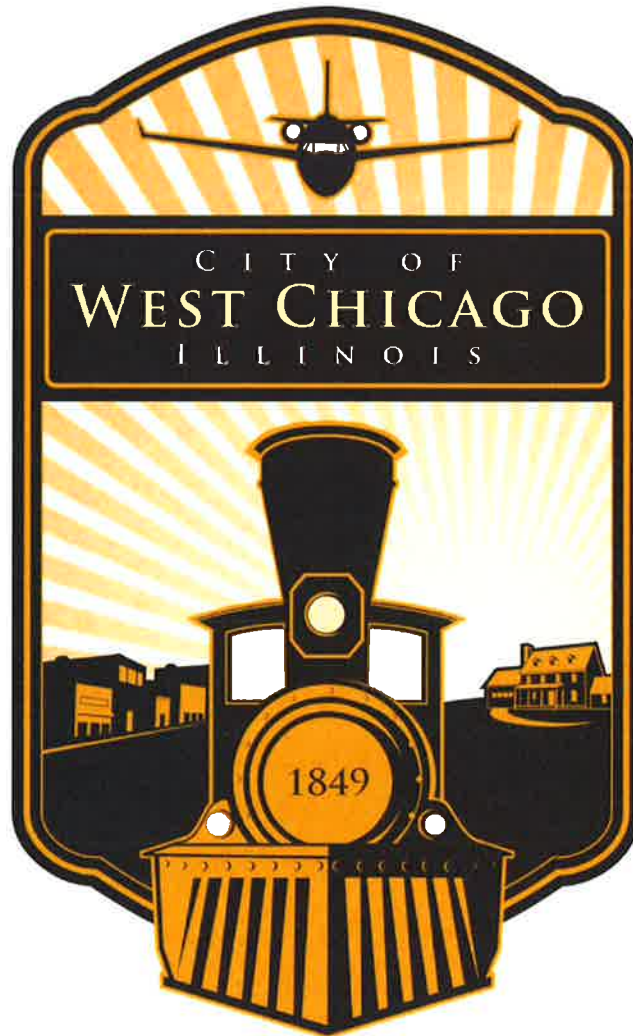


# **CITY OF WEST CHICAGO, ILLINOIS**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

**CITY OF WEST CHICAGO, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

Prepared by

Linda Martin  
Director of Administrative Services

# CITY OF WEST CHICAGO, ILLINOIS

## TABLE OF CONTENTS

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### PAGE

### INTRODUCTORY SECTION

|   |            |
|---|------------|
| List of Principal Officials.....                                      | i          |
| Organizational Chart.....   | ii         |
| Transmittal Letter.....   | iii - viii |
| Certificate of Achievement for Excellence in Financial Reporting..... | ix         |

### FINANCIAL SECTION

|                                   |       |
|-----------------------------------|-------|
| INDEPENDENT AUDITORS' REPORT..... | 1 - 2 |
|-----------------------------------|-------|

|  |             |
|--|-------------|
| MANAGEMENT'S DISCUSSION AND ANALYSIS ..... | MD&A 1 - 13 |
|--|-------------|

### BASIC FINANCIAL STATEMENTS

#### Government-Wide Financial Statements

|                                 |       |
|---------------------------------|-------|
| Statement of Net Position ..... | 3 - 4 |
| Statement of Activities.....    | 5 - 6 |

#### Fund Financial Statements

|   |         |
|---|---------|
| Balance Sheet – Governmental Funds .....  | 7 - 8   |
| Reconciliation of Total Governmental Fund Balance to the<br>Statement of Net Position – Governmental Activities .....                                   | 9       |
| Statement of Revenues, Expenditures and Changes in<br>Fund Balances – Governmental Funds .....  | 10 - 11 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances to the Statement of Activities – Governmental Activities..... | 12      |
| Statement of Net Position – Proprietary Funds.....  | 13 - 14 |
| Statement of Revenues, Expenses and Changes in Fund<br>Net Position – Proprietary Funds.....  | 15 - 16 |
| Statement of Cash Flows – Proprietary Funds.....  | 17 - 18 |
| Statement of Fiduciary Net Position .....   | 19      |
| Statement of Changes in Fiduciary Net Position .....  | 20      |

|  |         |
|--|---------|
| Notes to the Financial Statements..... | 21 - 54 |
|--|---------|

# CITY OF WEST CHICAGO, ILLINOIS

## TABLE OF CONTENTS

|  | PAGE    |
|--|---------|
| <b><u>FINANCIAL SECTION – Continued</u></b>  |         |
| <b>REQUIRED SUPPLEMENTARY INFORMATION</b>  |         |
| Schedule of Funding Progress and Employer Contributions                            |         |
| Illinois Municipal Retirement Fund.....  | 55      |
| Police Pension Fund.....   | 56      |
| Other Post-Employment Benefit Plan.....  | 57      |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual |         |
| General Fund.....  | 58      |
| Public Benefit – Special Revenue Fund.....   | 59      |
| TIF Special Tax Allocation #1 – Special Revenue Fund.....                          | 60      |
| <b>OTHER SUPPLEMENTARY INFORMATION</b>   |         |
| Schedule of Revenues – Budget and Actual – General Fund .....                      | 61 - 62 |
| Schedule of Expenditures – Budget and Actual – General Fund.....                   | 63      |
| Schedule of Detailed Expenditures – Budget and Actual – General Fund .....         | 64 - 72 |
| Schedule of Expenditures – Budget and Actual                                       |         |
| TIF Special Tax Allocation #1 – Special Revenue Fund.....                          | 73      |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual |         |
| Capital Improvement – Capital Projects Fund.....                                   | 74      |
| Schedule of Expenditures – Budget and Actual                                       |         |
| Capital Improvement – Capital Projects Fund.....                                   | 75      |
| Combining Balance Sheet – Nonmajor Governmental Funds .....                        | 76      |
| Combining Statement of Revenues, Expenditures and Changes in                       |         |
| Fund Balances – Nonmajor Governmental Funds .....                                  | 77      |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual |         |
| TIF Special Tax Allocation #2 – Special Revenue Fund.....                          | 78      |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual |         |
| Capital Equipment Replacement – Capital Projects Fund.....                         | 79      |
| Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual     |         |
| Waterworks – Enterprise Fund .....   | 80      |
| Schedule of Operating Expenses – Budget and Actual                                 |         |
| Waterworks – Enterprise Fund .....   | 81 - 83 |
| Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual     |         |
| Sewerage – Enterprise Fund .....   | 84      |
| Schedule of Operating Expenses – Budget and Actual                                 |         |
| Sewerage – Enterprise Fund .....   | 85 - 87 |
| Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual     |         |
| Commuter Parking – Enterprise Fund .....   | 88      |

# CITY OF WEST CHICAGO, ILLINOIS

## TABLE OF CONTENTS

|   | PAGE      |
|---|-----------|
| <b><u>FINANCIAL SECTION – Continued</u></b>   |           |
| <b>OTHER SUPPLEMENTARY INFORMATION – Continued</b>  |           |
| Schedule of Operating Expenses – Budget and Actual<br>Commuter Parking – Enterprise Fund .....                                  | 89        |
| Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual<br>MIS Replacement – Internal Service Fund ..... | 90        |
| Combining Statement of Changes in Assets and Liabilities – Agency Funds .....   | 91 - 92   |
| <b>SUPPLEMENTAL SCHEDULES</b>   |           |
| Long-Term Debt Requirements<br>IEPA Waterworks Revolving Loan .....   | 93        |
| <b><u>STATISTICAL SECTION (Unaudited)</u></b>   |           |
| Net Position by Component – Last Ten Fiscal Years .....   | 94 - 95   |
| Change in Net Position – Last Ten Fiscal Years .....  | 96 - 97   |
| Fund Balances of Governmental Funds – Last Ten Fiscal Years .....   | 98 - 99   |
| General Governmental Revenues by Sources – Last Ten Fiscal Years .....  | 100 - 101 |
| General Governmental Expenditures by Function – Last Ten Fiscal Years .....   | 102 - 103 |
| Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years .....   | 104 - 105 |
| Assessed Value and Actual Value of Taxable Property -<br>Last Ten Fiscal Years .....  | 106 - 107 |
| Direct and Overlapping Property Tax Rates – Last Ten Levy Years .....   | 108 - 109 |
| Principal Property Tax Payers – Current Year and Nine Years Ago .....   | 110       |
| Property Tax Levies and Collections – Last Ten Fiscal Years .....   | 111       |
| Ratios of Outstanding Debt by Type – Last Ten Fiscal Years .....  | 112       |
| Ratio of General Bonded Debt Outstanding – Last Ten Fiscal Years .....  | 113       |
| Schedule of Direct and Overlapping Governmental Activities Debt .....   | 114       |
| Schedule of Legal Debt Margin .....   | 115       |
| Pledged Revenue Coverage – Last Ten Fiscal Years .....  | 116       |
| Demographic and Economic Statistics – Last Ten Fiscal Years .....   | 117       |
| Principal Employers – Current Fiscal Year and Nine Years Ago .....  | 118       |
| Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years .....  | 119 - 120 |
| Operating Indicators by Function/Program – Last Ten Fiscal Years .....  | 121 - 122 |
| Capital Asset Statistics by Function/Program – Last Ten Fiscal Years .....  | 123 - 124 |

## **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, 2012**

---

### **LEGISLATIVE**

Acting City Mayor: Ruben Pineda  
City Clerk: Nancy M. Smith  
City Treasurer: Donald F. Earley

### **ALDERMEN**

James Beifuss

James Smith

John C. Smith, Jr.

Kurt Meissner

Lori Chassee

H. Ronald Monroe

Nanette Connelly

Alan Murphy

Sandra Dimas

Ruben Pineda

Nicholas Dzierzanowski

Russell Radkiewicz

Matthew Fuesting

Rebecca Stout

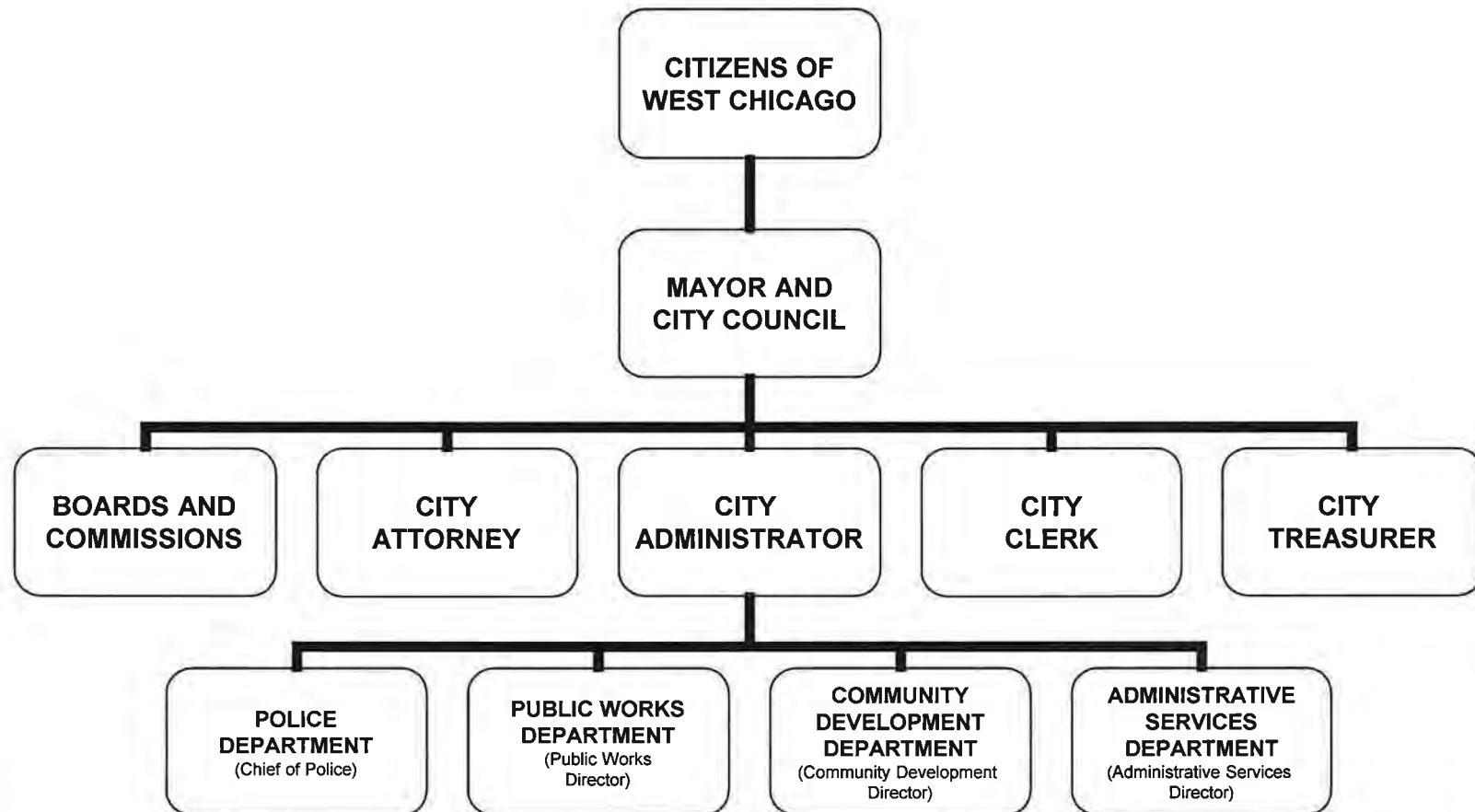
### **ADMINISTRATIVE**

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 31, 2013

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, 2012, 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, 2012, 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 assets shall be at least 25% of revenues in the General, Water and Sewer Funds; over the next several years the City should strive to increase this amount to 35%.
- 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:

- Successful passage of a referendum allowing the City the authority to seek competitive pricing of electric supply through municipal aggregation rendering significant cost savings to participating residential and small non-residential electric accounts.
- The City acquired several key parcels in 2012, including the following: 322 High Street (the second to last parcel necessary to own all of the land in the Central Main Street Redevelopment Area); 804, 808 and 812 Forest Avenue (to address stormwater and floodplain issues in the neighborhood as well as to allow for the widening of Town Road and a small non-buildable parcel on West Washington Street (to protect the integrity of the Quiet Zone along the Wisconsin Central Railway (formerly the EJ&E Railway), once established).
- Implementation of an ordinance designed to regulate and license businesses identified as pawnbrokers or precious metal dealers to aid in the apprehension of criminals, the retrieval of stolen goods and to further deter crime.
- Expansion of the communication channels between the City and its residents, businesses and visitors with the launch of a mobile City website, the introduction of *CityBytes*, a continuing series of short educational podcasts, and the upgrade of a community-wide calendar.
- In cooperation with the Canadian National Railway Company and per the terms of its Voluntary Mitigation Agreement with the City, infrastructure improvements were completed along the Wisconsin Central Railway (formerly the EJ&E Railway), which were required in order for the Federal Railroad Administration to deem this stretch of track as a Quiet Zone.
- Focus on the retention and support of local businesses continued through the promotion of recognition programs such as the ongoing Brilliance in Business Awards and “Keep the Cheer Here”, a 3/50 Project campaign encouraging consumers to shop locally.
- Execution of the comprehensive, City-funded Water Meter Replacement Program progressed with the installation of new water meters in the northern portions of the City.

## 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, 2012. 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 commitment of the City Council to support existing businesses facilitated an amendment to the Economic Incentive Agreement with Haggerty Ford, Inc., to increase the maximum reimbursable amount for the construction of a body shop which otherwise would not be built because the expected construction costs were significantly higher than originally projected. With this investment the City will realize in future years the enhancement of the City's tax base, the strengthening of the commercial sector of the City and employment preservation while retaining a larger percentage of sales tax revenue compared to the original agreement and receiving a discount on non-warranty repairs and body shop work which cannot be performed in-house.

The City Council recognized the lack of competitive pricing and resulting excessive bids received for the construction of a well house to protect and secure Well Number 12 so it was fiscally prudent by rejecting all bids for the project. Staff was also directed to revise the bid plans and specifications, improve the solicitation of bids and review the budget to determine if additional funds could be made available before seeking to re-bid the project in the following fiscal year.

The City Council approved the City Administrator's emergency purchase of tree removal and brush collection services after a significant storm event occurred July 1, 2012. That Ordinance also amended the Budget to allocate General Fund reserves in the amount of \$610,000 to cover those expenditures, as well as the anticipated costs of the impending restoration services that would be necessary.

The City Council has continued its policy of leveraging 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.

Additionally, with regard to policy analyses, the City Council established Local Vendor Preference for Purchasing Goods and Services Guidelines to maximize the amount of business that is awarded to vendors, businesses and companies located in West Chicago by providing local vendors with an advantage when quoting and bidding on goods and services. The Policy provides guidance to City staff, contractors, suppliers, and vendors regarding how local preference will be given and defines a local vendor and qualifying transaction, lists exclusions and establishes rules governing its applicability.

## 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, 2011. This was the thirteenth 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.

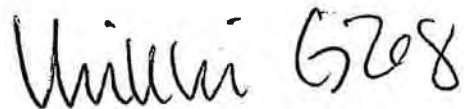
The preparation of this report was made possible by the dedicated service of the entire staff of the Department of Administrative Services. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report.

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

# 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, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Moirrell*

President

*Jeffrey R. Emer*

Executive Director

## **FINANCIAL SECTION**

This section includes:

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



## **INDEPENDENT AUDITORS' REPORT**

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

**INDEPENDENT AUDITORS' REPORT**

May 31, 2013

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, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

*Management's Responsibility for the Financial Statements*

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

*Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2013, on our consideration of the City of West Chicago, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

### *Other Matters*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 schedules, supplemental schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in blue ink that reads "Lauterbach & Amen LLP". The signature is written in a cursive, flowing style.

LAUTERBACH & AMEN, LLP

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

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2012**

---

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, 2012. 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 \$487,746, or 0.7 percent and net position of the governmental activities decreased by \$4,190,709 or 3.8 percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$33,739,937, while expenses totaled \$38,418,392, resulting in a decrease to net position of \$4,678,455.
- The City of West Chicago's net position totaled \$164,864,603 at December 31, 2012, which includes \$142,315,743 net investment in capital assets, \$5,954,537 subject to external restrictions, and \$16,594,323 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 \$453,232, resulting in ending fund balance of \$13,298,390, a decrease of 3.3 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, 2012**

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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, 2012**

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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, 2012**

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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.

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 - 92 of this report.



# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

### 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 \$164,864,603.

|  | Net Position  |             |               |            |             |             |
|--|---------------|-------------|---------------|------------|-------------|-------------|
|  | Governmental  |             | Business-type |            | Total       |             |
|  | Activities    |             | Activities    |            |             |             |
|  | 2012          | 2011        | 2012          | 2011       | 2012        | 2011        |
| Current Assets                         | \$ 26,130,535 | 28,949,171  | 10,679,092    | 12,016,598 | 36,809,627  | 40,965,769  |
| Capital Assets                         | 88,988,913    | 89,692,289  | 60,586,101    | 60,292,812 | 149,575,014 | 149,985,101 |
| Total Assets                           | 115,119,448   | 118,641,460 | 71,265,193    | 72,309,410 | 186,384,641 | 190,950,870 |
| Current Liabilities/Deferred Inflows   | 7,887,075     | 7,174,906   | 3,538,600     | 3,583,148  | 11,425,675  | 10,758,054  |
| Noncurrent Liabilities                 | 3,222,260     | 3,270,284   | 6,872,103     | 7,384,026  | 10,094,363  | 10,654,310  |
| Total Liabilities and Deferred Inflows | 11,109,335    | 10,445,190  | 10,410,703    | 10,967,174 | 21,520,038  | 21,412,364  |
| Net Position                           |               |             |               |            |             |             |
| Net Investment in Capital Assets       | 88,988,913    | 89,692,289  | 53,326,830    | 52,523,108 | 142,315,743 | 142,215,397 |
| Restricted                             | 2,340,095     | 1,708,723   | 3,614,442     | 4,435,213  | 5,954,537   | 6,143,936   |
| Unrestricted                           | 12,681,105    | 16,795,258  | 3,913,218     | 4,383,915  | 16,594,323  | 21,179,173  |
| Total Net Position                     | 104,010,113   | 108,196,270 | 60,854,490    | 61,342,236 | 164,864,603 | 169,538,506 |

A large portion of the City's net position, \$142,315,743 or 86.32 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, \$5,954,537, or 3.61 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 10.07 percent, or \$16,594,323, 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, 2012

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

|   | Changes in Net Position |             |               |            |             |             |
|---|-------------------------|-------------|---------------|------------|-------------|-------------|
|   | Governmental            |             | Business-Type |            | Total       |             |
|   | Activities              |             | Activities    |            |             |             |
|   | 2012                    | 2011        | 2012          | 2011       | 2012        | 2011        |
| <b>Revenues</b>                           |                         |             |               |            |             |             |
| Program Revenues                          |                         |             |               |            |             |             |
| Charges for Services                      | \$ 3,318,922            | 3,694,988   | 10,333,297    | 10,436,496 | 13,652,219  | 14,131,484  |
| Operating Grants/Contrib.                 | 181,074                 | 78,140      | -             | -          | 181,074     | 78,140      |
| Capital Grants/Contrib.                   | 819,317                 | 792,266     | 1,317,363     | 2,633,360  | 2,136,680   | 3,425,626   |
| General Revenues                          |                         |             |               |            |             |             |
| Property Taxes                            | 4,711,890               | 4,701,295   | 11,671        | 11,557     | 4,723,561   | 4,712,852   |
| Other Taxes                               | 1,176,228               | 1,383,971   | -             | -          | 1,176,228   | 1,383,971   |
| Sales and Use Taxes                       | 4,405,831               | 4,158,709   | 1,103,876     | 1,131,916  | 5,509,707   | 5,290,625   |
| Income Taxes                              | 2,379,976               | 2,117,490   | -             | -          | 2,379,976   | 2,117,490   |
| Replacement Taxes                         | 144,979                 | 157,985     | -             | -          | 144,979     | 157,985     |
| Other                                     | 2,013,401               | 2,098,719   | -             | -          | 2,013,401   | 2,098,719   |
| Interest Income                           | 79,150                  | 102,820     | 6,878         | 121,733    | 86,028      | 224,553     |
| Miscellaneous                             | 1,465,234               | 1,638,724   | 270,850       | 459,444    | 1,736,084   | 2,098,168   |
| Total Revenues                            | 20,696,002              | 20,925,107  | 13,043,935    | 14,794,506 | 33,739,937  | 35,719,613  |
| <b>Expenses</b>                           |                         |             |               |            |             |             |
| General Government                        | 9,184,108               | 8,797,675   | -             | -          | 9,184,108   | 8,797,675   |
| Public Safety                             | 8,851,135               | 8,399,317   | -             | -          | 8,851,135   | 8,399,317   |
| Highway and Streets                       | 6,730,139               | 1,591,915   | -             | -          | 6,730,139   | 1,591,915   |
| Culture and Recreation                    | 83,232                  | 193,879     | -             | -          | 83,232      | 193,879     |
| Interest on Long-Term Debt                | 38,097                  | 40,332      | -             | -          | 38,097      | 40,332      |
| Waterworks                                | -                       | -           | 6,816,837     | 5,999,102  | 6,816,837   | 5,999,102   |
| Sewerage                                  | -                       | -           | 6,602,525     | 7,596,138  | 6,602,525   | 7,596,138   |
| Commuter Parking                          | -                       | -           | 112,319       | 127,748    | 112,319     | 127,748     |
| Total Expenses                            | 24,886,711              | 19,023,118  | 13,531,681    | 13,722,988 | 38,418,392  | 32,746,106  |
| <b>Change in Net Position</b>             |                         |             |               |            |             |             |
| Before Transfers                          | (4,190,709)             | 1,901,989   | (487,746)     | 1,071,518  | (4,678,455) | 2,973,507   |
| <b>Transfers</b>                          | -                       | -           | -             | -          | -           | -           |
| <b>Change in Net Position</b>             | (4,190,709)             | 1,901,989   | (487,746)     | 1,071,518  | (4,678,455) | 2,973,507   |
| <b>Net Position-Beginning as Restated</b> | 108,200,822             | 106,294,281 | 61,342,236    | 60,270,718 | 169,543,058 | 166,564,999 |
| <b>Net Position-Ending</b>                | 104,010,113             | 108,196,270 | 60,854,490    | 61,342,236 | 164,864,603 | 169,538,506 |

# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the City of West Chicago's governmental activities decreased 3.8 percent (\$104,010,113 at December 31, 2012, compared to \$108,200,822 at December 31, 2011 as restated). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$12,681,105 at December 31, 2012. Net position decreased due to a reduction in current assets by \$2,818,636 and an increase in current liabilities of \$991,771, both due to in part to the completion of capital projects for which payment was made or due at December 31, 2012.

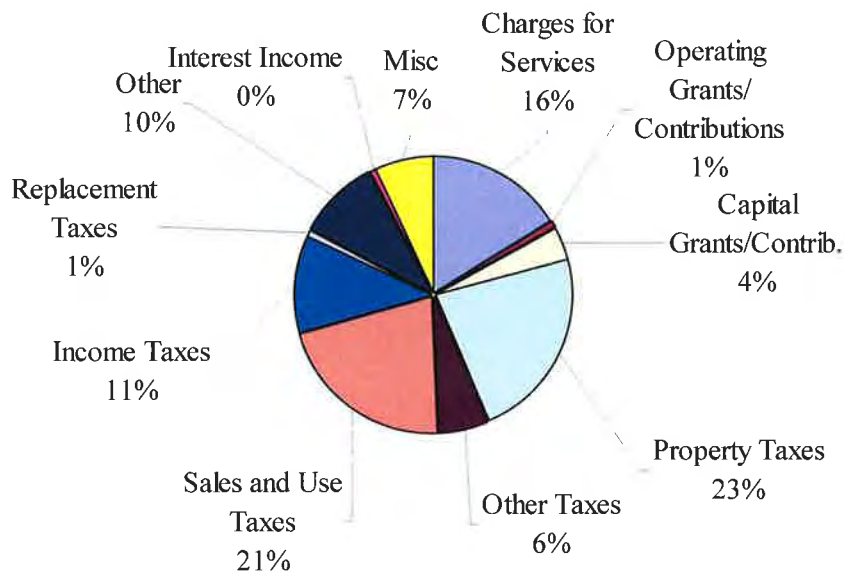
Net position of business-type activities decreased by eight-tenths of a percent (\$60,854,490 at December 31, 2012 compared to \$61,342,236 at December 31, 2011). A deficit of \$627,219 in the Sewerage Fund was partially offset by surpluses of \$118,713 in the Waterworks Fund and \$20,760 in the Commuter Parking Fund.

### Governmental Activities

Revenues for governmental activities totaled \$20,696,002 while the cost of all governmental functions totaled \$24,886,711. This results in a net position draw down of \$4,190,709 at December 31, 2012. At December 31, 2011, revenues for governmental activities totaled \$20,925,107, while the cost of all governmental functions totaled \$19,023,118, which resulted in a surplus of \$1,901,989. Revenues for other taxes and charges for services decreased \$207,743 and \$376,066, 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**



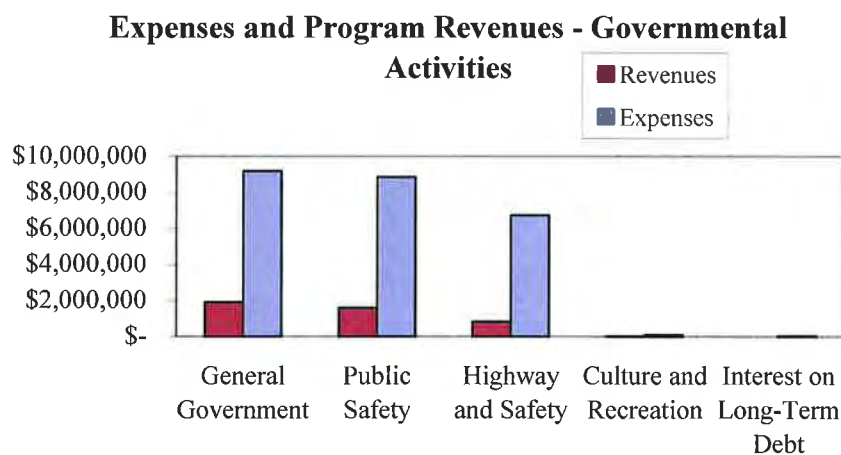
# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

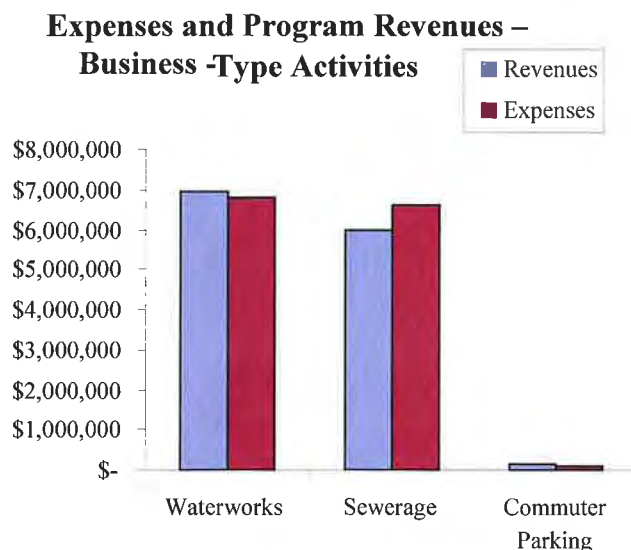
#### Governmental Activities – Continued

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 \$13,043,935, while the cost of all business-type activities totaled \$13,531,681. This results in a net position decrease of \$487,746. At December 31, 2011, revenues of \$14,794,506 were more than expenses of \$13,722,988, resulting in a surplus of \$1,071,518.



The above graph compares program revenues to expenses for business-type activities.

# **CITY OF WEST CHICAGO, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2012**

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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, 2012, the City's governmental funds reported combined ending fund balances of \$18,380,136, which is a decrease of \$3,337,033 from last year's total of \$21,717,169. Of the \$18,380,136 total, \$11,309,771, or 61.5 percent, of the fund balance constitutes unassigned fund balance, while \$2,031,927 or 11.1 percent, is designated as nonspendable. Of the remaining \$5,038,438, or 27.4 percent, \$2,340,095, or 12.7 percent has been classified as restricted funds, and \$2,698,343, or 14.7 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 \$453,232, a decrease of 3.3 percent. This was due in part to Volkswagon of America finally completing the paperwork necessary for its sales tax rebate more than a year later than when it was expected and the incurrence of weather-related emergency expenditures. Overall, budgeted expenditures totaled \$17,687,400 while actual expenditures totaled \$16,441,716. 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 deficit change in fund balance for the fiscal year of \$4,564, due to an annual transfer to the General Fund to cover continued oversight of the cleanup activities.

The TIF Special Tax Allocation #1 Fund reported a decrease of \$114,696 for the year, the majority of which resulted from actual revenues totaling \$1,153,942 and actual expenditures totaling \$1,268,638, which was \$529,462 less than expenditures budgeted. The fund balance of \$759,790 will be used for ongoing projects and prospect development.

The Capital Improvement Fund reported a deficit of \$2,331,635 for the year, which resulted from actual expenditures of \$5,828,386 exceeding actual revenues totaling \$3,496,751, as several large capital projects for which the City had been saving were finally completed, including the State of Illinois finally invoicing the City in an amount in excess of \$2,000,000 for the Hawthorne Lane Project which had been completed two years earlier.

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

### **Management's Discussion and Analysis December 31, 2012**

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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 \$2.90 per one hundred cubic feet for water and a rate of \$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 \$118,713, while the increase in the previous fiscal year was \$3,175,621.

The Sewerage Fund experienced a decrease in net position of \$627,219, while the previous fiscal year reported a decrease of \$2,100,899. The Commuter Parking Fund had a decrease in net position for the fiscal year of \$20,760, compared to the decrease in the previous fiscal year of \$3,204. Total unrestricted net position in the Proprietary Funds were \$57,240,048 (net investment in capital assets and actual unrestricted net position) at December 31, 2012.

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

The City of West Chicago Council made two budget amendments to the General Fund during the fiscal year. Original budgeted revenues of \$14,948,600 were decreased \$110,000 to reflect a change in State law restricting the City's ability to seize vehicles for certain offenses. General Fund actual revenues for the year totaled \$15,938,484 compared to final budgeted revenues of \$14,838,600. There were better than anticipated actual results for sales, income and use taxes.

Original budgeted expenditures of \$16,777,400 were increased \$910,000 for a sales tax rebate covering multiple years because the recipient failed to timely complete and submit the required documentation and expenditures resulting from a weather-related emergency. The General Fund actual expenditures for the year were \$1,245,684 lower than budgeted (\$16,441,716 actual compared to \$17,687,400 final budgeted). The general government and public safety functions' actual expenditures were lower than budgeted expenditures by \$941,012 and \$304,672, respectively due to overall cost controlling measures.

# CITY OF WEST CHICAGO, ILLINOIS

## Management's Discussion and Analysis December 31, 2012

### 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, 2012 was \$149,575,014 (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    |            |             |             |
|                            | 2012                                 | 2011       | 2012          | 2011       | 2012        | 2011        |
| Land and Right of Way      | \$ 46,093,923                        | 45,800,266 | 4,555,048     | 4,555,048  | 50,648,971  | 50,355,314  |
| Construction in Progress   | 208,271                              | 898,334    | 1,942,986     | 2,151,931  | 2,151,257   | 3,050,265   |
| Land Improvements          | 1,322,472                            | 1,231,016  | 794,421       | 848,878    | 2,116,893   | 2,079,894   |
| Buildings and Improvements | 1,733,231                            | 1,609,045  | 18,449,272    | 17,971,318 | 20,182,503  | 19,580,363  |
| Machinery and Equipment    | 398,485                              | 332,656    | 3,120,746     | 3,703,801  | 3,519,231   | 4,036,457   |
| Infrastructure             | 39,232,531                           | 39,820,972 | 31,723,628    | 31,061,836 | 70,956,159  | 70,882,808  |
| Total                      | 88,988,913                           | 89,692,289 | 60,586,101    | 60,292,812 | 149,575,014 | 149,985,101 |

This year's major additions included:

|                            |                  |
|----------------------------|------------------|
| General Government Land    | \$ 300,000       |
| Buildings and Improvements | 1,179,102        |
| Infrastructure             | 1,896,633        |
| Machinery & Equipment      | 182,956          |
|                            | <u>3,558,691</u> |

For the year ending December 31, 2013 the capital budget includes \$4.3 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, 2012

#### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

##### Debt Administration

At December 31, 2012, the City of West Chicago had total outstanding debt of \$7,259,271 as compared to \$7,769,704 at December 31, 2011, a decrease of \$510,433. The following is a comparative statement of outstanding debt:

|                          |    | Long-Term Debt Outstanding |      |                             |           |           |           |
|--------------------------|----|----------------------------|------|-----------------------------|-----------|-----------|-----------|
|                          |    | Governmental<br>Activities |      | Business-type<br>Activities |           | Total     |           |
|                          |    | 2012                       | 2011 | 2012                        | 2011      | 2012      | 2011      |
| General Obligation Bonds | \$ | -                          | -    | -                           | -         | -         | -         |
| IEPA Revolving Loan      |    | -                          | -    | 7,259,271                   | 7,769,704 | 7,259,271 | 7,769,704 |
| Total                    |    | -                          | -    | 7,259,271                   | 7,769,704 | 7,259,271 | 7,769,704 |

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 - 43 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 2013 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, 2012, for DuPage County was 8.6 percent and the state and national unemployment rates were 8.9 and 7.8 percent, respectively.

Amounts available for appropriation in the General Fund budget are \$15.4 million, an increase of 4.0 percent from the final 2012 budget of \$14.8 million. The City of West Chicago has budgeted increases in both sales and income tax earnings and building permit fees of approximately 5.0 percent and 25.0 percent, respectively. The City of West Chicago's major initiatives in the 2013 budget include identifying the level of remediation necessary on the properties comprising the West Washington Street Redevelopment Project, completing the construction of the Well Number 12 Well House, updating the SCADA system for the City's lift stations, replacement of the Wilson/Joliet culvert and construction of the pedestrian/bicycle pathway connecting the Great Western Trail at Illinois Route 59 to the Illinois Prairie Path – Geneva Spur at Reed-Keppler Park. The City of West Chicago maintains its strong commitment to fiscal accountability and pledges to continue to seek innovative strategies to maximize financial responsibility.



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

### **Management's Discussion and Analysis December 31, 2012**

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#### **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, 2012**

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**See Following Page**

**CITY OF WEST CHICAGO, ILLINOIS**

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

|                                 | Governmental<br>Activities | Business-<br>Type<br>Activities | Total         |
|---------------------------------|----------------------------|---------------------------------|---------------|
| <b>ASSETS</b>                   |                            |                                 |               |
| <b>Current Assets</b>           |                            |                                 |               |
| Cash and Investments            | \$ 17,382,795              | \$ 8,022,181                    | \$ 25,404,976 |
| Receivables - Net of Allowances | 7,600,509                  | 1,800,177                       | 9,400,686     |
| Prepaid Items/Inventories       | 1,147,231                  | 240,370                         | 1,387,601     |
| Restricted Cash and Investments | -                          | 616,364                         | 616,364       |
| Total Current Assets            | 26,130,535                 | 10,679,092                      | 36,809,627    |
| <b>Capital Assets</b>           |                            |                                 |               |
| Nondepreciable                  | 46,302,194                 | 6,498,034                       | 52,800,228    |
| Depreciable                     | 84,665,254                 | 87,492,334                      | 172,157,588   |
| Accumulated Depreciation        | (41,978,535)               | (33,404,267)                    | (75,382,802)  |
| Total Capital Assets            | 88,988,913                 | 60,586,101                      | 149,575,014   |
| Total Assets                    | 115,119,448                | 71,265,193                      | 186,384,641   |

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

|   | Governmental<br>Activities | Business-<br>Type<br>Activities | Total          |
|---|----------------------------|---------------------------------|----------------|
| <b>LIABILITIES</b>                                  |                            |                                 |                |
| Current Liabilities                                 |                            |                                 |                |
| Accounts Payable                                    | \$ 1,694,771               | \$ 488,966                      | \$ 2,183,737   |
| Accrued Payroll                                     | 377,393                    | 126,271                         | 503,664        |
| Deposits Payable                                    | 728,989                    | 1,300,856                       | 2,029,845      |
| Interest Payable                                    | -                          | 62,188                          | 62,188         |
| Other Payables                                      | 350,416                    | 1,002,566                       | 1,352,982      |
| Current Portion of Long-Term Debt                   | 204,431                    | 557,753                         | 762,184        |
| Total Current Liabilities                           | 3,356,000                  | 3,538,600                       | 6,894,600      |
| Noncurrent Liabilities                              |                            |                                 |                |
| Compensated Absences Payable                        | 817,725                    | 136,468                         | 954,193        |
| Net Pension Obligation                              | 1,594,455                  | -                               | 1,594,455      |
| Net Other Post-Employment Benefit Obligation        | 810,080                    | -                               | 810,080        |
| IEPA Revolving Loan Payable                         | -                          | 6,735,635                       | 6,735,635      |
| Total Noncurrent Liabilities                        | 3,222,260                  | 6,872,103                       | 10,094,363     |
| Total Liabilities                                   | 6,578,260                  | 10,410,703                      | 16,988,963     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                            |                                 |                |
| Property Taxes                                      | 4,531,075                  | -                               | 4,531,075      |
| Total Liabilities and Deferred Inflows of Resources | 11,109,335                 | 10,410,703                      | 21,520,038     |
| <b>NET POSITION</b>                                 |                            |                                 |                |
| Net Investment in Capital Assets                    | 88,988,913                 | 53,326,830                      | 142,315,743    |
| Restricted - MFT                                    | 843,105                    | -                               | 843,105        |
| Restricted - TIF                                    | 869,964                    | -                               | 869,964        |
| Restricted - Special Service Areas                  | 17,328                     | -                               | 17,328         |
| Restricted - Kerr McGee Projects                    | 609,698                    | -                               | 609,698        |
| Restricted - Per Intergovernmental Agreement -      |                            |                                 |                |
| Sewer Plant Expansion                               | -                          | 1,262,564                       | 1,262,564      |
| Sewer Plant Replacement                             | -                          | 2,351,878                       | 2,351,878      |
| Unrestricted  | 12,681,105                 | 3,913,218                       | 16,594,323     |
| Total Net Position                                  | \$ 104,010,113             | \$ 60,854,490                   | \$ 164,864,603 |

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

**CITY OF WEST CHICAGO, ILLINOIS**

**Statement of Activities  
Year Ended December 31, 2012**

|                                |               | Program Revenues           |                                       |                                     |
|--------------------------------|---------------|----------------------------|---------------------------------------|-------------------------------------|
|                                |               | Charges<br>for<br>Services | Operating<br>Grants/<br>Contributions | Capital<br>Grants/<br>Contributions |
|                                | Expenses      |                            |                                       |                                     |
| Governmental Activities        |               |                            |                                       |                                     |
| General Government             | \$ 9,184,108  | \$ 1,899,106               | \$ -                                  | \$ -                                |
| Public Safety                  | 8,851,135     | 1,419,816                  | 171,074                               | -                                   |
| Highways and Streets           | 6,730,139     | -                          | -                                     | 819,317                             |
| Culture and Recreation         | 83,232        | -                          | 10,000                                | -                                   |
| Interest on Long-Term Debt     | 38,097        | -                          | -                                     | -                                   |
| Total Governmental Activities  | 24,886,711    | 3,318,922                  | 181,074                               | 819,317                             |
| Business-Type Activities       |               |                            |                                       |                                     |
| Waterworks                     | 6,816,837     | 4,707,616                  | -                                     | 896,960                             |
| Sewerage                       | 6,602,525     | 5,492,604                  | -                                     | 420,403                             |
| Commuter Parking               | 112,319       | 133,077                    | -                                     | -                                   |
| Total Business-Type Activities | 13,531,681    | 10,333,297                 | -                                     | 1,317,363                           |
|                                | \$ 38,418,392 | \$ 13,652,219              | \$ 181,074                            | \$ 2,136,680                        |

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 as Restated

Net Position - Ending

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

| Net Expense/Revenue        |                             |                |
|----------------------------|-----------------------------|----------------|
| Governmental<br>Activities | Business-Type<br>Activities | Total          |
| \$ (7,285,002)             | \$ -                        | \$ (7,285,002) |
| (7,260,245)                | -                           | (7,260,245)    |
| (5,910,822)                | -                           | (5,910,822)    |
| (73,232)                   | -                           | (73,232)       |
| (38,097)                   | -                           | (38,097)       |
| (20,567,398)               | -                           | (20,567,398)   |
| -                          | (1,212,261)                 | (1,212,261)    |
| -                          | (689,518)                   | (689,518)      |
| -                          | 20,758                      | 20,758         |
| -                          | (1,881,021)                 | (1,881,021)    |
| (20,567,398)               | (1,881,021)                 | (22,448,419)   |
| 4,711,890                  | 11,671                      | 4,723,561      |
| 1,059,853                  | -                           | 1,059,853      |
| 116,375                    | -                           | 116,375        |
| 4,405,831                  | 1,103,876                   | 5,509,707      |
| 2,379,976                  | -                           | 2,379,976      |
| 144,979                    | -                           | 144,979        |
| 2,013,401                  | -                           | 2,013,401      |
| 79,150                     | 6,878                       | 86,028         |
| 1,465,234                  | 270,850                     | 1,736,084      |
| 16,376,689                 | 1,393,275                   | 17,769,964     |
| (4,190,709)                | (487,746)                   | (4,678,455)    |
| 108,200,822                | 61,342,236                  | 169,543,058    |
| \$ 104,010,113             | \$ 60,854,490               | \$ 164,864,603 |

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

**CITY OF WEST CHICAGO, ILLINOIS**

**Balance Sheet - Governmental Funds**

**December 31, 2012**

|   |               | Special        |
|---|---------------|----------------|
|   | General       | Public Benefit |
| <b>ASSETS</b>   |               |                |
| Cash and Investments  | \$ 11,374,172 | \$ 609,698     |
| Receivables - Net of Allowances                                       |               |                |
| Property Taxes  | 3,441,206     | -              |
| Accrued Interest  | 7,796         | -              |
| Other   | 2,316,670     | -              |
| Due From Other Funds  | -             | -              |
| Prepays/Inventories   | 1,145,514     | -              |
| Advances to Other Funds   | -             | 884,696        |
|   |               |                |
| Total Assets  | 18,285,358    | 1,494,394      |
| <b>LIABILITIES</b>  |               |                |
| Accounts Payable  | 466,057       | -              |
| Accrued Payroll   | 350,717       | -              |
| Deposits Payable  | 728,989       | -              |
| Due to Other Funds  | -             | -              |
| Advances from Other Funds   | -             | -              |
| Other Payables  | -             | -              |
| Total Liabilities   | 1,545,763     | -              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                  |               |                |
| Property Taxes  | 3,441,205     | -              |
|   |               |                |
| Total Liabilities and Deferred Inflows of Resources                   | 4,986,968     | -              |
| <b>FUND BALANCES</b>  |               |                |
| Nonspendable  | 1,145,514     | 884,696        |
| Restricted  | 843,105       | 609,698        |
| Assigned  | -             | -              |
| Unassigned  | 11,309,771    | -              |
| Total Fund Balances   | 13,298,390    | 1,494,394      |
|   |               |                |
| Total Liabilities, Deferred Inflows of Resources<br>and Fund Balances | \$ 18,285,358 | \$ 1,494,394   |

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         |
| \$ 1,768,582  | \$ 2,906,717 | \$ 560,872   | \$ 17,220,041 |
| 1,062,012     | -            | 27,858       | 4,531,076     |
| -             | 102          | -            | 7,898         |
| -             | 744,865      | -            | 3,061,535     |
| -             | 8,315        | 25,643       | 33,958        |
| 1,073         | 644          | -            | 1,147,231     |
| -             | -            | -            | 884,696       |
| 2,831,667     | 3,660,643    | 614,373      | 26,886,435    |
| 103,540       | 1,014,855    | 15,320       | 1,599,772     |
| 21,629        | 5,047        | -            | 377,393       |
| -             | -            | -            | 728,989       |
| -             | 25,643       | 8,315        | 33,958        |
| 884,696       | -            | -            | 884,696       |
| -             | 350,416      | -            | 350,416       |
| 1,009,865     | 1,395,961    | 23,635       | 3,975,224     |
| 1,062,012     | -            | 27,858       | 4,531,075     |
| 2,071,877     | 1,395,961    | 51,493       | 8,506,299     |
| 1,073         | 644          | -            | 2,031,927     |
| 758,717       | -            | 128,575      | 2,340,095     |
| -             | 2,264,038    | 434,305      | 2,698,343     |
| -             | -            | -            | 11,309,771    |
| 759,790       | 2,264,682    | 562,880      | 18,380,136    |
| \$ 2,831,667  | \$ 3,660,643 | \$ 614,373   | \$ 26,886,435 |

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, 2012

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|   |                      |
|---|----------------------|
| <b>Total Governmental Fund Balances</b> | <b>\$ 18,380,136</b> |
|---|----------------------|

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

|   |            |
|---|------------|
| Capital assets used in governmental activities are not financial<br>resources and therefore, are not reported in the funds. | 88,988,913 |
|---|------------|

|   |        |
|---|--------|
| Internal service funds are used by the City to charge the costs of vehicle<br>and equipment management and technology services to individual funds.<br>The assets and liabilities of the internal service funds are included<br>in the governmental activities in the Statement of Net Position | 67,755 |
|---|--------|

|   |                  |
|---|------------------|
| Long-term liabilities are not due and payable in the current<br>period and therefore are not reported in the funds. |                  |
| Compensated Absences Payable  | (1,022,156)      |
| Pension Obligation Payable  | (1,594,455)      |
| Net Other Post-Employment Benefit Obligation Payable  | <u>(810,080)</u> |

|  |                              |
|--|------------------------------|
| <b>Net Position of Governmental Activities</b> | <b><u>\$ 104,010,113</u></b> |
|--|------------------------------|

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  
Year Ended December 31, 2012**

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**See Following Page**

**CITY OF WEST CHICAGO, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
Year Ended December 31, 2012**

|  |                      | Special             |
|--|----------------------|---------------------|
|  | General              | Public<br>Benefit   |
| <b>Revenues</b>  |                      |                     |
| Taxes  | \$ 4,865,202         | \$ -                |
| Intergovernmental  | 7,234,262            | -                   |
| Charges for Services   | 1,803,814            | -                   |
| Licenses and Permits   | 481,698              | -                   |
| Fines and Forfeitures  | 1,033,410            | -                   |
| Interest Income  | 24,801               | 38,783              |
| Miscellaneous  | 495,297              | 6,653               |
| Total Revenues   | <u>15,938,484</u>    | <u>45,436</u>       |
| <b>Expenditures</b>  |                      |                     |
| Current  |                      |                     |
| General Government   | 7,535,988            | -                   |
| Public Safety  | 8,825,728            | -                   |
| Streets and Highways   | -                    | -                   |
| Culture and Recreation                                       | 80,000               | -                   |
| Capital Outlay   | -                    | -                   |
| Debt Service   |                      |                     |
| Interest and Fiscal Charges                                  | -                    | -                   |
| Total Expenditures   | <u>16,441,716</u>    | <u>-</u>            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(503,232)</u>     | <u>45,436</u>       |
| <b>Other Financing Sources (Uses)</b>                        |                      |                     |
| Transfers In   | 50,000               | -                   |
| Transfers Out  | -                    | (50,000)            |
|  | <u>50,000</u>        | <u>(50,000)</u>     |
| Net Change in Fund Balances                                  | (453,232)            | (4,564)             |
| Fund Balances - Beginning                                    | <u>13,751,622</u>    | <u>1,498,958</u>    |
| Fund Balances - Ending                                       | <u>\$ 13,298,390</u> | <u>\$ 1,494,394</u> |

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

| Revenue       |              |              |               |
|---------------|--------------|--------------|---------------|
| TIF           |              | Nonmajor     |               |
| Special Tax   | Capital      | Governmental |               |
| Allocation #1 | Improvement  | Funds        | Total         |
| \$ 1,136,368  | \$ 2,567,697 | \$ 29,167    | \$ 8,598,434  |
| -             | -            | -            | 7,234,262     |
| -             | -            | -            | 1,803,814     |
| -             | -            | -            | 481,698       |
| -             | -            | -            | 1,033,410     |
| 4,499         | 8,968        | 1,857        | 78,908        |
| 13,075        | 920,086      | 30,123       | 1,465,234     |
| 1,153,942     | 3,496,751    | 61,147       | 20,695,760    |
| 1,230,541     | -            | 173,887      | 8,940,416     |
| -             | -            | -            | 8,825,728     |
| -             | -            | -            | -             |
| -             | -            | -            | 80,000        |
| -             | 5,828,386    | 320,166      | 6,148,552     |
| 38,097        | -            | -            | 38,097        |
| 1,268,638     | 5,828,386    | 494,053      | 24,032,793    |
| (114,696)     | (2,331,635)  | (432,906)    | (3,337,033)   |
| -             | -            | -            | 50,000        |
| -             | -            | -            | (50,000)      |
| -             | -            | -            | -             |
| (114,696)     | (2,331,635)  | (432,906)    | (3,337,033)   |
| 874,486       | 4,596,317    | 995,786      | 21,717,169    |
| \$ 759,790    | \$ 2,264,682 | \$ 562,880   | \$ 18,380,136 |

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**

**Year Ended December 31, 2012**

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|   |                       |
|---|-----------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b> | <b>\$ (3,337,033)</b> |
|---|-----------------------|

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

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

|                      |             |
|----------------------|-------------|
| Capital Outlays      | 709,677     |
| Depreciation Expense | (1,405,381) |

The net effect of various transactions involving capital assets  
is to decrease net position

|                                      |          |
|--------------------------------------|----------|
| Disposals - Cost                     | (70,153) |
| Disposals - Accumulated Depreciation | 57,929   |

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.

|  |        |
|--|--------|
| Deductions to Net Pension Obligation                               | 32,495 |
| Deductions to Compensated Absences Payable                         | 12,241 |
| Deductions to Net Other Post-Employment Benefit Obligation Payable | 5,736  |

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.

|           |
|-----------|
| (196,220) |
|-----------|

|   |                              |
|---|------------------------------|
| <b>Changes in Net Position of Governmental Activities</b> | <b><u>\$ (4,190,709)</u></b> |
|---|------------------------------|

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, 2012**

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**See Following Page**

**CITY OF WEST CHICAGO, ILLINOIS**

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

|                                 | Business-Type Activities - Enterprise |              |                                 |              | Governmental                      |
|---------------------------------|---------------------------------------|--------------|---------------------------------|--------------|-----------------------------------|
|                                 |                                       |              | Nonmajor<br>Commuter<br>Parking | Total        | Activities<br>Internal<br>Service |
|                                 | Waterworks                            | Sewerage     |                                 |              |                                   |
| <b>ASSETS</b>                   |                                       |              |                                 |              |                                   |
| Current Assets                  |                                       |              |                                 |              |                                   |
| Cash and Investments            | \$ 241,698                            | \$ 7,699,420 | \$ 81,063                       | \$ 8,022,181 | \$ 162,754                        |
| Receivables - Net of Allowances |                                       |              |                                 |              |                                   |
| Property Taxes                  | -                                     | 11,671       | -                               | 11,671       | -                                 |
| Accounts                        | 652,814                               | 882,112      | 1,980                           | 1,536,906    | -                                 |
| Other                           | 251,116                               | -            | -                               | 251,116      | -                                 |
| Accrued Interest                | -                                     | 484          | -                               | 484          | -                                 |
| Advances to Other Funds         | -                                     | 1,850,000    | -                               | 1,850,000    | -                                 |
| Prepays                         | 13,981                                | 226,389      | -                               | 240,370      | -                                 |
| Restricted Investments          | -                                     | 616,364      | -                               | 616,364      | -                                 |
| Total Current Assets            | 1,159,609                             | 11,286,440   | 83,043                          | 12,529,092   | 162,754                           |
| Noncurrent Assets               |                                       |              |                                 |              |                                   |
| Capital Assets                  |                                       |              |                                 |              |                                   |
| Nondepreciable                  | 6,368,629                             | 129,405      | -                               | 6,498,034    | -                                 |
| Depreciable                     | 49,574,635                            | 37,226,857   | 690,842                         | 87,492,334   | 34,572                            |
| Accumulated Depreciation        | (13,442,558)                          | (19,576,132) | (385,577)                       | (33,404,267) | (34,572)                          |
| Total Noncurrent Assets         | 42,500,706                            | 17,780,130   | 305,265                         | 60,586,101   | -                                 |
| Total Assets                    | 43,660,315                            | 29,066,570   | 388,308                         | 73,115,193   | 162,754                           |

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                               | \$ 373,521                            | \$ 112,839    | \$ 2,606   | \$ 488,966    | \$ 94,999    |
| Accrued Payroll                                | 77,324                                | 48,142        | 805        | 126,271       | -            |
| Interest Payable                               | 62,188                                | -             | -          | 62,188        | -            |
| Other Liabilities                              | -                                     | 1,300,856     | -          | 1,300,856     | -            |
| Advances from Other Funds                      | 1,850,000                             | -             | -          | 1,850,000     | -            |
| Other Payables                                 | 985,466                               | -             | 17,100     | 1,002,566     | -            |
| Compensated Absences                           | 31,614                                | 2,503         | -          | 34,117        | -            |
| IEPA Revolving Loan                            | 523,636                               | -             | -          | 523,636       | -            |
| Total Current Liabilities                      | 3,903,749                             | 1,464,340     | 20,511     | 5,388,600     | 94,999       |
| Noncurrent Liabilities                         |                                       |               |            |               |              |
| Compensated Absences                           | 126,454                               | 10,014        | -          | 136,468       | -            |
| IEPA Revolving Loan                            | 6,735,635                             | -             | -          | 6,735,635     | -            |
| Total Noncurrent Liabilities                   | 6,862,089                             | 10,014        | -          | 6,872,103     | -            |
| Total Liabilities                              | 10,765,838                            | 1,474,354     | 20,511     | 12,260,703    | 94,999       |
| <b>NET POSITION</b>                            |                                       |               |            |               |              |
| Net Investment in Capital Assets               | 35,241,435                            | 17,780,130    | 305,265    | 53,326,830    | -            |
| Restricted - Per Intergovernmental Agreement - |                                       |               |            |               |              |
| Sewer Plant Expansion                          | -                                     | 1,262,564     | -          | 1,262,564     | -            |
| Sewer Plant Replacement                        | -                                     | 2,351,878     | -          | 2,351,878     | -            |
| Unrestricted (Deficit)                         | (2,346,958)                           | 6,197,644     | 62,532     | 3,913,218     | 67,755       |
| Total Net Position                             | \$ 32,894,477                         | \$ 27,592,216 | \$ 367,797 | \$ 60,854,490 | \$ 67,755    |

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**  
**Year Ended December 31, 2012**

|                                     | <u>Waterworks</u>    |
|-------------------------------------|----------------------|
| Operating Revenues                  |                      |
| Charges for Services                | \$ 4,707,616         |
| Licenses and Permits                | -                    |
| Total Operating Revenues            | <u>4,707,616</u>     |
| Operating Expenses                  |                      |
| Operations                          | 5,295,351            |
| Depreciation                        | <u>1,327,162</u>     |
| Total Operating Expenses            | <u>6,622,513</u>     |
| Operating Income (Loss)             | <u>(1,914,897)</u>   |
| Nonoperating Revenues (Expenses)    |                      |
| Water and Sewer Connection Fees     | 28,488               |
| Property Taxes                      | -                    |
| Sales Taxes                         | 1,103,876            |
| Interest Income                     | 1,198                |
| Other Income                        | 197,412              |
| Interest Expense and Fiscal Charges | <u>(194,324)</u>     |
|                                     | <u>1,136,650</u>     |
| Income (Loss) Before Contributions  | (778,247)            |
| Capital Contributions               | <u>896,960</u>       |
| Change in Net Position              | 118,713              |
| Net Position - Beginning            | <u>32,775,764</u>    |
| Net Position - Ending               | <u>\$ 32,894,477</u> |

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

| Business-Type Activities - Enterprise |                     |               | Governmental        |
|---------------------------------------|---------------------|---------------|---------------------|
|                                       | Nonmajor            |               | Activities          |
| Sewerage                              | Commuter<br>Parking | Total         | Internal<br>Service |
| \$ 5,456,284                          | \$ 70,675           | \$ 10,234,575 | \$ -                |
| -                                     | 62,402              | 62,402        | -                   |
| 5,456,284                             | 133,077             | 10,296,977    | -                   |
| 6,110,020                             | 87,090              | 11,492,461    | 196,462             |
| 492,505                               | 25,229              | 1,844,896     | -                   |
| 6,602,525                             | 112,319             | 13,337,357    | 196,462             |
| (1,146,241)                           | 20,758              | (3,040,380)   | (196,462)           |
| 36,320                                | -                   | 64,808        | -                   |
| 11,671                                | -                   | 11,671        | -                   |
| -                                     | -                   | 1,103,876     | -                   |
| 5,678                                 | 2                   | 6,878         | 242                 |
| 44,950                                | -                   | 242,362       | -                   |
| -                                     | -                   | (194,324)     | -                   |
| 98,619                                | 2                   | 1,235,271     | 242                 |
| (1,047,622)                           | 20,760              | (1,805,109)   | (196,220)           |
| 420,403                               | -                   | 1,317,363     | -                   |
| (627,219)                             | 20,760              | (487,746)     | (196,220)           |
| 28,219,435                            | 347,037             | 61,342,236    | 263,975             |
| \$ 27,592,216                         | \$ 367,797          | \$ 60,854,490 | \$ 67,755           |

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

# CITY OF WEST CHICAGO, ILLINOIS

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

|  | Waterworks<br>Fund  |
|--|---------------------|
| Cash Flows from Operating Activities   |                     |
| Receipts from Customers and Users  | \$ 5,017,148        |
| Payments to Employees  | (1,438,460)         |
| Payments to Suppliers  | (4,114,118)         |
|  | <u>(535,430)</u>    |
| Cash Flows from Noncapital Financing Activities  |                     |
| Property Taxes   | -                   |
| Sales Taxes  | 1,103,876           |
|  | <u>1,103,876</u>    |
| Cash Flows from Capital and Related<br>Financing Activities                                |                     |
| Purchase of Capital Assets   | (526,054)           |
| Interest on Capital Debt   | (194,324)           |
| Principal on Capital Debt  | (510,433)           |
|  | <u>(1,230,811)</u>  |
| Cash Flows from Investing Activities   |                     |
| Interest Received  | 1,198               |
| Net Change in Cash and Cash Equivalents  | (661,167)           |
| Cash and Cash Equivalents - Beginning  | 902,865             |
| Cash and Cash Equivalents - Ending   | <u>241,698</u>      |
| Reconciliation of Operating Income to Net Cash<br>Provided (Used) by Operating Activities  |                     |
| Operating Income (Loss)  | (1,914,897)         |
| Adjustments to Reconcile Operating Income to<br>Net Cash Provided by Operating Activities: |                     |
| Depreciation and Amortization Expense  | 1,327,162           |
| Other Income   | 225,900             |
| (Increase) Decrease in Current Assets  | 83,632              |
| Increase (Decrease) in Current Liabilities   | (257,227)           |
| Net Cash Provided by Operating Activities  | <u>\$ (535,430)</u> |
| Noncash Capital and Related Financing Activities   |                     |
| Capital Contributions  | <u>\$ 896,960</u>   |

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

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**Business-Type Activities - Enterprise Funds**

| Sewerage<br>Fund | Nonmajor<br>Enterprise<br>Commuter<br>Parking | Total         | Governmental<br>Activities<br>Internal<br>Service |
|------------------|---|---------------|---|
| \$ 6,113,930     | \$ 134,480                                    | \$ 11,265,558 | \$ -  |
| (905,824)        | (18,013)                                      | (2,362,297)   | -   |
| (5,392,629)      | (69,456)                                      | (9,576,203)   | (101,463)   |
| (184,523)        | 47,011  | (672,942)     | (101,463)   |
| 11,671           | -   | 11,671        | -   |
| -                | -   | 1,103,876     | -   |
| 11,671           | -   | 1,115,547     | -   |
| (294,768)        | -   | (820,822)     | -   |
| -                | -   | (194,324)     | -   |
| -                | -   | (510,433)     | -   |
| (294,768)        | -   | (1,525,579)   | -   |
| 5,678            | 2   | 6,878         | 242   |
| (461,942)        | 47,013  | (1,076,096)   | (101,221)   |
| 8,777,726        | 34,050  | 9,714,641     | 263,975   |
| 8,315,784        | 81,063  | 8,638,545     | 162,754   |
| (1,146,241)      | 20,758  | (3,040,380)   | (196,462)   |
| 492,505          | 25,229  | 1,844,896     | -   |
| 81,270           | -   | 307,170       | -   |
| 576,376          | 1,403   | 661,411       | -   |
| (188,433)        | (379)   | (446,039)     | 94,999  |
| \$ (184,523)     | \$ 47,011                                     | \$ (672,942)  | \$ (101,463)                                      |
| \$ 420,403       | \$ -  | \$ 1,317,363  | \$ -  |

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, 2012**

|   | <u>Pension<br/>Trust<br/>Police<br/>Pension</u> | <u>Agency</u>  |
|---|---|----------------|
| <b>ASSETS</b>                                   |   |                |
| Cash and Cash Equivalents                       | \$ 125,546                                      | \$ 126,245     |
| Investments                                     |   |                |
| Money Market Mutual Funds                       | 1,142,684                                       | -              |
| U.S. Government and Agency Obligations          | 2,464,295                                       | -              |
| Mutual Funds                                    | 8,760,590                                       | -              |
| Insurance Contracts                             | 7,383,073                                       | -              |
| Receivables - Net of Allowances                 |   |                |
| Accrued Interest                                | 1,067   | -              |
| Prepays   | <u>1,000</u>                                    | <u>-</u>       |
| Total Assets                                    | <u>19,878,255</u>                               | <u>126,245</u> |
| <b>LIABILITIES</b>                              |   |                |
| Accounts Payable                                | 1,890   | -              |
| Due to Bondholders                              | <u>-</u>  | <u>126,245</u> |
| Total Liabilities                               | <u>1,890</u>                                    | <u>126,245</u> |
| <b>NET POSITION</b>                             |   |                |
| Net Position Held in Trust for Pension Benefits | <u>\$ 19,876,365</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  
Year Ended December 31, 2012**

|   | <u>Pension<br/>Trust<br/>Police<br/>Pension</u> |
|---|---|
| Additions                                       |   |
| Contributions - Employer                        | \$ 1,380,000                                    |
| Contributions - Plan Members                    | <u>434,320</u>                                  |
| Total Contributions                             | <u>1,814,320</u>                                |
| Investment Income                               |   |
| Interest Earned                                 | 265,807   |
| Net Change in Fair Value                        | <u>509,765</u>                                  |
|   | <u>775,572</u>                                  |
| Less Investment Expenses                        | <u>(36,340)</u>                                 |
|   | <u>739,232</u>                                  |
| Total Additions                                 | <u>2,553,552</u>                                |
| Deductions                                      |   |
| Administration                                  | 36,177  |
| Benefits and Refunds                            |   |
| Benefits  | 1,225,365                                       |
| Refunds   | <u>33,602</u>                                   |
| Total Deductions                                | <u>1,295,144</u>                                |
| Change in Net Position                          | 1,258,408                                       |
| Net Position Held in Trust for Pension Benefits |   |
| Beginning as Restated                           | <u>18,617,957</u>                               |
| Ending  | <u><u>\$ 19,876,365</u></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, 2012**

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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 |
|---------------------|----------------------|

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14," and includes all component units that have a significant operational or financial relationship with the City. Based upon the criteria set forth in the GASB Statement No. 39, there are no component units included in the reporting entity.

#### **Police Pension Employees Retirement System**

The 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, 2012**

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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, 2012**

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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, 2012**

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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, 2012**

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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, 2012**

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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-like activities are presented using the economic resources measurement focus as defined below.

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

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

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, 2012**

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The 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, 2012**

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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 prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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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, 2012**

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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 expenditures/expenses at the time of issuance.

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

##### **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, 2012**

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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), debt service, 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, several supplementary appropriations were 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, 2012**

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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 \$20,488,928 and the bank balances totaled \$20,844,108. Additionally, at year-end the City has \$1,437,345 invested in the Illinois Funds and \$4,095,067 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, 2012

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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 noncategorizable.

*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 \$1,268,230 and the bank balances totaled \$1,274,325.

*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, 2012**

**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. Treasury Strips              | \$ 1,388,614        | \$ -                             | \$ -              | \$ 1,388,614        | \$ -            |
| Federal National Mortgage Assoc.  | 270,480             | -                                | -                 | 270,480             | -               |
| Federal Home Loan Mortgage Corp.  | 130,024             | -                                | 130,024           | -                   | -               |
| Financing Corporation FICO Strips | 522,945             | -                                | 522,945           | -                   | -               |
| Zero Coupon Strips                | 152,232             | -                                | -                 | 152,232             | -               |
|                                   | <u>\$ 2,464,295</u> | <u>\$ -</u>                      | <u>\$ 652,969</u> | <u>\$ 1,811,326</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, 2012, 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, 2012, the U.S. Government Securities are categorized as insured or registered with the Fund or its agent in the Fund's name. Illinois Metropolitan Investment Funds, 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, 2012

### 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, 2012, 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 (\$1,252,027), Protective Life Annuity (\$3,197,242), Lincoln National Life Annuity (\$1,029,894), Hartford Life Annuity (\$1,114,870), and MetLife Investors Annuity (\$1,860,153). 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 \$7,383,073 invested in insurance contracts and has diversified its equity mutual fund holdings as follows:

|                                   |                  |
|-----------------------------------|------------------|
| Blackrock Equity                  | \$ 639,451       |
| Franklin Templeton                | 459,375          |
| Franklin Low Duration             | 473,560          |
| Hartford Capital                  | 124,968          |
| Hartford Emerging Markets         | 398,116          |
| Hartford Floating Rate            | 527,138          |
| Invesco Floating Rate             | 1,252,027        |
| Ishares Barclays ETF              | 340,164          |
| Ivy Asset Strategy                | 705,501          |
| Lord Abbett Emerging Markets      | 316,811          |
| Lord Abbett Stock Appreciation    | 290,110          |
| Lord Abbett Short Duration Income | 965,614          |
| Oppenheimer Capital Appreciation  | 266,313          |
| Oppenheimer Equity Income         | 611,300          |
| PIMCO Low Duration                | 437,502          |
| Prudential Jennison               | 332,455          |
| TransAmerica Short Term Bond      | 297,417          |
| Van Eck                           | 322,768          |
|                                   | <u>8,760,590</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

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

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

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

|   | Beginning<br>Balances<br>As Restated | Increases        | Decreases         | Ending<br>Balances   |
|---|--------------------------------------|------------------|-------------------|----------------------|
| <b>Capital Assets - Not Being Depreciated</b> |                                      |                  |                   |                      |
| Land  | \$ 22,205,030                        | \$ 300,000       | \$ -              | \$ 22,505,030        |
| Land Right of Way                             | 23,595,236                           | -                | 6,343             | 23,588,893           |
| Construction in Progress                      | 898,334                              | 13,355           | 703,418           | 208,271              |
|   | <u>46,698,600</u>                    | <u>313,355</u>   | <u>709,761</u>    | <u>46,302,194</u>    |
| <b>Other Capital Assets</b>                   |                                      |                  |                   |                      |
| Land Improvements                             | 1,873,145                            | 188,179          | -                 | 2,061,324            |
| Buildings and Improvements                    | 3,187,449                            | 191,770          | -                 | 3,379,219            |
| Machinery and Equipment                       | 1,188,654                            | -                | -                 | 1,188,654            |
| Vehicles                                      | 2,788,911                            | 140,521          | -                 | 2,929,432            |
| Infrastructure                                | 74,591,165                           | 579,270          | 63,810            | 75,106,625           |
|   | <u>83,629,324</u>                    | <u>1,099,740</u> | <u>63,810</u>     | <u>84,665,254</u>    |
| <b>Less Accumulated Depreciation</b>          |                                      |                  |                   |                      |
| Land Improvements                             | 642,129                              | 103,066          | 6,343             | 738,852              |
| Buildings and Improvements                    | 1,578,404                            | 67,584           | -                 | 1,645,988            |
| Machinery and Equipment                       | 851,446                              | 79,244           | -                 | 930,690              |
| Vehicles                                      | 2,788,911                            | -                | -                 | 2,788,911            |
| Infrastructure                                | 34,770,193                           | 1,155,487        | 51,586            | 35,874,094           |
|   | <u>40,631,083</u>                    | <u>1,405,381</u> | <u>57,929</u>     | <u>41,978,535</u>    |
| <b>Total Other Capital Assets</b>             | <u>42,998,241</u>                    | <u>(305,641)</u> | <u>5,881</u>      | <u>42,686,719</u>    |
| <b>Total Capital Assets</b>                   | <u>\$ 89,696,841</u>                 | <u>\$ 7,714</u>  | <u>\$ 715,642</u> | <u>\$ 88,988,913</u> |

Depreciation expense was charged to governmental activities as follows:

|                        |                     |
|------------------------|---------------------|
| General Government     | \$ 52,983           |
| Public Safety          | 57,902              |
| Highways and Streets   | 1,291,264           |
| Culture and Recreation | <u>3,232</u>        |
|                        | <u>\$ 1,405,381</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

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

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

**CAPITAL ASSETS – Continued**

**Business-Type Activities**

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

|   | Beginning<br>Balances | Increases           | Decreases         | Ending<br>Balances   |
|---|-----------------------|---------------------|-------------------|----------------------|
| <b>Capital Assets - Not Being Depreciated</b> |                       |                     |                   |                      |
| Land  | \$ 4,555,048          | \$ -                | \$ -              | \$ 4,555,048         |
| Construction in Progress                      | 2,151,931             | 642,759             | 851,704           | 1,942,986            |
|   | <u>6,706,979</u>      | <u>642,759</u>      | <u>851,704</u>    | <u>6,498,034</u>     |
| <b>Other Capital Assets</b>                   |                       |                     |                   |                      |
| Land Improvements                             | 1,514,118             | -                   | -                 | 1,514,118            |
| Buildings                                     | 24,481,586            | 987,332             | -                 | 25,468,918           |
| Infrastructure                                | 41,294,778            | 1,317,363           | -                 | 42,612,141           |
| Machinery and Equipment                       | 17,631,823            | 42,435              | -                 | 17,674,258           |
| Vehicles                                      | 222,899               | -                   | -                 | 222,899              |
|   | <u>85,145,204</u>     | <u>2,347,130</u>    | <u>-</u>          | <u>87,492,334</u>    |
| <b>Less Accumulated Depreciation</b>          |                       |                     |                   |                      |
| Land Improvements                             | 652,665               | 67,032              | -                 | 719,697              |
| Buildings                                     | 6,510,268             | 509,378             | -                 | 7,019,646            |
| Infrastructure                                | 10,232,942            | 655,571             | -                 | 10,888,513           |
| Machinery and Equipment                       | 13,940,597            | 612,915             | -                 | 14,553,512           |
| Vehicles                                      | 222,899               | -                   | -                 | 222,899              |
|   | <u>31,559,371</u>     | <u>1,844,896</u>    | <u>-</u>          | <u>33,404,267</u>    |
| <b>Total Other Capital Assets</b>             | <u>53,585,833</u>     | <u>502,234</u>      | <u>-</u>          | <u>54,088,067</u>    |
| <b>Total Capital Assets</b>                   | <u>\$ 60,292,812</u>  | <u>\$ 1,144,993</u> | <u>\$ 851,704</u> | <u>\$ 60,586,101</u> |

Depreciation expense was charged to business-type as follows:

|                  |                     |
|------------------|---------------------|
| Waterworks       | \$ 1,327,162        |
| Sewerage         | 492,505             |
| Commuter Parking | <u>25,229</u>       |
|                  | <u>\$ 1,844,896</u> |



# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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

#### PROPERTY TAXES

Property taxes for 2012 attach as an enforceable lien on January 1, 2012, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1, 2013, and September 1, 2013. 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 | Capital Improvements  | \$ 25,643        |
| Capital Improvements  | Nonmajor Governmental | <u>8,315</u>     |
|                       |                       | <u>\$ 33,958</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  | TIF Special Tax Allocation #1 | \$ 884,696          |
| Sewerage        | Waterworks                    | <u>1,850,000</u>    |
|                 |                               | <u>\$ 2,734,696</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, as part of the agreement over the next two years.

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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

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

##### Interfund Transfers

Interfund transfers for the year consisted of the following:

| Transfer In | Transfer Out   | Amount           |
|-------------|----------------|------------------|
| General     | Public Benefit | <u>\$ 50,000</u> |

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

#### LONG-TERM DEBT

##### 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<br>Retired By | Beginning<br>Balances | Issuances   | Retirements       | Ending<br>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>\$ 7,769,704</u>   | <u>\$ -</u> | <u>\$ 510,433</u> | <u>\$ 7,259,271</u> |

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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

#### LONG-TERM DEBT – Continued

##### Long-Term Liability Activity

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

| Type of Debt                                    | Beginning<br>Balances | Additions        | Deductions        | Ending<br>Balances  | Amounts<br>Due within<br>One Year |
|---|-----------------------|------------------|-------------------|---------------------|-----------------------------------|
| Governmental Activities                         |                       |                  |                   |                     |                                   |
| Net Pension Obligation                          | \$ 1,626,950          | \$ -             | \$ 32,495         | \$ 1,594,455        | \$ -                              |
| Compensated Absences                            | 1,034,397             | 12,241           | 24,482            | 1,022,156           | 204,431                           |
| Net Other Post-Employment<br>Benefit Obligation | 815,816               | -                | 5,736             | 810,080             | -                                 |
|   | <u>3,477,163</u>      | <u>12,241</u>    | <u>62,713</u>     | <u>3,426,691</u>    | <u>204,431</u>                    |
| Business-type Activities                        |                       |                  |                   |                     |                                   |
| Compensated Absences                            | 155,944               | 29,282           | 14,641            | 170,585             | 34,117                            |
| IEPA Revolving Loan                             | 7,769,704             | -                | 510,433           | 7,259,271           | 523,636                           |
|   | <u>\$ 7,925,648</u>   | <u>\$ 29,282</u> | <u>\$ 525,074</u> | <u>\$ 7,429,856</u> | <u>\$ 557,753</u>                 |

For governmental activities the General Fund makes payments on the net pension obligation, net other post-employment benefit obligation and 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 \$320,700. 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, 2012

### 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, 2012, there were two IDRBs outstanding. The aggregate principal amount payable for the bond series could not be determined; however, the original issue of the bonds totaled \$2,200,000 and \$7,800,000.

#### Debt Service Requirements to Maturity

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

| Fiscal Year<br>Ending<br>December 31 | Business-Type Activities |              |              |
|--------------------------------------|--------------------------|--------------|--------------|
|                                      | IEPA Revolving           |              | Total        |
|                                      | Principal                | Interest     |              |
| 2013                                 | \$ 523,636               | \$ 183,220   | \$ 706,856   |
| 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                                | \$ 7,259,271             | \$ 1,223,001 | \$ 8,482,272 |

# **CITY OF WEST CHICAGO, ILLINOIS**

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

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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 RESTATEMENT**

Beginning net position for the governmental activities of \$108,196,270 was increased \$4,552 to reflect an adjustment to beginning accumulated depreciation for governmental capital assets. The Police Pension Fund beginning net position of \$18,811,689 was decreased \$193,732 to reflect an adjustment to the beginning market value of investments, resulting in restated beginning net position of \$18,617,957.

#### **NET POSITION CLASSIFICATIONS**

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

|  |                      |
|--|----------------------|
| Governmental Activities                          |                      |
| Capital Assets - Net of Accumulated Depreciation | <u>\$ 88,988,913</u> |
| Business-Type Activities                         |                      |
| Capital Assets - Net of Accumulated Depreciation | 60,586,101           |
| Less Capital Related Debt:                       |                      |
| IEPA Revolving Loan                              | <u>(7,259,271)</u>   |
| Net Investment in Capital Assets                 | <u>\$ 53,326,830</u> |

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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

#### FUND BALANCE CLASSIFICATIONS

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

|                            | General              | Public<br>Benefit   | TIF<br>Special Tax<br>Allocation #1 | Capital<br>Improvement | Nonmajor          | Total                |
|----------------------------|----------------------|---------------------|-------------------------------------|------------------------|-------------------|----------------------|
| <b>Fund Balances</b>       |                      |                     |                                     |                        |                   |                      |
| <b>Nonspendable</b>        |                      |                     |                                     |                        |                   |                      |
| Prepays/Inventories        | \$ 1,145,514         | \$ -                | \$ 1,073                            | \$ 644                 | \$ -              | \$ 1,147,231         |
| Advances to Other Funds    | -                    | 884,696             | -                                   | -                      | -                 | 884,696              |
|                            | <u>1,145,514</u>     | <u>884,696</u>      | <u>1,073</u>                        | <u>644</u>             | <u>-</u>          | <u>2,031,927</u>     |
| <b>Restricted</b>          |                      |                     |                                     |                        |                   |                      |
| Motor Fuel Tax             | 843,105              | -                   | -                                   | -                      | -                 | 843,105              |
| Property Taxes             |                      |                     |                                     |                        |                   |                      |
| TIF                        | -                    | -                   | 758,717                             | -                      | 111,247           | 869,964              |
| Special Service Areas      | -                    | -                   | -                                   | -                      | 17,328            | 17,328               |
| Public Benefit Projects    | -                    | 609,698             | -                                   | -                      | -                 | 609,698              |
|                            | <u>843,105</u>       | <u>609,698</u>      | <u>758,717</u>                      | <u>-</u>               | <u>128,575</u>    | <u>2,340,095</u>     |
| <b>Assigned</b>            |                      |                     |                                     |                        |                   |                      |
| Capital Projects           | -                    | -                   | -                                   | 2,264,038              | 434,305           | 2,698,343            |
| <b>Unassigned</b>          | <u>11,309,771</u>    | <u>-</u>            | <u>-</u>                            | <u>-</u>               | <u>-</u>          | <u>11,309,771</u>    |
| <b>Total Fund Balances</b> | <u>\$ 13,298,390</u> | <u>\$ 1,494,394</u> | <u>\$ 759,790</u>                   | <u>\$ 2,264,682</u>    | <u>\$ 562,880</u> | <u>\$ 18,380,136</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 management 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.

**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, 2012**

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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, 2012**

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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 2012 was 12.86 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, 2012

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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<br>Benefits and Terminated Employees Entitled<br>to Benefits but not yet Receiving Them | 30        |
| Current Employees  |           |
| Vested   | 30        |
| Nonvested  | 17        |
|  | <u>77</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, 2012**

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### **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 (\$1,252,027), Protective Life Annuity (\$3,197,242), Lincoln National Life Annuity (\$1,029,894), Hartford Life Annuity (\$1,114,870), and MetLife Investors Annuity (\$1,860,153). 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:

|  | Police<br>Pension   |
|--|---------------------|
| Annual Required Contribution               | \$ 1,332,982        |
| Interest on Net Pension Obligation         | 113,887             |
| Adjustment to Annual Required Contribution | (99,364)            |
| Annual Pension Cost                        | 1,347,505           |
| Actual Contribution                        | 1,380,000           |
| Decrease to the NPO                        | (32,495)            |
| NPO - Beginning of Year                    | 1,626,950           |
| NPO - End of Year                          | <u>\$ 1,594,455</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**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<br>Municipal<br>Retirement          | Police<br>Pension                              |
|-------------------------------|--|--|
| Contribution Rates            |  |  |
| Employer                      | 12.86%                                       | 34.89%   |
| Employee                      | 4.50%  | 9.91%  |
| Actuarial Valuation Date      | 12/31/2012                                   | 12/31/2012                                     |
| Actuarial Cost Method         | Entry Age<br>Normal                          | Entry Age<br>Normal                            |
| Amortization Method           | Level %of<br>Projected Payroll<br>Open Basis | Level %of<br>Projected Payroll<br>Closed Basis |
| Remaining Amortization Period | 30 Years                                     | 25 Years                                       |
| Asset Valuation Method        | 5-Year<br>Smoothed Market                    | 5-Year<br>Smoothed Market                      |
| Actuarial Assumptions         |  |  |
| Investment Rate of Return     | 7.50%<br>Compounded<br>Annually              | 7.00%<br>Compounded<br>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, 2012

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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<br>Municipal<br>Retirement | Police<br>Pension |
|----------------------------------|------|-------------------------------------|-------------------|
| Annual Pension<br>Cost (APC)     | 2010 | \$ 666,310                          | \$ 1,244,607      |
|                                  | 2011 | 616,541                             | 1,239,566         |
|                                  | 2012 | 636,873                             | 1,347,505         |
| Actual Contributions             | 2010 | \$ 666,310                          | \$ 1,255,000      |
|                                  | 2011 | 616,541                             | 1,380,000         |
|                                  | 2012 | 636,873                             | 1,380,000         |
| Percentage of APC<br>Contributed | 2010 | 100.00%                             | 100.84%           |
|                                  | 2011 | 100.00%                             | 111.33%           |
|                                  | 2012 | 100.00%                             | 102.41%           |
| Net Pension Obligation           | 2010 | \$ -                                | \$ 1,767,384      |
|                                  | 2011 | -                                   | 1,626,950         |
|                                  | 2012 | -                                   | 1,594,455         |

**CITY OF WEST CHICAGO, ILLINOIS**

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

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**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<br>Municipal<br>Retirement | Police<br>Pension |
|--|-------------------------------------|-------------------|
| Actuarial Valuation Date   | 12/31/12                            | 12/31/12          |
| Percent Funded   | 69.06%                              | 62.42%            |
| Actuarial Accrued Liability<br>for Benefits                                    | \$15,034,280                        | \$33,115,477      |
| Actuarial Value of Assets  | \$10,382,229                        | \$20,671,600      |
| Over (Under) Funded Actuarial<br>Accrued Liability (UAAL)                      | (\$4,652,051)                       | (\$12,443,877)    |
| Covered Payroll (Annual Payroll<br>of Active Employees Covered<br>by the Plan) | \$4,952,355                         | \$3,954,927       |
| Ratio of UAAL to Covered<br>Payroll  | 93.94%                              | 314.64%           |

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, 2012

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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, 2012, retirees contributed \$122,460. Active employees contribute up to 12% to the plan upon retirement.

At December 31, 2012, the membership consisted of:

|  |           |
|--|-----------|
| Retirees and Beneficiaries Currently Receiving<br>Benefits and Terminated Employees Entitled<br>to Benefits but not yet Receiving Them | 12        |
| Active Employees   | <u>79</u> |
| Total  | <u>91</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, 2012

### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The net OPEB obligation (NOPEBO) as of December 31, 2012, was calculated as follows:

|                              |                          |
|------------------------------|--------------------------|
| Annual Required Contribution | \$ 121,530               |
| Interest on the NOPEBO       | 40,791                   |
| Adjustment to the ARC        | <u>(27,191)</u>          |
| Annual OPEB Cost             | 135,130                  |
| Actual Contribution          | <u>140,866</u>           |
| Increase in the NPO          | (5,736)                  |
| NOPEBO - Beginning of Year   | <u>815,816</u>           |
| NOPEBO - End of Year         | <u><u>\$ 810,080</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 |
|-------------|------------------|----------------------|-------------------------------------|---------------------|
| 2010        | \$ 364,274       | \$ 149,318           | 40.99%                              | \$ 612,192          |
| 2011        | 344,490          | 140,866              | 40.89%                              | 815,816             |
| 2012        | 135,130          | 140,866              | 104.24%                             | 810,080             |

# CITY OF WEST CHICAGO, ILLINOIS

## Notes to the Financial Statements December 31, 2012

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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, 2012**

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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%. Both 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, 2012, 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, 2012**

**Funding Progress**

| Actuarial<br>Valuation<br>Date<br>Dec. 31 | (1)<br>Actuarial<br>Value<br>of Plan<br>Assets | (2)<br>Actuarial<br>Accrued<br>Liability<br>(AAL)<br>- Entry Age | (3)<br>Funded<br>Ratio<br>(1) ÷ (2) | (4)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>(2) - (1) | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>as a<br>Percentage<br>of Covered<br>Payroll<br>(4) ÷ (5) |
|---|--|--|-------------------------------------|---|-------------------------------------|--|
| 2007                                      | \$ 9,763,633                                   | \$ 12,415,658  | 78.64%                              | \$ 2,652,025  | \$ 6,008,273                        | 44.14%   |
| 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%   |

**Employer Contributions**

| Fiscal<br>Year<br>Ended | Employer<br>Contributions | Annual<br>Required<br>Contribution | Percent<br>Contributed |
|-------------------------|---------------------------|------------------------------------|------------------------|
| 2007                    | \$ 728,116                | \$ 728,116                         | 100.00%                |
| 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%                |

**CITY OF WEST CHICAGO, ILLINOIS**

**Police Pension Fund**

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

**Funding Progress**

| Actuarial<br>Valuation<br>Date | (1)<br>Actuarial<br>Value<br>of Plan<br>Assets | (2)<br>Actuarial<br>Accrued<br>Liability<br>(AAL)<br>- Entry Age | (3)<br>Funded<br>Ratio<br>(1) ÷ (2) | (4)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>(2) - (1) | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>as a<br>Percentage<br>of Covered<br>Payroll<br>(4) ÷ (5) |
|--------------------------------|--|--|-------------------------------------|---|-------------------------------------|--|
| 4/30/08                        | \$ 14,901,493                                  | \$ 22,087,974  | 67.46%                              | \$ 7,186,481  | \$ 3,449,980                        | 208.31%  |
| 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%  |

**Employer Contributions**

| Fiscal<br>Year<br>Ended | Employer<br>Contributions | Annual<br>Required<br>Contribution | Percent<br>Contributed |
|-------------------------|---------------------------|------------------------------------|------------------------|
| 4/30/08                 | \$ 803,772                | \$ 883,855                         | 90.94%                 |
| 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%                |

\* 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, 2012**

**Funding Progress**

| Actuarial<br>Valuation<br>Date<br>Dec. 31 | (1)<br>Actuarial<br>Value<br>of Plan<br>Assets | (2)<br>Actuarial<br>Accrued<br>Liability<br>(AAL)<br>- Entry Age | (3)<br>Funded<br>Ratio<br>(1) ÷ (2) | (4)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>(2) - (1) | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>Unfunded<br>(Overfunded)<br>Actuarial<br>Accrued<br>Liability<br>as a<br>Percentage<br>of Covered<br>Payroll<br>(4) ÷ (5) |
|---|--|--|-------------------------------------|---|-------------------------------------|--|
| 2007                                      | \$ N/A   | \$ N/A   | N/A                                 | \$ N/A  | \$ N/A                              | N/A  |
| 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  |

**Employer Contributions**

| Fiscal<br>Year<br>Ended | Employer<br>Contributions | Annual<br>Required<br>Contribution | Percent<br>Contributed |
|-------------------------|---------------------------|------------------------------------|------------------------|
| 4/30/08                 | \$ N/A                    | \$ N/A                             | N/A                    |
| 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%                |

\* 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 Year Ended December 31, 2012

|  | Budget         |                | Actual        |
|--|----------------|----------------|---------------|
|  | Original       | Final          |               |
| Revenues   |                |                |               |
| Taxes  | \$ 4,774,000   | \$ 4,774,000   | \$ 4,865,202  |
| Intergovernmental  | 6,518,600      | 6,718,600      | 7,234,262     |
| Charges for Services   | 1,873,000      | 1,613,000      | 1,803,814     |
| Licenses and Permits   | 425,000        | 375,000        | 481,698       |
| Fines and Forfeitures  | 810,000        | 810,000        | 1,033,410     |
| Interest Income  | 45,000         | 45,000         | 24,801        |
| Miscellaneous  | 503,000        | 503,000        | 495,297       |
| Total Revenues   | 14,948,600     | 14,838,600     | 15,938,484    |
| Expenditures   |                |                |               |
| General Government   | 7,540,500      | 8,477,000      | 7,535,988     |
| Public Safety  | 9,156,900      | 9,130,400      | 8,825,728     |
| Culture and Recreation                                       | 80,000         | 80,000         | 80,000        |
| Total Expenditures   | 16,777,400     | 17,687,400     | 16,441,716    |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (1,828,800)    | (2,848,800)    | (503,232)     |
| Other Financing Sources                                      |                |                |               |
| Transfers In   | 50,000         | 50,000         | 50,000        |
| Net Change in Fund Balance                                   | \$ (1,778,800) | \$ (2,798,800) | (453,232)     |
| Fund Balance - Beginning                                     |                |                | 13,751,622    |
| Fund Balance - Ending  |                |                | \$ 13,298,390 |

**CITY OF WEST CHICAGO, ILLINOIS****Public Benefit - Special Revenue Fund****Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012**

|  | Budget              |                     | Actual              |
|--|---------------------|---------------------|---------------------|
|  | Original            | Final               |                     |
| Revenues   |                     |                     |                     |
| Interest Income  | \$ 10,000           | \$ 10,000           | \$ 38,783           |
| Miscellaneous  | -                   | -                   | 6,653               |
| Total Revenues   | 10,000              | 10,000              | 45,436              |
| Expenditures   |                     |                     |                     |
| Capital Outlay   |                     |                     |                     |
| Building and Grounds Improvement                             | 150,000             | 150,000             | -                   |
| Other Capital Outlay   | 200,000             | 25,000              | -                   |
| Land   | -                   | 175,000             | -                   |
| Total Expenditures   | 350,000             | 350,000             | -                   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (340,000)           | (340,000)           | 45,436              |
| Other Financing (Uses)                                       |                     |                     |                     |
| Transfers Out  | (50,000)            | (50,000)            | (50,000)            |
| Net Change in Fund Balance                                   | <u>\$ (390,000)</u> | <u>\$ (390,000)</u> | (4,564)             |
| Fund Balance - Beginning                                     |                     |                     | <u>1,498,958</u>    |
| Fund Balance - Ending  |                     |                     | <u>\$ 1,494,394</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  
Year Ended December 31, 2012**

|                             | Budget       |              | Actual       |
|-----------------------------|--------------|--------------|--------------|
|                             | Original     | Final        |              |
| Revenues                    |              |              |              |
| Taxes                       |              |              |              |
| Property Taxes              | \$ 1,100,000 | \$ 1,100,000 | \$ 1,136,368 |
| Interest Income             | 5,000        | 5,000        | 4,499        |
| Miscellaneous               | 2,200        | 2,200        | 13,075       |
| Total Revenues              | 1,107,200    | 1,107,200    | 1,153,942    |
| Expenditures                |              |              |              |
| General Government          | 1,488,100    | 1,663,100    | 1,230,541    |
| Debt Service                |              |              |              |
| Principal Retirement        | 90,000       | 90,000       | -            |
| Interest and Fiscal Charges | 45,000       | 45,000       | 38,097       |
| Total Expenditures          | 1,623,100    | 1,798,100    | 1,268,638    |
| Net Change in Fund Balance  | \$ (515,900) | \$ (690,900) | (114,696)    |
| Fund Balance - Beginning    |              |              | 874,486      |
| Fund Balance - Ending       |              |              | \$ 759,790   |



## **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.

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                                   | Budget           |                  | Actual           |
|-----------------------------------|------------------|------------------|------------------|
|                                   | Original         | Final            |                  |
| <b>Taxes</b>                      |                  |                  |                  |
| Property Taxes                    | \$ 3,424,000     | \$ 3,424,000     | \$ 3,543,995     |
| Telecommunications Tax            | 1,100,000        | 1,100,000        | 1,059,853        |
| Amusement Tax                     | 100,000          | 100,000          | 116,375          |
| Personal Property Replacement Tax | 150,000          | 150,000          | 144,979          |
|                                   | <u>4,774,000</u> | <u>4,774,000</u> | <u>4,865,202</u> |
| <b>Intergovernmental</b>          |                  |                  |                  |
| Sales Tax                         | 3,000,000        | 3,200,000        | 3,426,715        |
| Income Tax                        | 2,200,000        | 2,200,000        | 2,379,976        |
| MFT Allotments                    | 700,000          | 700,000          | 819,317          |
| Use Tax                           | 370,000          | 370,000          | 427,180          |
| Grants                            | 248,600          | 248,600          | 181,074          |
|                                   | <u>6,518,600</u> | <u>6,718,600</u> | <u>7,234,262</u> |
| <b>Charges for Services</b>       |                  |                  |                  |
| Brush Collection Fees             | 73,000           | 73,000           | 74,427           |
| Weed Cutting Fees                 | -                | -                | 1,681            |
| Business Registration             | 25,000           | 25,000           | 27,535           |
| Police Counter Service            | 10,000           | 10,000           | 8,653            |
| Police Contractual Services       | 260,000          | 260,000          | 272,028          |
| Police Towing                     | 200,000          | 90,000           | 88,550           |
| False Alarm Fees                  | 20,000           | 20,000           | -                |
| Change of Occupancy Fees          | 45,000           | 45,000           | 86,726           |
| Rental Inspections                | 120,000          | 120,000          | 170,360          |
| Plan Review Fees                  | 20,000           | 20,000           | 8,725            |
| Engineering Fees                  | 200,000          | 50,000           | 103,974          |
| Annexation Fees                   | -                | -                | 700              |
| Transfer Station Fees             | 525,000          | 525,000          | 547,314          |
| Property Rental                   | 135,000          | 135,000          | 144,280          |
| Tower Rental Fees                 | 40,000           | 40,000           | 41,849           |
| Cable Franchise Fee               | 200,000          | 200,000          | 227,012          |
|                                   | <u>1,873,000</u> | <u>1,613,000</u> | <u>1,803,814</u> |

**CITY OF WEST CHICAGO, ILLINOIS****General Fund****Schedule of Revenues - Budget and Actual - Continued  
Year Ended December 31, 2012**

|                                   | Budget        |               | Actual        |
|-----------------------------------|---------------|---------------|---------------|
|                                   | Original      | Final         |               |
| Licenses and Permits              |               |               |               |
| Building Permits                  | \$ 250,000    | \$ 200,000    | \$ 238,443    |
| Building Contractors Licenses     | 25,000        | 25,000        | 43,405        |
| Oversize Truck Permits            | 15,000        | 15,000        | 17,175        |
| Liquor Licenses                   | 85,000        | 85,000        | 102,663       |
| Vending Machine/Business Licenses | 50,000        | 50,000        | 77,735        |
| Other Licenses and Permits        | -             | -             | 2,277         |
|                                   | 425,000       | 375,000       | 481,698       |
| Fines and Forfeits                |               |               |               |
| Circuit Court Fines               | 375,000       | 375,000       | 387,832       |
| Local Fines                       | 435,000       | 435,000       | 639,366       |
| Seizures                          | -             | -             | 6,212         |
|                                   | 810,000       | 810,000       | 1,033,410     |
| Interest                          |               |               |               |
| Interest Income                   | 45,000        | 45,000        | 24,801        |
| Miscellaneous                     |               |               |               |
| Cemetery Lot Sales                | 25,000        | 25,000        | 45,600        |
| Other Reimbursements              | 100,000       | 100,000       | 57,643        |
| Health Insurance Reimbursements   | 150,000       | 150,000       | 168,225       |
| IPBC and IRMA Revenue             | 100,000       | 100,000       | 89,625        |
| Other Miscellaneous               | 128,000       | 128,000       | 134,204       |
|                                   | 503,000       | 503,000       | 495,297       |
| Total Revenues                    | \$ 14,948,600 | \$ 14,838,600 | \$ 15,938,484 |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                              | Budget               |                      | Actual               |
|------------------------------|----------------------|----------------------|----------------------|
|                              | Original             | Final                |                      |
| General Government           |                      |                      |                      |
| Legislative                  | \$ 198,300           | \$ 198,300           | \$ 189,055           |
| Administration               | 706,600              | 1,641,600            | 1,472,280            |
| Administrative Services      | 2,638,500            | 2,640,000            | 2,474,868            |
| Public Works                 | 2,958,100            | 2,973,100            | 2,497,819            |
| Community Development        | 1,039,000            | 1,024,000            | 901,966              |
|                              | <u>7,540,500</u>     | <u>8,477,000</u>     | <u>7,535,988</u>     |
| Public Safety                |                      |                      |                      |
| Police Department            | <u>9,156,900</u>     | <u>9,130,400</u>     | <u>8,825,728</u>     |
| Culture and Recreation       |                      |                      |                      |
| Museum and Cultural Services | <u>80,000</u>        | <u>80,000</u>        | <u>80,000</u>        |
| Total Expenditures           | <u>\$ 16,777,400</u> | <u>\$ 17,687,400</u> | <u>\$ 16,441,716</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

|                                | Budget    |           | Actual    |
|--------------------------------|-----------|-----------|-----------|
|                                | Original  | Final     |           |
| General Government             |           |           |           |
| Legislative                    |           |           |           |
| Personal Services              |           |           |           |
| Salary of Aldermen             | \$ 33,600 | \$ 33,600 | \$ 24,950 |
| Salary of Mayor                | 15,000    | 15,000    | 15,000    |
| Salary of Corporate Counsel    | 3,000     | 3,000     | 2,875     |
| Salary of City Clerk           | 4,500     | 4,500     | 4,500     |
| Salary of Deputy City Clerk    | 400       | 400       | -         |
| IMRF and FICA                  | 4,100     | 4,100     | 3,401     |
| Contractual Services           |           |           |           |
| Legal Fees                     | 70,000    | 70,000    | 83,255    |
| Consultants                    | 2,000     | 2,000     | 622       |
| Training and Tuition           | 3,000     | 3,000     | 286       |
| Memberships/Dues/Subscriptions | 35,000    | 35,000    | 31,455    |
| Legal Notices                  | 2,000     | 2,000     | 921       |
| Telephone and Alarms           | 2,000     | 2,000     | 2,000     |
| Printing and Binding           | 10,000    | 10,000    | 7,971     |
| Legal Reporter Fees            | 500       | 500       | -         |
| Commodities                    |           |           |           |
| Computer and Office Supplies   | 500       | 500       | 192       |
| Postage                        | 200       | 200       | -         |
| Miscellaneous Commodities      | 2,000     | 2,000     | 1,519     |
| Grant Distribution             | 10,000    | 10,000    | 10,000    |
| Other Charges                  | 500       | 500       | 108       |
| Total Legislative              | 198,300   | 198,300   | 189,055   |



# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                                | Budget     |            | Actual     |
|--------------------------------|------------|------------|------------|
|                                | Original   | Final      |            |
| General Government - Continued |            |            |            |
| Administration                 |            |            |            |
| Personal Services              |            |            |            |
| Administrative Salaries        | \$ 190,100 | \$ 190,100 | \$ 188,066 |
| IMRF and FICA                  | 39,200     | 39,200     | 35,608     |
| ICMA                           | 10,200     | 10,200     | 9,313      |
| Contractual Services           |            |            |            |
| Legal Fees                     | 10,500     | 10,500     | 7,835      |
| Newsletter Preparation         | 32,000     | 32,000     | 26,031     |
| Training and Tuition           | 9,000      | 9,000      | 4,298      |
| Memberships/Dues/Subscriptions | 4,400      | 4,400      | 2,777      |
| Software Maintenance           | 1,300      | 1,300      | 453        |
| Telephone and Alarms           | 6,500      | 6,500      | 7,708      |
| Electric                       | 1,000      | 1,000      | 485        |
| Printing and Binding           | 1,500      | 1,500      | 1,500      |
| Advertising                    | 6,000      | 6,000      | 3,971      |
| Other Contractual Services     | 61,000     | 696,000    | 666,445    |
| Lobbying Services              | 36,000     | 36,000     | 36,000     |
| IRMA General Insurance         | 5,800      | 5,800      | 5,739      |
| Telephone Repair               | 300        | 300        | -          |
| Office Equipment Repairs       | 200        | 200        | -          |
| Commodities                    |            |            |            |
| Sales Tax Rebate               | 275,000    | 575,000    | 471,915    |
| Computer and Office Supplies   | 500        | 500        | 197        |
| Gas and Oil                    | 3,000      | 3,000      | 2,975      |
| Postage                        | 100        | 100        | -          |
| Miscellaneous Commodities      | 500        | 500        | -          |
| Special Events                 | 10,500     | 10,500     | 408        |
| Prospect Development           | 1,000      | 1,000      | 108        |
| Other Charges                  | 1,000      | 1,000      | 448        |
| Total Administration           | 706,600    | 1,641,600  | 1,472,280  |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|   | Budget    |           |           |
|---|-----------|-----------|-----------|
|   | Original  | Final     | Actual    |
| General Government - Continued          |           |           |           |
| Administrative Services                 |           |           |           |
| Personal Services                       |           |           |           |
| Salary of Treasurer                     | \$ 4,500  | \$ 4,500  | \$ 4,500  |
| Administrative Salaries                 | 429,600   | 429,600   | 446,307   |
| Administrative Salaries - Overtime      | 300       | 300       | -         |
| IMRF and FICA                           | 89,100    | 89,100    | 89,866    |
| ICMA                                    | 6,200     | 6,200     | 5,755     |
| Health/Dental/Life Insurance            | 1,695,300 | 1,695,300 | 1,617,861 |
| Contractual Services                    |           |           |           |
| Legal Fees                              | 55,500    | 55,500    | 30,710    |
| Audit Fees                              | 16,400    | 16,400    | 16,380    |
| Consultants                             | 4,200     | 4,200     | 1,813     |
| Network Charges                         | 13,600    | 13,600    | 11,605    |
| Pre-employment Exams                    | 8,900     | 8,900     | 8,253     |
| Training and Tuition                    | 23,700    | 23,700    | 5,003     |
| Memberships/Dues/Subscriptions          | 3,300     | 3,300     | 2,327     |
| Software Maintenance                    | 59,200    | 59,200    | 35,699    |
| Telephone and Alarms                    | 5,300     | 5,300     | 5,866     |
| Advertising                             | 3,000     | 3,000     | 529       |
| Other Contractual Services              | 79,900    | 79,900    | 73,460    |
| IRMA General Insurance                  | 5,800     | 5,800     | 5,739     |
| Telephone Repair                        | 400       | 400       | -         |
| Office Equipment Maintenance and Repair | 25,000    | 25,000    | 17,760    |
| Postage Meter Rental                    | 2,300     | 2,300     | 1,461     |
| Copier Fees                             | 3,900     | 3,900     | 3,817     |
| Commodities                             |           |           |           |
| Computer and Office Supplies            | 14,000    | 14,000    | 7,743     |
| Gas and Oil                             | 100       | 100       | 20        |
| Postage                                 | 8,500     | 8,500     | 5,264     |
| Miscellaneous Commodities               | 400       | 400       | 16        |
| Safety Program                          | 3,800     | 3,800     | 3,087     |
| Special Events                          | 6,000     | 6,000     | 5,202     |
| Bank Fees                               | 9,500     | 9,500     | 8,023     |
| Other Charges                           | 100       | 100       | 54        |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                                     | Budget    |           | Actual    |
|-------------------------------------|-----------|-----------|-----------|
|                                     | Original  | Final     |           |
| General Government - Continued      |           |           |           |
| Administrative Services - Continued |           |           |           |
| Capital Outlay                      |           |           |           |
| Other Capital Outlay                | \$ 60,700 | \$ 62,200 | \$ 60,748 |
| Total Administrative Services       | 2,638,500 | 2,640,000 | 2,474,868 |
| Public Works                        |           |           |           |
| Personal Services                   |           |           |           |
| Administrative Salaries             | 134,400   | 134,400   | 124,559   |
| Operating Salaries                  | 571,400   | 571,400   | 600,714   |
| Administrative Salaries - Overtime  | 60,500    | 60,500    | 42,658    |
| IMRF and FICA                       | 157,600   | 157,600   | 156,912   |
| Unemployment Insurance              | -         | -         | 795       |
| Contractual Services                |           |           |           |
| Legal Fees                          | 21,000    | 36,000    | 21,650    |
| Pre-employment Exams                | 800       | 800       | 642       |
| Training and Tuition                | 2,500     | 2,500     | 2,458     |
| Memberships/Dues/Subscriptions      | 1,000     | 1,000     | 613       |
| Telephone and Alarms                | 18,500    | 18,500    | 20,013    |
| Interments Program                  | 25,000    | 25,000    | 19,300    |
| Brush Pickup                        | 63,000    | 63,000    | 63,000    |
| Grounds Maintenance                 | 47,500    | 47,500    | 40,975    |
| Cemetery Maintenance                | 6,000     | 6,000     | 6,000     |
| Janitor Contract                    | 47,200    | 47,200    | 47,200    |
| Heating Gas                         | 8,000     | 8,000     | 1,004     |
| Electric                            | 131,000   | 131,000   | 125,516   |
| Refuse Disposal                     | 30,000    | 30,000    | 23,242    |
| Other Contractual Services          | 353,700   | 353,700   | 342,972   |
| Traffic Signal Maintenance          | 25,000    | 25,000    | 23,222    |
| Street Light Maintenance            | 20,000    | 20,000    | 17,947    |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                                   | Budget    |           | Actual    |
|-----------------------------------|-----------|-----------|-----------|
|                                   | Original  | Final     |           |
| General Government - Continued    |           |           |           |
| Public Works - Continued          |           |           |           |
| Contractual Services - Continued  |           |           |           |
| IRMA General Insurance            | \$ 80,700 | \$ 80,700 | \$ 80,339 |
| Other Insurance                   | 13,000    | 13,000    | 13,912    |
| Payment to Taxing Bodies          | 130,000   | 130,000   | 150,031   |
| Vehicle Maintenance and Repair    | 45,500    | 45,500    | 36,247    |
| Commodities                       |           |           |           |
| Computer and Office Supplies      | 4,500     | 4,500     | 5,252     |
| Field Equipment                   | 1,000     | 1,000     | -         |
| Parts for Vehicles                | 62,000    | 62,000    | 98,640    |
| Tools and Equipment               | 16,500    | 16,500    | 9,021     |
| Gas and Oil                       | 64,000    | 64,000    | 78,317    |
| Materials                         | 15,000    | 15,000    | 13,634    |
| Street Patch Materials            | 300       | 300       | 180       |
| Street Paint                      | 2,000     | 2,000     | 1,783     |
| Ice Control Materials             | 20,000    | 20,000    | 5,600     |
| Parts - Mains                     | 5,000     | 5,000     | 5,670     |
| Rock Salt                         | 287,000   | 287,000   | 171,721   |
| BIT Patch - Cold                  | 8,000     | 8,000     | 3,418     |
| BIT Patch - Hot                   | 45,000    | 45,000    | 45,516    |
| Parts for Plows and Spreaders     | 25,000    | 25,000    | 16,042    |
| Postage                           | 300       | 300       | 17        |
| Uniforms and Safety Equipment     | 7,100     | 7,100     | 4,558     |
| Miscellaneous                     | 64,500    | 64,500    | 76,339    |
| Capital Outlay                    |           |           |           |
| Building and Grounds Improvements | -         | -         | 190       |
| Vehicles                          | 337,600   | 337,600   | -         |
| Total Public Works                | 2,958,100 | 2,973,100 | 2,497,819 |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|   | Budget     |            | Actual     |
|---|------------|------------|------------|
|   | Original   | Final      |            |
| General Government - Continued          |            |            |            |
| Community Development                   |            |            |            |
| Personal Services                       |            |            |            |
| Administrative Salaries                 | \$ 370,500 | \$ 346,000 | \$ 312,325 |
| Administrative Salaries - Overtime      | 1,000      | 1,000      | -          |
| IMRF and FICA                           | 76,300     | 76,300     | 63,202     |
| Contractual Services                    |            |            |            |
| Legal Fees                              | 55,000     | 55,000     | 51,413     |
| Pre-employment Exams                    | 200        | 200        | -          |
| Training and Tuition                    | 5,500      | 5,500      | 511        |
| Memberships/Dues/Subscriptions          | 3,100      | 3,100      | 1,996      |
| Enforcement & Inspections               | 297,000    | 297,000    | 297,000    |
| Bond/Deposit Refunds                    | -          | -          | 6,550      |
| Plan Review                             | 60,000     | 60,000     | 54,021     |
| Software Maintenance                    | 12,100     | 12,100     | 9,200      |
| Legal Notices                           | 2,900      | 2,900      | 1,242      |
| Telephone and Alarms                    | 11,200     | 11,200     | 11,260     |
| Weed Cutting                            | 12,000     | 12,000     | 3,187      |
| Printing and Binding                    | 3,000      | 3,000      | 2,083      |
| Advertising                             | 300        | 300        | -          |
| Legal Reporter                          | 5,000      | 5,000      | 3,085      |
| Filing Fees                             | 10,000     | 10,000     | 3,487      |
| Other Contractual Services              | 34,500     | 44,000     | 28,294     |
| IRMA General Insurance                  | 7,800      | 7,800      | 7,651      |
| Other Insurance                         | -          | -          | 5,000      |
| Telephone and Repairs                   | 1,800      | 1,800      | -          |
| Office Equipment Maintenance and Repair | 700        | 700        | -          |
| Copier Fees                             | 600        | 600        | 331        |
| Commodities                             |            |            |            |
| Computer and Office Supplies            | 2,700      | 2,700      | 2,344      |
| Maps and Plats                          | 1,200      | 1,200      | 1,173      |
| Tools and Equipment                     | 300        | 300        | 428        |
| Educational Displays                    | 8,000      | 8,000      | 1,000      |
| Gas and Oil                             | 2,500      | 2,500      | 1,285      |
| Postage                                 | 900        | 900        | 5          |
| Uniforms and Safety Equipment           | 500        | 500        | -          |
| Educational Programming                 | 3,800      | 3,800      | 2,257      |

# CITY OF WEST CHICAGO, ILLINOIS

## General Fund

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

|                                    | Budget    |           | Actual    |
|------------------------------------|-----------|-----------|-----------|
|                                    | Original  | Final     |           |
| General Government - Continued     |           |           |           |
| Community Development - Continued  |           |           |           |
| Commodities - Continued            |           |           |           |
| Gallery 200                        | \$ 3,500  | \$ 3,500  | \$ 860    |
| Miscellaneous Commodities          | 1,900     | 1,900     | 1,089     |
| Artifacts Maintenance              | 800       | 800       | 396       |
| Prospect Development               | 1,000     | 1,000     | 876       |
| Other Charges                      | 1,100     | 1,100     | 52        |
| Capital Outlay                     |           |           |           |
| Vehicles                           | 5,300     | 5,300     | -         |
| CN Mitigation                      | 35,000    | 35,000    | 28,363    |
| Total Community Development        | 1,039,000 | 1,024,000 | 901,966   |
| Total General Government           | 7,540,500 | 8,477,000 | 7,535,988 |
| Public Safety                      |           |           |           |
| Police Department                  |           |           |           |
| Personal Services                  |           |           |           |
| Administrative Salaries            | 1,132,800 | 1,132,800 | 1,088,929 |
| Patrolman Salaries                 | 3,187,600 | 3,136,100 | 3,179,874 |
| Patrolman Salaries - Overtime      | 444,500   | 444,500   | 438,304   |
| Sergeants Salaries                 | 650,000   | 650,000   | 640,511   |
| CSO Salaries                       | 145,000   | 145,000   | 129,594   |
| CSO - Overtime                     | 2,000     | 2,000     | 836       |
| Contract Services Salaries         | 20,000    | 20,000    | 15,340    |
| Administrative Services - Overtime | 2,000     | 2,000     | -         |
| IMRF and FICA                      | 513,300   | 513,300   | 478,124   |
| Police Pension                     | 1,380,000 | 1,380,000 | 1,380,000 |
| Health/Dental/Life Insurance       | -         | -         | 9         |
| Unemployment Insurance             | -         | -         | 9,226     |
| Contractual Services               |           |           |           |
| Legal Fees                         | 140,000   | 140,000   | 127,418   |
| Pre-employment Exams               | -         | -         | 2,109     |
| Training and Tuition               | 33,900    | 33,900    | 22,402    |
| Officer Training and Mileage       | 5,500     | 5,500     | 827       |
| Memberships/Dues/Subscriptions     | 8,300     | 8,300     | 7,754     |

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

|   | Budget    |           | Actual    |
|---|-----------|-----------|-----------|
|   | Original  | Final     |           |
| Public Safety - Continued               |           |           |           |
| Police Department - Continued           |           |           |           |
| Contractual Services - Continued        |           |           |           |
| Software Maintenance                    | \$ 35,700 | \$ 35,700 | \$ 25,950 |
| Telephone and Alarms                    | 42,700    | 42,700    | 43,183    |
| Electric                                | 300       | 300       | -         |
| Printing and Binding                    | 6,000     | 6,000     | 4,869     |
| Grounds Maintenance                     | 2,500     | 2,500     | 640       |
| Social Services                         | 1,000     | 1,000     | 462       |
| DuComm Quarterly Share                  | 448,800   | 448,800   | 447,304   |
| Other Contractual Services              | 57,500    | 57,500    | 56,488    |
| Graffiti Removal                        | 13,000    | 13,000    | 13,574    |
| Reception Support                       | 103,000   | 103,000   | 107,734   |
| Crossing Guard - Contractual            | 35,700    | 35,700    | 35,072    |
| IRMA General Insurance                  | 307,000   | 307,000   | 306,054   |
| Other Insurance                         | 15,000    | 15,000    | 18,132    |
| Radio/Radar Equipment Maint. and Repair | 15,200    | 15,200    | 14,650    |
| Telephone Repair                        | 300       | 300       | -         |
| Office Equipment and Repair             | 17,900    | 17,900    | 10,495    |
| Postage Meter Rental                    | 900       | 900       | 842       |
| Copier Fees                             | 9,300     | 9,300     | 9,494     |
| Commodities                             |           |           |           |
| Computer and Office Supplies            | 6,400     | 6,400     | 3,441     |
| Field Equipment                         | 10,000    | 10,000    | 9,035     |
| Parts for Vehicles                      | -         | -         | 353       |
| Gas and Oil                             | 101,000   | 126,000   | 122,611   |
| Vehicle License Fees                    | 1,000     | 1,000     | 788       |
| Postage                                 | 7,000     | 7,000     | 3,114     |
| Uniform and Safety Equipment            | 37,200    | 37,200    | 29,021    |
| First Aid Supplies                      | 1,000     | 1,000     | 1,036     |
| Ammunition and Firearms                 | 22,000    | 22,000    | 21,034    |
| Tools and Equipment                     | 500       | 500       | 304       |
| Educational Programming                 | 7,000     | 7,000     | 7,449     |
| Miscellaneous Commodities               | 11,500    | 11,500    | 9,016     |

**CITY OF WEST CHICAGO, ILLINOIS**

**General Fund**

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

|                               | Budget        |               | Actual        |
|-------------------------------|---------------|---------------|---------------|
|                               | Original      | Final         |               |
| Public Safety - Continued     |               |               |               |
| Police Department - Continued |               |               |               |
| Capital Outlay                |               |               |               |
| Vehicles                      | \$ 173,600    | \$ 173,600    | \$ -          |
| Communications Equipment      | 2,000         | 2,000         | 2,326         |
| Total Public Safety           | 9,156,900     | 9,130,400     | 8,825,728     |
| Culture and Recreation        |               |               |               |
| Museum and Cultural Services  |               |               |               |
| Commodities                   |               |               |               |
| Special Events                | 80,000        | 80,000        | 80,000        |
| Total Expenditures            | \$ 16,777,400 | \$ 17,687,400 | \$ 16,441,716 |



**CITY OF WEST CHICAGO, ILLINOIS**

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

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

|                                    | Budget              |                     | Actual              |
|------------------------------------|---------------------|---------------------|---------------------|
|                                    | Original            | Final               |                     |
| General Government                 |                     |                     |                     |
| Personal Services                  |                     |                     |                     |
| Administrative Salaries            | \$ 321,800          | \$ 321,800          | \$ 269,312          |
| Operational Salaries               | -                   | -                   | 12,934              |
| Administrative Salaries - Overtime | 1,200               | 1,200               | 1,213               |
| IMRF and FICA                      | 66,400              | 66,400              | 56,572              |
| ICMA                               | 2,100               | 2,100               | 2,257               |
| Health/Dental/Life Insurance       | 65,200              | 65,200              | 62,179              |
| Contractual Services               |                     |                     |                     |
| Legal Fees                         | 15,000              | 15,000              | 10,473              |
| Memberships/Dues/Subscriptions     | -                   | -                   | 375                 |
| Legal Notices                      | 500                 | 500                 | 329                 |
| Telephone and Alarms               | 1,500               | 1,500               | 1,913               |
| Grounds Maintenance                | 20,000              | 20,000              | 5,671               |
| Other                              | 441,300             | 226,300             | 238,751             |
| Commodities                        |                     |                     |                     |
| Postage                            | 100                 | 100                 | -                   |
| Special Events                     | 24,000              | 24,000              | 8,479               |
| Prospect Development               | 1,000               | 1,000               | -                   |
| Other                              | 1,000               | 1,000               | -                   |
| Capital Outlay                     |                     |                     |                     |
| Building Grounds Improvement       | 238,000             | 238,000             | 88,754              |
| Other                              | 161,000             | 161,000             | 161,000             |
| Land                               | 60,000              | 450,000             | 284,475             |
| Façade Improvement                 | 60,000              | 60,000              | 21,169              |
| Streetscape Programs               | 8,000               | 8,000               | 4,685               |
|                                    | <u>1,488,100</u>    | <u>1,663,100</u>    | <u>1,230,541</u>    |
| Debt Service                       |                     |                     |                     |
| Principal Retirement               | 90,000              | 90,000              | -                   |
| Interest and Fiscal Charges        | 45,000              | 45,000              | 38,097              |
|                                    | <u>135,000</u>      | <u>135,000</u>      | <u>38,097</u>       |
| Total Expenditures                 | <u>\$ 1,623,100</u> | <u>\$ 1,798,100</u> | <u>\$ 1,268,638</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

**Capital Improvement - Capital Projects Fund**

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

|                            | Budget                |                       | Actual              |
|----------------------------|-----------------------|-----------------------|---------------------|
|                            | Original              | Final                 |                     |
| Revenues                   |                       |                       |                     |
| Taxes                      |                       |                       |                     |
| Property Taxes             | \$ -                  | \$ -                  | \$ 2,360            |
| Utility Taxes              | 2,100,000             | 2,100,000             | 2,013,401           |
| Sales Taxes                | 500,000               | 500,000               | 551,936             |
| Interest Income            | 10,000                | 10,000                | 8,968               |
| Miscellaneous              | 1,647,300             | 1,647,300             | 920,086             |
| Total Revenues             | 4,257,300             | 4,257,300             | 3,496,751           |
| Expenditures               |                       |                       |                     |
| Capital Outlay             | 8,195,900             | 8,664,900             | 5,828,386           |
| Net Change in Fund Balance | <u>\$ (3,938,600)</u> | <u>\$ (4,407,600)</u> | (2,331,635)         |
| Fund Balance - Beginning   |                       |                       | <u>4,596,317</u>    |
| Fund Balance - Ending      |                       |                       | <u>\$ 2,264,682</u> |

# CITY OF WEST CHICAGO, ILLINOIS

## Capital Improvement - Capital Projects Fund

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

|                                    | Budget       |              | Actual       |
|------------------------------------|--------------|--------------|--------------|
|                                    | Original     | Final        |              |
| Capital Outlay                     |              |              |              |
| Administrative Salaries            | \$ 76,100    | \$ 76,100    | \$ 79,936    |
| Operational Salaries               | 7,500        | 7,500        | 6,200        |
| Administrative Salaries - Overtime | 3,000        | 3,000        | 592          |
| IMRF and FICA                      | 17,900       | 17,900       | 17,086       |
| Health/Dental/Life Insurance       | 39,200       | 39,200       | 37,308       |
| IRMA General Insurance             | 7,700        | 7,700        | 7,651        |
| Engineering and Inspections        | 131,200      | 131,200      | 57,889       |
| Building and Grounds Improvements  | 285,000      | 285,000      | 224,262      |
| Land                               | -            | 115,000      | 115,000      |
| Street Improvements                | 6,443,000    | 6,443,000    | 4,260,883    |
| Other Capital Outlay               | 1,185,300    | 1,539,300    | 1,021,579    |
| Total Expenditures                 | \$ 8,195,900 | \$ 8,664,900 | \$ 5,828,386 |

**CITY OF WEST CHICAGO, ILLINOIS**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2012**

|   | Special Revenue |               | Capital<br>Projects |            |
|---|-----------------|---------------|---------------------|------------|
|   | TIF             | Other Special | Capital             |            |
|   | Special Tax     | Service       | Equipment           |            |
|   | Allocation #2   | Areas         | Replacement         | Total      |
| <b>ASSETS</b>   |                 |               |                     |            |
| Cash and Investments  | \$ 123,478      | \$ -          | \$ 437,394          | \$ 560,872 |
| Receivables - Net of Allowances<br>Property Taxes                     | 27,570          | 288           | -                   | 27,858     |
| Due From Other Funds  | -               | 25,643        | -                   | 25,643     |
| Total Assets  | 151,048         | 25,931        | 437,394             | 614,373    |
| <b>LIABILITIES</b>  |                 |               |                     |            |
| Accounts Payable  | 12,231          | -             | 3,089               | 15,320     |
| Due to Other Funds  | -               | 8,315         | -                   | 8,315      |
| Total Liabilities   | 12,231          | 8,315         | 3,089               | 23,635     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                  |                 |               |                     |            |
| Property Taxes  | 27,570          | 288           | -                   | 27,858     |
| Total Liabilities and Deferred Inflows<br>of Resources                | 39,801          | 8,603         | 3,089               | 51,493     |
| <b>FUND BALANCES</b>  |                 |               |                     |            |
| Restricted  | 111,247         | 17,328        | -                   | 128,575    |
| Assigned  | -               | -             | 434,305             | 434,305    |
| Total Fund Balances   | 111,247         | 17,328        | 434,305             | 562,880    |
| Total Liabilities, Deferred Inflows of<br>Resources and Fund Balances | \$ 151,048      | \$ 25,931     | \$ 437,394          | \$ 614,373 |

**CITY OF WEST CHICAGO, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2012**

|                                    | Special Revenue |               | Capital<br>Projects |            |
|------------------------------------|-----------------|---------------|---------------------|------------|
|                                    | TIF             | Other Special | Capital             |            |
|                                    | Special Tax     | Service       | Equipment           |            |
|                                    | Allocation #2   | Areas         | Replacement         | Total      |
| <b>Revenues</b>                    |                 |               |                     |            |
| Taxes                              | \$ 29,167       | \$ -          | \$ -                | \$ 29,167  |
| Interest Income                    | 407             | -             | 1,450               | 1,857      |
| Miscellaneous                      | -               | -             | 30,123              | 30,123     |
| Total Revenues                     | 29,574          | -             | 31,573              | 61,147     |
| <b>Expenditures</b>                |                 |               |                     |            |
| Current                            |                 |               |                     |            |
| General Government                 | 173,887         | -             | -                   | 173,887    |
| Capital Outlay                     | -               | -             | 320,166             | 320,166    |
| Total Expenditures                 | 173,887         | -             | 320,166             | 494,053    |
| <b>Net Change in Fund Balances</b> | (144,313)       | -             | (288,593)           | (432,906)  |
| <b>Fund Balances - Beginning</b>   | 255,560         | 17,328        | 722,898             | 995,786    |
| <b>Fund Balances - Ending</b>      | \$ 111,247      | \$ 17,328     | \$ 434,305          | \$ 562,880 |

**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  
Year Ended December 31, 2012**

|                            | Budget              |                     | Actual            |
|----------------------------|---------------------|---------------------|-------------------|
|                            | Original            | Final               |                   |
| Revenues                   |                     |                     |                   |
| Taxes                      |                     |                     |                   |
| Property Taxes             | \$ 36,000           | \$ 36,000           | \$ 29,167         |
| Interest Income            | -                   | -                   | 407               |
| Total Revenues             | <u>36,000</u>       | <u>36,000</u>       | <u>29,574</u>     |
| Expenditures               |                     |                     |                   |
| General Government         |                     |                     |                   |
| Contractual Services       | 50,000              | 50,000              | 33,887            |
| Prospect Development       | 140,000             | 140,000             | 140,000           |
| Total Expenditures         | <u>190,000</u>      | <u>190,000</u>      | <u>173,887</u>    |
| Net Change in Fund Balance | <u>\$ (154,000)</u> | <u>\$ (154,000)</u> | (144,313)         |
| Fund Balance - Beginning   |                     |                     | <u>255,560</u>    |
| Fund Balance - Ending      |                     |                     | <u>\$ 111,247</u> |

**CITY OF WEST CHICAGO, ILLINOIS****Capital Equipment Replacement - Capital Projects Fund****Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2012**

|  | Budget            |                   | Actual            |
|--|-------------------|-------------------|-------------------|
|  | Original          | Final             |                   |
| Revenues   |                   |                   |                   |
| Interest Income  | \$ 3,000          | \$ 3,000          | \$ 1,450          |
| Miscellaneous  | -                 | -                 | 30,123            |
| Total Revenues   | 3,000             | 3,000             | 31,573            |
| Expenditures   |                   |                   |                   |
| Capital Outlay   |                   |                   |                   |
| Vehicles   | 644,100           | 644,100           | 320,166           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (641,100)         | (641,100)         | (288,593)         |
| Other Financing Sources                                      |                   |                   |                   |
| Transfers In   | 777,200           | 777,200           | -                 |
| Net Change in Fund Balance                                   | <u>\$ 136,100</u> | <u>\$ 136,100</u> | (288,593)         |
| Fund Balance - Beginning                                     |                   |                   | <u>722,898</u>    |
| Fund Balance - Ending  |                   |                   | <u>\$ 434,305</u> |

# CITY OF WEST CHICAGO, ILLINOIS

## Waterworks - Enterprise Fund

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

|                                    | Budget       |              | Actual        |
|------------------------------------|--------------|--------------|---------------|
|                                    | Original     | Final        |               |
| Operating Revenues                 |              |              |               |
| Charges for Services               |              |              |               |
| Water Service                      | \$ 4,750,000 | \$ 4,750,000 | \$ 4,707,616  |
| Operating Expenses                 |              |              |               |
| Operations                         |              |              |               |
| Water Distribution                 | 2,828,000    | 2,828,000    | 3,994,440     |
| Water Treatment Plant              | 2,302,700    | 2,302,700    | 1,300,911     |
| Depreciation                       | -            | -            | 1,327,162     |
| Total Operating Expenses           | 5,130,700    | 5,130,700    | 6,622,513     |
| Operating (Loss)                   | (380,700)    | (380,700)    | (1,914,897)   |
| Nonoperating Revenues (Expenses)   |              |              |               |
| Connection Fees                    | 20,000       | 20,000       | 28,488        |
| Sales Taxes                        | 1,000,000    | 1,000,000    | 1,103,876     |
| Interest Income                    | 30,000       | 30,000       | 1,198         |
| Other Income                       | 146,500      | 146,500      | 197,412       |
| Interest Expense                   | (196,500)    | (196,500)    | (194,324)     |
|                                    | 1,000,000    | 1,000,000    | 1,136,650     |
| Income (Loss) Before Contributions | 619,300      | 619,300      | (778,247)     |
| Capital Contributions              | -            | -            | 896,960       |
| Change in Net Position             | \$ 619,300   | \$ 619,300   | 118,713       |
| Net Position - Beginning           |              |              | 32,775,764    |
| Net Position - Ending              |              |              | \$ 32,894,477 |



# CITY OF WEST CHICAGO, ILLINOIS

## Waterworks - Enterprise Fund

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

|  | Budget     |            | Actual     |
|--|------------|------------|------------|
|  | Original   | Final      |            |
| Water Distribution                         |            |            |            |
| Personal Services                          |            |            |            |
| Administrative Salaries                    | \$ 420,400 | \$ 420,400 | \$ 381,819 |
| Operational Salaries                       | 519,300    | 519,300    | 465,068    |
| Administrative Salaries - Overtime         | 50,000     | 50,000     | 28,350     |
| IMRF and FICA                              | 203,100    | 203,100    | 171,368    |
| ICMA                                       | 4,000      | 4,000      | 3,655      |
| Health/Dental/Life Insurance               | 404,300    | 404,300    | 385,511    |
| Contractual Services                       |            |            |            |
| Legal Fees                                 | 15,000     | 15,000     | 8,437      |
| Auditing Fees                              | 13,700     | 13,700     | 13,650     |
| JULIE System                               | 1,700      | 1,700      | 1,645      |
| Consultants                                | 2,000      | 2,000      | 1,813      |
| Pre-employment Exams                       | 600        | 600        | 521        |
| Training and Tuition                       | 3,000      | 3,000      | 482        |
| Memberships/Dues/Subscriptions             | 1,000      | 1,000      | 1,221      |
| Software Maintenance                       | 8,900      | 8,900      | 6,231      |
| Legal Notices                              | 1,000      | 1,000      | 872        |
| Telephone and Alarms                       | 30,000     | 30,000     | 27,749     |
| Heating and Gas                            | 5,000      | 5,000      | 2,746      |
| Electric                                   | 400,000    | 400,000    | 308,147    |
| Lab Results                                | 7,000      | 7,000      | 5,864      |
| Refuse Disposal                            | 10,000     | 10,000     | 1,780      |
| Printing and Binding                       | 2,500      | 2,500      | 2,136      |
| Grounds Maintenance                        | 8,000      | 8,000      | 3,149      |
| Other Contractual Services                 | 194,400    | 194,400    | 139,914    |
| IRMA General Insurance                     | 145,900    | 145,900    | 145,375    |
| Other Insurance                            | -          | -          | 1,687      |
| Vehicle Maintenance and Repair             | 3,500      | 3,500      | 2,308      |
| Building Maintenance and Repair            | 500        | 500        | 922        |
| Distribution System Maintenance and Repair | 100,000    | 100,000    | 44,521     |
| Pump Station Maintenance and Repair        | 100,000    | 100,000    | 24,531     |
| Reservoir Maintenance and Repair           | 500        | 500        | -          |
| Office Equipment Maintenance and Repair    | 2,000      | 2,000      | -          |

**CITY OF WEST CHICAGO, ILLINOIS**

**Waterworks - Enterprise Fund**

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

|   | Budget           |                  | Actual           |
|---|------------------|------------------|------------------|
|   | Original         | Final            |                  |
| <b>Water Distribution - Continued</b>   |                  |                  |                  |
| <b>Contractual Services - Continued</b> |                  |                  |                  |
| Postage Meter Rental                    | \$ 1,400         | \$ 1,400         | \$ 1,463         |
| Copier Rental                           | 3,000            | 3,000            | 2,425            |
| <b>Commodities</b>                      |                  |                  |                  |
| Computer and Office Supplies            | 7,800            | 7,800            | 4,769            |
| Parts for Vehicles                      | 5,000            | 5,000            | 5,995            |
| Tools and Equipment                     | 5,000            | 5,000            | 2,529            |
| Gas and Oil                             | 20,000           | 20,000           | 28,500           |
| Postage                                 | 5,000            | 5,000            | 4,277            |
| Uniforms and Safety Equipment           | 7,500            | 7,500            | 6,961            |
| Parts and Equipment - Wells             | 4,000            | 4,000            | 2,884            |
| Parts and Equipment - Distribution      | 60,000           | 60,000           | 43,015           |
| Parts and Equipment - Pump Station      | 15,000           | 15,000           | 8,502            |
| Lab Supplies                            | 500              | 500              | 344              |
| Chemicals                               | 500              | 500              | -                |
| Water Meters                            | 25,000           | 25,000           | 2,829            |
| Miscellaneous Commodities               | 6,000            | 6,000            | 1,715            |
| Bank Fees                               | 5,000            | 5,000            | 7,983            |
| <b>Capital Outlay</b>                   |                  |                  |                  |
| Vehicles                                | 113,900          | 113,900          | -                |
| Other Capital Outlay                    | 6,565,800        | 6,565,800        | 2,214,831        |
|   | 9,507,700        | 9,507,700        | 4,520,494        |
| <b>Less Nonoperating Items</b>          |                  |                  |                  |
| Capital Assets Capitalized              | (4,565,800)      | (4,565,800)      | (526,054)        |
| <b>Total Water Distribution</b>         | <b>4,941,900</b> | <b>4,941,900</b> | <b>3,994,440</b> |
| <b>Water Treatment Plant</b>            |                  |                  |                  |
| <b>Personal Services</b>                |                  |                  |                  |
| Administrative Salaries                 | 68,100           | 68,100           | 28,285           |
| Operational Salaries                    | 510,000          | 510,000          | 509,914          |
| Administrative Salaries - Overtime      | 35,000           | 35,000           | 25,024           |
| IMRF and FICA                           | 125,900          | 125,900          | 115,361          |

**CITY OF WEST CHICAGO, ILLINOIS**

**Waterworks - Enterprise Fund**

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

|  | Budget           |                  | Actual           |
|--|------------------|------------------|------------------|
|  | Original         | Final            |                  |
| <b>Water Treatment Plant - Continued</b> |                  |                  |                  |
| Contractual Services                     |                  |                  |                  |
| Pre-employment Exams                     | \$ 300           | \$ 300           | \$ -             |
| Training and Tuition                     | 3,000            | 3,000            | 1,263            |
| Memberships/Dues/Subscriptions           | 400              | 400              | -                |
| Telephone and Alarms                     | 10,000           | 10,000           | 10,000           |
| Heating and Gas                          | 4,000            | 4,000            | 2,608            |
| Electric                                 | 185,000          | 185,000          | 151,508          |
| Lab Results                              | 2,000            | 2,000            | 279              |
| Refuse Disposal                          | 750,000          | 750,000          | -                |
| Grounds Maintenance                      | 8,500            | 8,500            | 4,470            |
| Janitorial Service                       | 25,600           | 25,600           | 24,339           |
| Other Contractual Services               | 15,000           | 15,000           | 12,499           |
| IRMA General Insurance                   | 53,800           | 53,800           | 53,559           |
| Building Maintenance and Repair          | 10,000           | 10,000           | 9,622            |
| WTP Operations Repair                    | 18,000           | 18,000           | 16,722           |
| Copier Rental                            | 10,000           | 10,000           | 6,176            |
| Equipment Rental                         | 1,000            | 1,000            | 1,080            |
| Commodities                              |                  |                  |                  |
| Computer and Office Supplies             | 2,000            | 2,000            | 890              |
| Parts for Vehicles                       | 200              | 200              | 66               |
| Tools and Equipment                      | 3,000            | 3,000            | 641              |
| Gas and Oil                              | 1,000            | 1,000            | 3,710            |
| Uniforms and Safety Equipment            | 4,000            | 4,000            | 3,705            |
| Parts for Building Repairs               | 3,000            | 3,000            | 1,721            |
| Lab Supplies                             | 11,000           | 11,000           | 11,402           |
| Chemicals                                | 375,000          | 375,000          | 294,795          |
| Parts for WTP Operations                 | 6,000            | 6,000            | 6,233            |
| Miscellaneous Commodities                | 2,000            | 2,000            | 1,214            |
| Capital Outlay                           |                  |                  |                  |
| Vehicles                                 | 2,900            | 2,900            | -                |
| Other Capital Outlay                     | 57,000           | 57,000           | 3,825            |
| Total Water Treatment Plant              | 2,302,700        | 2,302,700        | 1,300,911        |
| <br>Total Operating Expenses             | <br>\$ 7,244,600 | <br>\$ 7,244,600 | <br>\$ 5,295,351 |

**CITY OF WEST CHICAGO, ILLINOIS**

**Sewerage - Enterprise Fund**

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

|                                       | Budget         |                | Actual        |
|---------------------------------------|----------------|----------------|---------------|
|                                       | Original       | Final          |               |
| Operating Revenues                    |                |                |               |
| Charges for Services                  |                |                |               |
| Sewer Service                         | \$ 5,000,000   | \$ 5,000,000   | \$ 5,452,929  |
| Recapture Fees                        | -              | -              | 3,355         |
| Total Operating Revenues              | 5,000,000      | 5,000,000      | 5,456,284     |
| Operating Expenses                    |                |                |               |
| Operations                            |                |                |               |
| Wastewater Treatment                  | 2,722,100      | 2,722,100      | 2,672,103     |
| Sanitary Sewer Collection             | 3,175,000      | 3,175,000      | 3,427,724     |
| Treatment Plant Equipment Replacement | 225,600        | 225,600        | -             |
| Special Service Area #2               | 16,800         | 16,800         | 10,193        |
| Depreciation                          | -              | -              | 492,505       |
| Total Operating Expenses              | 6,139,500      | 6,139,500      | 6,602,525     |
| Operating (Loss)                      | (1,139,500)    | (1,139,500)    | (1,146,241)   |
| Nonoperating Revenues                 |                |                |               |
| Connection Fees                       | 25,000         | 25,000         | 36,320        |
| Property Taxes                        | 15,000         | 15,000         | 11,671        |
| Interest Income                       | 25,000         | 25,000         | 5,678         |
| Other Income                          | 30,000         | 30,000         | 44,950        |
|                                       | 95,000         | 95,000         | 98,619        |
| Income (Loss) Before Contributions    | (1,044,500)    | (1,044,500)    | (1,047,622)   |
| Capital Contributions                 | -              | -              | 420,403       |
| Change in Net Position                | \$ (1,044,500) | \$ (1,044,500) | (627,219)     |
| Net Position - Beginning              |                |                | 28,219,435    |
| Net Position - Ending                 |                |                | \$ 27,592,216 |

**CITY OF WEST CHICAGO, ILLINOIS**

**Sewerage - Enterprise Fund**

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

|                                    | Budget    |           | Actual    |
|------------------------------------|-----------|-----------|-----------|
|                                    | Original  | Final     |           |
| <b>Wastewater Treatment</b>        |           |           |           |
| <b>Personal Services</b>           |           |           |           |
| Administrative Services            | \$ 28,500 | \$ 28,500 | \$ 28,773 |
| Administrative Salaries - Overtime | 400       | 400       | 132       |
| IMRF and FICA                      | 6,100     | 6,100     | 5,555     |
| <b>Contractual Services</b>        |           |           |           |
| Legal Fees                         | 2,000     | 2,000     | -         |
| Auditing Fees                      | 3,900     | 3,900     | 3,900     |
| Memberships/Dues/Subscriptions     | 13,600    | 13,600    | 14,015    |
| Telephone and Alarms               | -         | -         | 1,500     |
| Printing and Binding               | 200       | 200       | 353       |
| Grounds Maintenance                | 10,100    | 10,100    | 4,764     |
| Other Contractual Services         | 2,595,900 | 2,595,900 | 2,548,896 |
| IRMA General Insurance             | 61,400    | 61,400    | 61,211    |
| <b>Capital Outlay</b>              |           |           |           |
| Secondary Treatment Repair         | 132,000   | 132,000   | 3,004     |
|                                    | 2,854,100 | 2,854,100 | 2,672,103 |
| <b>Less Nonoperating Items</b>     |           |           |           |
| Capital Assets Capitalized         | (132,000) | (132,000) | -         |
| <b>Total Wastewater Treatment</b>  | 2,722,100 | 2,722,100 | 2,672,103 |
| <b>Sanitary Sewer Collection</b>   |           |           |           |
| <b>Personal Services</b>           |           |           |           |
| Administrative Salaries            | 557,400   | 557,400   | 422,566   |
| Operational Salaries               | 396,000   | 396,000   | 449,571   |
| Administrative Salaries - Overtime | 49,500    | 49,500    | 37,586    |
| IMRF and FICA                      | 205,800   | 205,800   | 181,594   |
| ICMA                               | 4,000     | 4,000     | 3,655     |
| Health/Dental/Life Insurance       | 404,300   | 404,300   | 385,511   |
| Unemployment Insurance             | -         | -         | 190       |
| <b>Contractual Services</b>        |           |           |           |
| Legal Fees                         | 15,000    | 15,000    | 8,183     |
| Auditing Fees                      | 3,900     | 3,900     | 3,900     |
| JULIE System                       | 1,700     | 1,700     | 1,645     |
| Engineering                        | 110,000   | 110,000   | 6,500     |
| Consultants                        | 2,000     | 2,000     | 1,813     |

**CITY OF WEST CHICAGO, ILLINOIS**

**Sewerage - Enterprise Fund**

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

|                                       | Budget      |             | Actual    |
|---------------------------------------|-------------|-------------|-----------|
|                                       | Original    | Final       |           |
| Sanitary Sewer Collection - Continued |             |             |           |
| Contractual Services - Continued      |             |             |           |
| Training and Tuition                  | \$ 500      | \$ 500      | \$ 3      |
| Software Maintenance                  | 12,300      | 12,300      | 8,790     |
| Telephone and Alarms                  | 10,000      | 10,000      | 10,000    |
| Heating Gas                           | 6,000       | 6,000       | 4,424     |
| Electric                              | 62,000      | 62,000      | 45,708    |
| Grounds Maintenance                   | 4,700       | 4,700       | 1,906     |
| Other Contractual Services            | 194,400     | 194,400     | 140,060   |
| IRMA General Insurance                | 92,100      | 92,100      | 91,816    |
| Vehicle Maintenance and Repair        | 20,000      | 20,000      | 3,877     |
| Lift Station Maintenance and Repair   | 325,000     | 325,000     | 57,077    |
| Sewer Main Maintenance and Repair     | 600,000     | 600,000     | 481,605   |
| Postage Meter Rental                  | 1,400       | 1,400       | 1,461     |
| Commodities                           |             |             |           |
| Copier and Rental                     | 2,500       | 2,500       | 2,425     |
| Computer and Office Supplies          | 5,000       | 5,000       | 4,715     |
| Parts for Vehicles                    | 15,000      | 15,000      | 13,859    |
| Tools and Equipment                   | 7,500       | 7,500       | 6,882     |
| Gas and Oil                           | 15,000      | 15,000      | 23,661    |
| Postage                               | 3,000       | 3,000       | 2,085     |
| Chemicals                             | 1,000       | 1,000       | -         |
| Parts for Lift Stations               | 30,000      | 30,000      | 24,219    |
| Material for Trench Backfill          | 5,000       | 5,000       | 2,518     |
| Parts for Mains                       | 3,000       | 3,000       | 1,758     |
| Miscellaneous Commodities             | 5,000       | 5,000       | 5,803     |
| Bank Fees                             | 5,000       | 5,000       | 7,983     |
| Capital Outlay                        |             |             |           |
| Vehicles                              | 143,900     | 143,900     | -         |
| Other Capital Outlay                  | 1,871,300   | 1,871,300   | 982,375   |
|                                       | 5,190,200   | 5,190,200   | 3,427,724 |
| Less Nonoperating Items               |             |             |           |
| Capital Assets Capitalized            | (2,015,200) | (2,015,200) | -         |
| Total Sanitary Sewer Collection       | 3,175,000   | 3,175,000   | 3,427,724 |

**CITY OF WEST CHICAGO, ILLINOIS**

**Sewerage - Enterprise Fund**

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

|   | Budget       |              | Actual       |
|---|--------------|--------------|--------------|
|   | Original     | Final        |              |
| Treatment Plant Equipment Replacement       |              |              |              |
| Capital Outlay                              |              |              |              |
| Other Contractual Services                  | \$ 225,600   | \$ 225,600   | \$ -         |
| Other Capital Outlay                        | 2,316,800    | 2,316,800    | 294,768      |
|   | 2,542,400    | 2,542,400    | 294,768      |
| Less Nonoperating Items                     |              |              |              |
| Capital Assets Capitalized                  | (2,316,800)  | (2,316,800)  | (294,768)    |
| Total Treatment Plant Equipment Replacement | 225,600      | 225,600      | -            |
| Special Service Area #2                     |              |              |              |
| Operating and Maintenance                   |              |              |              |
| Personal Service                            |              |              |              |
| Operational Salaries                        | 4,600        | 4,600        | 4,673        |
| Administrative Salaries - Overtime          | 500          | 500          | 109          |
| IMRF and FICA                               | 1,100        | 1,100        | 984          |
| Commodities                                 |              |              |              |
| Electric                                    | 8,000        | 8,000        | 3,292        |
| Grounds Maintenance                         | 2,600        | 2,600        | 1,135        |
| Total Operating and Maintenance             | 16,800       | 16,800       | 10,193       |
| Total Operating Expenses                    | \$ 6,139,500 | \$ 6,139,500 | \$ 6,110,020 |

# CITY OF WEST CHICAGO, ILLINOIS

## Commuter Parking - Enterprise

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

|                          | Budget     |            | Actual     |
|--------------------------|------------|------------|------------|
|                          | Original   | Final      |            |
| Operating Revenues       |            |            |            |
| Charges for Services     |            |            |            |
| Parking Fees             | \$ 45,200  | \$ 45,200  | \$ 70,675  |
| Licenses and Permits     |            |            |            |
| Parking Permits          | 75,000     | 75,000     | 62,402     |
| Total Operating Revenues | 120,200    | 120,200    | 133,077    |
| Operating Expenses       |            |            |            |
| Operations               | 121,700    | 121,700    | 87,090     |
| Depreciation             | -          | -          | 25,229     |
| Total Operating Expenses | 121,700    | 121,700    | 112,319    |
| Operating Income (Loss)  | (1,500)    | (1,500)    | 20,758     |
| Nonoperating Revenues    |            |            |            |
| Interest Income          | 500        | 500        | 2          |
| Change in Net Position   | \$ (1,000) | \$ (1,000) | 20,760     |
| Net Position - Beginning |            |            | 347,037    |
| Net Position - Ending    |            |            | \$ 367,797 |



# CITY OF WEST CHICAGO, ILLINOIS

## Commuter Parking - Enterprise Fund

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

|                                  | Budget     |            | Actual    |
|----------------------------------|------------|------------|-----------|
|                                  | Original   | Final      |           |
| Operations                       |            |            |           |
| Personal Services                |            |            |           |
| Administrative Salaries Overtime | \$ 3,000   | \$ 3,000   | \$ 1,129  |
| Operational Salaries             | 18,900     | 18,900     | 18,013    |
| IMRF and FICA                    | 4,600      | 4,600      | 3,933     |
| Contractual Services             |            |            |           |
| Auditing Fees                    | 1,300      | 1,300      | 1,170     |
| Telephone and Alarms             | 4,000      | 4,000      | 4,000     |
| Electric                         | 20,000     | 20,000     | 18,843    |
| Printing and Binding             | 900        | 900        | 826       |
| Grounds Maintenance              | 9,000      | 9,000      | 6,662     |
| Janitorial Services              | 3,500      | 3,500      | 3,461     |
| Contractual Services             | 25,000     | 25,000     | 25,018    |
| Commodities                      |            |            |           |
| Postage                          | 1,500      | 1,500      | 1,035     |
| Miscellaneous Commodities        | 3,000      | 3,000      | 3,000     |
| Capital Outlay                   |            |            |           |
| Building and Ground Improvements | 27,000     | 27,000     | -         |
| Total Operations                 | \$ 121,700 | \$ 121,700 | \$ 87,090 |

**CITY OF WEST CHICAGO, ILLINOIS**

**MIS Replacement - Internal Service Fund**

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

|                          | Budget              |                     | Actual           |
|--------------------------|---------------------|---------------------|------------------|
|                          | Original            | Final               |                  |
| Operating Revenues       |                     |                     |                  |
| Interfund Services       | \$ -                | \$ -                | \$ -             |
| Operating Expenses       |                     |                     |                  |
| Operations               | 130,000             | 225,000             | 196,462          |
| Operating (Loss)         | (130,000)           | (225,000)           | (196,462)        |
| Nonoperating Revenues    |                     |                     |                  |
| Interest Income          | 500                 | 500                 | 242              |
| Change in Net Position   | <u>\$ (129,500)</u> | <u>\$ (224,500)</u> | (196,220)        |
| Net Position - Beginning |                     |                     | <u>263,975</u>   |
| Net Position - Ending    |                     |                     | <u>\$ 67,755</u> |

**CITY OF WEST CHICAGO, ILLINOIS**

**Agency - Special Service Areas Funds**

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

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**See Following Page**

**CITY OF WEST CHICAGO, ILLINOIS**

**Agency - Special Service Areas Funds**

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

|                                 | Beginning<br>Balances | Additions  | Deductions | Ending<br>Balances |
|---------------------------------|-----------------------|------------|------------|--------------------|
| <b>ALL FUNDS</b>                |                       |            |            |                    |
| <b>ASSETS</b>                   |                       |            |            |                    |
| Cash and Investments            | \$ 121,585            | \$ 121,752 | \$ 117,092 | \$ 126,245         |
| <b>LIABILITIES</b>              |                       |            |            |                    |
| Due to Bondholders              | \$ 121,585            | \$ 121,752 | \$ 117,092 | \$ 126,245         |
| <b>SPECIAL SERVICE AREA #17</b> |                       |            |            |                    |
| <b>ASSETS</b>                   |                       |            |            |                    |
| Cash and Investments            | \$ 50,483             | \$ 51,576  | \$ 49,790  | \$ 52,269          |
| <b>LIABILITIES</b>              |                       |            |            |                    |
| Due to Bondholders              | \$ 50,483             | \$ 51,576  | \$ 49,790  | \$ 52,269          |

|                                 | Beginning<br>Balances | Additions | Deductions | Ending<br>Balances |
|---------------------------------|-----------------------|-----------|------------|--------------------|
| <b>SPECIAL SERVICE AREA #18</b> |                       |           |            |                    |
| <b>ASSETS</b>                   |                       |           |            |                    |
| Cash and Investments            | \$ 52,333             | \$ 51,982 | \$ 49,790  | \$ 54,525          |
| <b>LIABILITIES</b>              |                       |           |            |                    |
| Due to Bondholders              | \$ 52,333             | \$ 51,982 | \$ 49,790  | \$ 54,525          |
| <b>SPECIAL SERVICE AREA #20</b> |                       |           |            |                    |
| <b>ASSETS</b>                   |                       |           |            |                    |
| Cash and Investments            | \$ 18,769             | \$ 18,194 | \$ 17,512  | \$ 19,451          |
| <b>LIABILITIES</b>              |                       |           |            |                    |
| Due to Bondholders              | \$ 18,769             | \$ 18,194 | \$ 17,512  | \$ 19,451          |

## **SUPPLEMENTAL SCHEDULES**

# CITY OF WEST CHICAGO, ILLINOIS

## Long-Term Debt Requirements

### IEPA Waterworks Revolving Loan

December 31, 2012

|                          |  |
|--------------------------|--|
| 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 FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal<br>Year | Requirements        |                     | Totals              |
|----------------|---------------------|---------------------|---------------------|
|                | Principal           | Interest            |                     |
| 2013           | \$ 523,636          | \$ 183,220          | \$ 706,856          |
| 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>\$ 7,259,271</u> | <u>\$ 1,223,001</u> | <u>\$ 8,482,272</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, 2012 (Unaudited)**

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**See Following Page**

# CITY OF WEST CHICAGO, ILLINOIS

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

|  | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Governmental Activities</b>                     |                                      |                                      |                                      |                                      |
| Net Investment in Capital Assets                   | \$ 81,085,245                        | \$ 71,974,620                        | \$ 73,993,952                        | \$ 75,611,759                        |
| Restricted   | 1,546,531                            | 1,666,393                            | 1,501,944                            | 1,462,074                            |
| Unrestricted                                       | 14,869,627                           | 15,140,305                           | 18,181,783                           | 17,723,775                           |
| <b>Total Governmental Activities Net Position</b>  | <b>97,501,403</b>                    | <b>88,781,318</b>                    | <b>93,677,679</b>                    | <b>94,797,608</b>                    |
| <b>Business-Type Activities</b>                    |                                      |                                      |                                      |                                      |
| Net Investment in Capital Assets                   | 36,748,410                           | 41,863,003                           | 40,858,481                           | 38,575,240                           |
| Restricted   | 3,256,796                            | 3,404,266                            | 3,367,499                            | 3,629,195                            |
| Unrestricted                                       | 12,115,564                           | 10,799,853                           | 15,713,801                           | 19,237,261                           |
| <b>Total Business-Type Activities Net Position</b> | <b>52,120,770</b>                    | <b>56,067,122</b>                    | <b>59,939,781</b>                    | <b>61,441,696</b>                    |
| <b>Primary Government</b>                          |                                      |                                      |                                      |                                      |
| Net Investment in Capital Assets                   | 117,833,655                          | 113,837,623                          | 114,852,433                          | 114,186,999                          |
| Restricted   | 4,803,327                            | 5,070,659                            | 4,869,443                            | 5,091,269                            |
| Unrestricted                                       | 26,985,191                           | 25,940,158                           | 33,895,584                           | 36,961,036                           |
| <b>Total Primary Government Net Position</b>       | <b>\$ 149,622,173</b>                | <b>\$ 144,848,440</b>                | <b>\$ 153,617,460</b>                | <b>\$ 156,239,304</b>                |

Data Source: City Records

The City implemented GASB 34 in Fiscal Year 2004.

| Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$ 75,663,542                        | \$ 77,409,060                          | \$ 79,007,408                         | \$ 88,164,059                         | \$ 89,692,289                         | \$ 88,988,913                         |
| 1,328,804                            | 1,264,241                              | 479,320                               | -                                     | 1,708,723                             | 2,340,095                             |
| 17,986,270                           | 19,850,570                             | 22,492,259                            | 18,130,222                            | 16,795,258                            | 12,681,105                            |
| 94,978,616                           | 98,523,871                             | 101,978,987                           | 106,294,281                           | 108,196,270                           | 104,010,113                           |
| 37,577,723                           | 36,528,712                             | 35,884,266                            | 36,356,211                            | 52,523,108                            | 53,326,830                            |
| 3,533,535                            | 3,806,146                              | 3,833,998                             | 4,715,215                             | 4,435,213                             | 3,614,442                             |
| 21,061,429                           | 21,276,997                             | 20,588,763                            | 19,199,292                            | 4,383,915                             | 3,913,218                             |
| 62,172,687                           | 61,611,855                             | 60,307,027                            | 60,270,718                            | 61,342,236                            | 60,854,490                            |
| 113,241,265                          | 113,937,772                            | 114,891,674                           | 124,520,270                           | 142,215,397                           | 142,315,743                           |
| 4,862,339                            | 5,070,387                              | 4,313,318                             | 4,715,215                             | 6,143,936                             | 5,954,537                             |
| 39,047,699                           | 41,127,567                             | 43,081,022                            | 37,329,514                            | 21,179,173                            | 16,594,323                            |
| \$ 157,151,303                       | \$ 160,135,726                         | \$ 162,286,014                        | \$ 166,564,999                        | \$ 169,538,506                        | \$ 164,864,603                        |

CITY OF WEST CHICAGO, ILLINOIS

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

|   | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 | Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>Expenses</b>                                 |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Governmental Activities                         |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| General Government                              | \$ 4,537,513                         | \$ 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                          |
| Highways and Streets                            | 2,992,846                            | 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                             |
| Public Safety                                   | 6,566,848                            | 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                             |
| Culture and Recreation                          | 425,418                              | 336,479                              | 458,363                              | 518,487                              | 409,874                              | 251,723                                | 376,103                               | 135,309                               | 193,879                               | 83,232                                |
| Interest on Long-Term Debt                      | 92,235                               | 85,490                               | 82,532                               | 74,596                               | 123,108                              | 87,034                                 | 95,920                                | 63,505                                | 40,332                                | 38,097                                |
| Total Governmental Activities Expenses          | 14,614,860                           | 16,138,919                           | 15,373,969                           | 18,949,461                           | 20,488,408                           | 13,564,664                             | 20,140,872                            | 20,635,859                            | 19,023,118                            | 24,886,711                            |
| Business-Type Activities                        |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Waterworks                                      | 3,987,472                            | 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                             |
| Sewerage  | 3,411,591                            | 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                             |
| Commuter Parking                                | 56,622                               | 87,362                               | 98,565                               | 132,148                              | 136,383                              | 119,829                                | 535,811                               | 220,345                               | 127,748                               | 112,319                               |
| Total Business-Type Activities                  | 7,455,685                            | 7,477,558                            | 7,556,551                            | 9,118,748                            | 11,598,727                           | 8,631,070                              | 12,642,949                            | 12,574,199                            | 13,722,988                            | 13,531,681                            |
| Activities Net Position                         | 7,455,685                            | 7,477,558                            | 7,556,551                            | 9,118,748                            | 11,598,727                           | 8,631,070                              | 12,642,949                            | 12,574,199                            | 13,722,988                            | 13,531,681                            |
| Total Primary Government Expenses               | 22,070,545                           | 23,616,477                           | 22,930,520                           | 28,068,209                           | 32,087,135                           | 22,195,734                             | 32,783,821                            | 33,210,058                            | 32,746,106                            | 38,418,392                            |
| <b>Program Revenues</b>                         |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Governmental Activities                         |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Charges for Services                            |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| General Government                              | 176,886                              | 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                             |
| Highways and Streets                            | 933,667                              | 1,590,339                            | 1,275,803                            | 1,051,912                            | 1,249,338                            | 1,186,037                              | 2,330,517                             | -                                     | -                                     | 1,419,816                             |
| Public Safety                                   | 552,015                              | 541,012                              | 1,009,654                            | 444,500                              | 483,100                              | 485,533                                | 745,000                               | 1,573,088                             | 1,448,786                             | -                                     |
| Culture and Recreation                          | 1,207                                | 959                                  | 77                                   | 26,973                               | -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| Operating Grants/Contributions                  | 926,513                              | 1,173,828                            | -                                    | 293,396                              | 359,576                              | 272,902                                | 145,148                               | 395,843                               | 78,140                                | 181,074                               |
| Capital Grants/Contributions                    | -                                    | -                                    | 998,677                              | 777,051                              | 778,850                              | 536,437                                | 714,671                               | 4,832,786                             | 792,266                               | 819,317                               |
| Total Governmental Activities Program Revenues  | 2,590,288                            | 3,661,969                            | 3,921,915                            | 4,500,836                            | 4,768,694                            | 4,041,327                              | 5,689,833                             | 8,618,409                             | 4,565,394                             | 4,319,313                             |
| Business-Type Activities                        |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Charges for Services                            |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Waterworks                                      | 4,627,213                            | 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                             |
| Sewerage  | 3,483,604                            | 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                             |
| Commuter Parking                                | 94,057                               | 96,371                               | 99,526                               | 94,043                               | 98,111                               | 81,994                                 | 120,240                               | 116,169                               | 124,830                               | 133,077                               |
| Capital Grants/Contributions                    | 802,009                              | -                                    | -                                    | -                                    | -                                    | -                                      | -                                     | -                                     | 2,633,360                             | 1,317,363                             |
| Total Business-Type Activities Program Revenues | 9,006,883                            | 8,923,526                            | 8,882,442                            | 9,468,150                            | 9,253,040                            | 7,406,434                              | 10,238,178                            | 10,524,692                            | 13,069,856                            | 11,650,660                            |
| Total Primary Government Program Revenues       | \$ 11,597,171                        | \$ 12,585,495                        | \$ 12,804,357                        | \$ 13,968,986                        | \$ 14,021,734                        | \$ 11,447,761                          | \$ 15,928,011                         | \$ 19,143,101                         | \$ 17,635,250                         | \$ 15,969,973                         |

|  | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 | Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Net (Expense) Revenue                              |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Governmental Activities                            | \$ (12,024,572)                      | \$ (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)                       |
| Business-Type Activities                           | 1,551,198                            | 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)                           |
| Total Primary Government                           |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Net Revenue (Expense)                              | (10,473,374)                         | (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)                          |
| General Revenues and Other Changes in Net Position |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Governmental Activities                            |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Taxes  |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Property   | 2,969,894                            | 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                             |
| Utility  | 2,876,665                            | 3,100,842                            | 2,001,813                            | -                                    | -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| Other  | 1,190,006                            | 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                             |
| Intergovernmental                                  |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Sales and Use                                      | 2,549,061                            | 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                             |
| Income   | 1,418,371                            | 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                             |
| Replacement  | 105,660                              | 117,523                              | 158,186                              | 155,243                              | 193,689                              | 117,888                                | 159,185                               | 171,227                               | 157,985                               | 144,979                               |
| Other  | -                                    | -                                    | -                                    | 2,058,843                            | 2,190,649                            | 1,316,154                              | 2,037,722                             | 2,098,487                             | 2,098,719                             | 2,013,401                             |
| Interest Income                                    | 173,314                              | 283,811                              | 664,894                              | 1,084,991                            | 1,069,786                            | 530,225                                | 253,642                               | 212,808                               | 102,820                               | 79,150                                |
| Miscellaneous                                      | 428,368                              | 162,889                              | 3,569,777                            | 759,852                              | 531,218                              | 513,053                                | 3,506,651                             | 2,012,701                             | 1,638,724                             | 1,465,234                             |
| Contributions                                      | 6,838,708                            | 86,072                               | -                                    | -                                    | -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| Transfers  | -                                    | -                                    | (232,860)                            | 120,000                              | -                                    | -                                      | 487,100                               | -                                     | -                                     | -                                     |
| Total Governmental                                 |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Activities   | 18,550,047                           | 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                            |
| Business-Type Activities                           |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Property   | -                                    | -                                    | 15,171                               | 15,158                               | 15,172                               | 15,025                                 | 15,161                                | 15,172                                | 11,557                                | 11,671                                |
| Sales and Use                                      | -                                    | -                                    | -                                    | -                                    | -                                    | -                                      | 948,148                               | 1,023,267                             | 1,131,916                             | 1,103,876                             |
| Interest Income                                    | 680,024                              | 576,586                              | 788,970                              | 1,018,478                            | 1,111,535                            | 425,385                                | 205,893                               | 137,988                               | 121,733                               | 6,878                                 |
| Miscellaneous                                      | 651,909                              | 1,140,760                            | 1,509,767                            | 306,827                              | 1,949,971                            | 223,394                                | 417,841                               | 836,771                               | 459,444                               | 270,850                               |
| Contributions                                      | 1,353,533                            | -                                    | -                                    | -                                    | -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| Transfers  | -                                    | -                                    | 232,860                              | (120,000)                            | -                                    | -                                      | (487,100)                             | -                                     | -                                     | -                                     |
| Total Business-Type                                |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Activities   | 2,685,466                            | 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                             |
| Total Primary Government                           | 21,235,513                           | 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                            |
| Changes in Net Position                            |                                      |                                      |                                      |                                      |                                      |  |                                       |                                       |                                       |                                       |
| Governmental Activities                            | 6,525,475                            | 88,102                               | 4,896,361                            | 831,250                              | 181,008                              | 3,545,255                              | 3,455,116                             | 4,315,294                             | 1,901,989                             | (4,190,709)                           |
| Business-Type Activities                           | 4,236,664                            | 3,163,314                            | 3,872,659                            | 1,569,865                            | 730,991                              | (560,832)                              | (1,304,828)                           | (36,309)                              | 1,071,518                             | (487,746)                             |
| Total Primary Government                           | \$ 10,762,139                        | \$ 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)                        |

Data Source: City Records  
The City implemented GASB 34 in Fiscal Year 2004.

# CITY OF WEST CHICAGO, ILLINOIS

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

|                                       | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 |
|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Fund                          |                                      |                                      |                                      |                                      |
| Reserved                              | \$ 95,335                            | \$ 172,890                           | \$ 160,863                           | \$ 1,115,019                         |
| Unreserved                            | 3,455,827                            | 4,867,620                            | 6,426,774                            | 7,547,196                            |
| Nonspendable                          | -                                    | -                                    | -                                    | -                                    |
| Restricted                            | -                                    | -                                    | -                                    | -                                    |
| Unassigned                            | -                                    | -                                    | -                                    | -                                    |
| Total General Fund                    | 3,551,162                            | 5,040,510                            | 6,587,637                            | 8,662,215                            |
| All Other Governmental Funds          |                                      |                                      |                                      |                                      |
| Reserved                              | 2,643,467                            | 2,472,656                            | 2,831,253                            | 2,675,629                            |
| Unreserved, Reported in:              |                                      |                                      |                                      |                                      |
| Special Revenues Funds                | 9,541,225                            | 8,735,946                            | 10,145,240                           | 6,868,385                            |
| Capital Projects Funds                | 2,536,907                            | 2,528,662                            | 1,983,701                            | 3,182,862                            |
| Nonspendable                          | -                                    | -                                    | -                                    | -                                    |
| Restricted                            | -                                    | -                                    | -                                    | -                                    |
| Assigned                              | -                                    | -                                    | -                                    | -                                    |
| Total All Other<br>Governmental Funds | \$ 14,721,599                        | \$ 13,737,264                        | \$ 14,960,194                        | \$ 12,726,876                        |

Data Source: City Records

The City implemented GASB 54 in Fiscal Year 2011.

| Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$ 1,468,640                         | \$ 1,258,433                           | \$ 1,277,811                          | \$ 985,505                            | \$ -                                  | \$ -                                  |
| 8,260,787                            | 10,789,860                             | 12,278,094                            | 11,659,744                            | -                                     | -                                     |
| -                                    | -                                      | -                                     | -                                     | 1,134,891                             | 1,145,514                             |
| -                                    | -                                      | -                                     | -                                     | -                                     | 843,105                               |
| -                                    | -                                      | -                                     | -                                     | 12,616,731                            | 11,309,771                            |
| 9,729,427                            | 12,048,293                             | 13,555,905                            | 12,645,249                            | 13,751,622                            | 13,298,390                            |
| 2,479,613                            | 2,347,877                              | 1,516,583                             | 986,267                               | -                                     | -                                     |
| 6,637,886                            | 6,350,617                              | 6,275,876                             | 2,270,787                             | -                                     | -                                     |
| 2,815,078                            | 2,959,936                              | 4,542,708                             | 5,245,994                             | -                                     | -                                     |
| -                                    | -                                      | -                                     | -                                     | 938,215                               | 886,413                               |
| -                                    | -                                      | -                                     | -                                     | 1,708,723                             | 1,496,990                             |
| -                                    | -                                      | -                                     | -                                     | 5,318,609                             | 2,698,343                             |
| \$ 11,932,577                        | \$ 11,658,430                          | \$ 12,335,167                         | \$ 8,503,048                          | \$ 7,965,547                          | \$ 5,081,746                          |

# CITY OF WEST CHICAGO, ILLINOIS

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

| Source               | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 |
|----------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Taxes                | \$ 9,923,461                         | \$ 10,979,782                        | \$ 11,037,386                        | \$ 7,220,257                         |
| Intergovernmental    | 1,103,515                            | 1,077,096                            | 990,894                              | 7,165,222                            |
| Charges for Services | 2,420,199                            | 2,549,845                            | 806,360                              | 2,315,647                            |
| Licenses and Permits | 537,906                              | 1,171,269                            | 1,057,216                            | 632,799                              |
| Fines and Forfeits   | 380,153                              | 365,347                              | 833,898                              | 481,943                              |
| Fees                 | -                                    | -                                    | 2,407,119                            | -                                    |
| Interest Income      | 173,314                              | 283,810                              | 664,895                              | 1,075,101                            |
| Rental Income        | -                                    | -                                    | 160,073                              | -                                    |
| Miscellaneous        | 366,904                              | 177,816                              | 2,833,815                            | 759,852                              |
| Total                | \$ 14,905,452                        | \$ 16,604,965                        | \$ 20,791,656                        | \$ 19,650,821                        |

Data Source: City Records



| Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$ 7,943,758                         | \$ 7,737,287                           | \$ 8,401,237                          | \$ 8,669,147                          | \$ 8,907,926                          | \$ 8,598,434                          |
| 7,494,386                            | 5,097,366                              | 6,117,344                             | 6,542,723                             | 6,580,649                             | 7,234,262                             |
| 2,389,235                            | 2,179,039                              | 2,558,780                             | 1,891,127                             | 2,124,010                             | 1,803,814                             |
| 572,886                              | 326,417                                | 489,110                               | 456,361                               | 634,929                               | 481,698                               |
| 668,147                              | 726,532                                | 1,782,124                             | 1,042,292                             | 936,049                               | 1,033,410                             |
| -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| 1,049,762                            | 523,118                                | 251,878                               | 210,470                               | 102,148                               | 78,908                                |
| -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| 531,218                              | 513,053                                | 3,506,651                             | 2,012,701                             | 1,638,724                             | 1,465,234                             |
| \$ 20,649,392                        | \$ 17,102,812                          | \$ 23,107,124                         | \$ 20,824,821                         | \$ 20,924,435                         | \$ 20,695,760                         |

# CITY OF WEST CHICAGO, ILLINOIS

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

| Function                    | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 |
|-----------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Government          | \$ 5,113,922                         | \$ 4,952,629                         | \$ 4,540,750                         | \$ 6,030,937                         |
| Public Safety               | 6,834,854                            | 7,074,392                            | 7,756,125                            | 7,511,979                            |
| Highways and Streets        | 587,890                              | 699,073                              | 758,534                              | 826,980                              |
| Culture and Recreation      | 413,400                              | 371,756                              | 449,110                              | 514,550                              |
| Capital Outlay              | 2,877,197                            | 2,997,181                            | 4,065,602                            | 5,477,801                            |
| Debt Service                |                                      |                                      |                                      |                                      |
| Principal                   | 110,000                              | 130,000                              | 135,000                              | 150,000                              |
| Interest and Fiscal Charges | 94,183                               | 89,208                               | 83,618                               | 77,378                               |
| Total                       | <u>\$ 16,031,446</u>                 | <u>\$ 16,314,239</u>                 | <u>\$ 17,788,739</u>                 | <u>\$ 20,589,625</u>                 |

Data Source: City Records

| Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$ 6,393,241                         | \$ 4,551,384                           | \$ 6,957,868                          | \$ 8,180,849                          | \$ 7,720,982                          | \$ 8,940,416                          |
| 8,006,829                            | 5,783,643                              | 8,616,769                             | 8,524,634                             | 8,468,368                             | 8,825,728                             |
| 1,025,381                            | 700,402                                | -                                     | -                                     | -                                     | -                                     |
| 406,417                              | 248,277                                | 372,382                               | 131,438                               | 189,894                               | 80,000                                |
| 4,227,901                            | 3,455,854                              | 5,141,045                             | 7,818,703                             | 3,935,987                             | 6,148,552                             |
| 190,000                              | 210,000                                | 225,000                               | 845,000                               | -                                     | -                                     |
| 126,710                              | 108,533                                | 96,811                                | 66,972                                | 40,332                                | 38,097                                |
| \$ 20,376,479                        | \$ 15,058,093                          | \$ 21,409,875                         | \$ 25,567,596                         | \$ 20,355,563                         | \$ 24,032,793                         |

# CITY OF WEST CHICAGO, ILLINOIS

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

|  | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 | Fiscal<br>Year<br>Ended<br>4/30/2007 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Revenues</b>  |                                      |                                      |                                      |                                      |
| Taxes  | \$ 9,923,461                         | \$ 10,979,782                        | \$ 11,037,386                        | \$ 7,220,257                         |
| Intergovernmental  | 1,103,515                            | 1,077,096                            | 990,894                              | 7,165,222                            |
| Charges for Services   | 2,420,199                            | 2,549,845                            | 806,360                              | 2,315,647                            |
| Licenses and Permits   | 537,906                              | 1,171,269                            | 1,057,216                            | 632,799                              |
| Fines and Forfeits   | 380,153                              | 365,347                              | 833,898                              | 481,943                              |
| Fees   | -                                    | -                                    | 2,407,119                            | -                                    |
| Interest Income  | 173,314                              | 283,810                              | 664,895                              | 1,075,101                            |
| Rental Income  | -                                    | -                                    | 160,073                              | -                                    |
| Miscellaneous  | 366,904                              | 177,816                              | 2,833,815                            | 759,852                              |
| <b>Total Revenues</b>  | <b>14,905,452</b>                    | <b>16,604,965</b>                    | <b>20,791,656</b>                    | <b>19,650,821</b>                    |
| <b>Expenditures</b>  |                                      |                                      |                                      |                                      |
| General Government   | 5,113,922                            | 4,952,629                            | 4,540,750                            | 6,030,937                            |
| Public Safety  | 6,834,854                            | 7,074,392                            | 7,756,125                            | 7,511,979                            |
| Highways and Streets   | 587,890                              | 699,073                              | 758,534                              | 826,980                              |
| Culture and Recreation   | 413,400                              | 371,756                              | 449,110                              | 514,550                              |
| Capital Outlay   | 2,877,197                            | 2,997,181                            | 4,065,602                            | 5,477,801                            |
| Debt Service   |                                      |                                      |                                      |                                      |
| Principal  | 110,000                              | 130,000                              | 135,000                              | 150,000                              |
| Interest and Fiscal Charges  | 94,183                               | 89,208                               | 83,618                               | 77,378                               |
| <b>Total Expenditures</b>  | <b>16,031,446</b>                    | <b>16,314,239</b>                    | <b>17,788,739</b>                    | <b>20,589,625</b>                    |
| <b>Excess of Revenues Over<br/>(Under) Expenditures</b>            | <b>(1,125,994)</b>                   | <b>290,726</b>                       | <b>3,002,917</b>                     | <b>(938,804)</b>                     |
| <b>Other Financing Sources (Uses)</b>                              |                                      |                                      |                                      |                                      |
| Transfer In  | 1,532,361                            | 168,735                              | 169,589                              | 330,000                              |
| Transfer Out   | (1,532,361)                          | (168,735)                            | (402,449)                            | (210,000)                            |
| Sale of Assets   | -                                    | 214,287                              | -                                    | -                                    |
|  | -                                    | 214,287                              | (232,860)                            | 120,000                              |
| <b>Net Change in Fund Balances</b>                                 | <b>\$ (1,125,994)</b>                | <b>\$ 505,013</b>                    | <b>\$ 2,770,057</b>                  | <b>\$ (818,804)</b>                  |
| <b>Debt Service as a Percentage of<br/>Noncapital Expenditures</b> | <b>1.55%</b>                         | <b>1.65%</b>                         | <b>1.59%</b>                         | <b>1.32%</b>                         |

Data Source: City Records

| Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| \$ 7,943,758                         | \$ 7,737,287                           | \$ 8,401,237                          | \$ 8,669,147                          | \$ 8,907,926                          | \$ 8,598,434                          |
| 7,494,386                            | 5,097,366                              | 6,117,344                             | 6,542,723                             | 6,580,649                             | 7,234,262                             |
| 2,389,235                            | 2,179,039                              | 2,558,780                             | 1,891,127                             | 2,124,010                             | 1,803,814                             |
| 572,886                              | 326,417                                | 489,110                               | 456,361                               | 634,929                               | 481,698                               |
| 668,147                              | 726,532                                | 1,782,124                             | 1,042,292                             | 936,049                               | 1,033,410                             |
| -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| 1,049,762                            | 523,118                                | 251,878                               | 210,470                               | 102,148                               | 78,908                                |
| -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| 531,218                              | 513,053                                | 3,506,651                             | 2,012,701                             | 1,638,724                             | 1,465,234                             |
| 20,649,392                           | 17,102,812                             | 23,107,124                            | 20,824,821                            | 20,924,435                            | 20,695,760                            |
| 6,393,241                            | 4,551,384                              | 6,957,868                             | 8,180,849                             | 7,720,982                             | 8,940,416                             |
| 8,006,829                            | 5,783,643                              | 8,616,769                             | 8,524,634                             | 8,468,368                             | 8,825,728                             |
| 1,025,381                            | 700,402                                | -                                     | -                                     | -                                     | -                                     |
| 406,417                              | 248,277                                | 372,382                               | 131,438                               | 189,894                               | 80,000                                |
| 4,227,901                            | 3,455,854                              | 5,141,045                             | 7,818,703                             | 3,935,987                             | 6,148,552                             |
| 190,000                              | 210,000                                | 225,000                               | 845,000                               | -                                     | -                                     |
| 126,710                              | 108,533                                | 96,811                                | 66,972                                | 40,332                                | 38,097                                |
| 20,376,479                           | 15,058,093                             | 21,409,875                            | 25,567,596                            | 20,355,563                            | 24,032,793                            |
| 272,913                              | 2,044,719                              | 1,697,249                             | (4,742,775)                           | 568,872                               | (3,337,033)                           |
| 555,000                              | 150,000                                | 587,100                               | 441,777                               | -                                     | 50,000                                |
| (555,000)                            | (150,000)                              | (100,000)                             | (441,777)                             | -                                     | (50,000)                              |
| -                                    | -                                      | -                                     | -                                     | -                                     | -                                     |
| -                                    | -                                      | 487,100                               | -                                     | -                                     | -                                     |
| \$ 272,913                           | \$ 2,044,719                           | \$ 2,184,349                          | \$ (4,742,775)                        | \$ 568,872                            | \$ (3,337,033)                        |
| 1.67%                                | 2.65%                                  | 1.75%                                 | 5.86%                                 | 0.24%                                 | 0.16%                                 |

## CITY OF WEST CHICAGO, ILLINOIS

### Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years December 31, 2012 (Unaudited)

| Tax<br>Levy<br>Year | Fiscal<br>Year<br>End | Residential<br>Property | Farm       |
|---------------------|-----------------------|-------------------------|------------|
| 2003                | 4/30/2004             | \$ 350,365,979          | \$ 339,065 |
| 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    |

\*For the Eight Months Ended December 31, 2008

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

| Commercial<br>Property | Industrial<br>Property | Total<br>Assessed<br>Value | Total<br>Direct<br>Tax Rate |
|------------------------|------------------------|----------------------------|-----------------------------|
| \$ 67,615,490          | \$ 129,318,270         | \$ 547,638,804             | 8.0609                      |
| 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                     |

# CITY OF WEST CHICAGO, ILLINOIS

## Direct and Overlapping Property Tax Rates - Last Ten Levy Years December 31, 2012 (Unaudited)

| Taxing Body   | 2003   | 2004   | 2005   |
|---|--------|--------|--------|
| Countywide  |        |        |        |
| DuPage County   | 0.1999 | 0.1850 | 0.1797 |
| Forest Preserve District                                      | 0.1419 | 0.1358 | 0.1271 |
| DuPage Airport Authority                                      | 0.0230 | 0.0213 | 0.0198 |
| DuPage Water Commission                                       | 0.0000 | 0.0000 | 0.0000 |
| Local   |        |        |        |
| Wayne Township  | 0.0822 | 0.0696 | 0.0680 |
| Wayne Township Road   | 0.0317 | 0.0754 | 0.0720 |
| City of West Chicago - Wayne Township                         | 0.4526 | 0.4486 | 0.4423 |
| Winfield Township   | 0.0945 | 0.0924 | 0.0901 |
| Winfield Township Road  | 0.1230 | 0.1203 | 0.1178 |
| City of West Chicago - Winfield Township                      | 0.4394 | 0.4298 | 0.4423 |
| West Chicago Park District                                    | 0.3130 | 0.3016 | 0.2933 |
| West Chicago Fire Protection District                         | 0.5779 | 0.5578 | 0.5500 |
| West Chicago Mosquito District                                | 0.0063 | 0.0109 | 0.0105 |
| West Chicago Library District                                 | 0.2655 | 0.2733 | 0.2651 |
| Educational   |        |        |        |
| Grade School District 33                                      | 3.7140 | 3.6750 | 3.6993 |
| High School District 94                                       | 1.9528 | 1.8829 | 1.8377 |
| College of DuPage District 502                                | 0.2097 | 0.1972 | 0.1874 |
| Total Tax Rate - Winfield Township                            | 8.0609 | 7.8833 | 7.8201 |
| Share of Total Tax Rate Levied by<br>the City of West Chicago | 5.45%  | 5.45%  | 5.66%  |
| Total Tax Rate - Wayne Township                               | 7.9705 | 7.8344 | 7.7522 |
| Share of Total Tax Rate Levied by<br>the City of West Chicago | 5.68%  | 5.73%  | 5.71%  |

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

Data Source: DuPage County Clerk



| Tax Levy Year |        |        |        |        |        |         |
|---------------|--------|--------|--------|--------|--------|---------|
| 2006          | 2007   | 2008   | 2009   | 2010   | 2011   | 2012    |
| 0.1713        | 0.1651 | 0.1557 | 0.1554 | 0.1659 | 0.1773 | 0.1929  |
| 0.1303        | 0.1187 | 0.1206 | 0.1217 | 0.1321 | 0.1414 | 0.1542  |
| 0.0183        | 0.0170 | 0.0160 | 0.0148 | 0.0158 | 0.0169 | 0.0168  |
| 0.0000        | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000  |
| 0.0666        | 0.0647 | 0.0649 | 0.0658 | 0.0733 | 0.0804 | 0.0896  |
| 0.0704        | 0.0642 | 0.0604 | 0.0610 | 0.0645 | 0.0675 | 0.0730  |
| 0.4236        | 0.4273 | 0.4240 | 0.4263 | 0.4675 | 0.5011 | 0.5545  |
| 0.0869        | 0.0855 | 0.0845 | 0.0854 | 0.0924 | 0.1021 | 0.1174  |
| 0.1143        | 0.1125 | 0.1112 | 0.1123 | 0.1215 | 0.1342 | 0.1543  |
| 0.4236        | 0.4273 | 0.4240 | 0.4263 | 0.4675 | 0.5011 | 0.5545  |
| 0.2813        | 0.2718 | 0.2687 | 0.2703 | 0.2946 | 0.3177 | 0.4948  |
| 0.5335        | 0.6501 | 0.6506 | 0.6509 | 0.7078 | 0.8027 | 0.9212  |
| 0.0101        | 0.0099 | 0.0099 | 0.0101 | 0.0111 | 0.0122 | 0.0139  |
| 0.2532        | 0.2465 | 0.2443 | 0.2466 | 0.2307 | 0.2529 | 0.2903  |
| 3.5986        | 3.5300 | 3.5158 | 3.5290 | 3.8244 | 4.1734 | 4.6430  |
| 1.7669        | 1.7186 | 1.7011 | 1.7143 | 1.8613 | 2.0351 | 2.3008  |
| 0.1929        | 0.1888 | 0.1858 | 0.2127 | 0.2349 | 0.2495 | 0.2681  |
| 7.5812        | 7.5418 | 7.4882 | 7.5498 | 8.1600 | 8.9165 | 10.1222 |
| 5.59%         | 5.67%  | 5.66%  | 5.65%  | 5.73%  | 5.62%  | 5.48%   |
| 7.5170        | 7.4727 | 7.4178 | 7.4789 | 8.0839 | 8.8281 | 10.0131 |
| 5.64%         | 5.72%  | 5.72%  | 5.70%  | 5.78%  | 5.68%  | 5.54%   |

# CITY OF WEST CHICAGO, ILLINOIS

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

|                           | 2012                         |      |   | 2003                         |      |   |
|---------------------------|------------------------------|------|---|------------------------------|------|---|
|                           | Taxable<br>Assessed<br>Value | Rank | Percentage<br>of Total City<br>Taxable<br>Assessed<br>Value | Taxable<br>Assessed<br>Value | Rank | Percentage<br>of Total City<br>Taxable<br>Assessed<br>Value |
| DuPage Airport Authority  | \$ 12,437,320                | 1    | 2.01%   | 17,817,030                   | 1    | 3.43%   |
| Blackhawk Center, LLC     | 9,826,920                    | 2    | 1.58%   | \$                           |      |   |
| Cobalt Industrial REIT II | 8,439,840                    | 3    | 1.36%   |                              |      |   |
| Northridge Holdings, Ltd  | 6,020,900                    | 4    | 0.97%   |                              |      |   |
| St. Andrews Country Club  | 5,342,670                    | 5    | 0.86%   |                              |      |   |
| Mapei Corp.               | 4,450,950                    | 6    | 0.72%   |                              |      |   |
| LaGrou Properties         | 4,390,210                    | 7    | 0.71%   | 4,584,690                    | 5    | 0.88%   |
| Centerpoint Properties    | 4,358,910                    | 8    | 0.70%   |                              |      |   |
| Ball Horticultural        | 3,335,680                    | 9    | 0.54%   |                              |      |   |
| Menards, Inc              | 3,248,990                    | 10   | 0.52%   | 3,099,690                    | 8    |   |
| USAA Real Estate Co       |                              |      |   | 11,103,280                   | 2    | 2.14%   |
| CNC                       |                              |      |   | 9,195,060                    | 3    | 1.77%   |
| General Mills             |                              |      |   | 4,838,400                    | 4    | 0.93%   |
| WCB Properties            |                              |      |   | 3,694,330                    | 6    | 0.71%   |
| Navistar International    |                              |      |   | 3,481,270                    | 7    | 0.67%   |
| Centerpoint Properties    |                              |      |   | 2,942,490                    | 9    | 0.57%   |
| Toyota Motor Sales, Inc   |                              |      |   | 2,509,640                    | 10   | 0.48%   |
|                           | <u>\$ 61,852,390</u>         |      | <u>9.97%</u>  | <u>\$ 63,265,880</u>         |      | <u>11.59%</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, 2012 (Unaudited)

| Tax<br>Levy<br>Year | Taxes<br>Levied<br>for the<br>Fiscal Year | Collected within the<br>Fiscal Year of the Levy |                       | Collections<br>in<br>Subsequent<br>Years | Total Collections to Date |                       |
|---------------------|---|---|-----------------------|--|---------------------------|-----------------------|
|                     |   | Amount  | Percentage<br>of Levy |  | Amount                    | Percentage<br>of Levy |
| 2002                | \$ 4,893,443                              | \$ 4,891,111                                    | 99.95%                | \$ N/A                                   | \$ 4,891,111              | 99.95%                |
| 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%                |

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, 2012 (Unaudited)

| Fiscal<br>Year<br>Ended | Governmental<br>Activities     | Business-Type<br>Activities |                                | Total<br>Primary<br>Government | Percentage<br>of Personal<br>Income (1) | Per<br>Capita (1) |
|-------------------------|--------------------------------|-----------------------------|--------------------------------|--------------------------------|---|-------------------|
|                         | General<br>Obligation<br>Bonds | IEPA<br>Revenue<br>Bonds    | General<br>Obligation<br>Bonds |                                |   |                   |
| 4/30/2004               | \$ 1,885,000                   | \$ 20,455,000               | \$ 10,182,475                  | \$ 22,340,000                  | 4.02%                                   | \$ 874            |
| 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               |
| 12/31/20112             | -                              | 7,259,271                   | -                              | 7,259,271                      | 0.96%                                   | 268               |

\* 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, 2012 (Unaudited)**

| Fiscal<br>Year<br>Ended | Gross<br>General<br>Obligation<br>Bonds | Less: Amounts<br>Available in<br>Debt Service<br>Funds | Total         | Percentage of<br>Equalized<br>Assessed<br>Value (1) | Per<br>Capita (2) |
|-------------------------|---|--|---------------|---|-------------------|
| 4/30/2004               | \$ 12,067,475                           | \$ 306,368   | \$ 11,761,107 | 2.15%   | \$ 459.94         |
| 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                              | -  | 15,295,000    | 2.08%   | 564.68            |
| 12/31/2011              | -                                       | -  | -             | 0.00%   | 0.00              |
| 12/31/2012              | -                                       | -  | -             | 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, 2012 (Unaudited)

| Governmental Unit                 | Gross Debt       | Percentage to<br>Debt<br>Applicable<br>to City (1) | City's<br>Share of<br>Debt |
|-----------------------------------|------------------|--|----------------------------|
| City of West Chicago              | \$ -             | 100.00%  | \$ -                       |
| DuPage County                     | 216,715,000      | 1.65%  | 3,565,465                  |
| DuPage Water Commission           | 61,465,000       | 1.92%  | 1,180,128                  |
| Forest Preserve District          | 189,315,100      | 1.54%  | 2,909,589                  |
| Warrenville Park District         | 228,453          | 3.31%  | 7,555                      |
| West Chicago Park District        | 8,281,323        | 93.53%   | 7,745,837                  |
| Winfield Park District            | 3,986,500        | 0.80%  | 31,781                     |
| School District #25               | 4,006,987        | 27.12%   | 1,086,650                  |
| School District #33               | 40,190,000       | 80.17%   | 32,220,885                 |
| School District #94               | 12,295,000       | 59.60%   | 7,327,942                  |
| U-46 School District              | 287,505,996      | 0.93%  | 2,669,565                  |
| U-303 School District             | 118,255,000      | 5.41%  | 6,396,976                  |
| Community College District #502   | 271,090,000      | 2.42%  | 6,565,792                  |
| Community College District #509   | 151,114,841      | 1.41%  | 2,123,988                  |
| Total Overlapping Debt            | 1,364,449,200    |  | 73,832,153                 |
| Total Direct and Overlapping Debt | \$ 1,364,449,200 |  | \$ 73,832,153              |

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 using the 2010 tax levy year equalized assessed values.

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

### **Schedule of Legal Debt Margin December 31, 2012 (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, 2012 (Unaudited)

| Fiscal<br>Year<br>Ended | (1)<br>Revenues | (2)<br>Expenses | (3)<br>Net<br>Revenue<br>Available<br>for<br>Debt Service | (4)<br>Debt Service |              | (5)<br>Coverage |
|-------------------------|-----------------|-----------------|---|---------------------|--------------|-----------------|
|                         |                 |                 |   | Principal           | Interest     |                 |
| 4/30/2004               | \$ 9,439,148    | \$ 5,525,335    | \$ 3,913,813  | \$ 765,000          | \$ 1,096,070 | 2.10            |
| 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   | -                   | -            | -               |

\* 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, 2012 (Unaudited)

| Fiscal<br>Year<br>Ended | (1)<br>Population | (2)<br>Personal<br>Income<br>(in Thousands) | Per<br>Capita<br>Personal<br>Income | (1)<br>Median<br>Age | School<br>Enrollment | (2)<br>Unemployment<br>Rate |
|-------------------------|-------------------|---|-------------------------------------|----------------------|----------------------|-----------------------------|
| 4/30/2004               | 25,571            | \$ 555,098,741                              | \$ 21,708                           | 27.8                 | N/A                  | 6.6                         |
| 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                         |

\* 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, 2012 (Unaudited)

| Employer                                | 2012         |      |  | 2003       |      |  |
|---|--------------|------|--|------------|------|--|
|   | Employees    | Rank | Percentage<br>of Total<br>City<br>Employment | Employees  | Rank | Percentage<br>of Total<br>City<br>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    | 3.38%  | 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  |
| Tomenson Machine Works                  | 220          | 10   | 1.49%  | N/A        | N/A  | N/A  |
| Osco Drug Store                         | 200          | 11   | 1.35%  | N/A        | N/A  | N/A  |
| Mapei Corp                              | 185          | 12   | 1.25%  | N/A        | N/A  | N/A  |
| New Wincup Holdings                     | 185          | 12   | 1.25%  | N/A        | N/A  | N/A  |
| Express Packaging                       | 160          | 12   | 1.08%  | N/A        | N/A  | N/A  |
|   | <u>5,247</u> |      | <u>35.52%</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 2003 is not available.

**CITY OF WEST CHICAGO, ILLINOIS**

**Full-time Equivalent City Government Employees by Function - Last Ten Fiscal Years  
December 31, 2012 (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, 2012 (Unaudited)

| Function                        | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 |
|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Government              |                                      |                                      |                                      |
| Administration                  | 4.50                                 | 2.00                                 | 2.00                                 |
| Finance/Administrative Services | 8.00                                 | 11.00                                | 11.00                                |
| Museum/Marketing                | 3.00                                 | 3.00                                 | 3.00                                 |
| Public Works                    | 30.55                                | 17.57                                | 17.41                                |
| Police                          | 46.00                                | 46.00                                | 47.00                                |
| Community Development           | 10.00                                | 9.00                                 | 9.90                                 |
| Water and Sewer                 | 22.70                                | 48.65                                | 37.40                                |
| Commuter Parking Lot            | 0.25                                 | 0.56                                 | 0.56                                 |
| Total                           | 125.00                               | 137.78                               | 128.27                               |

Data Source: City Records

| Fiscal<br>Year<br>Ended<br>4/30/2007 | Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 2.50                                 | 3.00                                 | 2.25                                   | 2.25                                  | 2.25                                  | 1.13                                  | 1.13                                  |
| 10.50                                | 8.00                                 | 8.00                                   | 8.00                                  | 8.00                                  | 5.00                                  | 5.00                                  |
| 4.00                                 | 4.00                                 | 3.38                                   | 1.75                                  | 1.75                                  | 0.50                                  | 0.50                                  |
| 18.21                                | 21.50                                | 23.00                                  | 23.00                                 | 23.00                                 | 11.74                                 | 11.74                                 |
| 47.00                                | 49.00                                | 50.00                                  | 48.00                                 | 48.00                                 | 47.00                                 | 49.00                                 |
| 9.90                                 | 6.00                                 | 6.00                                   | 6.00                                  | 6.00                                  | 5.50                                  | 5.00                                  |
| 48.81                                | 24.00                                | 20.00                                  | 20.00                                 | 20.00                                 | 37.50                                 | 37.50                                 |
| 0.63                                 | 0.50                                 | 0.81                                   | 1.00                                  | 1.00                                  | 0.38                                  | 0.38                                  |
| 141.55                               | 116.00                               | 113.44                                 | 110.00                                | 110.00                                | 108.75                                | 110.25                                |

# CITY OF WEST CHICAGO, ILLINOIS

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

| Function/Program                              | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Public Works</b>                           |                                      |                                      |                                      |
| Number of Parkway Trees Planted               | 134                                  | 146                                  | 146                                  |
| Number of Parkway Trees Trimmed               | 1,659                                | 1,126                                | 1,575                                |
| Brush Pickup Program (Days to Collect)        | 4                                    | 4                                    | 4                                    |
| Building Safety Inspections                   | 12                                   | 12                                   | 12                                   |
| Tunnel - Paint and Light Lens Replacements    | 6                                    | 10                                   | 15                                   |
| Special Events Handled                        | 6                                    | 6                                    | 6                                    |
| <b>Public Safety</b>                          |                                      |                                      |                                      |
| <b>Fire</b>                                   |                                      |                                      |                                      |
| Number of Fire Calls                          | 1,288                                | 1,330                                | 1,272                                |
| Number of EMS Calls                           | 1,531                                | 1,489                                | 1,821                                |
| ISO Rating                                    | 3/5                                  | 3/3                                  | 3/3                                  |
| <b>Police</b>                                 |                                      |                                      |                                      |
| Part I Crime                                  | 773                                  | 787                                  | 642                                  |
| Part II Crime                                 | 3,360                                | 3,646                                | 3,653                                |
| Calls for Service                             | 56,309                               | 44,941                               | 40,168                               |
| Parking Tickets Issued                        | 7,113                                | 5,689                                | 5,232                                |
| <b>Community Development</b>                  |                                      |                                      |                                      |
| Number of Building Permits Issued             | 1,288                                | 1,480                                | 1,225                                |
| Number of Building Inspections                | 2,063                                | 2,693                                | 3,814                                |
| <b>Highways and Streets</b>                   |                                      |                                      |                                      |
| Sidewalk Replaced (sq. ft.)                   | 16,066                               | 15,930                               | 18,470                               |
| Crack Sealing (lbs. installed)                | N/A                                  | 28,500                               | 28,500                               |
| Tons of Salt Used                             | 2,000                                | 2,500                                | 2,500                                |
| <b>Water and Sewer</b>                        |                                      |                                      |                                      |
| Miles of Water Main                           | 105                                  | 110                                  | 110                                  |
| Number of metered accounts                    | 6,042                                | 6,150                                | 6,300                                |
| Water Meters Read                             | 36,437                               | 36,900                               | 37,800                               |
| Water Meter Service Requests                  | 86                                   | 93                                   | 173                                  |
| Water Meters Replaced                         | 267                                  | 139                                  | 90                                   |
| Average Daily Treated Water (Million Gallons) | 3.50                                 | 3.57                                 | 3.76                                 |
| Sanitary Sewer Repairs                        | -                                    | -                                    | 3                                    |

N/A - Not Available

Data Source: City Records

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

| Fiscal<br>Year<br>Ended<br>4/30/2007 | Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 121                                  | 115                                  | 0                                      | 140                                   | 150                                   | 85                                    | 300                                   |
| 1,125                                | 1,255                                | 80                                     | 1,087                                 | 1,087                                 | 1,458                                 | 1,287                                 |
| 4                                    | 4                                    | 5                                      | 4                                     | 4.5                                   | 4.0                                   | 4.0                                   |
| 12                                   | 12                                   | 8                                      | 12                                    | 12                                    | 12                                    | 12                                    |
| 15                                   | 132                                  | 33                                     | 30                                    | 29                                    | 22                                    | 42                                    |
| 6                                    | 6                                    | 5                                      | 6                                     | 10                                    | 3                                     | 4                                     |
| 1,440                                | N/A                                  | 1,506                                  | 1,159                                 | 1,146                                 | 1,279                                 | 1,238                                 |
| 1,692                                | N/A                                  | 1,733                                  | 1,826                                 | 1,821                                 | 1,629                                 | 1,629                                 |
| 3/3                                  | 3/3                                  | 3/3                                    | 3/3                                   | 3/3                                   | 3/3                                   | 3/3                                   |
| 536                                  | N/A                                  | 451                                    | 509                                   | 438                                   | 374                                   | 379                                   |
| 3,803                                | N/A                                  | 2,933                                  | 3,009                                 | 2,342                                 | 2,402                                 | 1,393                                 |
| 40,960                               | N/A                                  | 40,990                                 | 38,828                                | 37,407                                | 38,910                                | 38,509                                |
| 5,051                                | N/A                                  | 4,654                                  | 4,294                                 | 3,728                                 | 3,376                                 | 2,888                                 |
| 1,083                                | 967                                  | 729                                    | 882                                   | 1,097                                 | 954                                   | 1,199                                 |
| 1,951                                | 1,205                                | 880                                    | 881                                   | 753                                   | 1,116                                 | 1,049                                 |
| 18,032                               | 18,491                               | 18,159                                 | 13,195                                | 10,935                                | 9,849                                 | 10,000                                |
| -                                    | -                                    | -                                      | 26,520                                | 14,983                                | 37,320                                | 36,429                                |
| 2,000                                | 4,100                                | 3,300                                  | 3,000                                 | 3,577                                 | 3,000                                 | 2,800                                 |
| 120                                  | 130                                  | 123                                    | 123                                   | 125.33                                | 127.38                                | 127.99                                |
| 6,450                                | 6,600                                | 6,707                                  | 6,438                                 | 6,437                                 | 6,430                                 | 6,432                                 |
| 38,700                               | 39,600                               | 40,242                                 | 38,700                                | 38,700                                | 38,580                                | 35,000                                |
| 87                                   | 155                                  | 66                                     | 90                                    | 103                                   | 92                                    | 70                                    |
| 100                                  | 60                                   | 35                                     | 80                                    | 117                                   | 41                                    | 30                                    |
| 3.80                                 | 3.67                                 | 3.60                                   | 3.37                                  | 3.28                                  | 3.00                                  | 3.45                                  |
| 3                                    | 1                                    | 3                                      | 2                                     | 3                                     | 2                                     | 1                                     |

# CITY OF WEST CHICAGO, ILLINOIS

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

| Function/Program        | Fiscal<br>Year<br>Ended<br>4/30/2004 | Fiscal<br>Year<br>Ended<br>4/30/2005 | Fiscal<br>Year<br>Ended<br>4/30/2006 |
|-------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Police                  |                                      |                                      |                                      |
| Stations                | 1                                    | 1                                    | 1                                    |
| Patrol Units            | 29                                   | 29                                   | 28                                   |
| Fire Stations           | 3                                    | 3                                    | 3                                    |
| Public Works            |                                      |                                      |                                      |
| Streets (Miles)         | 140.20                               | 153.76                               | 161.94                               |
| Sidewalks (Miles)       | N/A                                  | N/A                                  | N/A                                  |
| Streetlights            | 446                                  | 446                                  | 446                                  |
| Water and Sewer         |                                      |                                      |                                      |
| Water Mains (Miles)     | 130.00                               | 130.00                               | 125.00                               |
| Fire Hydrants           | 1,560                                | 1,560                                | 1,560                                |
| Sanitary Sewers (Miles) | 124.50                               | 103.06                               | 103.06                               |
| Manholes                | N/A                                  | 1,716                                | 1,722                                |

N/A - Not Available

Data Source: City Records



| Fiscal<br>Year<br>Ended<br>4/30/2007 | Fiscal<br>Year<br>Ended<br>4/30/2008 | Eight<br>Months<br>Ended<br>12/31/2008 | Fiscal<br>Year<br>Ended<br>12/31/2009 | Fiscal<br>Year<br>Ended<br>12/31/2010 | Fiscal<br>Year<br>Ended<br>12/31/2011 | Fiscal<br>Year<br>Ended<br>12/31/2012 |
|--------------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 1                                    | 1                                    | 1                                      | 1                                     | 1                                     | 1                                     | 1                                     |
| 28                                   | 28                                   | 28                                     | 28                                    | 28                                    | 27                                    | 27                                    |
| 3                                    | 3                                    | 3                                      | 3                                     | 3                                     | 4                                     | 4                                     |
| 165.00                               | 165.41                               | 173.65                                 | 169.71                                | 167.20                                | 167.20                                | 174.18                                |
| 84.00                                | 102.20                               | 103.40                                 | 104.05                                | 108.38                                | 111.18                                | 111.00                                |
| 446                                  | 883                                  | 883                                    | 964                                   | 964                                   | 964                                   | 961                                   |
| 125.00                               | 130.00                               | 123.00                                 | 123.00                                | 125.33                                | 127.38                                | 127.99                                |
| 1,560                                | 1,560                                | 1,472                                  | 1,482                                 | 1,483                                 | 1,518                                 | 1,528                                 |
| 103.06                               | 103.12                               | 105.60                                 | 105.60                                | 105.60                                | 106.19                                | 106.34                                |
| 1,725                                | 2,075                                | 2,176                                  | 2,176                                 | 2,186                                 | 2,202                                 | 2,211                                 |