	1,945,630
Depreciation	-	-	1,327,162
Total Operating Expenses	4,931,700	4,933,000	5,957,513
Operating Income (Loss)	(181,700)	(183,000)	(1,775,817)
Nonoperating Revenues (Expenses)			
Connection Fees	24,000	24,000	36,556
Sales Taxes	1,100,000	1,100,000	1,071,655
Interest Income	3,000	3,000	665
Other Income	527,400	527,400	1,199,276
Interest Expense	(183,200)	(183,200)	(178,734)
	1,471,200	1,471,200	2,129,418
Change in Net Position	\$ 1,289,500	\$ 1,288,200	353,601
Net Position - Beginning			32,894,477
Net Position - Ending			\$ 33,248,078

# CITY OF WEST CHICAGO, ILLINOIS

## Waterworks - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Water Distribution			
Personal Services			
Administrative Salaries	\$ 442,800	\$ 442,800	\$ 391,280
Operational Salaries	504,900	504,900	441,127
Administrative Salaries - Overtime	35,000	35,000	30,110
IMRF and FICA	209,000	209,000	183,119
ICMA	4,000	4,000	3,879
Health/Dental/Life Insurance	421,000	421,000	382,866
Unemployment Insurance	-	-	6,020
Contractual Services			
Legal Fees	15,000	15,000	25,237
Auditing Fees	14,200	15,500	15,290
JULIE System	1,700	1,700	2,154
Consultants	3,400	3,400	1,101
Pre-employment Exams	600	600	752
Training and Tuition	1,000	1,000	155
Memberships/Dues/Subscriptions	1,000	1,000	222
Software Maintenance	9,600	9,600	6,364
Legal Notices	1,000	1,000	611
Telephone and Alarms	25,000	25,000	31,744
Heating and Gas	3,000	3,000	4,250
Electric	350,000	350,000	261,668
Lab Results	7,000	7,000	6,924
Refuse Disposal	10,000	10,000	2,130
Printing and Binding	2,500	2,500	1,830
Grounds Maintenance	8,000	8,000	7,318
Other Contractual Services	235,000	235,000	140,598
IRMA General Insurance	132,300	132,300	132,300
Other Insurance	-	-	1,969
Vehicle Maintenance and Repair	3,500	3,500	863
Building Maintenance and Repair	1,000	1,000	703
Distribution System Maintenance and Repair	100,000	100,000	19,921
Pump Station Maintenance and Repair	100,000	100,000	23,718
Reservoir Maintenance and Repair	500	500	-
Office Equipment Maintenance and Repair	2,000	2,000	512

**CITY OF WEST CHICAGO, ILLINOIS**

**Waterworks - Enterprise Fund**

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

	Budget		Actual
	Original	Final	
Water Distribution - Continued			
Contractual Services - Continued			
Postage Meter Rental	\$ 1,400	\$ 1,400	\$ 1,332
Copier Rental	3,000	3,000	2,347
Commodities			
Computer and Office Supplies	7,800	7,800	5,514
Parts for Vehicles	6,000	6,000	7,990
Tools and Equipment	5,000	5,000	1,938
Gas and Oil	25,000	25,000	23,874
Postage	5,000	5,000	4,076
Uniforms and Safety Equipment	7,500	7,500	7,154
Parts and Equipment - Wells	4,000	4,000	7,442
Parts and Equipment - Distribution	60,000	60,000	38,022
Parts and Equipment - Pump Station	15,000	15,000	6,106
Lab Supplies	500	500	167
Chemicals	500	500	3,283
Water Meters	5,000	5,000	8,105
Miscellaneous Commodities	6,000	6,000	8,588
Bank Fees	8,500	8,500	7,677
Capital Outlay			
Vehicles	104,500	104,500	218,400
Other Capital Outlay	4,680,000	4,680,000	3,136,080
MIS Replacement	22,000	22,000	6,826
	7,610,700	7,612,000	5,621,656
Less Nonoperating Items			
Capital Assets Capitalized	(4,806,500)	(4,806,500)	(2,936,935)
Total Water Distribution	2,804,200	2,805,500	2,684,721
Water Treatment Plant			
Personal Services			
Administrative Salaries	67,300	67,300	29,292
Operational Salaries	504,400	504,400	516,635
Administrative Salaries - Overtime	30,000	30,000	47,727
IMRF and FICA	128,000	128,000	126,464



**CITY OF WEST CHICAGO, ILLINOIS**

**Waterworks - Enterprise Fund**

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

	Budget		
	Original	Final	Actual
Water Treatment Plant - Continued			
Contractual Services			
Pre-employment Exams	\$ 300	\$ 300	\$ -
Training and Tuition	3,000	3,000	903
Memberships/Dues/Subscriptions	400	400	536
Telephone and Alarms	10,000	10,000	11,535
Heating and Gas	4,000	4,000	4,273
Electric	185,000	185,000	131,312
Lab Results	1,000	1,000	1,536
Refuse Disposal	600,000	600,000	584,349
Grounds Maintenance	8,500	8,500	10,155
Janitorial Service	23,600	23,600	23,514
Other Contractual Services	15,000	15,000	10,055
IRMA General Insurance	48,800	48,800	48,800
Building Maintenance and Repair	10,000	10,000	11,512
WTP Operations Repair	18,000	18,000	28,289
Copier Rental	8,000	8,000	5,340
Equipment Rental	1,000	1,000	800
Commodities			
Computer and Office Supplies	2,000	2,000	1,076
Parts for Vehicles	200	200	150
Tools and Equipment	3,000	3,000	3,264
Gas and Oil	2,500	2,500	-
Uniforms and Safety Equipment	4,000	4,000	2,396
Parts for Building Repairs	3,000	3,000	2,743
Lab Supplies	11,000	11,000	10,492
Chemicals	375,000	375,000	287,026
Parts for WTP Operations	6,000	6,000	5,074
Miscellaneous Commodities	2,000	2,000	985
Capital Outlay			
Vehicles	2,500	2,500	5,400
Other Capital Outlay	50,000	50,000	33,997
Total Water Treatment Plant	2,127,500	2,127,500	1,945,630
Total Operating Expenses	\$ 4,931,700	\$ 4,933,000	\$ 4,630,351

# CITY OF WEST CHICAGO, ILLINOIS

## Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Sewer Service	\$ 5,000,000	\$ 5,000,000	\$ 5,281,463
Operating Expenses			
Operations			
Wastewater Treatment	2,764,300	2,764,300	2,758,348
Sanitary Sewer Collection	4,367,300	4,368,600	2,776,155
Treatment Plant Equipment Replacement	257,900	257,900	-
Special Service Area #2	16,600	16,600	12,307
Depreciation	-	-	526,803
Total Operating Expenses	7,406,100	7,407,400	6,073,613
Operating Income (Loss)	(2,406,100)	(2,407,400)	(792,150)
Nonoperating Revenues			
Connection Fees	25,000	25,000	46,560
Property Taxes	11,000	11,000	8,804
Interest Income	5,000	5,000	5,474
Other Income	245,900	245,900	290,066
	286,900	286,900	350,904
Change in Net Position	\$ (2,119,200)	\$ (2,120,500)	(441,246)
Net Position - Beginning			27,592,216
Net Position - Ending			\$ 27,150,970

# CITY OF WEST CHICAGO, ILLINOIS

## Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Wastewater Treatment			
Personal Services			
Administrative Services	\$ 28,500	\$ 28,500	\$ 29,570
Administrative Salaries - Overtime	300	300	242
IMRF and FICA	6,300	6,300	5,971
Contractual Services			
Auditing Fees	4,100	4,100	4,040
Memberships/Dues/Subscriptions	14,100	14,100	14,435
Printing and Binding	200	200	130
Grounds Maintenance	10,100	10,100	8,047
Other Contractual Services	2,645,000	2,645,000	2,553,101
IRMA General Insurance	55,700	55,700	55,700
Capital Outlay			
Secondary Treatment Repair	90,000	90,000	87,112
	2,854,300	2,854,300	2,758,348
Less Nonoperating Items			
Capital Assets Capitalized	(90,000)	(90,000)	-
Total Wastewater Treatment	2,764,300	2,764,300	2,758,348
Sanitary Sewer Collection			
Personal Services			
Administrative Salaries	534,500	534,500	404,656
Operational Salaries	459,400	459,400	432,228
Administrative Salaries - Overtime	45,000	45,000	42,871
IMRF and FICA	220,900	220,900	181,548
ICMA	4,000	4,000	3,879
Health/Dental/Life Insurance	421,000	421,000	382,770
Unemployment Insurance	-	-	6,020
Contractual Services			
Legal Fees	15,000	15,000	19,298
Auditing Fees	4,100	5,400	5,340
JULIE System	2,200	2,200	2,154
Engineering	30,000	30,000	1,165
Consultants	2,700	2,700	1,700

# CITY OF WEST CHICAGO, ILLINOIS

## Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Sanitary Sewer Collection - Continued			
Contractual Services - Continued			
Training and Tuition	\$ 500	\$ 500	\$ 310
Software Maintenance	9,800	9,800	8,974
Telephone and Alarms	8,000	8,000	12,000
Heating Gas	6,000	6,000	7,476
Electric	62,000	62,000	47,580
Grounds Maintenance	4,700	4,700	3,752
Other Contractual Services	200,000	200,000	127,153
IRMA General Insurance	83,600	83,600	83,600
Vehicle Maintenance and Repair	20,000	20,000	5,501
Lift Station Maintenance and Repair	1,500,000	1,500,000	118,884
Sewer Main Maintenance and Repair	630,000	630,000	435,955
Postage Meter Rental	1,400	1,400	1,332
Commodities			
Copier and Rental	2,500	2,500	2,341
Computer and Office Supplies	5,000	5,000	5,526
Parts for Vehicles	15,000	15,000	11,991
Tools and Equipment	7,500	7,500	7,375
Gas and Oil	22,000	22,000	17,930
Postage	3,000	3,000	2,323
Chemicals	1,000	1,000	2,080
Parts for Lift Stations	28,500	28,500	12,520
Material for Trench Backfill	5,000	5,000	1,812
Parts for Mains	3,000	3,000	911
Miscellaneous Commodities	5,000	5,000	7,129
Bank Fees	5,000	5,000	7,677
Capital Outlay			
Vehicles	210,200	210,200	354,100
Other Capital Outlay	877,900	877,900	419,476
	5,455,400	5,456,700	3,189,337
Less Nonoperating Items			
Capital Assets Capitalized	(1,088,100)	(1,088,100)	(413,182)
Total Sanitary Sewer Collection	4,367,300	4,368,600	2,776,155

**CITY OF WEST CHICAGO, ILLINOIS**

**Sewerage - Enterprise Fund**

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

	Budget		Actual
	Original	Final	
Treatment Plant Equipment Replacement			
Capital Outlay			
Other Contractual Services	\$ 257,900	\$ 257,900	\$ 30,781
Other Capital Outlay	1,963,000	1,963,000	1,638,889
	<u>2,220,900</u>	<u>2,220,900</u>	<u>1,669,670</u>
Less Nonoperating Items			
Capital Assets Capitalized	<u>(1,963,000)</u>	<u>(1,963,000)</u>	<u>(1,669,670)</u>
Total Treatment Plant Equipment Replacement	<u>257,900</u>	<u>257,900</u>	<u>-</u>
Special Service Area #2			
Operating and Maintenance			
Personal Service			
Operational Salaries	4,700	4,700	4,883
Administrative Salaries - Overtime	200	200	221
IMRF and FICA	1,100	1,100	1,085
Commodities			
Electric	8,000	8,000	3,835
Grounds Maintenance	<u>2,600</u>	<u>2,600</u>	<u>2,283</u>
Total Operating and Maintenance	<u>16,600</u>	<u>16,600</u>	<u>12,307</u>
Total Operating Expenses	<u>\$ 7,406,100</u>	<u>\$ 7,407,400</u>	<u>\$ 5,546,810</u>

# CITY OF WEST CHICAGO, ILLINOIS

## Commuter Parking - Enterprise

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

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 60,400	\$ 60,400	\$ 70,365
Licenses and Permits			
Parking Permits	62,000	62,000	61,448
Total Operating Revenues	<u>122,400</u>	<u>122,400</u>	<u>131,813</u>
Operating Expenses			
Operations	117,300	117,300	59,519
Depreciation	-	-	25,229
Total Operating Expenses	<u>117,300</u>	<u>117,300</u>	<u>84,748</u>
Operating Income	5,100	5,100	47,065
Nonoperating Revenues			
Interest Income	<u>100</u>	<u>100</u>	<u>3</u>
Change in Net Position	<u>\$ 5,200</u>	<u>\$ 5,200</u>	47,068
Net Position - Beginning			<u>367,797</u>
Net Position - Ending			<u>\$ 414,865</u>

**CITY OF WEST CHICAGO, ILLINOIS**

**Commuter Parking - Enterprise Fund**

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

	Budget		Actual
	Original	Final	
Operations			
Personal Services			
Administrative Salaries	\$ -	\$ -	\$ 55
Administrative Salaries Overtime	3,000	3,000	875
Operational Salaries	15,300	15,300	15,432
IMRF and FICA	3,900	3,900	3,473
Contractual Services			
Auditing Fees	1,400	1,400	1,380
Telephone and Alarms	4,000	4,000	828
Electric	20,000	20,000	18,658
Printing and Binding	900	900	828
Grounds Maintenance	9,000	9,000	4,802
Janitorial Services	3,600	3,600	3,565
Contractual Services	25,000	25,000	5,900
Commodities			
Postage	1,200	1,200	1,012
Miscellaneous Commodities	3,000	3,000	2,711
Capital Outlay			
Building and Ground Improvements	27,000	27,000	-
Total Operations	<u>\$ 117,300</u>	<u>\$ 117,300</u>	<u>\$ 59,519</u>

**CITY OF WEST CHICAGO, ILLINOIS****MIS Replacement - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended December 31, 2013**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ -	\$ -	\$ -
Operating Expenses			
Operations	67,700	67,700	48,203
Operating Income (Loss)	(67,700)	(67,700)	(48,203)
Nonoperating Revenues			
Interest Income	-	-	92
Income (Loss) Before Transfers	(67,700)	(67,700)	(48,111)
Transfers Out	-	-	(19,644)
Change in Net Position	<u>\$ (67,700)</u>	<u>\$ (67,700)</u>	(67,755)
Net Position - Beginning			<u>67,755</u>
Net Position - Ending			<u>\$ -</u>



**CITY OF WEST CHICAGO, ILLINOIS**

**Agency - Special Service Areas Funds**

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

	Beginning Balances	Additions	Deductions	Ending Balances
<b>ALL FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 126,245	\$ 121,389	\$ 116,921	\$ 130,713
<b>LIABILITIES</b>				
Due to Bondholders	\$ 126,245	\$ 121,389	\$ 116,921	\$ 130,713
<b>SPECIAL SERVICE AREA #17</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 52,269	\$ 51,630	\$ 49,694	\$ 54,205
<b>LIABILITIES</b>				
Due to Bondholders	\$ 52,269	\$ 51,630	\$ 49,694	\$ 54,205

	Beginning Balances	Additions	Deductions	Ending Balances
<b>SPECIAL SERVICE AREA #18</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 54,525	\$ 51,564	\$ 49,694	\$ 56,395
<b>LIABILITIES</b>				
Due to Bondholders	\$ 54,525	\$ 51,564	\$ 49,694	\$ 56,395
<b>SPECIAL SERVICE AREA #20</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 19,451	\$ 18,195	\$ 17,533	\$ 20,113
<b>LIABILITIES</b>				
Due to Bondholders	\$ 19,451	\$ 18,195	\$ 17,533	\$ 20,113

## **SUPPLEMENTAL SCHEDULES**

# CITY OF WEST CHICAGO, ILLINOIS

## Long-Term Debt Requirements

### IEPA Waterworks Revolving Loan

December 31, 2013

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Date of Issue	October 8, 2002
Date of Maturity	September 9, 2024
Authorized Issue	\$11,000,000
Interest Rates	2.57%
Interest Dates	March 9 and September 9
Principal Maturity Dates	March 9 and September 9
Payable at	Illinois Environmental Protection Agency

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2014	\$ 537,179	\$ 169,677	\$ 706,856
2015	551,074	155,782	706,856
2016	565,327	141,529	706,856
2017	579,950	126,906	706,856
2018	594,950	111,906	706,856
2019	610,339	96,517	706,856
2020	626,125	80,731	706,856
2021	642,320	64,536	706,856
2022	658,933	47,923	706,856
2023	675,977	30,879	706,856
2024	693,461	13,395	706,856
	<u>\$ 6,735,635</u>	<u>\$ 1,039,781</u>	<u>\$ 7,775,416</u>

## **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 City's overall financial health.

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City'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 City's financial activities take place.

#### **Operating Information**

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

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**See Following Page**

# CITY OF WEST CHICAGO, ILLINOIS

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

	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 71,974,620	\$ 73,993,952	\$ 75,611,759	\$ 75,663,542
Restricted	1,666,393	1,501,944	1,462,074	1,328,804
Unrestricted	15,140,305	18,181,783	17,723,775	17,986,270
<b>Total Governmental Activities Net Position</b>	<b>88,781,318</b>	<b>93,677,679</b>	<b>94,797,608</b>	<b>94,978,616</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	41,863,003	40,858,481	38,575,240	37,577,723
Restricted	3,404,266	3,367,499	3,629,195	3,533,535
Unrestricted	10,799,853	15,713,801	19,237,261	21,061,429
<b>Total Business-Type Activities Net Position</b>	<b>56,067,122</b>	<b>59,939,781</b>	<b>61,441,696</b>	<b>62,172,687</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	113,837,623	114,852,433	114,186,999	113,241,265
Restricted	5,070,659	4,869,443	5,091,269	4,862,339
Unrestricted	25,940,158	33,895,584	36,961,036	39,047,699
<b>Total Primary Government Net Position</b>	<b>\$ 144,848,440</b>	<b>\$ 153,617,460</b>	<b>\$ 156,239,304</b>	<b>\$ 157,151,303</b>

Data Source: City Records

Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
\$ 77,409,060	\$ 79,007,408	\$ 88,164,059	\$ 89,692,289	\$ 88,988,913	\$ 87,923,548
1,264,241	479,320	-	1,708,723	2,340,095	2,335,435
19,850,570	22,492,259	18,130,222	16,795,258	12,681,105	13,063,574
98,523,871	101,978,987	106,294,281	108,196,270	104,010,113	103,322,557
36,528,712	35,884,266	36,356,211	52,523,108	53,326,830	56,991,020
3,806,146	3,833,998	4,715,215	4,435,213	3,614,442	760,002
21,276,997	20,588,763	19,199,292	4,383,915	3,913,218	3,062,891
61,611,855	60,307,027	60,270,718	61,342,236	60,854,490	60,813,913
113,937,772	114,891,674	124,520,270	142,215,397	142,315,743	144,914,568
5,070,387	4,313,318	4,715,215	6,143,936	5,954,537	3,095,437
41,127,567	43,081,022	37,329,514	21,179,173	16,594,323	16,126,465
\$ 160,135,726	\$ 162,286,014	\$ 166,564,999	\$ 169,538,506	\$ 164,864,603	\$ 164,136,470



CITY OF WEST CHICAGO, ILLINOIS

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

	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 6,130,579	\$ 4,686,846	\$ 6,087,786	\$ 6,519,035	\$ 4,845,172	\$ 9,423,220	\$ 10,307,149	\$ 8,797,675	\$ 9,184,108	\$ 8,912,745
Highways and Streets	2,619,568	2,382,363	7,570,597	8,166,925	5,881,641	8,759,315	8,583,580	8,399,317	8,851,135	4,103,870
Public Safety	6,966,803	7,763,865	4,697,995	5,269,466	2,499,094	1,486,314	1,546,316	1,591,915	6,730,139	9,388,129
Culture and Recreation	336,479	458,363	518,487	409,874	251,723	376,103	135,309	193,879	83,232	-
Interest on Long-Term Debt	85,490	82,532	74,596	123,108	87,034	95,920	63,505	40,332	38,097	1,769
Total Governmental Activities Expenses	<u>16,138,919</u>	<u>15,373,969</u>	<u>18,949,461</u>	<u>20,488,408</u>	<u>13,564,664</u>	<u>20,140,872</u>	<u>20,635,859</u>	<u>19,023,118</u>	<u>24,886,711</u>	<u>22,406,513</u>
Business-Type Activities										
Waterworks	3,813,830	3,698,571	5,076,878	6,452,600	4,409,193	6,147,347	6,441,171	5,999,102	6,816,837	6,136,247
Sewerage	3,576,366	3,759,415	3,909,722	5,009,744	4,102,048	5,959,791	5,912,683	7,596,138	6,602,525	6,073,613
Commuter Parking	87,362	98,565	132,148	136,383	119,829	535,811	220,345	127,748	112,319	84,748
Total Business-Type Activities Activities Net Position	<u>7,477,558</u>	<u>7,556,551</u>	<u>9,118,748</u>	<u>11,598,727</u>	<u>8,631,070</u>	<u>12,642,949</u>	<u>12,574,199</u>	<u>13,722,988</u>	<u>13,531,681</u>	<u>12,294,608</u>
Total Primary Government Expenses	<u>23,616,477</u>	<u>22,930,520</u>	<u>28,068,209</u>	<u>32,087,135</u>	<u>22,195,734</u>	<u>32,783,821</u>	<u>33,210,058</u>	<u>32,746,106</u>	<u>38,418,392</u>	<u>34,701,121</u>
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
General Government	355,831	637,704	1,907,004	1,897,830	1,560,418	1,754,497	1,816,692	2,246,202	1,899,106	2,007,405
Highways and Streets	1,590,339	1,275,803	1,051,912	1,249,338	1,186,037	2,330,517	-	-	1,419,816	1,557,400
Public Safety	541,012	1,009,654	444,500	483,100	485,533	745,000	1,573,088	1,448,786	-	1,373,123
Culture and Recreation	959	77	26,973	-	-	-	-	-	-	-
Operating Grants/Contributions	1,173,828	-	293,396	359,576	272,902	145,148	395,843	78,140	181,074	150,805
Capital Grants/Contributions	-	998,677	777,051	778,850	536,437	714,671	4,832,786	792,266	819,317	806,014
Total Governmental Activities Program Revenues	<u>3,661,969</u>	<u>3,921,915</u>	<u>4,500,836</u>	<u>4,768,694</u>	<u>4,041,327</u>	<u>5,689,833</u>	<u>8,618,409</u>	<u>4,565,394</u>	<u>4,319,313</u>	<u>5,894,747</u>
Business-Type Activities										
Charges for Services										
Waterworks	4,895,059	5,207,640	5,391,870	5,193,617	3,503,214	4,980,408	4,829,368	4,720,319	4,707,616	4,218,252
Sewerage	3,932,096	3,575,276	3,982,237	3,961,312	3,821,226	5,137,530	5,579,155	5,591,347	5,492,604	5,328,023
Commuter Parking	96,371	99,526	94,043	98,111	81,994	120,240	116,169	124,830	133,077	131,813
Capital Grants/Contributions	-	-	-	-	-	-	-	2,633,360	1,317,363	-
Total Business-Type Activities Program Revenues	<u>8,923,526</u>	<u>8,882,442</u>	<u>9,468,150</u>	<u>9,253,040</u>	<u>7,406,434</u>	<u>10,238,178</u>	<u>10,524,692</u>	<u>13,069,856</u>	<u>11,650,660</u>	<u>9,678,088</u>
Total Primary Government Program Revenues	<u>\$ 12,585,495</u>	<u>\$ 12,804,357</u>	<u>\$ 13,968,986</u>	<u>\$ 14,021,734</u>	<u>\$ 11,447,761</u>	<u>\$ 15,928,011</u>	<u>\$ 19,143,101</u>	<u>\$ 17,635,250</u>	<u>\$ 15,969,973</u>	<u>\$ 15,572,835</u>

	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
Net (Expense) Revenue										
Governmental Activities	\$ (12,476,950)	\$ (11,452,054)	\$ (14,448,625)	\$ (15,719,714)	\$ (9,523,337)	\$ (14,451,039)	\$ (12,017,450)	\$ (14,457,724)	\$ (20,567,398)	\$ (16,511,766)
Business-Type Activities	1,445,968	1,325,891	349,402	(2,345,687)	(1,224,636)	(2,404,771)	(2,049,507)	(653,132)	(1,881,021)	(2,616,520)
Total Primary Government Net Revenue (Expense)	(11,030,982)	(10,126,163)	(14,099,223)	(18,065,401)	(10,747,973)	(16,855,810)	(14,066,957)	(15,110,856)	(22,448,419)	(19,128,286)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	3,187,882	3,367,882	3,751,770	4,086,381	4,451,083	4,479,930	4,691,781	4,701,295	4,711,890	4,534,973
Utility	3,100,842	2,001,813	-	-	-	-	-	-	-	-
Other	1,073,759	1,332,973	1,254,401	1,305,440	877,403	1,250,406	1,200,551	1,383,971	1,176,228	1,032,614
Intergovernmental										
Sales and Use	2,845,423	3,522,570	3,929,364	4,052,219	3,607,854	3,549,910	3,832,745	4,158,709	4,405,831	4,515,729
Income	1,706,851	1,963,180	2,165,411	2,471,340	1,654,932	2,181,609	2,112,444	2,117,490	2,379,976	2,580,764
Replacement	117,523	158,186	155,243	193,689	117,888	159,185	171,227	157,985	144,979	169,568
Other	-	-	2,058,843	2,190,649	1,316,154	2,037,722	2,098,487	2,098,719	2,013,401	2,051,702
Interest Income	283,811	664,894	1,084,991	1,069,786	530,225	253,642	212,808	102,820	79,150	21,399
Miscellaneous	162,889	3,569,777	759,852	531,218	513,053	3,506,651	2,012,701	1,638,724	1,465,234	917,461
Contributions	86,072	-	-	-	-	-	-	-	-	-
Transfers	-	(232,860)	120,000	-	-	487,100	-	-	-	-
Total Governmental Activities	12,565,052	16,348,415	15,279,875	15,900,722	13,068,592	17,906,155	16,332,744	16,359,713	16,376,689	15,824,210
Business-Type Activities										
Property	-	15,171	15,158	15,172	15,025	15,161	15,172	11,557	11,671	8,804
Sales and Use	-	-	-	-	-	948,148	1,023,267	1,131,916	1,103,876	1,071,655
Interest Income	576,586	788,970	1,018,478	1,111,535	425,385	205,893	137,988	121,733	6,878	6,142
Miscellaneous	1,140,760	1,509,767	306,827	1,949,971	223,394	417,841	836,771	459,444	270,850	1,489,342
Contributions	-	-	-	-	-	-	-	-	-	-
Transfers	-	232,860	(120,000)	-	-	(487,100)	-	-	-	-
Total Business-Type Activities	1,717,346	2,546,768	1,220,463	3,076,678	663,804	1,099,943	2,013,198	1,724,650	1,393,275	2,575,943
Total Primary Government	14,282,398	18,895,183	16,500,338	18,977,400	13,732,396	19,006,098	18,345,942	18,084,363	17,769,964	18,400,153
Changes in Net Position										
Governmental Activities	88,102	4,896,361	831,250	181,008	3,545,255	3,455,116	4,315,294	1,901,989	(4,190,709)	(687,556)
Business-Type Activities	3,163,314	3,872,659	1,569,865	730,991	(560,832)	(1,304,828)	(36,309)	1,071,518	(487,746)	(40,577)
Total Primary Government	\$ 3,251,416	\$ 8,769,020	\$ 2,401,115	\$ 911,999	\$ 2,984,423	\$ 2,150,288	\$ 4,278,985	\$ 2,973,507	\$ (4,678,455)	\$ (728,133)

Data Source: City Records

# CITY OF WEST CHICAGO, ILLINOIS

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

	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008
General Fund				
Reserved	\$ 172,890	\$ 160,863	\$ 1,115,019	\$ 1,468,640
Unreserved	4,867,620	6,426,774	7,547,196	8,260,787
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	5,040,510	6,587,637	8,662,215	9,729,427
All Other Governmental Funds				
Reserved	2,472,656	2,831,253	2,675,629	2,479,613
Unreserved, Reported in:				
Special Revenues Funds	8,735,946	10,145,240	6,868,385	6,637,886
Capital Projects Funds	2,528,662	1,983,701	3,182,862	2,815,078
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Total All Other Governmental Funds	\$ 13,737,264	\$ 14,960,194	\$ 12,726,876	\$ 11,932,577

Data Source: City Records

The City implemented GASB 54 in Fiscal Year 2011.

Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
\$ 1,258,433	\$ 1,277,811	\$ 985,505	\$ -	\$ -	\$ -
10,789,860	12,278,094	11,659,744	-	-	-
-	-	-	1,134,891	1,145,514	1,028,304
-	-	-	-	843,105	844,754
-	-	-	12,616,731	11,309,771	10,931,741
12,048,293	13,555,905	12,645,249	13,751,622	13,298,390	12,804,799
2,347,877	1,516,583	986,267	-	-	-
6,350,617	6,275,876	2,270,787	-	-	-
2,959,936	4,542,708	5,245,994	-	-	-
-	-	-	938,215	886,413	797,991
-	-	-	1,708,723	1,496,990	1,490,681
-	-	-	5,318,609	2,698,343	3,943,537
\$ 11,658,430	\$ 12,335,167	\$ 8,503,048	\$ 7,965,547	\$ 5,081,746	\$ 6,232,209

# CITY OF WEST CHICAGO, ILLINOIS

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

Source	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008
Taxes	\$ 10,979,782	\$ 11,037,386	\$ 7,220,257	\$ 7,943,758
Intergovernmental	1,077,096	990,894	7,165,222	7,494,386
Charges for Services	2,549,845	806,360	2,315,647	2,389,235
Licenses and Permits	1,171,269	1,057,216	632,799	572,886
Fines and Forfeits	365,347	833,898	481,943	668,147
Fees	-	2,407,119	-	-
Interest Income	283,810	664,895	1,075,101	1,049,762
Rental Income	-	160,073	-	-
Miscellaneous	177,816	2,833,815	759,852	531,218
Total	<u>\$ 16,604,965</u>	<u>\$ 20,791,656</u>	<u>\$ 19,650,821</u>	<u>\$ 20,649,392</u>

Data Source: City Records

Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
\$ 7,737,287	\$ 8,401,237	\$ 8,669,147	\$ 8,907,926	\$ 8,598,434	\$ 8,324,682
5,097,366	6,117,344	6,542,723	6,580,649	7,234,262	7,517,487
2,179,039	2,558,780	1,891,127	2,124,010	1,803,814	3,407,944
326,417	489,110	456,361	634,929	481,698	530,638
726,532	1,782,124	1,042,292	936,049	1,033,410	999,346
-	-	-	-	-	-
523,118	251,878	210,470	102,148	78,908	21,307
-	-	-	-	-	-
513,053	3,506,651	2,012,701	1,638,724	1,465,234	917,461
\$ 17,102,812	\$ 23,107,124	\$ 20,824,821	\$ 20,924,435	\$ 20,695,760	\$ 21,718,865

# CITY OF WEST CHICAGO, ILLINOIS

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

Function	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008
General Government	\$ 4,952,629	\$ 4,540,750	\$ 6,030,937	\$ 6,393,241
Public Safety	7,074,392	7,756,125	7,511,979	8,006,829
Highways and Streets	699,073	758,534	826,980	1,025,381
Culture and Recreation	371,756	449,110	514,550	406,417
Capital Outlay	2,997,181	4,065,602	5,477,801	4,227,901
Debt Service				
Principal	130,000	135,000	150,000	190,000
Interest and Fiscal Charges	89,208	83,618	77,378	126,710
Total	\$ 16,314,239	\$ 17,788,739	\$ 20,589,625	\$ 20,376,479

Data Source: City Records

Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
\$ 4,551,384	\$ 6,957,868	\$ 8,180,849	\$ 7,720,982	\$ 8,940,416	\$ 8,676,885
5,783,643	8,616,769	8,524,634	8,468,368	8,825,728	9,248,035
700,402	-	-	-	-	-
248,277	372,382	131,438	189,894	80,000	-
3,455,854	5,141,045	7,818,703	3,935,987	6,148,552	3,154,948
210,000	225,000	845,000	-	-	-
108,533	96,811	66,972	40,332	38,097	1,769
\$ 15,058,093	\$ 21,409,875	\$ 25,567,596	\$ 20,355,563	\$ 24,032,793	\$ 21,081,637



# CITY OF WEST CHICAGO, ILLINOIS

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

	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007	Fiscal Year Ended 4/30/2008
<b>Revenues</b>				
Taxes	\$ 10,979,782	\$ 11,037,386	\$ 7,220,257	\$ 7,943,758
Intergovernmental	1,077,096	990,894	7,165,222	7,494,386
Charges for Services	2,549,845	806,360	2,315,647	2,389,235
Licenses and Permits	1,171,269	1,057,216	632,799	572,886
Fines and Forfeits	365,347	833,898	481,943	668,147
Fees	-	2,407,119	-	-
Interest Income	283,810	664,895	1,075,101	1,049,762
Rental Income	-	160,073	-	-
Miscellaneous	177,816	2,833,815	759,852	531,218
<b>Total Revenues</b>	<b>16,604,965</b>	<b>20,791,656</b>	<b>19,650,821</b>	<b>20,649,392</b>
<b>Expenditures</b>				
General Government	4,952,629	4,540,750	6,030,937	6,393,241
Public Safety	7,074,392	7,756,125	7,511,979	8,006,829
Highways and Streets	699,073	758,534	826,980	1,025,381
Culture and Recreation	371,756	449,110	514,550	406,417
Capital Outlay	2,997,181	4,065,602	5,477,801	4,227,901
Debt Service				
Principal	130,000	135,000	150,000	190,000
Interest and Fiscal Charges	89,208	83,618	77,378	126,710
<b>Total Expenditures</b>	<b>16,314,239</b>	<b>17,788,739</b>	<b>20,589,625</b>	<b>20,376,479</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>290,726</b>	<b>3,002,917</b>	<b>(938,804)</b>	<b>272,913</b>
<b>Other Financing Sources (Uses)</b>				
Transfer In	168,735	169,589	330,000	555,000
Transfer Out	(168,735)	(402,449)	(210,000)	(555,000)
Sale of Assets	214,287	-	-	-
	<b>214,287</b>	<b>(232,860)</b>	<b>120,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 505,013</b>	<b>\$ 2,770,057</b>	<b>\$ (818,804)</b>	<b>\$ 272,913</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>1.65%</b>	<b>1.59%</b>	<b>1.50%</b>	<b>1.67%</b>

Data Source: City Records

Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
\$ 7,737,287	\$ 8,401,237	\$ 8,669,147	\$ 8,907,926	\$ 8,598,434	\$ 8,324,682
5,097,366	6,117,344	6,542,723	6,580,649	7,234,262	7,517,487
2,179,039	2,558,780	1,891,127	2,124,010	1,803,814	3,407,944
326,417	489,110	456,361	634,929	481,698	530,638
726,532	1,782,124	1,042,292	936,049	1,033,410	999,346
-	-	-	-	-	-
523,118	251,878	210,470	102,148	78,908	21,307
-	-	-	-	-	-
513,053	3,506,651	2,012,701	1,638,724	1,465,234	917,461
17,102,812	23,107,124	20,824,821	20,924,435	20,695,760	21,718,865
4,551,384	6,957,868	8,180,849	7,720,982	8,940,416	8,676,885
5,783,643	8,616,769	8,524,634	8,468,368	8,825,728	9,248,035
700,402	-	-	-	-	-
248,277	372,382	131,438	189,894	80,000	-
3,455,854	5,141,045	7,818,703	3,935,987	6,148,552	3,154,948
210,000	225,000	845,000	-	-	-
108,533	96,811	66,972	40,332	38,097	1,769
15,058,093	21,409,875	25,567,596	20,355,563	24,032,793	21,081,637
2,044,719	1,697,249	(4,742,775)	568,872	(3,337,033)	637,228
150,000	587,100	441,777	-	50,000	19,644
(150,000)	(100,000)	(441,777)	-	(50,000)	-
-	-	-	-	-	-
-	487,100	-	-	-	19,644
\$ 2,044,719	\$ 2,184,349	\$ (4,742,775)	\$ 568,872	\$ (3,337,033)	\$ 656,872
2.65%	1.75%	5.86%	0.24%	0.16%	0.01%

**CITY OF WEST CHICAGO, ILLINOIS**

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

<b>Tax Levy Year</b>	<b>Fiscal Year End</b>	<b>Residential Property</b>	<b>Farm</b>
2004	4/30/2005	\$ 380,374,817	\$ 331,806
2005	4/30/2006	420,190,233	285,435
2006	4/30/2007	463,201,134	226,466
2007	4/30/2008	482,728,818	248,092
2008	12/31/2008*	509,905,446	276,390
2009	12/31/2009	503,652,130	286,844
2010	12/31/2010	477,222,120	325,577
2011	12/31/2011	439,560,682	341,675
2012	12/31/2012	395,571,348	370,108
2013	12/31/2013	367,424,630	392,261

\*For the Eight Months Ended December 31, 2008

Data Source: DuPage County Clerk's and Treasurer's Offices

Commercial Property	Industrial Property	Total Assessed Value	Total Direct Tax Rate
\$ 71,419,516	\$ 137,938,675	\$ 590,064,814	7.8833
75,951,359	140,810,220	637,237,247	7.8201
86,688,224	154,537,960	704,653,784	7.5812
100,599,520	156,767,550	740,343,980	7.5418
110,593,070	163,773,650	784,548,556	7.4882
114,043,959	161,948,610	779,931,543	7.5498
104,342,370	154,574,460	736,464,527	8.1600
100,671,895	146,221,310	686,795,562	8.9165
92,055,282	132,161,380	620,158,118	10.1222
82,237,691	124,152,620	574,207,202	11.4196

# CITY OF WEST CHICAGO, ILLINOIS

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

Taxing Body	2004	2005	2006
<b>Countywide</b>			
DuPage County	0.1850	0.1797	0.1713
Forest Preserve District	0.1358	0.1271	0.1303
DuPage Airport Authority	0.0213	0.0198	0.0183
DuPage Water Commission	0.0000	0.0000	0.0000
<b>Local</b>			
Wayne Township	0.0696	0.0680	0.0666
Wayne Township Road	0.0754	0.0720	0.0704
City of West Chicago - Wayne Township	0.4486	0.4423	0.4236
Winfield Township	0.0924	0.0901	0.0869
Winfield Township Road	0.1203	0.1178	0.1143
City of West Chicago - Winfield Township	0.4298	0.4423	0.4236
West Chicago Park District	0.3016	0.2933	0.2813
West Chicago Fire Protection District	0.5578	0.5500	0.5335
West Chicago Mosquito District	0.0109	0.0105	0.0101
West Chicago Library District	0.2733	0.2651	0.2532
<b>Educational</b>			
Grade School District 33	3.6750	3.6993	3.5986
High School District 94	1.8829	1.8377	1.7669
College of DuPage District 502	0.1972	0.1874	0.1929
<b>Total Tax Rate - Winfield Township</b>	<b>7.8833</b>	<b>7.8201</b>	<b>7.5812</b>
<b>Share of Total Tax Rate Levied by the City of West Chicago</b>	<b>5.45%</b>	<b>5.66%</b>	<b>5.59%</b>
<b>Total Tax Rate - Wayne Township</b>	<b>7.8344</b>	<b>7.7522</b>	<b>7.5170</b>
<b>Share of Total Tax Rate Levied by the City of West Chicago</b>	<b>5.73%</b>	<b>5.71%</b>	<b>5.64%</b>

Property tax rates are per \$100 of assessed valuation.

Data Source: DuPage County Clerk

Tax Levy Year						
2007	2008	2009	2010	2011	2012	2013
0.1651	0.1557	0.1554	0.1659	0.1773	0.1929	0.2040
0.1187	0.1206	0.1217	0.1321	0.1414	0.1542	0.1657
0.0170	0.0160	0.0148	0.0158	0.0169	0.0168	0.0178
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0647	0.0649	0.0658	0.0733	0.0804	0.0896	0.0979
0.0642	0.0604	0.0610	0.0645	0.0675	0.0730	0.0817
0.4273	0.4240	0.4263	0.4675	0.5011	0.5545	0.5973
0.0855	0.0845	0.0854	0.0924	0.1021	0.1174	0.1318
0.1125	0.1112	0.1123	0.1215	0.1342	0.1543	0.1732
0.4273	0.4240	0.4263	0.4675	0.5011	0.5545	0.5973
0.2718	0.2687	0.2703	0.2946	0.3177	0.4948	0.4917
0.6501	0.6506	0.6509	0.7078	0.8027	0.9212	1.0190
0.0099	0.0099	0.0101	0.0111	0.0122	0.0139	0.0153
0.2465	0.2443	0.2466	0.2307	0.2529	0.2903	0.3225
3.5300	3.5158	3.5290	3.8244	4.1734	4.6430	5.4481
1.7186	1.7011	1.7143	1.8613	2.0351	2.3008	2.5376
0.1888	0.1858	0.2127	0.2349	0.2495	0.2681	0.2956
7.5418	7.4882	7.5498	8.1600	8.9165	10.1222	11.4196
5.67%	5.66%	5.65%	5.73%	5.62%	5.48%	5.23%
7.4727	7.4178	7.4789	8.0839	8.8281	10.0131	11.2942
5.72%	5.72%	5.70%	5.78%	5.68%	5.54%	5.29%

**CITY OF WEST CHICAGO, ILLINOIS**

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

	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DuPage Airport Authority	\$ 13,053,690	1	2.27%	\$ 13,561,148	1	2.30%
DCT Blackhawk Center, LLC	8,636,930	2	1.50%			
Cobalt Industrial Reit II	7,880,050	3	1.37%	9,013,000	2	1.53%
Northridge Holdings, Ltd	6,951,470	4	1.21%			
St. Andrews Country Club	4,574,060	5	0.80%			
Centerpoint Properties	4,160,790	6	0.72%			
Mapei Corp.	4,100,220	7	0.71%	4,206,700	6	0.71%
LaGrou Properties	4,044,260	8	0.70%	3,099,670	9	0.53%
Menards, Inc	3,086,540	9	0.54%			
Platinum Health Care	3,055,750	10	0.53%			
CNC				8,575,990	3	1.45%
General Mills				5,432,390	4	0.92%
WC West Chicago Assoc				4,292,360	5	0.73%
Navistar International				3,481,300	7	0.59%
WCB Properties				3,448,000	8	0.58%
Mearina Partners				2,837,010	10	0.48%
	<u>\$ 59,543,760</u>		<u>10.37%</u>	<u>\$ 57,947,568</u>		<u>9.82%</u>

Data Source: Office of the DuPage County Clerk's

**CITY OF WEST CHICAGO, ILLINOIS**

**Property Tax Levies and Collections - Last Ten 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	\$ 3,141,457	\$ 3,140,545	99.97%	\$ N/A	\$ 3,140,545	99.97%
2004	3,316,627	3,306,553	99.70%	N/A	3,306,553	99.70%
2005	2,578,507	2,576,288	99.91%	782	2,577,070	99.94%
2006	2,991,035	2,990,740	99.99%	292	2,991,032	100.00%
2007	3,168,990	3,161,494	99.76%	2,541	3,164,035	99.84%
2008	3,332,263	3,284,623	98.57%	20,000	3,304,623	99.17%
2009	3,403,867	3,384,410	99.43%	19,000	3,403,410	99.99%
2010	3,458,771	3,451,954	99.80%	6,809	3,458,763	100.00%
2011	3,458,693	3,453,662	99.85%	N/A	3,453,662	99.85%
2012	3,458,498	3,453,081	99.84%	N/A	3,453,081	99.84%

Note: Levies for all Special Services Area have been excluded from this table.

Data Source: Office of the DuPage County Clerk's

N/A - Not Available



# CITY OF WEST CHICAGO, ILLINOIS

## Ratios of Outstanding Debt By Type - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Fiscal Year Ended	Governmental Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	IEPA Revenue Bonds	General Obligation Bonds			
4/30/2005	\$ 1,755,000	\$ 19,670,000	\$ 10,787,922	\$ 32,212,922	5.63%	\$ 1,260
4/30/2006	1,620,000	10,355,555	18,855,000	30,830,555	5.24%	\$ 1,206
4/30/2007	1,470,000	9,912,005	18,015,000	29,397,005	4.62%	1,095
4/30/2008	1,280,000	9,456,983	17,145,000	27,881,983	4.38%	1,039
12/31/2008*	1,070,000	9,225,076	14,145,000	24,440,076	3.94%	911
12/31/2009	845,000	8,752,286	16,240,000	25,837,286	3.73%	963
12/31/2010	-	8,267,267	15,295,000	23,562,267	2.77%	870
12/31/2011	-	7,769,704	-	7,769,704	1.17%	287
12/31/2012	-	7,259,271	-	7,259,271	0.96%	268
12/31/2013	-	6,735,635	-	6,735,635	0.96%	249

\* For the Eight Months Ended December 31, 2008

Data Source: City's Records

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

# CITY OF WEST CHICAGO, ILLINOIS

## Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Fiscal Year Ended	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
4/30/2005	\$ 12,542,922	\$ 312,804	\$ 12,230,118	2.07%	\$ 478.28
4/30/2006	20,475,000	327,648	20,147,352	3.16%	\$ 787.90
4/30/2007	19,485,000	349,127	19,135,873	2.72%	712.93
4/30/2008	18,425,000	382,683	18,042,317	2.44%	672.19
12/31/2008*	15,215,000	442,842	14,772,158	1.88%	550.36
12/31/2009	17,085,000	482,787	16,602,213	2.13%	618.54
12/31/2010	15,295,000	482,787	14,812,213	2.01%	546.86
12/31/2011	-	-	-	0.00%	0.00
12/31/2012	-	-	-	0.00%	0.00
12/31/2013	-	-	-	0.00%	0.00

\* For the Eight Months Ended December 31, 2008

Data Source: City Records

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

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

# **CITY OF WEST CHICAGO, ILLINOIS**

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

Governmental Unit	Gross Debt	Percentage to Debt Applicable to City (1)	City's Share of Debt
City of West Chicago	\$ -	100.00%	\$ -
DuPage County	283,911,881	1.75%	4,968,458
DuPage Water Commission	0	1.94%	-
Forest Preserve District	226,803,000	1.75%	3,969,053
Warrenville Park District	479,565	1.91%	9,160
West Chicago Park District	17,715,000	74.87%	13,263,221
Winfield Park District	3,105,000	0.68%	21,114
School District #25	1,280,007	22.52%	288,258
School District #33	37,990,000	64.49%	24,499,751
School District #94	10,030,000	47.47%	4,761,241
U-46 School District	287,505,995	0.75%	2,156,295
U-303 School District	106,924,876	3.69%	3,945,528
Community College District #502	275,400,000	1.46%	4,020,840
Community College District #509	201,763,311	0.99%	1,997,457
Total Overlapping Debt	1,452,908,635		63,900,374
Total Direct and Overlapping Debt	\$ 1,452,908,635		\$ 63,900,374

Data Source: DuPage County Clerks

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. Every resident is not responsible for paying the debt of each overlapping government.

(1) Determined by the ratio of assessed value of property in the City subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

## **CITY OF WEST CHICAGO, ILLINOIS**

### **Schedule of Legal Debt Margin December 31, 2013 (Unaudited)**

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The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some 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 General Assembly has set no limits for home rule municipalities.

# CITY OF WEST CHICAGO, ILLINOIS

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

Fiscal Year Ended	(1) Revenues	(2) Expenses	(3) Net Revenue Available for Debt Service	(4) Debt Service		(5) Coverage
				Principal	Interest	
4/30/2005	\$ 10,537,583	\$ 5,944,066	\$ 4,593,517	\$ 785,000	\$ 1,232,867	2.28
4/30/2006	11,078,097	5,130,206	5,947,891	815,000	1,201,565	2.95
4/30/2007	10,692,329	6,518,489	4,173,840	840,000	1,131,057	2.12
4/30/2008	12,183,299	8,004,065	4,179,234	870,000	1,085,608	2.14
12/31/2008*	7,970,825	7,809,130	161,695	-	702,111	0.23
12/31/2009	11,699,943	8,702,660	2,997,283	905,000	1,006,014	1.57
12/31/2010	12,418,238	8,998,301	3,419,937	945,000	953,990	1.80
12/31/2011	12,036,602	8,872,863	3,163,739	15,295,000	753,061	0.20
12/31/2012	11,593,493	11,405,371	188,122	-	-	-
12/31/2013	12,122,215	10,177,161	1,945,054	-	-	-

\* For the Eight Months Ended December 31, 2008

(1) As defined in applicable bond indentures and governing laws.

(2) Totaled expenses exclusive of depreciation and bond interest.

(3) Gross revenue minus expenses.

(4) Revenue bonds through April 30, 2003, alternate revenue bonds subsequent to that date.

(5) Net revenue available for debt service divided by total debt requirements.

Data Source: City Records

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

# CITY OF WEST CHICAGO, ILLINOIS

## Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Fiscal Year Ended	(1) Population	(2) Personal Income (in Thousands)	Per Capita Personal Income	(1) Median Age	School Enrollment	(2) Unemployment Rate
4/30/2005	25,571	\$ 571,751,703	\$ 22,359	27.8	N/A	6.0
4/30/2006	25,571	588,904,254	23,030	27.8	N/A	4.5
4/30/2007	26,841	636,697,135	23,721	27.8	6,265	4.9
4/30/2008	26,841	636,684,014	23,721	27.8	6,265	6.6
12/31/2008*	26,841	619,543,962	23,082	30.8	7,397	6.5
12/31/2009	26,841	693,141,984	25,824	31.2	7,314	10.8
12/31/2010	27,086	851,123,378	31,423	35.2	6,947	11.0
12/31/2011	27,086	663,552,828	24,498	30.1	5,348	11.6
12/31/2012	27,086	755,157,680	27,880	33.0	7,765	8.6
12/31/2013	27,086	700,498,132	25,862	30.8	6,293	6.6

\* For the Eight Months Ended December 31, 2008

### Data Sources

(1) U.S. Census Bureau

(2) Illinois Department of Employment Security (using annual averages)

# CITY OF WEST CHICAGO, ILLINOIS

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

Employer	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jel Sert	1,000	1	6.77%	N/A	N/A	N/A
West Chicago Elementary School District	632	2	4.28%	N/A	N/A	N/A
General Mills	500	3	3.39%	N/A	N/A	N/A
Aspen Marketing Services	425	4	2.88%	N/A	N/A	N/A
Ball Horticulture	425	5	2.88%	N/A	N/A	N/A
Siemens Industry	350	6	2.37%	N/A	N/A	N/A
Community High School District 94	250	6	1.69%	N/A	N/A	N/A
Sims Recycling Solutions	250	7	1.69%	N/A	N/A	N/A
Advanced Urethane Technologies	235	8	1.59%	N/A	N/A	N/A
OSI Industries	230	9	1.56%	N/A	N/A	N/A
Mapei Corp	218	10	1.48%	N/A	N/A	N/A
New Wincup Holdings	185	11	1.25%	N/A	N/A	N/A
Menards	150	12	1.02%	N/A	N/A	N/A
St. Andrews Golf Course	150	12	1.02%	N/A	N/A	N/A
Tomenson Machine Works	150	12	1.02%	N/A	N/A	N/A
	<u>5,150</u>		<u>34.87%</u>	<u>N/A</u>		<u>N/A</u>

Data Sources: City Community Development Department Records and U.S. Census Bureau.

N/A - Information for 2004 is not available.

**CITY OF WEST CHICAGO, ILLINOIS**

**Full-time Equivalent City Government Employees by Function - Last Ten Fiscal Years  
December 31, 2013 (Unaudited)**

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**See Following Page**



## CITY OF WEST CHICAGO, ILLINOIS

### Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years December 31, 2013 (Unaudited)

Function	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007
General Government			
Administration	2.00	2.00	2.50
Finance/Administrative Services	11.00	11.00	10.50
Museum/Marketing	3.00	3.00	4.00
Public Works	17.57	17.41	18.21
Police	46.00	47.00	47.00
Community Development	9.00	9.90	9.90
Water and Sewer	48.65	37.40	48.81
Commuter Parking Lot	0.56	0.56	0.63
Total	137.78	128.27	141.55

Data Source: City Records

Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
3.00	2.25	2.25	2.25	1.13	1.13	1.00
8.00	8.00	8.00	8.00	5.00	5.00	4.76
4.00	3.38	1.75	1.75	0.50	0.50	0.50
21.50	23.00	23.00	23.00	11.74	11.74	10.57
49.00	50.00	48.00	48.00	47.00	49.00	49.00
6.00	6.00	6.00	6.00	5.50	5.00	3.50
24.00	20.00	20.00	20.00	37.50	37.50	34.47
0.50	0.81	1.00	1.00	0.38	0.38	0.25
116.00	113.44	110.00	110.00	108.75	110.25	104.05

# CITY OF WEST CHICAGO, ILLINOIS

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

Function/Program	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007
<b>Public Works</b>			
Number of Parkway Trees Planted	146	146	121
Number of Parkway Trees Trimmed	1,126	1,575	1,125
Brush Pickup Program (Days to Collect)	4	4	4
Building Safety Inspections	12	12	12
Tunnel - Paint and Light Lens Replacements	10	15	15
Special Events Handled	6	6	6
<b>Public Safety</b>			
<b>Fire</b>			
Number of Fire Calls	1,330	1,272	1,440
Number of EMS Calls	1,489	1,821	1,692
ISO Rating	3/3	3/3	3/3
<b>Police</b>			
Part I Crime	787	642	536
Part II Crime	3,646	3,653	3,803
Calls for Service	44,941	40,168	40,960
Parking Tickets Issued	5,689	5,232	5,051
<b>Community Development</b>			
Number of Building Permits Issued	1,480	1,225	1,083
Number of Building Inspections	2,693	3,814	1,951
<b>Highways and Streets</b>			
Sidewalk Replaced (sq. ft.)	15,930	18,470	18,032
Crack Sealing (lbs. installed)	28,500	28,500	-
Tons of Salt Used	2,500	2,500	2,000
<b>Water and Sewer</b>			
Number of metered accounts	6,150	6,300	6,450
Water Meters Read	36,900	37,800	38,700
Water Meter Service Requests	93	173	87
Water Meters Replaced	139	90	100
Average Daily Treated Water (Million Gallons)	3.57	3.76	3.80
Sanitary Sewer Repairs	-	3	3

N/A - Not Available

Data Source: City Records

Note: Indicators are not available for the general government function.

Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
115	0	140	150	85	300	373
1,255	80	1,087	1,087	1,458	1,287	2,336
4	5	4	4.5	4.0	4.0	4.0
12	8	12	12	12	12	12
132	33	30	29	22	42	12
6	5	6	10	3	4	6
N/A	1,506	1,159	1,146	1,279	1,238	1,015
N/A	1,733	1,826	1,821	1,629	1,629	1,804
3/3	3/3	3/3	3/3	3/3	3/3	3/3
N/A	451	509	438	374	379	424
N/A	2,933	3,009	2,342	2,402	1,393	1,066
N/A	40,990	38,828	37,407	38,910	38,509	33,867
N/A	4,654	4,294	3,728	3,376	2,888	2,771
967	729	882	1,097	954	1,199	899
1,205	880	881	753	1,116	1,049	1,134
18,491	18,159	13,195	10,935	9,849	10,000	18,207
-	-	26,520	14,983	37,320	36,429	21,480
4,100	3,300	3,000	3,577	3,000	2,800	3,250
6,600	6,707	6,438	6,437	6,430	6,432	6,435
39,600	40,242	38,700	38,700	38,580	35,000	34,000
155	66	90	103	92	70	50
60	35	80	117	41	30	4,305
3.67	3.60	3.37	3.28	3.00	3.45	3.42
1	3	2	3	2	1	2

# CITY OF WEST CHICAGO, ILLINOIS

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

Function/Program	Fiscal Year Ended 4/30/2005	Fiscal Year Ended 4/30/2006	Fiscal Year Ended 4/30/2007
Police			
Stations	1	1	1
Patrol Units	29	28	28
Fire Stations	3	3	3
Public Works			
Streets (Miles)	153.76	161.94	165.00
Sidewalks (Miles)	N/A	N/A	84.00
Streetlights	446	446	446
Water and Sewer			
Water Mains (Miles)	130.00	125.00	125.00
Fire Hydrants	1,560	1,560	1,560
Sanitary Sewers (Miles)	103.06	103.06	103.06
Manholes	1,716	1,722	1,725

N/A - Not Available

Data Source: City Records

Fiscal Year Ended 4/30/2008	Eight Months Ended 12/31/2008	Fiscal Year Ended 12/31/2009	Fiscal Year Ended 12/31/2010	Fiscal Year Ended 12/31/2011	Fiscal Year Ended 12/31/2012	Fiscal Year Ended 12/31/2013
1 28	1 28	1 28	1 28	1 27	1 27	1 2
3	3	3	3	4	4	4
165.41 102.20 883	165.41 103.40 883	169.71 104.05 964	167.20 108.38 964	167.20 111.18 964	174.18 111.00 961	174.18 111.00 961
123.00 1,560 103.12 2,075	123.00 1,472 105.60 2,176	123.00 1,482 105.60 2,176	125.33 1,483 105.60 2,186	127.38 1,518 106.19 2,202	127.99 1,528 106.34 2,211	127.99 1,528 106.34 2,211