



Comprehensive Annual

Financial Report

for the Fiscal Year Ended

April 30, 2018

Village of Oswego, Illinois



VILLAGE OF OSWEGO, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2018

Prepared by:

Village of Oswego Finance Department

VILLAGE OF OSWEGO, ILLINOIS
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Principal Officials

VILLAGE PRESIDENT

Gail Johnson

(Term Expires April 2019)

VILLAGE TRUSTEES

Pam Parr

(Term Expires April 2021)

Luis Perez

(Term Expires April 2021)

Judy Sollinger

(Term Expires April 2021)

Ryan Kauffman

(Term Expires April 2019)

Karen McCarthy-Lange

(Term Expires April 2019)

Joe West

(Term Expires April 2019)

MANAGEMENT STAFF

Dan Di Santo

Village Administrator

Rod Zenner

Community Development Director

Christina Burns

Assistant Village Administrator/
Human Resource Director

Corinna Cole

Economic Development Director

Tina Touchette

Village Clerk

Jennifer Hughes

Public Works Director

Mark Horton

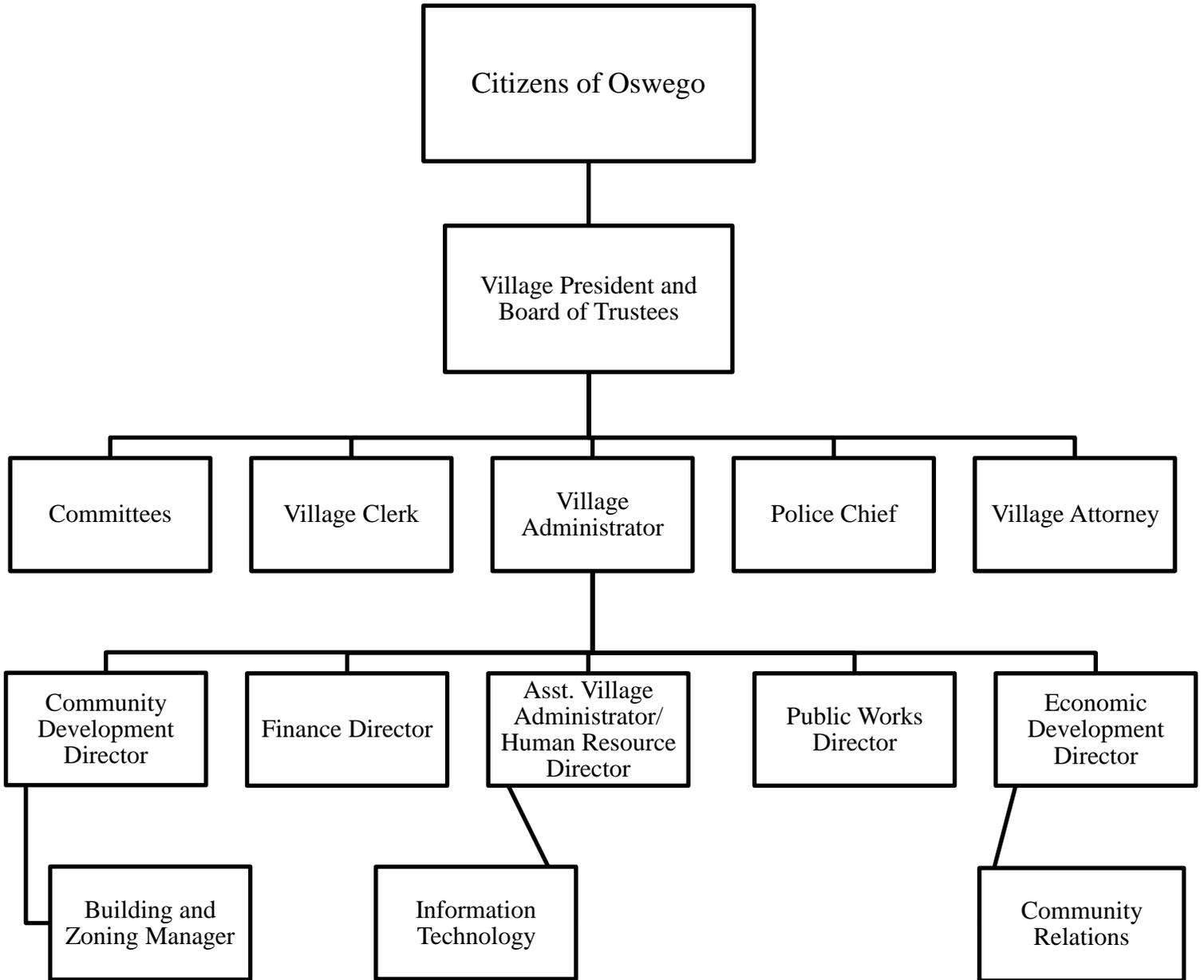
Finance Director/Village Treasurer

Jeff Burgner

Police Chief

Officials and Staff may be contacted at:
village@oswegoil.org or 630/554-3618

VILLAGE OF OSWEGO ORGANIZATIONAL CHART



- The Village President and Board of Trustees are the only elected positions



Government Finance Officers Association

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

Presented to

**Village of Oswego
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2017

Christopher P. Morrill

Executive Director/CEO



Finance Department
100 Parkers Mill • Oswego, IL. 60543
(630) 554-3618 • Fax: (630) 554-3306
Website: <http://www.oswegoil.org>

October 16, 2018

Residents of the Village of Oswego
Village President Johnson and Board of Trustees

The Comprehensive Annual Financial Report of the Village of Oswego, Illinois, for the fiscal year ended April 30, 2018 is hereby presented in compliance with State Statutes. State Statutes require local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). These financial statements must also be audited in accordance with accepted auditing standards by a firm of licensed certified public accountants.

The financial statements consist of management's representations regarding the finances of the Village of Oswego. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this document. Management has established an internal control framework designed to protect the government's assets from loss, theft, misuse and to compile sufficient reliable information for preparing the Village's financial statements in conformity with GAAP. The cost of implementing internal controls should not outweigh their benefits and so the control framework has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. Management believes the data presented in this financial report is complete and reliable in all material respects.

The Village of Oswego retained the services of an independent accounting firm, Sikich LLP, Naperville, Illinois, to conduct the April 30, 2018 audit. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village of Oswego financial statements for the fiscal year ended April 30, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative 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 MD&A and should be read in conjunction with it. The Village of Oswego MD&A can be found immediately following the independent auditor's report.

GOVERNMENT PROFILE

Oswego was first settled in 1833 and formally incorporated in 1852. It is a home rule community as defined by the Illinois Constitution and as such is empowered to levy a property tax, at the rate it deems appropriate on all property located within its boundaries. The Village of Oswego is located in the northeastern section of the State of Illinois, approximately 50 miles southwest of Chicago in the northeast corner of Kendall County and northwest corner of Will County. The special census completed in 2016, increased the Village population to 33,078. The Village operates under the Trustee/Administrator form of government, as defined in Illinois state statutes. A Village President and six trustees are elected at large to overlapping 4-year terms. The Board appointed full-time Village Administrator acts as the Chief Operating Officer of the Village, managing the day-to-day activities of the Village.

The Village of Oswego has 118.75 full time equivalent employees providing an array of services for the residents including; police protection, maintaining the water distribution system, sanitary sewer line administration, storm water collection, public works operations, road & bridge maintenance, community development, economic development, building and zoning services, general administrative services, and tourism.

Generally accepted accounting principles (GAAP) require that the financial reporting entity include the primary government, organizations for which the primary government is financially responsible and other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the financial reporting entity's financial statements to be misleading and incomplete. The criteria used to evaluate the responsibility for oversight at the Village's level includes financial independence, election of a governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The Village has included the Police Pension Fund as part of the Village's financial statements. The Village is not considered to be a component unit of any other governmental unit.

The annual budget serves as the spending authority for the Village. Budgetary control is maintained at the fund level for all budgeted funds. An annual budget is prepared for the General Fund, the Motor Fuel Tax Fund, the Tax Increment Financing Fund (TIF), the Debt Service Fund, the Capital Improvement Fund, the Water and Sewer Fund, the Water and Sewer Capital Fund, the Garbage Collection Fund, the Vehicle Fund, and the Police Pension Fund. The budget process begins in the fall when Department heads are given instructions for preparing line item budgets for their respective departments and submitting them to the Budget Officer/Finance Director. All the department submissions are compiled creating the draft budget which is presented to the Board. A public hearing is required to be held on the budget before formal adoption by the Board. The annual budget must be adopted before the beginning of the Village's fiscal year, which is May 1st.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

Building of new residential homes and commercial buildings continues at the same pace as the previous few years of about 60 new homes per year. Building related revenues are budgeted at approximately 33% of the revenue received in FY 2015. The Village lowered the development

impact fees charged to multi-family residential developers in 2017 to spur construction. This action resulted in several developments planned for 2018. These development projects in 2018 have the village hopeful for a strengthening local economy for the year ahead; including the Redevelopment agreement for a \$69 million mixed use residential/commercial/public parking deck project located in the downtown, a craft brewery that opened in May, 2018 in the downtown, the restarting of several dormant residential developments, a new apartment complex under construction and several new business openings including Longhorn Steakhouse, O'Reilly Auto Parts Store and Burlington Coat Factory. Interest in housing and new commercial development is gaining traction in the Village signaling a strengthening local economy for the year ahead.

Long-Term Financial Planning

Annually the Village Board and staff review a Five Year Financial Forecast and Capital Improvement Plan to determine what resources will be available to meet the goals of the Strategic Plan. In fiscal year 2017, the Village Board completed the 2017-2020 Strategic Plan outlining the Vision, Mission, and Values of the Village of Oswego. This plan contains five strategic priorities, key outcome indicators, targets, and initiatives. The Five Year Financial Forecast estimates annual revenues and annual expenditures for long term planning along with identifying trends in revenue sources and expenditures so quality assumptions may be made for the future fiscal health of the Village. The Capital Improvement Plan lists pending improvement projects identifying costs and associated funding sources allowing the Village to plan for the improvements in subsequent years. All this information will be utilized in creating a roadmap for Village operations, future capital improvement projects and creating a financing plan for the Village's future.

Relevant Financial Policies

The Village Board has in place numerous key written financial policies including the following:

Capitalization Policy: The policy defines criteria to determine when capital assets shall be capitalized including cost, useful life, and purpose of an asset.

Debt Policy: The policy is to limit the amount of outstanding general obligation debt of the Village to a maximum of 5% of the equalized assessed valuation of the Village. The Village will also strive to maintain a level annual debt service repayment schedule.

General Fund Fund Balance Policy: The policy is currently 35% of the estimated subsequent year's annual operating expenditures, excluding capital improvements. The Village also strives to maintain a minimum cash reserve balance equal to 25% of the estimated subsequent year's annual operating expenditures.

Investment Policy: The policy provides direction related to the investment activities of the Village, including criteria which include scope, prudence, objectives, authorized financial institutions, authorized investments, collateralization, safekeeping, custody, and diversification.

Pension Funding Policy: The policy provides direction relative to the employer funding of the annual required contribution (ARC); which is also known as the actuarially determined contribution (ADC) under GASB 68 for the Village's Police Pension.

Purchasing Policy: The policy provides direction related to purchasing activity of the Village including criteria which include procedure, bidding requirements, spending limits, etc.

Water & Sewer Fund Net Unrestricted Assets Policy: The policy is currently 30% of the estimated subsequent year's annual operating expenditures.

Major Initiatives

Many items were accomplished during the fiscal year including;

- \$1.1 million in roadway improvements
- construction of the new Police Headquarters facility
- Environmental Phase I engineering for the Wolfs Crossing Road improvements
- completed phase 1-Financials implementation for the Enterprise Resource Planning System and began phases 2, 3 and 4
- approved a redevelopment agreement for a \$69 million mixed use residential/commercial development including a public parking deck located in the Tax Increment Financing District
- launched the “GoOswego” regional positioning plan marketing the Village as a destination place for visitors
- issued General Obligation Refunding Bonds, Series 2017 to refund the General Obligation Bonds, Series 2009 realizing a NPV of \$262,000.

Initiatives for fiscal year 2019 include;

- ❖ annual road program focusing on Downtown street reconstruction paid from Motor Fuel Tax and Home Rule Sales Tax revenue
- ❖ continued implementation of MUNIS, a new enterprise-wide software solution
- ❖ the completion of the new Police Headquarters
- ❖ the start of a new water meter/remote reader replacement program
- ❖ roadway improvements completed by Illinois Department of Transportation requiring Village participation
- ❖ installation of video surveillance systems for Village Hall and Public Works facilities
- ❖ planning for a future water source
- ❖ vehicle replacements to improve the police and public works fleets
- ❖ Wolfs Crossing Road phase II engineering

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Oswego for its comprehensive annual financial report for the fiscal year ended April 30, 2017. This was the 15th consecutive year the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. 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 Village also received the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2018 Annual Budget document. This was the 14th consecutive year the Village has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The Village received its first Popular Annual Financial Report (PAFR) Award for Fiscal Year 2017. This award is given by the GFOA for local governments that make the information in their annual financial report more accessible and understandable for the public. This report provides a brief analysis of where the Village's revenues come from and how those dollars are spent, as well as trends in the local economy. The 2017 Resident's Annual Financial Report (PAFR), can be viewed on the Village's website.

The preparation of this report would not have been possible without the dedicated services of Village Department Heads and staff. The Assistant Finance Director and staff of the finance department is extended special appreciation for their assistance in the completion of the annual audit and preparation of this report. We would also like to thank the Village President and Board of Trustees for their support in maintaining the highest standards of professionalism in the management of the Village's finances.

Respectfully submitted,



Dan Di Santo
Village Administrator



Mark G. Horton
Finance Director/Village Treasurer

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Oswego, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois (the Village) as of and for the year ended April 30, 2018, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits 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 includes 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois, as of April 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data, introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents were not audited by us and, accordingly, we express no opinion thereon.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village as of and for the year ended April 30, 2017, and we expressed unmodified opinions on those basic financial statements. That audit was conducted for purposes of forming an opinion on the basic financial statements as a whole. The 2017 comparative information included on certain combining and individual financial statements and schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated September 5, 2018 on our consideration of the Village's 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. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
September 5, 2018

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018

As management of the Village of Oswego ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2018. Since Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Letter of Transmittal on pages iv through vii and the financial statements beginning on page 4.

Overview of the Financial Statements

The focus of the financial statements is on the Village as a whole (government-wide) and on the major individual funds (major fund). Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden the basis for comparison (year to year or government to government) and enhance the Village's accountability.

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Financial Highlights

- The Village's total assets and deferred outflows decreased \$1.8 million from \$392.3 million to \$390.5 million. The \$11.8 million decrease in cash & investments offset by the \$9.2 million increase in capital assets and \$0.8 million increase in Deferred Outflows of Resources accounted for the overall decrease in total assets.
- The Village's total liabilities and deferred inflows decreased \$1.0 million compared to Fiscal Year 2017. Current liabilities increased \$2.2 million while long term liabilities decreased \$2.8 million. The construction of the police headquarters facility and the change in the outstanding amount of debt service caused the changes in liabilities. The Deferred Inflow of Resources decreased \$.04 million.
- The Village's total net position decreased \$0.8 million as total assets decreased more than total liabilities decreased.
- Total revenues increased \$2.3 million during the fiscal year. Tax increases of \$1.3 million from the implementation of two new taxes during the fiscal year and a \$1.0 million increase in charges for services primarily from business activities provided the revenue increases.
- Total expenses decreased \$2.8 million compared to the previous fiscal year. General government increases of \$1.5 million plus Community development increases of \$0.4 million were offset by decreases of \$2.7 in Public safety and \$1.8 million in Public works. The decrease in Public Safety was due to changes in Net Pension Liabilities. This was caused by a change in the assumptions pertaining to the mortality rates. The decrease in Public works was due to reduction of capital outlay expenditures in FY 18.
- The net change in the General Fund's Fund balance was an increase of \$1.1 million in FY 18. This increase was due to the \$1.0 million increase in tax revenue from the two new taxes implemented during the fiscal year and monitoring of expenditures during the fiscal year.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the Village's assets, deferred outflows, liabilities and deferred inflows, with the difference between these balances reported as net

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018

position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the most recent fiscal year. 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.

The government-wide financial statements distinguish functions of the Village that are primarily 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 reflect the Village's basic services, including administration, building and zoning, community development, public works and public safety. Sales taxes, shared state taxes and permit fees finance many of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation. The water/sewer operations and the garbage collection operations are the two business-type activities within the village. The government-wide financial statements can be found beginning on page 4 of this report.

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 Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, 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 year. 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 Village'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 this comparison between governmental funds and governmental activities.

The Village maintains many 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, Capital Fund, Debt Service Fund, and Tax Increment Financing Fund all of which are major funds. Information from the Village's other governmental funds is combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report. The basic governmental fund financial statements can be found beginning on page 7 of this report.

Proprietary Funds maintained by the Village are of only one type; enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sanitary sewer operations and its

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

contractually hired garbage collections. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund, both of which are major funds of the Village. The basic proprietary fund financial statements can be found beginning on page 11 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds. The Village maintains one fiduciary trust fund; the Police Pension fund and two agency funds; one for development fees held for other governmental agencies and one for developer deposits. The basic fiduciary fund financial statements can be found beginning on page 16 of this report.

Notes to the Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 18 of this report.

Other Information. In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. Table 1 presents a condensed Statement of Net Position as of April 30, 2018 compared to the prior year ending April 30, 2017.

**Table 1
Village of Oswego
Statement of Net Position
As of April 30, 2018**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Assets:						
Current & other assets	\$42,162,204	\$28,900,887	\$10,471,102	\$11,910,201	\$52,633,306	\$40,811,088
Capital assets	281,382,525	292,139,021	56,350,795	54,793,567	337,733,320	346,932,588
Total assets	323,544,729	321,039,908	66,821,897	66,703,768	390,366,626	387,743,676
Deferred outflows	1,383,677	2,267,802	517,287	488,720	1,900,964	2,756,522
Total assets & deferred outflows	324,928,406	323,307,710	67,339,184	67,192,488	392,267,590	390,500,198
Liabilities:						
Current liabilities	2,864,521	4,966,350	2,896,729	3,028,833	5,761,250	7,995,183
Long-term liabilities	56,709,532	55,246,310	12,081,303	10,735,910	68,790,835	65,982,220
Total liabilities	59,574,053	60,212,660	14,978,032	13,764,743	74,552,085	73,977,403
Deferred inflows	3,301,013	2,589,604	130,688	419,940	3,431,701	3,009,544
Total liabilities & deferred inflows	62,875,066	62,802,264	15,108,720	14,184,683	77,983,786	76,986,947
Net Position:						
Net invested in capital assets	266,143,880	263,761,350	43,955,344	44,660,699	310,099,224	308,422,049
Restricted	2,262,586	2,141,559	654,000	654,000	2,916,586	2,795,559
Unrestricted	(6,353,126)	(5,397,463)	7,621,120	7,693,106	1,267,994	2,295,643
Total Net Position	\$262,053,340	\$260,505,446	\$52,230,464	\$53,007,805	\$314,283,804	\$313,513,251

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

A useful indicator of the Village's financial position may be ascertained by comparing the total Net Position from year to year. The total Net Position decreased \$0.8 million from fiscal year end 2017 due to the decrease in the net investment of capital assets. This portion of the Village of Oswego's net position reflects its investment in capital assets (e.g. land, buildings, machinery & equipment and infrastructure), less any related outstanding debt used to acquire or construct those assets. The Village of Oswego uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

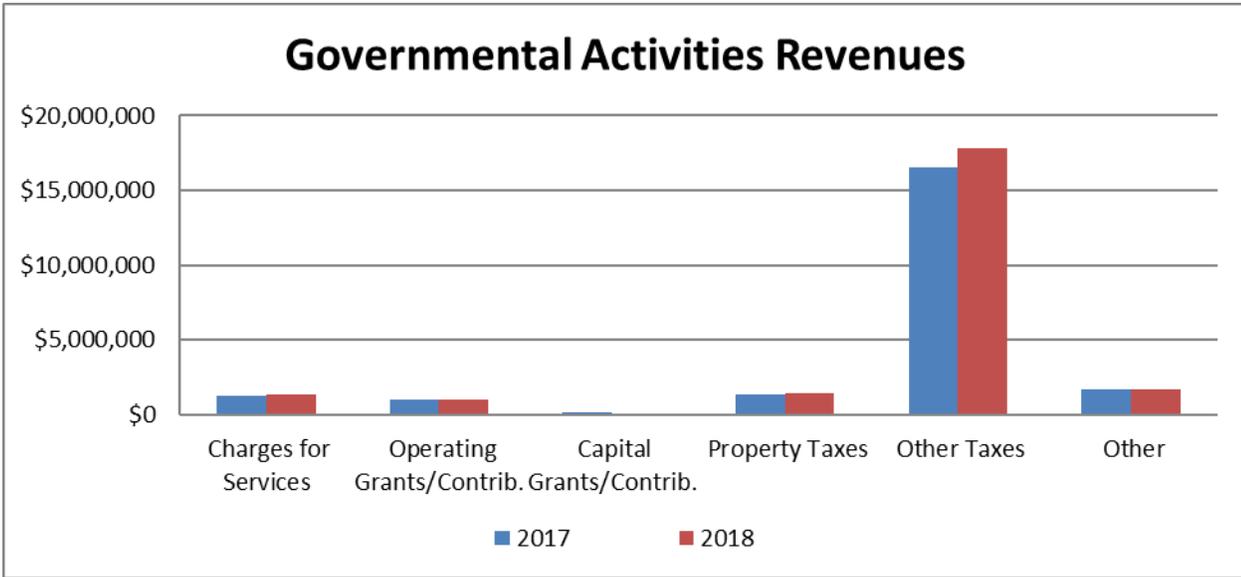
Changes in Net Position. Table 2 summarizes the revenue and expenses of the Village's activities.

**Table 2
Village of Oswego
Changes in Net Position
For the Fiscal Year Ended April 30, 2018**

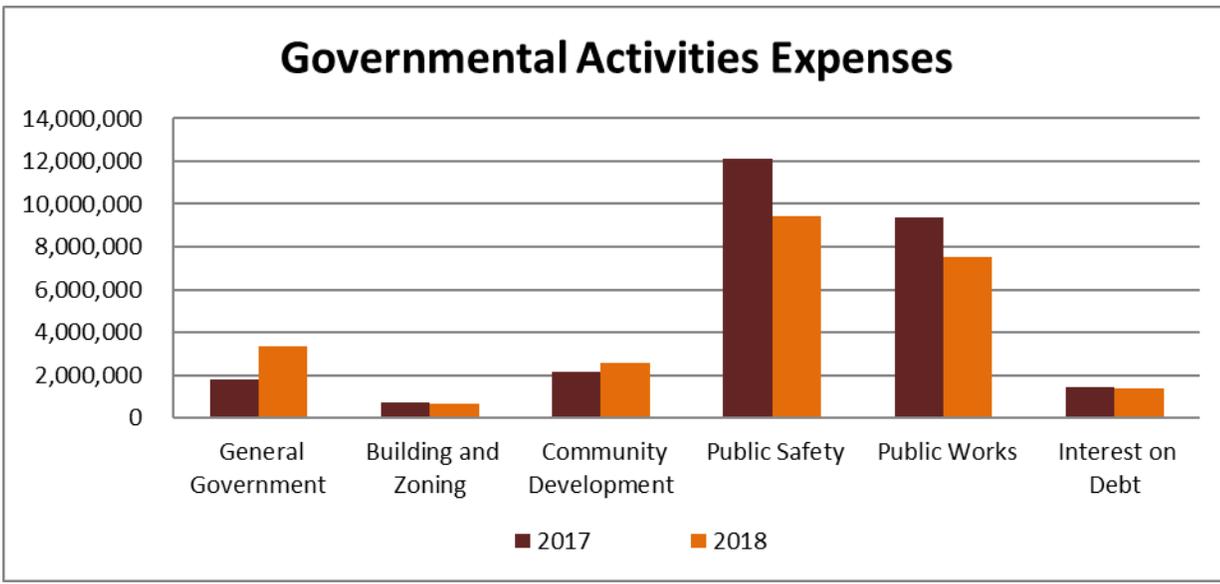
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
REVENUES						
Program Revenues:						
Charges for Services	\$1,264,087	\$1,346,388	\$7,663,259	\$8,543,257	\$8,927,346	\$9,889,645
Operating Grants/Contrib.	979,002	1,013,662	84,572	92,370	\$1,063,574	\$1,106,032
Capital Grants/Contrib.	127,631	-			\$127,631	-
General Revenues:						
Property Taxes	1,326,027	1,404,345			\$1,326,027	\$1,404,345
Other Taxes	16,553,394	17,847,219			\$16,553,394	\$17,847,219
Other	1,735,837	1,730,872	21,605	62,336	\$1,757,442	\$1,793,208
Total Revenues	21,985,978	23,342,486	7,769,436	8,697,963	\$29,755,414	\$32,040,449
EXPENSES						
General Government	1,779,446	3,317,100			\$1,779,446	3,317,100
Building and Zoning	724,871	680,972			\$724,871	680,972
Community Development	2,132,879	2,575,165			\$2,132,879	2,575,165
Public Safety	12,103,554	9,438,787			\$12,103,554	9,438,787
Public Works	9,376,444	7,533,756			\$9,376,444	7,533,756
Interest on Debt	1,415,148	1,344,600			\$1,415,148	1,344,600
Water and Sewer			5,743,368	5,512,167	\$5,743,368	5,512,167
Garbage			2,346,478	2,408,455	\$2,346,478	2,408,455
Total Expenses	27,532,342	24,890,380	8,089,846	7,920,622	35,622,188	32,811,002
Change in Net Position	(5,546,364)	(1,547,894)	(320,410)	777,341	(5,866,774)	(770,553)
Net Position, Beginning of the Year	267,599,704	262,053,340	52,550,874	52,230,464	320,150,578	314,283,804
Net Position, End of the Year	\$262,053,340	\$260,505,446	\$52,230,464	\$53,007,805	\$314,283,804	313,513,251

- **Change in Net Position in the Governmental Activities.** Total revenues for governmental activities increased \$1.4 million compared to fiscal year 2017. The Other taxes category increased \$1.3 million primarily from two new taxes enacted in October 2017. Charges for services, Operating grants/contributions and Property taxes categories all had moderate increases contributing to the overall revenue increase.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**



Total expenses for governmental activities decreased \$2.6 million compared with fiscal year 2017. Public Safety and Public Works had the largest decreases in expenses.



The resulting total change in Net Position was a decrease of \$1.5 million leaving an ending Net Position balance of \$260.5 million at April 30, 2018.

Change in Net Position in Business-Type Activities. The total change in Net Position for business-type activities is a decrease of \$1.1 million from fiscal year 2017. Total revenues increased \$0.9 million from the \$0.9 million increase in Charges for services and total expenses decreased \$0.2 million over last year

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds. The focus of the governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. This information may be helpful in assessing the Village's financing requirements. For example, unrestricted-unassigned fund balance serves as a useful measure of net resources available for spending at the end of the fiscal year. At April 30, 2018, the governmental funds reported combined ending fund balances of \$23 million, a decrease of \$15.5 million compared to the ending fund balances at April 30, 2017. Capital Outlay expenses were \$19.2 million for the fiscal year accounting for the large decline in fund balances.

The General Fund is the primary operating fund of the Village of Oswego. The total fund balance of the General Fund increased \$1.1 million creating an ending balance at April 30, 2018 of \$8.7 million. As a measure of liquidity, it is useful to compare unrestricted fund balance to total expenditures. Unrestricted fund balance is 52% of total 2018 General Fund expenditures. This is greater than the Village's General Fund balance policy of 35%.

The Capital Projects Fund had expenditures of \$20.5 million mostly related to the annual road program and the new Police Headquarters construction. The Village issued bonds to fund the design and construction of the new building which will open in October 2018.

The Debt Service Fund had expenditures of \$2.9 million for principal and interest payments during the fiscal year. Transfers from the General Fund, Motor Fuel Tax Fund and Capital Projects Fund supported the expenditures.

The Downtown TIF Fund was created in fiscal year 2017. \$0.2 million in expenses were incurred in the fiscal year. Development agreements have been approved for a couple of sites within the TIF District.

The non-major governmental funds consist of the Motor Fuel Tax Fund, the Public Works Escrow Fund, the Economic Development Fund, and the Public Service Fund. Total assets for all Funds decreased \$0.3 million compared to last fiscal year. Total assets in the Motor Fuel Tax Fund decreased \$0.2 million as additional road improvements were completed and the Public Works Escrow Fund decreased \$0.1 million because of the completion of projects.

Proprietary Funds. The Village's proprietary fund statements provide the same type of information found in the government-wide statements but in greater detail. *Water and Sewer Fund* total assets and deferred outflows decreased \$0.4 million due to the cost of depreciation on capital assets. Water and Sewer Fund total liabilities decreased \$1.4 million due to payments on outstanding debt service. The overall effect caused the Water and Sewer Fund Net Position to increase \$0.8 million compared to Fiscal Year 2017.

The Garbage Fund Net Position remained at \$0.5 million as of April 30, 2018 which was the same balance as last fiscal year end. The Garbage Fund contracts with a commercial waste hauler passing the entire costs of the service to the users.

The Vehicle Replacement Fund Net Position decreased \$0.2 million due to the net investment in capital assets decreasing \$0.3 million from fiscal year 2017. The funding sources for the fund are transfers in from the Capital Improvement Fund and Water & Sewer Capital Fund. Its total assets at April 30, 2018 were \$1.5 million.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

General Fund Budgetary Highlights

Overall, the total General Fund Revenues were \$0.8 million or 1% greater than budget. Taxes exceeded the budget by \$0.8 million because of new taxes enacted during the fiscal year. General Fund Expenditures were 10% under budget. All departments were under budget for the fiscal year. Fund balance increased \$1.0 million from fiscal year end 2017.

**Table 3
Village of Oswego
General Fund Budgetary Highlights
For the Fiscal Year Ended April 30, 2018**

	Original Budget	Final Budget	Actual	Over(under) Budget
REVENUES				
Taxes	\$11,171,500	\$11,171,500	\$12,031,634	\$860,134
Intergovernmental	\$3,058,000	\$3,058,000	\$3,042,503	(\$15,497)
Charges for Services	\$1,220,006	1,220,006	1,157,386	(\$62,620)
Other	\$1,547,900	1,547,900	1,593,474	45,574
Total revenues	16,997,406	16,997,406	17,824,997	827,591
EXPENDITURES				
General Government	3,166,169	3,166,169	2,973,404	(192,765)
Building and Zoning	732,679	732,679	692,144	(40,535)
Community Development	681,338	681,338	634,269	(47,069)
Public Works	2,114,927	2,114,927	1,877,226	(237,701)
Public Safety	9,522,133	9,522,133	9,152,162	(369,971)
Total expenditures	16,217,246	16,217,246	15,329,205	(888,041)
OTHER FINANCING SOURCES (USES)				
Transfer In (Out)	(738,316)	(738,316)	(1,438,316)	700,000
Sale of capital assets	0	0	300	217
Total other financing sources (uses)	(738,316)	(738,316)	(1,438,016)	700,217
Net Change in Fund Balance	\$41,844	\$41,844	1,057,776	2,415,849
Fund Balance, May 1			7,660,614	
Fund Balance, April 30			\$8,718,390	

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

Capital Asset and Debt Administration. The Village of Oswego's investment in capital assets increased \$9.2 million (net of accumulated depreciation) as compared to fiscal year 2017. This investment in capital assets includes property and improvements, equipment, facilities, vehicles and infrastructure (roadway improvements, water supply lines and sanitary sewer lines). The following table details the Villages changes in capital assets for governmental activities and business-type activities.

Governmental activities total capital assets increased \$10.8 million because of the Construction In Progress (CIP) for the Police Headquarters facility increasing \$15.8 million.

Business-type activities total capital assets decreased \$1.6 million compared to last fiscal year due to the amount of depreciation expense exceeding the increase in new capital assets.

Additional information on the Village of Oswego's capital assets can be found in Note 7.

**Table 4
Village of Oswego
Capital Assets
As of April 30, 2018**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Non-Depreciable Assets:						
Land	3,026,555	3,073,555	3,348,121	3,348,121	6,374,676	6,421,676
Right of Way	104,263,377	104,284,273	-	-	104,263,377	104,284,273
CIP	2,204,583	18,009,816	386,195	-	2,590,778	18,009,816
Depreciable Assets						
Land improvements	848,229	848,229	-	-	848,229	848,229
Buildings	9,495,393	9,495,393	6,618,082	6,618,082	16,113,475	16,113,475
Equipment	1,728,868	2,022,999	453,964	904,454	2,182,832	2,927,453
Vehicles	3,246,048	3,166,673	-	-	3,246,048	3,166,673
Infrastructure	236,735,195	236,770,474	67,416,541	67,416,541	304,151,736	304,187,015
Accumulated Depreciation	(80,165,723)	(85,532,391)	(21,872,108)	(23,493,631)	(102,037,831)	(109,026,022)
Total	281,382,525	292,139,021	56,350,795	54,793,567	337,733,320	346,932,588

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

Long-Term Debt

At April 30, 2018 the Village had total debt outstanding of \$66 million. The amount of reported debt substantially increased in FY 2017 due to issuance of bonds to fund the new Police Headquarters. General Obligation Bonds and an IEPA note account for 78% of the Village's total outstanding indebtedness. Sales tax, MFT tax and water/sewer revenues are currently pledged to pay the annual debt service on the bonds and note.

**Table 5
Village of Oswego
Bonded and Other Indebtedness
As of April 30, 2018**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
General obligation bonds	38,815,000	37,480,000	10,730,000	9,420,000	49,545,000	46,900,000
Unamortized premium (discount)	4,184,418	3,858,018	(21,028)	-	4,163,390	3,858,018
Unamortized loss on refunding	(436)	-	151,896	479,094	151,460	479,094
IEPA notes	-	-	625,125	553,609	625,125	553,609
Compensated absences	554,264	555,729	74,290	86,436	628,554	642,165
Retiree termination benefits	157,845	158,028	-	-	157,845	158,028
Net pension obligation-Police Pension	11,589,328	12,573,228	-	-	11,589,328	12,573,228
Net pension obligation-IMRF	1,252,618	431,053	501,723	172,653	1,754,341	603,706
Other post employment benefits	156,495	190,254	19,297	24,118	175,792	214,372
Total	56,709,532	55,246,310	12,081,303	10,735,910	68,790,835	65,982,220

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's debt policy is to limit the amount of outstanding general obligation bonded debt to 5% of the equalized assessed valuation (EAV) of the Village. The latest EAV is \$873,023,966 which results in a gross debt to EAV ratio of 5.37% as of April 30, 2018 and a gross debt per capita of \$1,418 using the latest certified Village population of 33,078. The Village's current credit rating issued by Moody's Investors Services is Aa2.

Additional information on the Village of Oswego's long-term liabilities can be found in Note 8.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018**

Economic Factors and Next Year's Budget

Fiscal Year 2018 financial results were better than expected when comparing final actual numbers with final budget numbers. Although the Village's net position decreased during the fiscal year, new retail development along with an increase in residential home building provides optimism for the Village in the coming years.

The Village remained vigilant in preparing the Fiscal Year 2019 Budget. Expenditures were reduced wherever possible and revenues estimated conservatively to adopt a balanced budget. Department heads continue to spend only what is necessary attempting to maintain current service levels over the fiscal year.

The Village will monitor revenues and expenses throughout the fiscal year and will take action if warranted to remain within budget amounts. The Village will continue to be proactive in responding to any unforeseen events to minimize the impact to Village residents.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Village of Oswego, 100 Parkers Mill, Oswego, Illinois, 60543.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 22,847,132	\$ 9,806,308	\$ 32,653,440
Restricted cash and investments	-	654,000	654,000
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	1,376,728	-	1,376,728
Accounts	487,580	1,425,557	1,913,137
Accrued interest	8,509	9,516	18,025
Intergovernmental	3,131,624	-	3,131,624
Utility taxes	132,620	-	132,620
Notes	271,906	-	271,906
Insurance	337,453	-	337,453
Prepaid expenses	307,335	14,820	322,155
Capital assets not being depreciated	125,367,644	3,348,121	128,715,765
Capital assets being depreciated (net of accumulated depreciation)	166,771,377	51,445,446	218,216,823
Total assets	321,039,908	66,703,768	387,743,676
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	802,476	319,835	1,122,311
Pension items - Police Pension	1,043,682	-	1,043,682
Pension items - IMRF	421,644	168,885	590,529
Total deferred outflows of resources	2,267,802	488,720	2,756,522
Total assets and deferred outflows of resources	323,307,710	67,192,488	390,500,198
LIABILITIES			
Accounts payable	1,914,805	460,189	2,374,994
Retainage payable	1,542,840	-	1,542,840
Accrued payroll	425,295	5,073	430,368
Escrow deposits	491,871	-	491,871
Unearned revenue	14,677	2,450,250	2,464,927
Interest payable	576,862	113,321	690,183
Long-term liabilities			
Due within one year	1,731,011	1,262,630	2,993,641
Due in more than one year	53,515,299	9,473,280	62,988,579
Total liabilities	60,212,660	13,764,743	73,977,403
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	1,376,728	-	1,376,728
Pension items - Police Pension	164,439	-	164,439
Pension items - IMRF	1,048,437	419,940	1,468,377
Total deferred inflows of resources	2,589,604	419,940	3,009,544
Total liabilities and deferred inflows of resources	62,802,264	14,184,683	76,986,947
NET POSITION			
Net investment in capital assets	263,761,350	44,660,699	308,422,049
Restricted for			
Highways and streets	789,502	-	789,502
Special projects	893,105	-	893,105
Economic development	458,952	-	458,952
Radium removal	-	654,000	654,000
Unrestricted	(5,397,463)	7,693,106	2,295,643
TOTAL NET POSITION	\$ 260,505,446	\$ 53,007,805	\$ 313,513,251

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 3,317,100	\$ 30,426	\$ -	\$ -
Building and zoning	680,972	456,685	31,000	-
Community development	2,516,524	176,865	-	-
Public safety	9,438,787	682,412	32,845	-
Public works	7,592,397	-	949,817	-
Interest	1,344,600	-	-	-
Total governmental activities	24,890,380	1,346,388	1,013,662	-
Business-Type Activities				
Water and sewer	5,512,167	6,108,987	92,370	-
Garbage	2,408,455	2,434,270	-	-
Total business-type activities	7,920,622	8,543,257	92,370	-
TOTAL PRIMARY GOVERNMENT	\$ 32,811,002	\$ 9,889,645	\$ 1,106,032	\$ -

Net (Expense) Revenue and Change in Net Position			
Primary Government			
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (3,286,674)	\$ -	\$ (3,286,674)
	(193,287)	-	(193,287)
	(2,339,659)	-	(2,339,659)
	(8,723,530)	-	(8,723,530)
	(6,642,580)	-	(6,642,580)
	(1,344,600)	-	(1,344,600)
	<u>(22,530,330)</u>	<u>-</u>	<u>(22,530,330)</u>
	-	689,190	689,190
	-	25,815	25,815
	-	715,005	715,005
	<u>(22,530,330)</u>	<u>715,005</u>	<u>(21,815,325)</u>
General Revenues			
Taxes			
Property	1,404,345	-	1,404,345
Sales	11,037,654	-	11,037,654
Telecommunication	632,625	-	632,625
Utility	1,037,640	-	1,037,640
Other	2,129,642	-	2,129,642
Intergovernmental - unrestricted			
Income tax	2,999,575	-	2,999,575
Personal property replacement tax	10,083	-	10,083
Investment income	336,891	75,198	412,089
Miscellaneous	1,358,981	22,138	1,381,119
Transfers	35,000	(35,000)	-
Total	<u>20,982,436</u>	<u>62,336</u>	<u>21,044,772</u>
CHANGE IN NET POSITION	(1,547,894)	777,341	(770,553)
NET POSITION, MAY 1	<u>262,053,340</u>	<u>52,230,464</u>	<u>314,283,804</u>
NET POSITION, APRIL 30	<u>\$ 260,505,446</u>	<u>\$ 53,007,805</u>	<u>\$ 313,513,251</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2018

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 4,124,653	\$ 16,019,024	\$ 69,063	\$ 260,505	\$ 2,271,806	\$ 22,745,051
Receivables						
Property taxes	1,344,048	-	-	32,680	-	1,376,728
Accounts	348,523	137,533	-	-	1,524	487,580
Accrued interest	-	8,509	-	-	-	8,509
Intergovernmental	2,334,354	718,930	-	-	78,340	3,131,624
Utility tax	132,620	-	-	-	-	132,620
Notes	-	-	-	-	271,906	271,906
Insurance	337,453	-	-	-	-	337,453
Prepaid items	288,351	-	-	-	18,984	307,335
Advances to other funds	2,000,000	-	-	-	-	2,000,000
TOTAL ASSETS	\$ 10,910,002	\$ 16,883,996	\$ 69,063	\$ 293,185	\$ 2,642,560	\$ 30,798,806
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 411,317	\$ 1,477,515	\$ -	\$ 20,568	\$ 5,405	\$ 1,914,805
Retainage payable	-	1,542,840	-	-	-	1,542,840
Accrued payroll	425,295	-	-	-	-	425,295
Escrow deposits	-	-	-	-	491,871	491,871
Advance from other funds	-	-	-	2,000,000	-	2,000,000
Unearned revenue	10,952	-	-	-	3,725	14,677
Total liabilities	847,564	3,020,355	-	2,020,568	501,001	6,389,488
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,344,048	-	-	32,680	-	1,376,728
Total deferred inflows of resources	1,344,048	-	-	32,680	-	1,376,728
Totals liabilities and deferred inflows of resources	2,191,612	3,020,355	-	2,053,248	501,001	7,766,216
FUND BALANCES						
Nonspendable						
Prepaid items	288,351	-	-	-	18,984	307,335
Advances	2,000,000	-	-	-	-	2,000,000
Restricted						
Highways and streets	-	-	-	-	789,502	789,502
Special projects	-	-	-	-	874,121	874,121
Economic development	-	-	-	-	458,952	458,952
Capital projects	-	13,863,641	-	-	-	13,863,641
Unrestricted						
Assigned						
Debt service	-	-	69,063	-	-	69,063
Working cash	5,357,803	-	-	-	-	5,357,803
Unassigned (deficit)	1,072,236	-	-	(1,760,063)	-	(687,827)
Total fund balances (deficit)	8,718,390	13,863,641	69,063	(1,760,063)	2,141,559	23,032,590
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,910,002	\$ 16,883,996	\$ 69,063	\$ 293,185	\$ 2,642,560	\$ 30,798,806

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS		\$ 23,032,590
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		290,966,366
The loss on refunding of bonds is deferred and amortized on the statement of net position		802,476
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position		(626,793)
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position		879,243
Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position		
Bonds payable	\$ (37,480,000)	
Unamortized premium on bonds payable	(3,858,018)	
Compensated absences payable	(555,729)	
Retiree termination benefit payable	(158,028)	
Net pension liability - Police Pension	(12,573,228)	
Net pension liability - IMRF	(431,053)	
Other postemployment benefit	(190,254)	
Interest payable	(576,862)	(55,823,172)
The net position of the internal service fund is included in the governmental activities on the statement of net position		1,274,736
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 260,505,446

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2018

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 12,031,634	\$ 3,071,475	\$ -	\$ 19,604	\$ -	\$ 15,122,713
Licenses and permits	560,000	-	-	-	-	560,000
Intergovernmental	3,042,503	474,933	-	-	949,817	4,467,253
Charges for services	1,157,386	-	-	-	9,336	1,166,722
Fines and forfeits	213,116	-	-	-	194,732	407,848
Investment income	31,385	283,471	201	3,792	17,708	336,557
Miscellaneous	788,973	241,738	-	-	177,930	1,208,641
Total revenues	17,824,997	4,071,617	201	23,396	1,349,523	23,269,734
EXPENDITURES						
Current						
General government	2,973,404	-	-	-	230,333	3,203,737
Building and zoning	692,144	-	-	-	-	692,144
Community development	634,269	-	-	128,268	-	762,537
Public safety	9,152,162	-	-	-	51,089	9,203,251
Public works	1,877,226	-	-	-	826,628	2,703,854
Capital outlay	-	19,199,402	-	47,000	-	19,246,402
Debt service						
Principal retirement	-	-	1,335,000	-	-	1,335,000
Interest and fiscal charges	-	-	1,587,195	-	-	1,587,195
Total expenditures	15,329,205	19,199,402	2,922,195	175,268	1,108,050	38,734,120
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,495,792	(15,127,785)	(2,921,994)	(151,872)	241,473	(15,464,386)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	100,000	2,923,016	-	-	3,023,016
Transfers (out)	(1,438,316)	(1,272,200)	-	-	(362,500)	(3,073,016)
Proceeds from the sale of capital assets	300	-	-	-	-	300
Total other financing sources (uses)	(1,438,016)	(1,172,200)	2,923,016	-	(362,500)	(49,700)
NET CHANGE IN FUND BALANCES	1,057,776	(16,299,985)	1,022	(151,872)	(121,027)	(15,514,086)
FUND BALANCES (DEFICIT), MAY 1	7,660,614	30,163,626	68,041	(1,608,191)	2,262,586	38,546,676
FUND BALANCES (DEFICIT), APRIL 30	\$ 8,718,390	\$ 13,863,641	\$ 69,063	\$ (1,760,063)	\$ 2,141,559	\$ 23,032,590

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2018

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS \$ (15,514,086)

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

Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities

Capital expenditures capitalized 16,168,222

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

Depreciation of capital assets (5,123,413)

The change in the net pension liability is reported only in the statement of activities

Police Pension (983,900)

IMRF 821,565

The changes in deferred outflows of resources and deferred inflows of resources is reported only in the statement of activities

Police Pension 2,534,071

IMRF (743,598)

The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities

Compensated absences payable (1,465)

Retiree benefit payable (183)

Other postemployment benefit (33,759)

Bonds payable 1,335,000

Change in interest payable 35,571

Amortization is recorded as interest expense on the statement of activities including unamortized discount, unamortized premium and unamortized loss on refunding 207,024

Internal service funds are reported separately in the fund financial statements (248,943)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (1,547,894)

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

April 30, 2018

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
CURRENT ASSETS				
Cash and investments	\$ 9,510,054	\$ 296,254	\$ 9,806,308	\$ 102,081
Accounts receivable	989,528	436,029	1,425,557	-
Accrued interest receivable	9,516	-	9,516	-
Restricted cash and investments				
IEPA restriction	654,000	-	654,000	-
Prepaid expenses	14,820	-	14,820	-
Total current assets	11,177,918	732,283	11,910,201	102,081
NONCURRENT ASSETS				
Capital assets				
Capital assets, net of depreciation				
Nondepreciable assets	3,348,121	-	3,348,121	-
Depreciable buildings, property and infrastructure	74,939,077	-	74,939,077	4,156,021
Accumulated depreciation	(23,493,631)	-	(23,493,631)	(2,983,366)
Total capital assets	54,793,567	-	54,793,567	1,172,655
Total noncurrent assets	54,793,567	-	54,793,567	1,172,655
Total assets	65,971,485	732,283	66,703,768	1,274,736
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	319,835	-	319,835	-
Pension items - IMRF	168,885	-	168,885	-
Total deferred outflows of resources	488,720	-	488,720	-
Total assets and deferred outflows of resources	66,460,205	732,283	67,192,488	1,274,736

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

April 30, 2018

	Business-Type Activities			Governmental Activities
	Water and Sewer	Garbage	Total	Internal Service Fund
CURRENT LIABILITIES				
Accounts payable	\$ 259,705	\$ 200,484	\$ 460,189	\$ -
Accrued payroll	5,073	-	5,073	-
Compensated absences	44,314	-	44,314	-
Interest payable	113,321	-	113,321	-
IEPA loans payable	73,316	-	73,316	-
Bonds payable	1,145,000	-	1,145,000	-
Unearned revenue	2,450,250	-	2,450,250	-
Total current liabilities	4,090,979	200,484	4,291,463	-
LONG-TERM LIABILITIES				
Compensated absences	42,122	-	42,122	-
Other postemployment benefits	24,118	-	24,118	-
Net pension liability	172,654	-	172,654	-
IEPA loans payable	480,292	-	480,292	-
Bonds payable, net	8,754,094	-	8,754,094	-
Total long-term liabilities	9,473,280	-	9,473,280	-
Total liabilities	13,564,259	200,484	13,764,743	-
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	419,940	-	419,940	-
Total deferred inflows of resources	419,940	-	419,940	-
Total liabilities and deferred inflows of resources	13,984,199	200,484	14,184,683	-
NET POSITION				
Net investment in capital assets	44,660,699	-	44,660,699	1,172,655
Restricted for radium removal	654,000	-	654,000	-
Unrestricted	7,161,307	531,799	7,693,106	102,081
TOTAL NET POSITION	\$ 52,476,006	\$ 531,799	\$ 53,007,805	\$ 1,274,736

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
OPERATING REVENUES				
Charges for services	\$ 5,946,187	\$ 2,434,270	\$ 8,380,457	\$ -
OPERATING EXPENSES				
Production	3,450,220	2,408,455	5,858,675	-
OPERATING INCOME BEFORE DEPRECIATION	2,495,967	25,815	2,521,782	-
Depreciation	1,621,523	-	1,621,523	372,895
OPERATING INCOME (LOSS)	874,444	25,815	900,259	(372,895)
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	162,800	-	162,800	-
Grant revenue	92,370	-	92,370	-
Investment income	74,703	495	75,198	334
Interest expense and amortization	(440,424)	-	(440,424)	-
Gain on sale of capital assets	-	-	-	38,618
Miscellaneous income	22,138	-	22,138	-
Total non-operating revenues (expenses)	(88,413)	495	(87,918)	38,952
NET INCOME (LOSS) BEFORE TRANSFERS	786,031	26,310	812,341	(333,943)
TRANSFERS				
Transfers in	-	-	-	85,000
Transfers (out)	(35,000)	-	(35,000)	-
Total transfers	(35,000)	-	(35,000)	85,000
CHANGE IN NET POSITION	751,031	26,310	777,341	(248,943)
NET POSITION, MAY 1	51,724,975	505,489	52,230,464	1,523,679
NET POSITION, APRIL 30	\$ 52,476,006	\$ 531,799	\$ 53,007,805	\$ 1,274,736

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 5,676,407	\$ 2,420,271	\$ 8,096,678	\$ -
Payments to suppliers	(2,265,848)	(2,208,721)	(4,474,569)	-
Payments to employees	(1,207,419)	-	(1,207,419)	-
Miscellaneous income	22,138	-	22,138	-
Net cash from operating activities	2,225,278	211,550	2,436,828	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payment (to) from other funds	(35,000)	-	(35,000)	85,000
Grant revenue	92,370	-	92,370	-
Net cash from noncapital financing activities	57,370	-	57,370	85,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(64,295)	-	(64,295)	(83,082)
Sale of capital assets	-	-	-	37,118
Connection fees	162,800	-	162,800	-
Bond proceeds	5,070,000	-	5,070,000	-
Bond principal payments	(6,380,000)	-	(6,380,000)	-
IEPA loan principal payments	(71,516)	-	(71,516)	-
Interest paid	(127,548)	-	(127,548)	-
Net cash from capital and related financing activities	(1,410,559)	-	(1,410,559)	(45,964)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	80,394	495	80,889	334
Net cash from investing activities	80,394	495	80,889	334
NET INCREASE IN CASH AND CASH EQUIVALENTS	952,483	212,045	1,164,528	39,370
CASH AND CASH EQUIVALENTS, MAY 1	9,211,571	84,209	9,295,780	62,711
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 10,164,054	\$ 296,254	\$ 10,460,308	\$ 102,081

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 874,444	\$ 25,815	\$ 900,259	\$ (455,977)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,621,523	-	1,621,523	372,895
Capital outlay	-	-	-	83,082
Miscellaneous income	22,138	-	22,138	-
Changes in assets and liabilities				
Accounts receivable	(269,780)	(13,999)	(283,779)	-
Prepaid expenses	3,517	-	3,517	-
Accounts payable	31,932	199,734	231,666	-
Accrued payroll	(44,234)	-	(44,234)	-
Compensated absences	12,146	-	12,146	-
Other postemployment benefits	4,821	-	4,821	-
IMRF items	(31,229)	-	(31,229)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 2,225,278	\$ 211,550	\$ 2,436,828	\$ -
CASH AND CASH EQUIVALENTS				
Unrestricted cash and cash equivalents	\$ 9,510,054	\$ 296,254	\$ 9,806,308	\$ 102,081
Restricted cash and cash equivalents IEPA restriction	654,000	-	654,000	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 10,164,054	\$ 296,254	\$ 10,460,308	\$ 102,081
NONCASH TRANSACTIONS				
Transfer of capital assets	\$ (35,000)	\$ -	\$ (35,000)	\$ -
TOTAL NONCASH TRANSACTIONS	\$ (35,000)	\$ -	\$ (35,000)	\$ -

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND

April 30, 2018

	Pension		Agency
	Trust		
ASSETS			
Cash and cash equivalents	\$ 178,846	\$	295,300
Investments, at fair value			
U.S. Government and U.S. agency securities	11,095,118		-
Municipal bonds	1,508,322		-
Equity mutual funds	16,257,382		-
Accounts receivable	-		49,774
Due from other funds	-		-
Accrued interest receivable	88,463		-
Prepaid items	1,044		-
Total assets	<u>29,129,175</u>	\$	<u>345,074</u>
LIABILITIES			
Accounts payable	8,598	\$	161,219
Due to others	-		183,855
Total liabilities	<u>8,598</u>	\$	<u>345,074</u>
NET POSITION RESTRICTED			
FOR PENSIONS			
	<u>\$ 29,120,577</u>		

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND**

For the Year Ended April 30, 2018

ADDITIONS

Contributions	
Employer	\$ 1,430,544
Employee	<u>437,086</u>
Total contributions	<u>1,867,630</u>
Investment income	
Net appreciation in fair value of investments	665,473
Interest and dividends	<u>1,231,390</u>
Total investment income	1,896,863
Less investment expense	<u>(86,101)</u>
Net investment income	<u>1,810,762</u>
Total additions	<u>3,678,392</u>

DEDUCTIONS

Benefits and refunds	706,417
Administration	<u>27,697</u>
Total deductions	<u>734,114</u>

NET INCREASE 2,944,278

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>26,176,299</u>
April 30	<u><u>\$ 29,120,577</u></u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Oswego, Illinois (the Village) are in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Village.

a. Reporting Entity

The Village was established in 1833 and incorporated in 1852. The Village operates under a Trustee-Administrator form of government. The Village Board of Trustees is comprised of the Village President and six trustees. The Village provides services to the community including; public safety (police protection), highways and streets, water and waste removal services and general administrative services.

The Village has defined its reporting entity in accordance with GASB Statement No. 14 and No. 61. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village. The Police Pension Fund is a legally separate organization from the Village and has its own governing board. However, although legally separate, this fund is reported as if it is part of the Village, because it is fiscally dependent on the Village and administered exclusively for the benefit of the Village's police personnel. The Police Pension Fund does not issue a separate report.

b. Fund Accounting

The Village uses funds to report its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted, committed or assigned funds (special revenue funds), the funds restricted or committed for the acquisition or construction of capital assets (capital projects funds) and the funds restricted, committed or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity and agency funds to account for assets that the Village holds in an agent capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village and is used to account for all financial resources of the Village unless accounted for in another fund.

The Capital Projects Fund is used to account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The Debt Service Fund is used to account for the repayment of a portion of the 2011, 2013, 2014 general obligation refunding bonds and the 2016 general obligation refunding bonds. The Village has elected to report this fund as major.

The Tax Increment Financing Fund is used to account for the restricted property tax revenues and expenditures directly related to the Tax Increment Financing District established within the Village.

In addition, the Village reports the following major enterprise funds:

The Water and Sewer Fund is used to account for the revenues and expenses related to the sale of water and sewer collection services to the Village's residents and other customers. This fund consists of two subfunds, Operating and Capital.

The Garbage Fund accounts for the revenues and expenses related to waste removal service provided to the Village's residents and other customers.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund. Agency funds are used to account for the subdivision escrow and agency funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except the agency funds which do not have a measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales and telecommunication taxes owed by the state at year end, franchise fees, licenses, court fines, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Other fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

The Village reports deferred/unearned/unavailable revenue on its financial statements. Deferred/unearned/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unearned/unavailable revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures/expenses. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability or deferred inflow of resources for deferred/unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand and in interest-bearing and non-interest-bearing checking accounts and cash with paying agent.

f. Investments

Investments of the Village consist of money market accounts, certificates of deposit with various local financial institutions, various marketable securities, pooled investments and insurance company annuity contracts. Investments with a maturity date of less than one year from the date of purchase are recorded at cost or amortized cost, which approximates fair value. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Village categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

g. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered (interfund services). These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements as are short-term interfund loans. Long-term interfund loans, if any, are classified as advances to/from other funds.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumption method.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, storm sewers and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The Village has reported its retroactive infrastructure assets in these financial statements for governmental activities. The costs of normal maintenance and repairs, including street overlays that do not add to the value or service capacity of the asset or materially extend asset lives, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Vehicles	3-7
Equipment	5-10
Infrastructure	25-75

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Compensated Absences

Vested or accumulated vacation leave related to employees that have retired or terminated at year end but are not yet paid out is reported as an expenditure and a fund liability of the governmental fund (General Fund) that will pay it. Vested and accumulated vacation leave of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. Sick leave does not vest and, therefore, is not recorded as a liability, except for a few employees with specific employment contracts that specify their unused sick leave can be used to pay health insurance premiums after retirement from the Village. These amounts are recorded as liabilities of the governmental activities.

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses.

In the fund financial statements, governmental funds 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 expenditures.

m. Fund Balances/Net Position

In accordance with the Village's fund balance policy, in the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balances/Net Position (Continued)

balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has the authority to assign fund balance. The General Fund reports assigned fund balance "Assigned - Working Cash" of 35% of annual budgeted expenditures. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net investment in capital assets is the book value of the capital assets net of any debt outstanding that was issued to construct or acquire the capital assets.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses in the effected funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

o. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS

The Village’s investment policy authorizes the Village to make deposits/invest in insured 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 Government 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 The Illinois Funds.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party or by the Federal Reserve Bank.

Village Investments

The following table presents the investments and maturities of the Village’s debt securities as of April 30, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	5-10	Greater than 10
U.S. Treasury obligations	\$ 1,135,009	\$ 586,616	\$ 548,393	\$ -	\$ -
U.S. agency obligations	788,562	-	564,303	-	224,259
Negotiable CDs	2,953,406	1,475,578	1,477,828	-	-
TOTAL	\$ 4,876,977	\$ 2,062,194	\$ 2,590,524	\$ -	\$ 224,259

The Village has the following recurring fair value measurements as of April 30, 2018: the U.S. Treasury obligations, U.S. agency obligations and certificates of deposit are valued using a multi-dimensional relational model (Level 2 inputs).

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

Village Investments (Continued)

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy limits the maximum maturity length of investments to 20 years from the date of purchase, except if matched to anticipated cash flow requirement (e.g., bond proceeds).

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The Illinois Funds is rated AAA by Standard and Poor's. The U.S. agency obligations are rated AAA by Moody's. The negotiable CD's are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased in the Village's name. The Illinois Funds are not subject to custodial credit risk.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Concentration of credit risk - The Village's investment policy does not limit the amount of the portfolio that can be invested in any one investment vehicle but does require reasonable diversification of the portfolio.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLE - TAXES

Property taxes for 2017 attach as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a tax levy ordinance). Tax bills are prepared by the County and issued on or about May 1, 2018, and are payable in two installments, on or about June 1, 2018 and September 1, 2018. The County collects such taxes and remits them periodically. Because the 2017 levy is intended to finance the fiscal year ending April 30, 2019, it has been offset by unavailable/deferred revenue at April 30, 2018. The 2018 tax levy, which attached as an enforceable lien on property as of January 1, 2018, has not been recorded as a receivable as of April 30, 2018, as the tax has not yet been levied by the Village and will not be levied until December 2018 and, therefore, the levy is not measurable at April 30, 2018.

4. NOTES RECEIVABLE - ECONOMIC DEVELOPMENT

The Village established the Economic Development Fund to account for funds which are to be loaned to new or expanding local business ventures which enhance economic development of the Village. Proceeds (principal and interest) received from such economic development loans made by the Village are to be used to capitalize a revolving economic development loan fund. The following represents the outstanding balances as of April 30, 2018:

During fiscal year 2013, the Village entered into an installment note with the Firehouse Pizza & Pub, LLC in the amount of \$130,000. The note is payable in monthly installments of \$1,260 through February 2022, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2018 was \$58,744.

During fiscal years 2016 and 2017, the Village entered into installment notes with the AHB 345 Enterprises, LLC in the total amount of \$200,000. The note is payable in monthly installments of \$2,000 through August 2025, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2018 was \$157,602.

During fiscal years 2016 and 2017, the Village entered into installment notes with the Sage's Meat Market in the total amount of \$75,000. The note is payable in monthly installments of \$1,350 through March 2018, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2018 was \$55,560.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. NOTES RECEIVABLE - ECONOMIC DEVELOPMENT (Continued)

Principal and interest maturities of these notes receivable for future periods are as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2019	\$ 56,580
2020	55,320
2021	55,320
2022	50,003
2023	24,000
2024	24,000
2025	24,000
2026	<u>7,742</u>
Total principal and interest	296,965
Interest	<u>(25,059)</u>
TOTAL PRINCIPAL	<u><u>\$ 271,906</u></u>

5. DUE FROM OTHER GOVERNMENTS

The following receivables are included in intergovernmental receivable on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 1,493,532
Home rule tax	1,198,217
Use tax	211,345
Telecommunications tax	149,141
Motor fuel tax	77,975
Grants	<u>1,414</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,131,624</u></u>

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES

a. Interfund Advances

Interfund advances at April 30, 2018 are as follows:

Receivable Fund	Payable Fund	Amount
General	Tax Increment Financing	\$ 2,000,000
TOTAL		<u>\$ 2,000,000</u>

- The receivable in the General Fund is for an interfund loan to the Tax Increment Financing Fund. This will not be repaid in one year.

b. Transfers In/Out

Transfers between funds at April 30, 2018 consist of the following:

	Transfers In	Transfers Out
General	\$ -	\$ 1,438,316
Capital Projects	100,000	1,272,200
Debt Service	2,923,016	-
Nonmajor Governmental		
Motor Fuel Tax	-	262,500
Public Service	-	100,000
Water and Sewer	-	35,000
Vehicle Replacement	85,000	-
TOTAL	<u>\$ 3,108,016</u>	<u>\$ 3,108,016</u>

Significant interfund transfers are as follows:

- \$1,438,316 transferred from the General Fund to the Debt Service Fund is for the repayment of principal and interest of the Series 2006A, 2009, 2011, 2013, 2014 and 2016 Bonds.
- \$262,500 transferred from the Motor Fuel Tax Fund to Debt Service Fund is for the repayment of principal and interest for the Series 2009 Bonds.
- \$1,222,200 transferred from the Capital Improvement Fund to Debt Service Fund is for the repayment of principal and interest for the Series 2016 Bonds.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers In/Out (Continued)

- \$85,000 transferred to Vehicle Replacement Fund from the Capital Improvement Fund (\$50,000) and the Water & Sewer Fund (\$35,000).
- \$100,000 transferred from the Public Service Fund to Capital Improvements Fund to pay for the Police Facility.

None of the transfers will be repaid.

7. CAPITAL ASSETS

The following is a summary of capital asset activity during the fiscal year:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,026,555	\$ 47,000	\$ -	\$ 3,073,555
Right of way	104,263,377	20,896	-	104,284,273
Construction in progress	2,204,583	15,805,233	-	18,009,816
Total capital assets not being depreciated	<u>109,494,515</u>	<u>15,873,129</u>	<u>-</u>	<u>125,367,644</u>
Capital assets being depreciated				
Land improvements	848,229	-	-	848,229
Buildings	9,495,393	-	-	9,495,393
Equipment	773,837	259,814	-	1,033,651
Equipment - internal service fund	955,031	34,317	-	989,348
Vehicles - internal service fund	3,246,048	50,265	129,640	3,166,673
Infrastructure	236,735,195	35,279	-	236,770,474
Total capital assets being depreciated	<u>252,053,733</u>	<u>379,675</u>	<u>129,640</u>	<u>252,303,768</u>
Less accumulated depreciation for				
Land improvements	300,412	42,412	-	342,824
Buildings	2,954,078	237,838	-	3,191,916
Equipment	336,975	99,882	-	436,857
Equipment - internal service fund	503,154	65,548	-	568,702
Vehicles - internal service fund	2,236,957	307,347	129,640	2,414,664
Infrastructure	73,834,147	4,743,281	-	78,577,428
Total accumulated depreciated	<u>80,165,723</u>	<u>5,496,308</u>	<u>129,640</u>	<u>85,532,391</u>
Total capital assets being depreciated, net	<u>171,888,010</u>	<u>(5,116,633)</u>	<u>-</u>	<u>166,771,377</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 281,382,525</u>	<u>\$ 10,756,496</u>	<u>\$ -</u>	<u>\$ 292,139,021</u>

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,348,121	\$ -	\$ -	\$ 3,348,121
Construction in progress	386,195	-	386,195	-
Total capital assets not being depreciated	<u>3,734,316</u>	-	386,195	<u>3,348,121</u>
Capital assets being depreciated				
Buildings	6,618,082	-	-	6,618,082
Equipment	453,964	450,490	-	904,454
Infrastructure	67,416,541	-	-	67,416,541
Total capital assets being depreciated	<u>74,488,587</u>	450,490	-	<u>74,939,077</u>
Less accumulated depreciation for				
Buildings	1,929,364	164,195	-	2,093,559
Equipment	52,483	100,410	-	152,893
Infrastructure	19,890,261	1,356,918	-	21,247,179
Total accumulated depreciation	<u>21,872,108</u>	<u>1,621,523</u>	-	<u>23,493,631</u>
Total capital assets being depreciated, net	<u>52,616,479</u>	<u>(1,171,033)</u>	-	<u>51,445,446</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 56,350,795</u>	<u>\$ (1,171,033)</u>	<u>\$ 386,195</u>	<u>\$ 54,793,567</u>

Depreciation expense was charged to the governmental activities functions/programs as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 312,095
Community development	18,014
Public safety	220,967
Public works	<u>4,945,232</u>

**TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL
ACTIVITIES**

\$ 5,496,308

8. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities, refunding prior issuances and providing working capital for the Village.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the Village and are payable from governmental activities/funds and business-type activities/enterprise funds. General obligation bonds currently outstanding are as follows:

Governmental Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$9,970,000 General Obligation Alternate Revenue Source Bonds, Series 2006A, dated May 15, 2006, due in annual installments of \$375,000 to \$700,000 through December 15, 2025, interest at 4.125% to 4.500% payable each June 15 and December 15 from sales tax revenues	Debt Service	New Village Hall Facility and Town Center Renovation Project	\$ 525,000	\$ -	\$ 525,000	\$ -	\$ -
\$9,015,000 Taxable General Obligation Bonds, Series 2009, dated September 2, 2009, due in annual installments of \$240,000 to \$620,000 through December 15, 2029, interest at 2.125% to 5.500% payable each June 15 and December 15 from sales tax and motor fuel revenues*	Debt Service	Douglas Road Reconstruct	285,000	-	285,000	-	-
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2024, interest at 2.00% to 3.50% payable each June 15 and December 15 from sales tax revenues**	Debt Service	Refund 2004A and 2004B Bonds	1,620,000	-	180,000	1,440,000	180,000

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$8,595,000 General Obligation Refunding Bonds, Series 2013, dated May 17, 2013, due in annual installments of \$45,000 to \$1,095,000 through December 15, 2028, interest at 2% to 3% payable each June 15 and December 15***	Debt Service	Refund 2006A and 2007B Bonds	\$ 6,635,000	\$ -	\$ 45,000	\$ 6,590,000	\$ 45,000
\$4,040,000 General Obligation Refunding Bonds, Series 2014, dated November 20, 2014, due in annual installments of \$20,000 to \$1,165,000 through December 15, 2020, interest at 2% to 3% payable each June 15 and December 15****	Debt Service	Refund 2006A and 2007B Bonds	2,645,000	-	300,000	2,345,000	860,000
\$27,105,000 General Obligation Bonds, Series 2016, dated June 8, 2016, due in annual installments of \$200,000 to \$2,740,000 through December 15, 2037, interest at 3% to 5% payable each June 15 and December 15***	Debt Service	New Police Station	27,105,000	-	-	27,105,000	200,000
TOTAL GOVERNMENTAL ACTIVITIES			\$ 38,815,000	\$ -	\$ 1,335,000	\$ 37,480,000	\$ 1,285,000

* The portion of the Series 2009 bonds allocated to governmental activities was \$1,495,000. Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate of 35% of the interest paid each year from the U.S. Treasury Department. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities (Continued)

** The portion of the original Series 2011 bonds allocated to governmental activities was \$2,300,000.

*** The portion of the original Series 2013 bonds allocated to governmental activities was \$6,770,000.

**** The portion of the original Series 2014 bonds allocated to governmental activities was \$2,955,000.

Business-Type Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$1,585,000 General Obligation Alternate Revenue Source Bonds, Series 2006B, dated May 15, 2006, due in annual installments of \$100,000 to \$145,000 through December 15, 2020, interest at 4.250% to 4.375% payable each June 15 and December 15 from water and sewer fund revenues	Water and Sewer	Town Center Water and Sewer Renovation Project	\$ 125,000	\$ -	\$ 125,000	\$ -	\$ -
\$9,015,000 Taxable General Obligation Bonds, Series 2009, dated September 2, 2009, due in annual installments of \$240,000 to \$620,000 through December 15, 2029, interest at 2.125% to 5.500% payable each June 15 and December 15 from water and sewer fund revenues*	Water and Sewer	Improve Water and Sewerage System	5,605,000	-	5,605,000	-	-

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities (Continued)							
Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2024, interest at 2.00% to 3.50% payable each June 15 and December 15 from sales tax revenues**	Water and Sewer	Refund 2004A and 2004B Bonds	\$ 1,230,000	\$ -	\$ 130,000	\$ 1,100,000	\$ 145,000
\$2,325,000 General Obligation Refunding Bonds, Series 2012, dated October 11, 2012, due in annual installments of \$300,000 to \$365,000 through December 30, 2019, interest at 2% to 3% payable each June 30 and December 30 from sales tax revenues	Water and Sewer	Refund 2004 Bonds	1,060,000	-	340,000	720,000	355,000
\$8,595,000 General Obligation Refunding Bonds, Series 2013, dated May 17, 2013, due in annual installments of \$45,000 to \$1,095,000 through December 15, 2028, interest at 2% to 3% payable each June 15 and December 15***	Water and Sewer	Refund 2007A Bonds	1,795,000	-	10,000	1,785,000	10,000
\$4,040,000 General Obligation Refunding Bonds, Series 2014, dated November 20, 2014, due in annual installments of \$20,000 to \$1,165,000 through December 15, 2020, interest at 2% to 3% payable each June 15 and December 15****	Water and Sewer	Refund 2006A and 2007B Bonds	915,000	-	170,000	745,000	305,000

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$5,070,000 General Obligation Refunding Bonds, Series 2017, dated July 25, 2017, due in annual installments of \$330,000 to \$1,090,000 through December 15, 2027, interest at 2% to 4% payable each June 15 and December 15	Water and Sewer	Refund 2009 Bonds	\$ -	\$ 5,070,000	\$ -	\$ 5,070,000	\$ 330,000
TOTAL BUSINESS- TYPE ACTIVITIES			<u>\$ 10,730,000</u>	<u>\$ 5,070,000</u>	<u>\$ 6,380,000</u>	<u>\$ 9,420,000</u>	<u>\$ 1,145,000</u>

* The portion of the Series 2009 bonds allocated to business-type activities was \$6,730,000. Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate at 35% of the interest paid each year from the U.S. Treasury. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

** The original portion of the Series 2011 bonds allocated to business-type activities was \$1,755,000.

*** The original portion of the Series 2013 bonds allocated to business-type activities was \$1,825,000.

**** The original portion of the Series 2014 bonds allocated to business-type activities was \$1,085,000.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

b. IEPA Loans

The Village, through the Illinois Environmental Protection Agency (IEPA), received low interest loans for the construction of sewerage collection and treatment facilities payable from water and sewer revenues. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$1,346,766 loan agreement with the IEPA, IEPA-SRF Loan No. 17-1445, issued April 1, 2004, due semiannually on January 15 and July 15 through January 15, 2025, with interest at 2.50%	Water and Sewer	Installation of radium removal equipment at five existing well sites	\$ 625,125	\$ -	\$ 71,516	\$ 553,609	\$ 73,316
TOTAL IEPA LOANS			\$ 625,125	\$ -	\$ 71,516	\$ 553,609	\$ 73,316

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities		Business-Type Activities	
	General Obligation Bonds		General Obligation Bonds		IEPA Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 1,285,000	\$ 1,538,300	\$ 1,145,000	\$ 293,825	\$ 73,316	\$ 13,384
2020	1,325,000	1,500,200	1,155,000	262,875	75,161	11,539
2021	1,365,000	1,460,050	840,000	230,925	77,051	9,649
2022	1,410,000	1,416,250	725,000	208,475	78,989	7,711
2023	1,455,000	1,370,900	755,000	189,625	80,977	5,723
2024	1,500,000	1,324,200	785,000	166,150	83,014	3,686
2025	1,550,000	1,278,100	820,000	141,750	85,101	1,599
2026	1,595,000	1,228,100	675,000	116,300	-	-
2027	1,650,000	1,175,250	700,000	96,050	-	-
2028	1,725,000	1,100,750	730,000	70,400	-	-
2029	1,805,000	1,022,900	530,000	43,600	-	-
2030	1,895,000	932,650	560,000	22,400	-	-
2031	1,990,000	837,900	-	-	-	-
2032	2,085,000	738,400	-	-	-	-
2033	2,190,000	634,150	-	-	-	-
2034	2,300,000	524,650	-	-	-	-
2035	2,415,000	409,650	-	-	-	-
2036	2,535,000	288,900	-	-	-	-
2037	2,665,000	162,150	-	-	-	-
2038	2,740,000	82,200	-	-	-	-
TOTAL	\$ 37,480,000	\$ 19,025,650	\$ 9,420,000	\$ 1,842,375	\$ 553,609	\$ 53,291

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 38,815,000	\$ -	\$ 1,335,000	\$ 37,480,000	\$ 1,285,000
Unamortized premium on bonds payable	4,184,418	-	326,400	3,858,018	-
Unamortized (discount) on bonds payable	(436)	-	(436)	-	-
Compensated absences payable	554,264	389,450	387,985	555,729	389,011
Retiree termination benefit payable	157,845	45,298	45,115	158,028	57,000
Net pension liability - Police Pension	11,589,328	983,900	-	12,573,228	-
Net pension liability - IMRF	1,252,618	-	821,565	431,053	-
Other postemployment benefit	156,495	33,759	-	190,254	-
TOTAL	\$ 56,709,532	\$ 1,452,407	\$ 2,915,629	\$ 55,246,310	\$ 1,731,011

The net pension liabilities, retiree termination benefit, compensated absences and other postemployment benefit payables are normally liquidated by the General Fund.

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities:

	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 10,730,000	\$ 5,070,000	\$ 6,380,000	\$ 9,420,000	\$ 1,145,000
Unamortized discount on bonds payable	(21,028)	-	(21,028)	-	-
Unamortized premium on bonds payable	151,896	368,176	40,978	479,094	-
IEPA loans payable	625,125	-	71,516	553,609	73,316
Compensated absences payable	74,290	50,233	38,087	86,436	44,314
Net pension liability - IMRF	501,723	-	329,070	172,653	-
Other postemployment benefit	19,297	4,821	-	24,118	-
TOTAL	\$ 12,081,303	\$ 5,493,230	\$ 6,838,623	\$ 10,735,910	\$ 1,262,630

8. LONG-TERM DEBT (Continued)

e. Refunding

On July 25, 2017, the Village sold \$5,070,000 General Obligation Refunding Bonds, Series 2017 to refund \$5,295,000 Taxable General Obligation Bonds, Series 2009. The bonds mature annually on December 15, beginning December 15, 2018 through December 15, 2029, with maturities ranging from \$330,000 to \$1,090,000. Interest is due semiannually on June 15 and December 15, with rates ranging from 2% to 4%. The \$5,295,000 in bonds refunded were paid from escrow on December 15, 2017.

Through the refunding, the Village decreased its debt service by \$302,067 and had an economic gain of \$258,107.

f. Legal Debt Margin

The Village is a home rule municipality. Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the 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 General Assembly has set no limits for home rule municipalities.

g. Pledged Revenues

The Village has pledged a portion of future sales tax revenues, motor fuel tax revenues and water and sewer fund revenues to repay the principal and interest on the General Obligation Refunding Bonds Series 2011, 2013, 2014 and 2016 and General Obligation Bonds, Series 2016. Proceeds from the bonds provided financing for certain capital improvements in the Village. For the current year, principal and interest paid totaled \$4,187,449, while total sales tax was \$11,037,654, total motor fuel tax was \$949,817 and total water and sewer operating revenues were \$5,908,071. The total pledge remaining for all bonds are \$70,284,545.

9. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; employee health; and injuries to the Village's employees. Settled claims have not exceeded the coverages in the current or preceding two fiscal years.

For its health insurance coverages, the Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. Through IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 32% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 68% of the Village's employees and retirees are HMO participants.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village also makes monthly payments to IPBC for administration of the plan.

Beginning January 1, 2014, the Village participates in the Illinois Municipal Insurance Cooperative (IMIC). IMIC is an organization of municipalities in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial property/casualty insurance coverages.

9. RISK MANAGEMENT (Continued)

The Village's payments to IMIC are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$1,000 of each occurrence and IMIC has a mix of self-insurance and commercial insurance at various amounts above that level. The Village pays annual premiums to IMIC for its general liability and property coverage.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IMIC beyond its representation on the Board of Directors.

The Village, along with IMIC's other members, have a contractual obligation to fund any deficit of IMIC attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is not aware of any additional amounts owed to IMIC for the 2018 claims year as of April 30, 2018.

Also, beginning January 1, 2011, the Village participates in the Illinois Public Risk Fund (the Fund). The Fund is a self-funded workers' compensation pool for public entities. The purpose of the Fund is to provide for the defense and payment when due of all compensation and other benefits under the Illinois Workers' Compensation and Occupational Diseases Laws on behalf of fire protection districts, public entities and agencies and other units of state and local government within the State of Illinois. There are approximately 500 members. A Board of Trustees oversees the operation of the Fund and governs it in accordance with State of Illinois Regulations.

Members' cost is proportional, based on contributions developed by payroll audits. Rates and any discounts approved by the Board of Trustees are used to determine standard premiums for each member. Each member's experience modifications are used. Members also participate in policyholder dividends based on the Fund's and individual member's experience. Members can also be assessed if the assets of the Fund are less than the reserves required to be maintained. The Village is not aware of any additional amounts due to the Fund at April 30, 2018.

10. COMMITMENTS AND CONTINGENCIES

a. Litigation

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

10. COMMITMENTS AND CONTINGENCIES (Continued)

b. Grants

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

11. TAX ABATEMENTS

The Village rebates certain taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

As of April 30, 2018, three agreements are active for stores that have opened. The agreements require the Village to rebate to the companies different amounts of additional sales tax generated by the facilities. These agreements are approved by the Board of Trustees, in accordance with Illinois Compiled Statutes.

The first agreement requires \$3,789,640 to be repaid through fiscal year 2027, whichever comes first. The second agreement requires a maximum of \$850,000 to be repaid with no time limit. For the third agreement, the Village will repay 25% of the sales tax generated for 20 years. The amount paid/accrued for the fiscal year ended April 30, 2018 was \$330,309. The total expenditures incurred to date (reported as a reduction of sales tax revenue) related to these rebates as of April 30, 2018 was \$4,155,392.

12. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. Neither of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2017, IMRF membership consisted of:

Inactive plan members currently receiving benefits	32
Inactive plan members entitled to but not yet receiving benefits	47
Active plan members	<u>63</u>
 TOTAL	 <u><u>142</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. These benefit provisions and all other requirements are established by state statute.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2017 was 10.42% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.75%
Salary increases	3.75% to 14.50%
Investment rate of return	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The long-term expected rate of investment return on pension plan investments is 7.50%. The municipal bond rate of fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds is 3.31%. The resulting single discount rate used to measure the total pension liability is 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 12,850,924	\$ 11,096,583	\$ 1,754,341
Changes for the period			
Service cost	415,213	-	415,213
Interest	967,433	-	967,433
Difference between expected and actual experience	162,336	-	162,336
Changes in assumptions	(406,230)	-	(406,230)
Employer contributions	-	422,831	(422,831)
Employee contributions	-	191,754	(191,754)
Net investment income	-	1,845,091	(1,845,091)
Benefit payments and refunds	(318,855)	(318,855)	-
Other (net transfer)	-	(170,289)	170,289
Net changes	819,897	1,970,532	(1,150,635)
BALANCES AT DECEMBER 31, 2017	\$ 13,670,821	\$ 13,067,115	\$ 603,706

Changes in assumptions related to mortality rates were made since the prior measurement date.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2018, the Village recognized pension expense of \$534,000. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 129,046	\$ 316,457
Changes in assumption	7,752	345,406
Net difference between projected and actual earnings on pension plan investments	328,380	806,514
Contributions made subsequent to the measurement date	125,351	-
TOTAL	\$ 590,529	\$ 1,468,377

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2019	\$ (210,072)
2020	(210,073)
2021	(331,014)
2022	(252,040)
2023	-
Thereafter	-
TOTAL	\$ (1,003,199)

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.50% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 2,586,305	\$ 603,706	\$ (1,012,937)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a Pension Trust Fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2018, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	10
Inactive plan members entitled to benefits but not yet receiving them	4
Active plan members	<u>48</u>
 TOTAL	 <u><u>62</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year. Benefits and refunds are recorded when due in accordance with the terms of the plan.

Contributions

Employees are required by ILCS 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. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fully fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended April 30, 2018, the Village's contribution was 31.92% of covered payroll.

Investment Policy

The Police Pension Fund's investment policy authorizes the Police Pension Fund to make deposits in/invest to make deposits/invest in insured 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 Government 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, investment grade corporate bonds, and The Illinois Funds. The Police Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities, and real estate investment trusts. The Police Pension Fund's investment policy prohibits investment in derivatives, short selling, purchase of securities on margin, transactions involving futures or options contracts, reverse repurchase agreements and securities lending and borrowing transactions. During the year, no changes were made to the investment policy by the Board of Trustees.

The Police Pension Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Investment Type	Range of Allocation	Current Target	Long-Term Expected Real Rate of Return*
Equity			
Large Cap Domestic Equity	40%-100%	38.50%	6.60%
Small Cap Domestic Equity	0%-40%	11.00%	8.50%
International Equity	0%-20%	5.50%	6.40%
Fixed Income	40%-50%	45.00%	1.40%

* This rate is net of a 2.90% inflation rate.

ILCS limits the Police Pension Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment manager in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund's target asset allocation as of April 30, 2018 are listed in the table above.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Concentrations

Significant investments are defined as investments in any one organization that represent 5% or more of plan net position for the Police Pension Plan (other than United States Government guaranteed obligations). At April 30, 2018, the Police Pension Plan had four mutual funds that were valued at 6.04%, 6.09%, 12.83% and 12.83% of the total fiduciary net position.

Investment Rate of Return

For the year ended April 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.73%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Police Pension Fund's deposits may not be returned to them. The Police Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,749,031	\$ 349,336	\$ 1,030,836	\$ 368,859	\$ -
U.S. agency obligations	9,346,087	-	2,628,623	5,702,460	1,015,004
Municipal bonds	1,508,322	155,366	761,232	539,922	51,802
TOTAL	\$ 12,603,440	\$ 504,702	\$ 4,420,691	\$ 6,611,241	\$ 1,066,806

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

The Police Pension Fund has the following recurring fair value measurements as of April 30, 2018. The U.S. Treasury obligations and equity mutual funds are valued using quoted prices (Level 1 inputs). The U.S. agency obligations and state and local obligations are valued using evaluated pricing (Level 2 inputs).

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds while maximizing yields for funds.

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The agency securities are rated at least Aa+ by Moody's or are small issues that are unrated. The municipal bonds are rated between Aa+ and Aaa by Moody's. The money market mutual funds are rated AAA.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Police Pension Fund's investment policy does not address custodial credit risk. However, all security transactions exposed to custodial credit risk are processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts. The money market mutual funds are not subject to custodial credit risk.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2017	\$ 37,765,626	\$ 26,176,299	\$ 11,589,327
Changes for the period			
Service cost	1,197,748	-	1,197,748
Interest	2,618,869	-	2,618,869
Difference between expected and actual experience	(164,439)	-	(164,439)
Changes in assumptions	982,418	-	982,418
Employer contributions	-	1,430,544	(1,430,544)
Employee contributions	-	437,086	(437,086)
Net investment income	-	1,809,402	(1,809,402)
Benefit payments and refunds	(706,417)	(706,417)	-
Administrative expense	-	(26,337)	26,337
Net changes	3,928,179	2,944,278	983,901
BALANCES AT APRIL 30, 2018	\$ 41,693,805	\$ 29,120,577	\$ 12,573,228

Changes in assumptions related to mortality rates and discount rate were made since the prior measurement date.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.50% to 11.0%
Investment rate of return	6.50%
Discount rate	6.50%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2018 using improvement scale MP-2017. The actuarial assumptions used in the April 30, 2018 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 19,947,963	\$ 12,573,228	\$ 6,638,143

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2018, the Village recognized police pension expense of \$1,550,170. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 164,439
Changes in assumption	982,418	-
Net difference between projected and actual earnings on pension plan investments	61,264	-
TOTAL	\$ 1,043,682	\$ 164,439

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year Ending April 30,	
2019	\$ 175,849
2020	175,849
2021	175,849
2022	175,849
2023	175,847
Thereafter	<u>-</u>
TOTAL	<u>\$ 879,243</u>

13. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by ILCS and by the Village. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's Water and Sewer Fund and Governmental Activities.

b. Benefits Provided

The Village provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans or meet COBRA requirements.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided (Continued)

All health care benefits are provided through the Village’s third party indemnity health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility in village sponsored health care plans may be continued at a separate premium upon eligibility for federally sponsored health care benefits.

c. Membership

At April 30, 2016 (most recent available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	9
Terminated employees entitled to benefits but not yet receiving them	-
Active plan members - vested	58
Active plan members - nonvested	<u>40</u>
 TOTAL	 <u><u>107</u></u>
 Participating employers	 <u><u>1</u></u>

d. Funding Policy

The Village provides the contribution percentages between the Village and employees through the union contracts and personnel policy. All retirees contribute 100% of the premium to the plan to cover the cost of providing the benefits to the retirees via the plan (pay-as-you-go) which results in an implicit subsidy to the Village as defined by the GASB Statement No. 45. For the fiscal year ended April 30, 2018, the Village contributed \$29,300. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the last three fiscal years was as follows:

Fiscal Year Ended April 30,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 62,407	\$ 32,820	52.60%	\$ 139,306
2017	65,071	28,585	43.92%	175,792
2018	66,708	29,300	43.92%	214,372

The net OPEB obligation (NOPEBO) as of April 30, 2018 was calculated as follows:

Annual required contribution	\$ 66,708
Interest on net OPEB obligation	7,032
Adjustment to annual required contribution	<u>(5,860)</u>
Annual OPEB cost	67,880
Contributions made	<u>(29,300)</u>
Increase in net OPEB obligation	38,580
Net OPEB obligation, beginning of year	<u>175,792</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 214,372</u>

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2016 (most recent information available), was as follows:

Actuarial accrued liability (AAL)	\$ 791,683
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	791,683
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 7,839,042
UAAL as a percentage of covered payroll	10.10%

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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 trend. Amounts determined regarding the funded status of the plan and the annual required 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 financial statements, presents multi-year 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.

In the April 30, 2016 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), 4% salary increase and an initial annual healthcare cost trend rate of 0% with an ultimate rate of 5.50%, which include a 3% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2018
(with comparative actual)

	2018		2017	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 11,171,500	\$ 11,171,500	\$ 12,031,634	\$ 10,985,376
Licenses and permits	570,300	570,300	560,000	640,310
Intergovernmental	3,058,000	3,058,000	3,042,503	3,053,850
Charges for services	1,220,006	1,220,006	1,157,386	1,185,921
Fines and forfeits	181,000	181,000	213,116	216,151
Investment income	20,000	20,000	31,385	23,457
Miscellaneous	776,600	776,600	788,973	905,885
Total revenues	16,997,406	16,997,406	17,824,997	17,010,950
EXPENDITURES				
Current				
General government	3,166,169	3,166,169	2,973,404	2,504,085
Building and zoning	732,679	732,679	692,144	686,781
Community development	681,338	681,338	634,269	513,651
Public works	2,114,927	2,114,927	1,877,226	1,736,921
Public safety	9,522,133	9,522,133	9,152,162	9,143,682
Total expenditures	16,217,246	16,217,246	15,329,205	14,585,120
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	780,160	780,160	2,495,792	2,425,830
OTHER FINANCING SOURCES (USES)				
Transfers in	700,000	700,000	-	-
Transfers (out)	(1,438,316)	(1,438,316)	(1,438,316)	(1,491,894)
Proceeds from the sale of capital assets	-	-	300	217
Total other financing sources (uses)	(738,316)	(738,316)	(1,438,016)	(1,491,677)
NET CHANGE IN FUND BALANCE	\$ 41,844	\$ 41,844	1,057,776	934,153
FUND BALANCE, MAY 1			7,660,614	6,726,461
FUND BALANCE, APRIL 30			\$ 8,718,390	\$ 7,660,614

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2018

BUDGETS

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds (except for the Public Works Escrow, Economic Development and Public Service Funds). All annual appropriations lapse at fiscal year end.

All departments submit requests for appropriation to the Budget Officer who compiles all the data and prepares a budget. The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested appropriations for the subsequent year.

The proposed budget is presented to the Village Board of Trustees for review. The Village Board of Trustees holds public hearings on the proposed budget and may add to, subtract or change requested appropriations. The Village Treasurer is authorized to transfer budget amounts between functions and activities. However, transfers between funds and increases to total fund expenditures must be approved by the Village Board of Trustees. The legal level of budgetary control (level at which expenditures may not exceed appropriations) is at the fund level.

Budget amendments were adopted during the fiscal year and are included in these financial statements.

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2018

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2013	\$ -	\$ 538,394	0.00%	\$ 538,394	\$ 7,999,757	6.73%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	791,683	0.00%	791,683	7,839,042	10.10%
2017	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Not available

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018
Actuarially determined contribution	\$ 415,960	\$ 416,117	\$ 424,813
Contributions in relation to the actuarially determined contribution	415,960	416,117	424,813
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 3,767,125	\$ 3,784,455	\$ 4,160,284
Contributions as a percentage of covered-employee payroll	11.04%	11.00%	10.21%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 752,163	\$ 890,070	\$ 990,649	\$ 1,003,047	\$ 1,007,990	\$ 1,056,065	\$ 1,150,866	\$ 1,182,911	\$ 1,465,094	\$ 1,392,423
Contribution in relation to the actuarially determined contribution	752,748	890,070	990,650	1,015,000	1,025,000	1,075,000	1,185,000	1,250,000	1,550,011	1,430,544
CONTRIBUTION DEFICIENCY (Excess)	\$ (585)	\$ -	\$ (1)	\$ (11,953)	\$ (17,010)	\$ (18,935)	\$ (34,134)	\$ (67,089)	\$ (84,917)	\$ (38,121)
Covered-employee payroll	\$ 3,678,626	\$ 3,717,257	\$ 3,815,936	\$ 3,962,251	\$ 4,062,393	\$ 4,169,421	\$ 4,249,406	\$ 4,442,354	\$ 4,482,794	\$ 4,482,053
Contributions as a percentage of covered-employee payroll	20.46%	23.94%	25.96%	25.62%	25.23%	25.78%	27.89%	28.14%	34.58%	31.92%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.00% annually, projected salary increase assumption of 5.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2018

Fiscal Year	Annual Required Contribution (ARC)	Contribution Made	Percentage Contributed	Net OPEB Obligation
2013	\$ 32,207	\$ 18,197	56.50%	\$ 57,125
2014	48,513	22,684	46.76%	83,335
2015	48,513	22,684	46.76%	109,719
2016	61,675	32,820	53.21%	139,306
2017	64,142	28,585	44.57%	175,792
2018	66,708	29,300	43.92%	214,371

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	\$ 395,781	\$ 416,010	\$ 415,213
Interest	860,423	922,833	967,433
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(151,576)	(415,197)	162,336
Changes of assumptions	18,102	(37,107)	(406,230)
Benefit payments, including refunds of member contributions	(236,327)	(329,911)	(318,855)
Net change in total pension liability	886,403	556,628	819,897
Total pension liability - beginning	11,407,893	12,294,296	12,850,924
TOTAL PENSION LIABILITY - ENDING	\$ 12,294,296	\$ 12,850,924	\$ 13,670,821
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 428,224	\$ 418,182	\$ 422,831
Contributions - member	170,585	180,746	191,754
Net investment income	50,655	689,647	1,845,091
Benefit payments, including refunds of member contributions	(236,327)	(329,911)	(318,855)
Administrative expense	(235,094)	10,178	(170,289)
Net change in plan fiduciary net position	178,043	968,842	1,970,532
Plan fiduciary net position - beginning	9,949,698	10,127,741	11,096,583
PLAN FIDUCIARY NET POSITION - ENDING	\$ 10,127,741	\$ 11,096,583	\$ 13,067,115
EMPLOYER'S NET PENSION LIABILITY	\$ 2,166,555	\$ 1,754,341	\$ 603,706
Plan fiduciary net position as a percentage of the total pension liability	82.38%	86.35%	95.58%
Covered-employee payroll	\$ 3,767,125	\$ 3,784,455	\$ 4,057,885
Employer's net pension liability as a percentage of covered-employee payroll	57.51%	46.36%	14.88%

The discount rate assumption was changed from 7.48% to 7.50% in 2016. Changes in assumptions related to mortality rates were made since the prior valuation.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND**

Last Four Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018
TOTAL PENSION LIABILITY				
Service cost	\$ 1,096,793	\$ 1,214,800	\$ 1,222,188	\$ 1,197,748
Interest	1,878,473	2,201,835	2,475,711	2,618,869
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	211,823	(142,752)	19,177	(164,439)
Changes of assumptions	1,938,553	1,207,154	(1,009,224)	982,418
Benefit payments, including refunds of member contributions	(494,408)	(517,978)	(619,053)	(706,417)
Net change in total pension liability	4,631,234	3,963,059	2,088,799	3,928,179
Total pension liability - beginning	27,082,534	31,713,768	35,676,827	37,765,626
TOTAL PENSION LIABILITY - ENDING	\$ 31,713,768	\$ 35,676,827	\$ 37,765,626	\$ 41,693,805
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 1,185,000	\$ 1,250,000	\$ 1,550,011	\$ 1,430,544
Contributions - member	426,332	425,332	423,439	437,086
Net investment income	1,308,531	171,901	2,290,173	1,810,762
Benefit payments, including refunds of member contributions	(494,408)	(517,978)	(619,053)	(706,417)
Administrative expense	(19,234)	(20,659)	(21,897)	(27,697)
Net change in plan fiduciary net position	2,406,221	1,308,596	3,622,673	2,944,278
Plan fiduciary net position - beginning	18,838,809	21,245,030	22,553,626	26,176,299
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,245,030	\$ 22,553,626	\$ 26,176,299	\$ 29,120,577
EMPLOYER'S NET PENSION LIABILITY	\$ 10,468,738	\$ 13,123,201	\$ 11,589,327	\$ 12,573,228
Plan fiduciary net position as a percentage of the total pension liability	66.99%	63.22%	69.31%	69.84%
Covered-employee payroll	\$ 4,249,406	\$ 4,442,354	\$ 4,482,794	\$ 4,482,053
Employer's net pension liability as a percentage of covered-employee payroll	246.36%	295.41%	258.53%	280.52%

In 2015, 2016, 2017 and 2018, change in assumptions related to mortality rates were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018
Annual money-weighted rate of return, net of investment expense	6.67%	0.78%	9.78%	6.73%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

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

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - the general operating fund of the Village and is used to account for all financial resources of the Village unless accounted for in another fund.

CAPITAL PROJECTS FUND

Capital Projects Fund - to account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

DEBT SERVICE FUND

Debt Service Fund - to account for the repayment of a portion of the 2011, 2013, 2014 general obligation refunding bonds and the 2016 general obligation refunding bonds.

TAX INCREMENT FINANCING FUND

Tax Increment Financing Fund - to account for the restricted property tax revenues and expenditures directly related to the TIF District established within the Village.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GENERAL FUND

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 4,124,653	\$ 2,746,343
Receivables		
Property taxes	1,344,048	1,280,573
Accounts	348,523	301,889
Accrued interest	-	684
Intergovernmental	2,334,354	2,751,505
Utility tax	132,620	68,444
Insurance	337,453	335,374
Prepaid items	288,351	255,381
Advances to other funds	2,000,000	2,000,000
Due from fiduciary funds	-	12,728
TOTAL ASSETS	<u>\$ 10,910,002</u>	<u>\$ 9,752,921</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 411,317	\$ 365,707
Accrued payroll	425,295	390,322
Due to fiduciary funds	-	53,857
Unearned revenue	10,952	1,848
Total liabilities	<u>847,564</u>	<u>811,734</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	<u>1,344,048</u>	<u>1,280,573</u>
Total deferred inflows of resources	<u>1,344,048</u>	<u>1,280,573</u>
Total liabilities and deferred inflows of resources	<u>2,191,612</u>	<u>2,092,307</u>
FUND BALANCE		
Nonspendable		
Prepaid items	288,351	255,381
Advances	2,000,000	2,000,000
Unrestricted		
Assigned - working cash	5,357,803	5,405,233
Unassigned	1,072,236	-
Total fund balance	<u>8,718,390</u>	<u>7,660,614</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 10,910,002</u>	<u>\$ 9,752,921</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property	\$ 1,388,500	\$ 1,388,500	\$ 1,384,741	\$ 1,326,027
Sales	8,200,000	8,200,000	8,296,487	8,058,593
Less sales tax rebate	(398,000)	(398,000)	(330,309)	(411,178)
Other	1,981,000	1,981,000	2,680,715	2,011,934
Total taxes	11,171,500	11,171,500	12,031,634	10,985,376
LICENSES AND PERMITS				
Licenses and permits	570,300	570,300	529,000	600,917
Transition fees	-	-	31,000	39,393
Total licenses and permits	570,300	570,300	560,000	640,310
INTERGOVERNMENTAL				
Grants	50,000	50,000	32,845	50,540
Income	3,000,000	3,000,000	2,999,575	2,991,771
Replacement	8,000	8,000	10,083	11,539
Total intergovernmental	3,058,000	3,058,000	3,042,503	3,053,850
CHARGES FOR SERVICES				
Telecommunication surcharge	600,000	600,000	632,625	674,036
Other charges for services	620,006	620,006	524,761	511,885
Total charges for services	1,220,006	1,220,006	1,157,386	1,185,921
FINES AND FORFEITS				
Fines and fees	181,000	181,000	213,116	216,151
Total fines and forfeits	181,000	181,000	213,116	216,151
INVESTMENT INCOME				
	20,000	20,000	31,385	23,457
MISCELLANEOUS				
Contributions	179,100	179,100	169,180	148,756
Miscellaneous	597,500	597,500	619,793	757,129
Total miscellaneous	776,600	776,600	788,973	905,885
TOTAL REVENUES	\$ 16,997,406	\$ 16,997,406	\$ 17,824,997	\$ 17,010,950

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
CURRENT				
General government				
Administration				
Salaries/personnel services	\$ 674,792	\$ 674,792	\$ 676,877	\$ 610,681
Insurance and benefits	199,531	199,531	177,334	153,096
Professional services	345,700	345,700	216,896	305,574
Contractual services	131,903	131,903	97,334	107,803
Communication	19,486	19,486	14,496	25,522
Professional development	52,040	52,040	48,843	45,653
Operating supplies	10,590	10,590	123,277	3,336
Total administration	1,434,042	1,434,042	1,355,057	1,251,665
Community relations				
Salaries/personnel services	133,360	133,360	96,394	127,710
Insurance and benefits	46,392	46,392	26,746	44,433
Professional services	117,450	117,450	110,259	110,837
Contractual services	33,249	33,249	26,394	30,745
Communication	34,037	34,037	26,305	21,982
Professional development	2,500	2,500	409	546
Operating supplies	1,500	1,500	1,261	679
Total community relations	368,488	368,488	287,768	336,932
Finance				
Salaries/personnel services	307,759	307,759	312,329	289,963
Insurance and benefits	102,410	102,410	100,103	98,158
Professional services	70,525	70,525	77,713	77,783
Contractual services	29,947	29,947	28,712	30,556
Communication	6,865	6,865	5,167	5,940
Professional development	8,750	8,750	4,583	8,042
Operating supplies	1,500	1,500	2,504	2,094
Total finance	527,756	527,756	531,111	512,536

(This schedule is continued on the following pages.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
General government (Continued)				
Information technology				
Salaries/personnel services	\$ 85,262	\$ 85,262	\$ 82,126	\$ 81,120
Insurance and benefits	31,884	31,884	31,214	30,314
Professional services	220,000	220,000	203,186	47,279
Contractual services	480,252	480,252	457,661	240,030
Communication	2,100	2,100	1,402	595
Professional development	8,135	8,135	96	350
Operating supplies	8,250	8,250	23,783	3,264
Total information technology	835,883	835,883	799,468	402,952
Total general government	3,166,169	3,166,169	2,973,404	2,504,085
Building and zoning				
Salaries/personnel services	463,356	463,356	457,279	447,526
Insurance and benefits	182,425	182,425	178,014	174,056
Professional services	20,500	20,500	4,024	4,859
Contractual services	39,184	39,184	37,453	38,049
Communication	7,789	7,789	6,634	7,898
Professional development	7,925	7,925	4,028	6,039
Operating supplies	11,500	11,500	4,712	8,354
Total building and zoning	732,679	732,679	692,144	686,781
Community development				
Community development				
Salaries and personnel services	309,157	309,157	311,668	272,360
Insurance and benefits	106,906	106,906	101,709	95,875
Professional services	13,100	13,100	7,995	8,694
Contractual services	25,773	25,773	21,705	25,077
Communication	5,050	5,050	5,685	5,336
Professional development	4,600	4,600	4,239	2,689
Operating supplies	10,000	10,000	2,974	3,628
Total community development	474,586	474,586	455,975	413,659

(This schedule is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Community development (Continued)				
Economic development				
Salaries and personnel services	\$ 109,200	\$ 109,200	\$ 117,851	\$ 54,327
Insurance and benefits	21,367	21,367	21,007	9,963
Professional services	50,000	50,000	25,000	8,550
Contractual services	4,995	4,995	4,630	5,269
Communication	8,840	8,840	2,534	4,400
Professional development	11,600	11,600	6,795	10,101
Operating supplies	750	750	477	1,382
Capital outlay	-	-	-	6,000
Total economic development	206,752	206,752	178,294	99,992
Total community development	681,338	681,338	634,269	513,651
Public works				
Salaries/personnel services	534,193	534,193	485,551	432,411
Insurance and benefits	195,187	195,187	158,969	143,261
Professional services	36,500	36,500	15,110	23,467
Contractual services	1,121,367	1,121,367	814,173	923,828
Communication	22,280	22,280	5,766	16,287
Professional development	10,800	10,800	9,754	9,576
Operating supplies	194,600	194,600	387,903	188,091
Total public works	2,114,927	2,114,927	1,877,226	1,736,921
Public safety - police				
Salaries/personnel services	5,579,194	5,579,194	5,394,599	5,288,308
Insurance and benefits	1,570,909	1,570,909	1,474,748	1,401,672
Professional services	74,663	74,663	61,793	102,278
Contractual services	565,776	565,776	518,766	585,482
Communication	77,072	77,072	50,246	55,176
Professional development	63,199	63,199	47,965	46,875
Operating supplies	191,320	191,320	173,501	113,880
Contribution to Police Pension Fund	1,400,000	1,400,000	1,430,544	1,550,011
Total public safety - police	9,522,133	9,522,133	9,152,162	9,143,682
TOTAL EXPENDITURES	\$ 16,217,246	\$ 16,217,246	\$ 15,329,205	\$ 14,585,120

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**BALANCE SHEET
CAPITAL PROJECTS FUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 16,019,024	\$ 29,981,962
Receivables		
Accounts	137,533	60,000
Interest	8,509	-
Intergovernmental	718,930	692,710
Prepaid items	-	216,909
	<hr/>	<hr/>
TOTAL ASSETS	\$ 16,883,996	\$ 30,951,581
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 1,477,515	\$ 787,955
Retainage payable	1,542,840	-
	<hr/>	<hr/>
Total liabilities	3,020,355	787,955
	<hr/>	<hr/>
FUND BALANCE		
Nonspendable		
Prepaid items	-	216,909
Restricted for capital improvements	13,863,641	29,946,717
	<hr/>	<hr/>
Total fund balance	13,863,641	30,163,626
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 16,883,996	\$ 30,951,581
	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2018
(with comparative prior year)

	2018		2017	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Sales	\$ 2,900,000	\$ 2,900,000	\$ 3,071,475	\$ 3,025,536
Intergovernmental	-	-	474,933	93,000
Contributions	-	-	177,838	125,339
Investment income	30,000	30,000	283,471	137,682
Miscellaneous	-	-	63,900	-
Total revenues	2,930,000	2,930,000	4,071,617	3,381,557
EXPENDITURES				
Current				
Professional services	-	-	-	353,077
Capital outlay	25,104,800	25,862,105	19,199,402	4,491,866
Total expenditures	25,104,800	25,862,105	19,199,402	4,844,943
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(22,174,800)	(22,932,105)	(15,127,785)	(1,463,386)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	100,000	973,583
Transfers (out)	(1,972,200)	(1,972,200)	(1,272,200)	(1,134,631)
Bonds issued, at par	-	-	-	27,105,000
Premium on bonds issued	-	-	-	3,883,608
Total other financing sources (uses)	(1,972,200)	(1,972,200)	(1,172,200)	30,827,560
NET CHANGE IN FUND BALANCE	\$ (24,147,000)	\$ (24,904,305)	(16,299,985)	29,364,174
FUND BALANCE, MAY 1			30,163,626	799,452
FUND BALANCE, APRIL 30			\$ 13,863,641	\$ 30,163,626

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
DEBT SERVICE FUND

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 69,063	\$ 68,041
TOTAL ASSETS	<u>\$ 69,063</u>	<u>\$ 68,041</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
None	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>
FUND BALANCE		
Assigned for debt service	<u>69,063</u>	<u>68,041</u>
Total fund balance	<u>69,063</u>	<u>68,041</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 69,063</u>	<u>\$ 68,041</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	\$ 300	\$ 300	\$ 201	\$ 1,057
Total revenues	<u>300</u>	<u>300</u>	<u>201</u>	<u>1,057</u>
EXPENDITURES				
Debt service				
Principal retirement	1,335,000	1,335,000	1,335,000	1,340,000
Interest and fiscal charges	1,587,844	1,587,844	1,587,195	1,048,006
Total expenditures	<u>2,922,844</u>	<u>2,922,844</u>	<u>2,922,195</u>	<u>2,388,006</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,922,544)</u>	<u>(2,922,544)</u>	<u>(2,921,994)</u>	<u>(2,386,949)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,923,016	2,923,016	2,923,016	2,389,025
Total other financing sources (uses)	<u>2,923,016</u>	<u>2,923,016</u>	<u>2,923,016</u>	<u>2,389,025</u>
NET CHANGE IN FUND BALANCE	<u>\$ 472</u>	<u>\$ 472</u>	1,022	2,076
FUND BALANCE, MAY 1			<u>68,041</u>	<u>65,965</u>
FUND BALANCE, APRIL 30			<u>\$ 69,063</u>	<u>\$ 68,041</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
TAX INCREMENT FINANCING FUND

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 260,505	\$ 412,792
Receivables		
Property taxes	<u>32,680</u>	<u>20,156</u>
TOTAL ASSETS	<u><u>\$ 293,185</u></u>	<u><u>\$ 432,948</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 20,568	\$ 20,983
Advance from other funds	<u>2,000,000</u>	<u>2,000,000</u>
Total liabilities	<u>2,020,568</u>	<u>2,020,983</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	<u>32,680</u>	<u>20,156</u>
Total deferred inflows of resources	<u>32,680</u>	<u>20,156</u>
Total liabilities and deferred inflows of resources	<u>2,053,248</u>	<u>2,041,139</u>
FUND BALANCE		
Unassigned (deficit)	<u>(1,760,063)</u>	<u>(1,608,191)</u>
Total fund balance (deficit)	<u>(1,760,063)</u>	<u>(1,608,191)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 293,185</u></u>	<u><u>\$ 432,948</u></u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Property taxes	\$ 40,000	\$ 40,000	\$ 19,604	\$ -
Investment income	500	500	3,792	1,336
Total revenues	40,500	40,500	23,396	1,336
EXPENDITURES				
Current				
Professional services	50,500	50,500	128,268	115,240
Capital outlay	300,000	300,000	47,000	1,494,287
Total expenditures	350,500	350,500	175,268	1,609,527
NET CHANGE IN FUND BALANCE	\$ (310,000)	\$ (310,000)	(151,872)	(1,608,191)
FUND BALANCE (DEFICIT), MAY 1			(1,608,191)	-
FUND BALANCE (DEFICIT), APRIL 30			\$ (1,760,063)	\$ (1,608,191)

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for State Gasoline Tax Allocations restricted for local roadway program expenditures.

Public Works Escrow Fund - to account for monies collected from developers and others for specific road and other capital improvements.

Economic Development Fund - to account for income generated from low interest economic development loans offered to local businesses.

Public Service Fund - to account for donations and contributions collected for various public projects and special events.

VILLAGE OF OSWEGO, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2018

	Special Revenue				
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	Total
ASSETS					
Cash and investments	\$ 715,362	\$ 559,049	\$ 187,046	\$ 810,349	\$ 2,271,806
Receivables					
Accounts	-	-	-	1,524	1,524
Intergovernmental	78,340	-	-	-	78,340
Notes	-	-	271,906	-	271,906
Prepaid items	-	-	-	18,984	18,984
TOTAL ASSETS	\$ 793,702	\$ 559,049	\$ 458,952	\$ 830,857	\$ 2,642,560
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 4,200	\$ -	\$ -	\$ 1,205	\$ 5,405
Escrow deposits	-	491,871	-	-	491,871
Unearned revenue	-	-	-	3,725	3,725
Total liabilities	4,200	491,871	-	4,930	501,001
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	18,984	18,984
Restricted					
Highways and streets	789,502	-	-	-	789,502
Special projects	-	67,178	-	806,943	874,121
Economic development	-	-	458,952	-	458,952
Total fund balances	789,502	67,178	458,952	825,927	2,141,559
TOTAL LIABILITIES AND FUND BALANCES	\$ 793,702	\$ 559,049	\$ 458,952	\$ 830,857	\$ 2,642,560

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2018

	Special Revenue				Total
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	
REVENUES					
Intergovernmental	\$ 949,817	\$ -	\$ -	\$ -	\$ 949,817
Charges for services	-	-	-	9,336	9,336
Fines and forfeits	-	-	-	194,732	194,732
Investment income	6,351	2,585	8,772	-	17,708
Donations and contributions	-	-	-	177,930	177,930
Total revenues	956,168	2,585	8,772	381,998	1,349,523
EXPENDITURES					
Current					
General government	-	-	-	230,333	230,333
Public safety	-	-	-	51,089	51,089
Public works	826,628	-	-	-	826,628
Total expenditures	826,628	-	-	281,422	1,108,050
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	129,540	2,585	8,772	100,576	241,473
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(262,500)	-	-	(100,000)	(362,500)
Total other financing sources (uses)	(262,500)	-	-	(100,000)	(362,500)
NET CHANGE IN FUND BALANCES	(132,960)	2,585	8,772	576	(121,027)
FUND BALANCES, MAY 1	922,462	64,593	450,180	825,351	2,262,586
FUND BALANCES, APRIL 30	\$ 789,502	\$ 67,178	\$ 458,952	\$ 825,927	\$ 2,141,559

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018		Actual	2017
	Original Budget	Final Budget		Actual
REVENUES				
Intergovernmental				
Motor fuel tax	\$ 850,000	\$ 850,000	\$ 949,817	\$ 885,751
Investment income	4,000	4,000	6,351	4,856
Total revenues	854,000	854,000	956,168	890,607
EXPENDITURES				
Current				
Public works/transportation	900,000	900,000	826,628	611,760
Total expenditures	900,000	900,000	826,628	611,760
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(46,000)	(46,000)	129,540	278,847
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(262,500)	(262,500)	(262,500)	(262,500)
Total other financing sources (uses)	(262,500)	(262,500)	(262,500)	(262,500)
NET CHANGE IN FUND BALANCE	\$ (308,500)	\$ (308,500)	(132,960)	16,347
FUND BALANCE, MAY 1			922,462	906,115
FUND BALANCE, APRIL 30			\$ 789,502	\$ 922,462

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

Water and Sewer Fund - to account for revenues and expenses relative to the operation of the water and sewer utility. This fund has two subfunds, operating and capital.

Garbage Fund - to account for the operations of the Village's garbage collection service.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION
WATER AND SEWER FUND ACCOUNTS

April 30, 2018

	Water and Sewer Operating	Water and Sewer Capital	Total
CURRENT ASSETS			
Cash and investments	\$ 3,920,726	\$ 5,589,328	\$ 9,510,054
Accounts receivable	989,528	-	989,528
Accrued interest receivable	1,957	7,559	9,516
Restricted cash and investments			
IEPA restriction	654,000	-	654,000
Prepaid expenses	14,820	-	14,820
Total current assets	5,581,031	5,596,887	11,177,918
NONCURRENT ASSETS			
Capital assets			
Capital assets, net of depreciation			
Nondepreciable assets	3,348,121	-	3,348,121
Depreciable buildings, property and infrastructure	74,939,077	-	74,939,077
Accumulated depreciation	(23,493,631)	-	(23,493,631)
Total capital assets	54,793,567	-	54,793,567
Total assets	60,374,598	5,596,887	65,971,485
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	319,835	-	319,835
Pension items - IMRF	168,885	-	168,885
Total deferred outflows of resources	488,720	-	488,720
Total assets and deferred outflows of resources	60,863,318	5,596,887	66,460,205

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)
WATER AND SEWER FUND ACCOUNTS

April 30, 2018

	Water and Sewer Operating	Water and Sewer Capital	Total
CURRENT LIABILITIES			
Accounts payable	\$ 224,726	\$ 34,979	\$ 259,705
Accrued payroll	5,073	-	5,073
Compensated absences	44,314	-	44,314
Interest payable	113,321	-	113,321
IEPA loans payable	73,316	-	73,316
Bonds payable	1,145,000	-	1,145,000
Unearned revenue	2,450,250	-	2,450,250
Total current liabilities	4,056,000	34,979	4,090,979
LONG-TERM LIABILITIES			
Compensated absences	42,122	-	42,122
Other postemployment benefits	24,118	-	24,118
Net pension liability	172,654	-	172,654
IEPA loans payable	480,292	-	480,292
Bonds payable, net	8,754,094	-	8,754,094
Total long-term liabilities	9,473,280	-	9,473,280
Total liabilities	13,529,280	34,979	13,564,259
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	419,940	-	419,940
Total deferred inflows of resources	419,940	-	419,940
Total liabilities and deferred inflows of resources	13,949,220	34,979	13,984,199
NET POSITION			
Net investment in capital assets	44,660,699	-	44,660,699
Restricted for radium removal	654,000	-	654,000
Unrestricted	1,599,399	5,561,908	7,161,307
TOTAL NET POSITION	\$ 46,914,098	\$ 5,561,908	\$ 52,476,006

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND ACCOUNTS

For the Year Ended April 30, 2018

	Water and Sewer Operating	Water and Sewer Capital	Eliminations	Total
OPERATING REVENUES				
Charges for services	\$ 5,908,071	\$ 38,116	\$ -	\$ 5,946,187
Total operating revenues	5,908,071	38,116	-	5,946,187
OPERATING EXPENSES				
Production	3,334,659	115,561	-	3,450,220
Total operating expenses	3,334,659	115,561	-	3,450,220
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	2,573,412	(77,445)	-	2,495,967
Depreciation	1,621,523	-	-	1,621,523
OPERATING INCOME (LOSS)	951,889	(77,445)	-	874,444
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	-	162,800	-	162,800
Grant revenue	92,370	-	-	92,370
Investment income	33,800	40,903	-	74,703
Interest expense and amortization	(440,424)	-	-	(440,424)
Miscellaneous income	21,338	800	-	22,138
Total non-operating revenues (expenses)	(292,916)	204,503	-	(88,413)
NET INCOME BEFORE TRANSFERS	658,973	127,058	-	786,031
TRANSFERS				
Transfer in	64,295	-	(64,295)	-
Transfer (out)	(35,000)	(64,295)	64,295	(35,000)
Total transfers	29,295	(64,295)	-	(35,000)
CHANGE IN NET POSITION	688,268	62,763	-	751,031
NET POSITION, MAY 1	46,225,830	5,499,145	-	51,724,975
NET POSITION, APRIL 30	\$ 46,914,098	\$ 5,561,908	\$ -	\$ 52,476,006

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF CASH FLOWS
WATER AND SEWER FUND ACCOUNTS

For the Year Ended April 30, 2018

	Water and Sewer Operating	Water and Sewer Capital	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 5,638,291	\$ 38,116	\$ 5,676,407
Payments to suppliers	(2,120,971)	(144,877)	(2,265,848)
Payments to employees	(1,207,419)	-	(1,207,419)
Miscellaneous income	21,338	800	22,138
Net cash from operating activities	<u>2,331,239</u>	<u>(105,961)</u>	<u>2,225,278</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payment from (to) other funds	29,295	(64,295)	(35,000)
Grant revenue	92,370	-	92,370
Net cash from noncapital financing activities	<u>121,665</u>	<u>(64,295)</u>	<u>57,370</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(64,295)	-	(64,295)
Connection fees	-	162,800	162,800
Bond proceeds	5,070,000	-	5,070,000
Bond principal payments	(6,380,000)	-	(6,380,000)
IEPA loan principal payments	(71,516)	-	(71,516)
Interest paid	(127,548)	-	(127,548)
Net cash from capital and related financing activities	<u>(1,573,359)</u>	<u>162,800</u>	<u>(1,410,559)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	33,772	46,622	80,394
Net cash from investing activities	<u>33,772</u>	<u>46,622</u>	<u>80,394</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	913,317	39,166	952,483
CASH AND CASH EQUIVALENTS, MAY 1	<u>3,661,409</u>	<u>5,550,162</u>	<u>9,211,571</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 4,574,726</u>	<u>\$ 5,589,328</u>	<u>\$ 10,164,054</u>

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF CASH FLOWS (Continued)
WATER AND SEWER FUND ACCOUNTS

For the Year Ended April 30, 2018

	Water and Sewer Operating	Water and Sewer Capital	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 951,889	\$ (77,445)	\$ 874,444
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,621,523	-	1,621,523
Miscellaneous income	21,338	800	22,138
Changes in assets and liabilities			
Accounts receivable	(269,780)	-	(269,780)
Prepaid expenses	3,517	-	3,517
Accounts payable	61,248	(29,316)	31,932
Accrued payroll	(44,234)	-	(44,234)
Compensated absences	12,146	-	12,146
Other postemployment benefits	4,821	-	4,821
IMRF items	(31,229)	-	(31,229)
NET CASH FROM OPERATING ACTIVITIES	\$ 2,331,239	\$ (105,961)	\$ 2,225,278
CASH AND CASH EQUIVALENTS			
Unrestricted cash and cash equivalents	\$ 3,920,726	\$ 5,589,328	\$ 9,510,054
Restricted cash and cash equivalents			
IEPA restriction	654,000	-	654,000
TOTAL CASH AND CASH EQUIVALENTS	\$ 4,574,726	\$ 5,589,328	\$ 10,164,054
NONCASH TRANSACTIONS			
Transfer of capital assets	\$ (35,000)	\$ -	\$ (35,000)

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
WATER AND SEWER OPERATING SUBFUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and investments	\$ 3,920,726	\$ 3,007,409
Accounts receivable	989,528	719,748
Accrued interest receivable	1,957	1,929
Restricted cash and investments		
IEPA restriction	654,000	654,000
Prepaid expenses	14,820	18,337
Total current assets	<u>5,581,031</u>	<u>4,401,423</u>
NONCURRENT ASSETS		
Capital assets		
Capital assets, net of depreciation		
Nondepreciable assets	3,348,121	3,734,316
Depreciable buildings, property and infrastructure	74,939,077	74,488,587
Accumulated depreciation	<u>(23,493,631)</u>	<u>(21,872,108)</u>
Total capital assets	<u>54,793,567</u>	<u>56,350,795</u>
Total assets	<u>60,374,598</u>	<u>60,752,218</u>
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	319,835	339,814
Pension items - IMRF	168,885	177,473
Total deferred outflows of resources	<u>488,720</u>	<u>517,287</u>
Total assets and deferred outflows of resources	<u>60,863,318</u>	<u>61,269,505</u>

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)
WATER AND SEWER OPERATING SUBFUND

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
CURRENT LIABILITIES		
Accounts payable	\$ 224,726	\$ 163,478
Accrued payroll	5,073	49,307
Compensated absences	44,314	38,087
Interest payable	113,321	168,649
IEPA loans payable	73,316	71,516
Bonds payable	1,145,000	1,085,000
Unearned revenue	2,450,250	2,450,250
	<hr/>	<hr/>
Total current liabilities	4,056,000	4,026,287
LONG-TERM LIABILITIES		
Compensated absences	42,122	36,203
Other postemployment benefits	24,118	19,297
Net pension liability	172,654	501,723
IEPA loans payable	480,292	553,609
Bonds payable, net	8,754,094	9,775,868
	<hr/>	<hr/>
Total long-term liabilities	9,473,280	10,886,700
	<hr/>	<hr/>
Total liabilities	13,529,280	14,912,987
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	419,940	130,688
	<hr/>	<hr/>
Total deferred inflows of resources	419,940	130,688
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	13,949,220	15,043,675
NET POSITION		
Net investment in capital assets	44,660,699	43,955,344
Restricted for radium removal	654,000	654,000
Unrestricted	1,599,399	1,616,486
	<hr/>	<hr/>
TOTAL NET POSITION	\$ 46,914,098	\$ 46,225,830
	<hr/>	<hr/>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER OPERATING SUBFUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 5,068,200	\$ 5,068,200	\$ 5,908,071	\$ 5,172,206
Total operating revenues	5,068,200	5,068,200	5,908,071	5,172,206
OPERATING EXPENSES				
Salaries/personnel services	1,184,844	1,184,844	1,175,331	1,110,587
Insurance and benefits	466,267	466,267	466,136	446,014
Pension expense	-	-	(26,408)	1,358
Professional services	210,557	210,557	240,838	115,228
Contractual services	1,550,395	1,550,395	1,346,280	1,391,955
Communication	30,600	30,600	41,156	67,650
Professional development	50,400	50,400	39,258	5,633
Operating supplies	62,600	62,600	52,068	113,967
Capital maintenance	-	-	64,295	-
Total operating expenses	3,555,663	3,555,663	3,398,954	3,252,392
OPERATING INCOME	1,512,537	1,512,537	2,509,117	1,919,814
NON-OPERATING REVENUES (EXPENSES)				
Grant revenue	78,000	78,000	92,370	84,572
Investment income	17,000	17,000	33,800	16,090
Interest expense and amortization	(1,612,808)	(1,612,808)	(440,424)	(514,769)
Principal retirement	-	-	(1,156,516)	(1,191,023)
Miscellaneous income	11,000	11,000	21,338	12,783
Total non-operating revenues (expenses)	(1,506,808)	(1,506,808)	(1,449,432)	(1,592,347)
NET INCOME BEFORE TRANSFERS	5,729	5,729	1,059,685	327,467
TRANSFERS				
Transfer in	-	-	64,295	214,325
Transfer (out)	(35,000)	(35,000)	(35,000)	(354,725)
Total transfers	(35,000)	(35,000)	29,295	(140,400)

(This schedule is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)
WATER AND SEWER OPERATING SUBFUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
ADJUSTMENTS TO GAAP BASIS				
Principal retirement	\$ -	\$ -	\$ 1,156,516	\$ 1,191,023
Depreciation	-	-	(1,621,523)	(1,543,214)
Capital assets capitalized	-	-	64,295	-
Total adjustments to GAAP basis	-	-	(400,712)	(352,191)
CHANGE IN NET POSITION	<u>\$ (29,271)</u>	<u>\$ (29,271)</u>	688,268	(165,124)
NET POSITION, MAY 1			46,225,830	46,390,954
NET POSITION, APRIL 30			<u>\$ 46,914,098</u>	<u>\$ 46,225,830</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
WATER AND SEWER CAPITAL SUBFUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and investments	\$ 5,589,328	\$ 5,550,162
Accrued interest receivable	7,559	13,278
Total current assets	<u>5,596,887</u>	<u>5,563,440</u>
NONCURRENT ASSETS		
None	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>-</u>
Total assets	<u>5,596,887</u>	<u>5,563,440</u>
DEFERRED OUTFLOWS OF RESOURCES		
None	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>5,596,887</u>	<u>5,563,440</u>
CURRENT LIABILITIES		
Accounts payable	<u>34,979</u>	<u>64,295</u>
Total current liabilities	<u>34,979</u>	<u>64,295</u>
LONG-TERM LIABILITIES		
None	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>34,979</u>	<u>64,295</u>
NET POSITION		
Unrestricted	<u>5,561,908</u>	<u>5,499,145</u>
TOTAL NET POSITION	<u><u>\$ 5,561,908</u></u>	<u><u>\$ 5,499,145</u></u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER CAPITAL SUBFUND

For the Year Ended April 30, 2018
(with comparative actual)

	2018			2017 Actual
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for services	\$ 30,000	\$ 30,000	\$ 38,116	\$ 29,785
Total operating revenues	30,000	30,000	38,116	29,785
OPERATING EXPENSES				
Capital maintenance	1,250,000	1,250,000	115,561	78,268
Total operating expenses	1,250,000	1,250,000	115,561	78,268
OPERATING INCOME (LOSS)	(1,220,000)	(1,220,000)	(77,445)	(48,483)
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	110,000	110,000	162,800	123,200
Investment income	20,000	20,000	40,903	(7,730)
Miscellaneous income	-	-	800	-
Total non-operating revenues (expenses)	130,000	130,000	204,503	115,470
NET INCOME (LOSS) BEFORE TRANSFERS	(1,090,000)	(1,090,000)	127,058	66,987
TRANSFERS				
Transfer (out)	-	-	(64,295)	(214,325)
Total transfers	-	-	(64,295)	(214,325)
CHANGE IN NET POSITION	\$ (1,090,000)	\$ (1,090,000)	62,763	(147,338)
NET POSITION, MAY 1			5,499,145	5,646,483
NET POSITION, APRIL 30			\$ 5,561,908	\$ 5,499,145

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
GARBAGE FUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and investments	\$ 296,254	\$ 84,209
Accounts receivable	436,029	422,030
	<hr/>	
Total current assets	732,283	506,239
NONCURRENT ASSETS		
None	-	-
	<hr/>	
Total assets	732,283	506,239
	<hr/>	
CURRENT LIABILITIES		
Accounts payable	200,484	750
	<hr/>	
Total current liabilities	200,484	750
LONG-TERM LIABILITIES		
None	-	-
	<hr/>	
Total liabilities	200,484	750
	<hr/>	
NET POSITION		
Unrestricted	531,799	505,489
	<hr/>	
TOTAL NET POSITION	<u>\$ 531,799</u>	<u>\$ 505,489</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
GARBAGE FUND

For the Year Ended April 30, 2018
(with comparative prior year)

	2018			2017
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 2,451,200	\$ 2,451,200	\$ 2,434,270	\$ 2,338,068
Total operating revenues	2,451,200	2,451,200	2,434,270	2,338,068
OPERATING EXPENSES				
Disposal services	2,450,000	2,450,000	2,408,455	2,346,478
Total operating expenses	2,450,000	2,450,000	2,408,455	2,346,478
OPERATING INCOME (LOSS)	1,200	1,200	25,815	(8,410)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	500	500	495	462
Total non-operating revenues (expenses)	500	500	495	462
CHANGE IN NET POSITION	\$ 1,700	\$ 1,700	26,310	(7,948)
NET POSITION, MAY 1			505,489	513,437
NET POSITION, APRIL 30			\$ 531,799	\$ 505,489

(See independent auditor's report.)

INTERNAL SERVICE FUND

Vehicle Replacement Fund - to account for the costs associated with the purchase of vehicles and equipment.

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
VEHICLE REPLACEMENT FUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and investments	\$ 102,081	\$ 62,711
Total current assets	<u>102,081</u>	<u>62,711</u>
NONCURRENT ASSETS		
Capital assets		
Capital assets, net of depreciation		
Depreciable buildings, property and infrastructure	4,156,021	4,201,079
Accumulated depreciation	<u>(2,983,366)</u>	<u>(2,740,111)</u>
Total capital assets	<u>1,172,655</u>	<u>1,460,968</u>
Total assets	<u>1,274,736</u>	<u>1,523,679</u>
CURRENT LIABILITIES		
None	<u>-</u>	<u>-</u>
Total current liabilities	<u>-</u>	<u>-</u>
LONG-TERM LIABILITIES		
None	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	1,172,655	1,460,968
Unrestricted	<u>102,081</u>	<u>62,711</u>
TOTAL NET POSITION	<u>\$ 1,274,736</u>	<u>\$ 1,523,679</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
VEHICLE REPLACEMENT FUND

For the Year Ended April 30, 2018

	2018			2017 Actual
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total operating revenues	-	-	-	-
OPERATING EXPENSES				
Capital outlay	85,000	85,000	83,082	988
Total operating expenses	85,000	85,000	83,082	988
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(85,000)	(85,000)	(83,082)	(988)
Depreciation	-	-	372,895	389,163
OPERATING INCOME (LOSS)	(85,000)	(85,000)	(455,977)	(390,151)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	400	400	334	\$ 1,193
Sale of fixed assets	5,000	5,000	38,618	17,495
Total non-operating revenues (expenses)	5,400	5,400	38,952	18,688
NET INCOME (LOSS) BEFORE TRANSFERS	(79,600)	(79,600)	(417,025)	(371,463)
TRANSFERS				
Transfer in	85,000	85,000	85,000	1,895,142
Total transfers	85,000	85,000	85,000	1,895,142
ADJUSTMENTS TO GAAP BASIS				
Capital assets capitalized	-	-	83,082	-
Total adjustments to GAAP basis	-	-	83,082	-
CHANGE IN NET POSITION	\$ 5,400	\$ 5,400	(248,943)	1,523,679
NET POSITION, MAY 1			1,523,679	-
NET POSITION, APRIL 30			\$ 1,274,736	\$ 1,523,679

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF CASH FLOWS
VEHICLE REPLACEMENT FUND**

For the Year Ended April 30, 2018

	<u>Vehicle Replacement</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ -
Payments to suppliers	-
	<hr/>
Net cash from operating activities	-
	<hr/>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payment from (to) other funds	85,000
	<hr/>
Net cash from noncapital financing activities	85,000
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(83,082)
Sale of capital assets	37,118
	<hr/>
Net cash from capital and related financing activities	(45,964)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	334
	<hr/>
Net cash from investing activities	334
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	39,370
CASH AND CASH EQUIVALENTS, MAY 1	62,711
	<hr/>
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 102,081
	<hr/> <hr/>

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF CASH FLOWS (Continued)
VEHICLE REPLACEMENT FUND**

For the Year Ended April 30, 2018

	<u>Vehicle Replacement</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (455,977)
Depreciation	372,895
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Capital outlay	<u>83,082</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ -</u>
CASH AND CASH EQUIVALENTS	
Unrestricted cash and cash equivalents	<u>\$ 102,081</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 102,081</u>
NONCASH TRANSACTIONS	
Contribution of capital assets	<u>\$ -</u>

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUND

Police Pension Fund - to account for the resources necessary to provide retirement and disability benefits to the personnel of the Village Police Department.

AGENCY FUNDS

Agency Fund - to account for land/cash and transition fees collected from developers for other governmental entities.

Subdivision Escrow Fund - to account for developer deposits.

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
POLICE PENSION FUND**

April 30, 2018
(with comparative prior year)

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	\$ 178,846	\$ 176,316
Investments, at fair value		
U.S. Government and U.S. agency securities	11,095,118	9,477,558
Municipal bonds	1,508,322	1,754,539
Equity mutual funds	16,257,382	14,695,591
Accrued interest receivable	88,463	80,076
Prepaid items	1,044	531
	<hr/>	<hr/>
Total assets	29,129,175	26,184,611
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	8,598	8,312
	<hr/>	<hr/>
Total liabilities	8,598	8,312
	<hr/>	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 29,120,577</u>	<u>\$ 26,176,299</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended April 30, 2018
(with comparative actual)

	2018		Actual	2017
	Original Budget	Final Budget		Actual
ADDITIONS				
Contributions				
Employer	\$ 1,400,000	\$ 1,400,000	\$ 1,430,544	\$ 1,550,011
Employee	443,100	443,100	437,086	423,439
Total contributions	1,843,100	1,843,100	1,867,630	1,973,450
Investment income				
Net appreciation in fair value of investments	-	-	665,473	1,582,843
Interest and dividends	400,000	400,000	1,231,390	782,303
Total investment income	400,000	400,000	1,896,863	2,365,146
Less investment expense	(76,000)	(86,200)	(86,101)	(74,973)
Net investment income	324,000	313,800	1,810,762	2,290,173
Total additions	2,167,100	2,156,900	3,678,392	4,263,623
DEDUCTIONS				
Benefits and refunds	627,000	706,500	706,417	619,053
Administration	25,300	31,600	27,697	21,897
Total deductions	652,300	738,100	734,114	640,950
NET INCREASE	\$ 1,514,800	\$ 1,418,800	2,944,278	3,622,673
NET POSITION RESTRICTED FOR PENSIONS				
May 1			26,176,299	22,553,626
April 30			\$ 29,120,577	\$ 26,176,299

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

For the Year Ended April 30, 2018

	Balances May 1	Additions	Deductions	Balances April 30
Total All Agency Funds				
ASSETS				
Cash and investments	\$ 126,031	\$ 169,269	\$ -	\$ 295,300
Accounts receivable	40,978	8,796	-	49,774
Due from other funds	53,857	-	53,857	-
TOTAL ASSETS	\$ 220,866	\$ 178,065	\$ 53,857	\$ 345,074
LIABILITIES				
Accounts payable	\$ 52,059	\$ 116,352	\$ 7,192	\$ 161,219
Due to others	156,079	37,206	9,430	183,855
Due to other funds	12,728	-	12,728	-
TOTAL LIABILITIES	\$ 220,866	\$ 153,558	\$ 29,350	\$ 345,074
1. Agency Fund				
ASSETS				
Cash and investments	\$ 72,919	\$ 166,053	\$ -	\$ 238,972
Due from other funds	50,011	-	50,011	-
TOTAL ASSETS	\$ 122,930	\$ 166,053	\$ 50,011	\$ 238,972
LIABILITIES				
Accounts payable	\$ 41,340	\$ 116,352	\$ -	\$ 157,692
Due to others	81,590	-	310	81,280
TOTAL LIABILITIES	\$ 122,930	\$ 116,352	\$ 310	\$ 238,972

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS

For the Year Ended April 30, 2018

	Balances			Balances
	May 1	Additions	Deductions	April 30
2. Subdivision Escrow Fund				
ASSETS				
Cash and investments	\$ 53,112	\$ 3,216	\$ -	\$ 56,328
Accounts receivable	40,978	8,796	-	49,774
Due from other funds	3,846	-	3,846	-
TOTAL ASSETS	\$ 97,936	\$ 12,012	\$ 3,846	\$ 106,102
LIABILITIES				
Accounts payable	\$ 10,719	\$ -	\$ 7,192	\$ 3,527
Due to others	74,489	37,206	9,120	102,575
Due to other funds	12,728	-	12,728	-
TOTAL LIABILITIES	\$ 97,936	\$ 37,206	\$ 29,040	\$ 106,102

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2011 - TOTAL**

April 30, 2018

Date of Issue	December 20, 2011
Date of Maturity	December 15, 2024
Authorized Issue	\$ 4,055,000
Actual Issue	\$ 4,055,000
Denomination of Bonds	1-811 - \$5,000

Bonds	
1-119	2.00%
120-368	3.00%
369-811	3.50%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	305-369	\$ 325,000	\$ 87,275	\$ 412,275	2018	\$ 43,638	2018	\$ 43,637
2018	370-437	340,000	77,525	417,525	2019	38,763	2019	38,762
2019	438-507	350,000	65,625	415,625	2020	32,813	2020	32,812
2020	508-579	360,000	53,375	413,375	2021	26,688	2021	26,687
2021	580-656	385,000	40,775	425,775	2022	20,388	2022	20,387
2022	657-734	390,000	27,300	417,300	2023	13,650	2023	13,650
2023	735-811	390,000	13,650	403,650	2024	6,825	2024	6,825
		<u>\$ 2,540,000</u>	<u>\$ 365,525</u>	<u>\$ 2,905,525</u>	<u>\$ 182,765</u>		<u>\$ 182,760</u>	

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2011 - GOVERNMENTAL ACTIVITIES

April 30, 2018

Date of Issue	December 20, 2011
Date of Maturity	December 15, 2024
Authorized Issue	\$ 4,055,000
Actual Issue	\$ 4,055,000
Denomination of Bonds	1-811 - \$5,000

Interest Rates	Bonds	
	1-119	2.00%
	120-368	3.00%
	369-811	3.50%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on				
		Principal	Interest	Total	June 15	Amount	December 15	Amount	
2017	305-369	\$ 180,000	\$ 49,500	\$ 229,500	2018	\$ 24,750	2018	\$ 24,750	
2018	370-437	190,000	44,100	234,100	2019	22,050	2019	22,050	
2019	438-507	200,000	37,450	237,450	2020	18,725	2020	18,725	
2020	508-579	210,000	30,450	240,450	2021	15,225	2021	15,225	
2021	580-656	220,000	23,100	243,100	2022	11,550	2022	11,550	
2022	657-734	220,000	15,400	235,400	2023	7,700	2023	7,700	
2023	735-811	220,000	7,700	227,700	2024	3,850	2024	3,850	
		<u>\$ 1,440,000</u>	<u>\$ 207,700</u>	<u>\$ 1,647,700</u>		<u>\$ 103,850</u>		<u>\$ 103,850</u>	

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2011 - BUSINESS-TYPE ACTIVITIES**

April 30, 2018

Date of Issue	December 20, 2011
Date of Maturity	December 15, 2024
Authorized Issue	\$ 4,055,000
Actual Issue	\$ 4,055,000
Denomination of Bonds	1-811 - \$5,000
Interest Rates	
	Bonds
	1-119 2.00%
	120-368 3.00%
	369-811 3.50%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	305-369	\$ 145,000	\$ 37,775	\$ 182,775	2018	\$ 18,888	2018	\$ 18,888
2018	370-437	150,000	33,425	183,425	2019	16,713	2019	16,713
2019	438-507	150,000	28,175	178,175	2020	14,088	2020	14,088
2020	508-579	150,000	22,925	172,925	2021	11,463	2021	11,463
2021	580-656	165,000	17,675	182,675	2022	8,838	2022	8,838
2022	657-734	170,000	11,900	181,900	2023	5,950	2023	5,950
2023	735-811	170,000	5,950	175,950	2024	2,975	2024	2,975
		<u>\$ 1,100,000</u>	<u>\$ 157,825</u>	<u>\$ 1,257,825</u>	<u>\$ 78,915</u>		<u>\$ 78,915</u>	

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2012**

April 30, 2018

Date of Issue	October 11, 2012
Date of Maturity	December 30, 2019
Authorized Issue	\$ 2,525,000
Actual Issue	\$ 2,325,000
Denomination of Bonds	1-465 - \$5,000

Bonds		
1-187	2%	
188-465	3%	

Principal Maturity Date	December 30
Interest Dates	December 30 and June 30
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 30	December 30	Amount	
2017	243-304	\$ 355,000	\$ 21,600	\$ 376,600	2018	\$ 10,800	2018	\$ 10,800
2018	305-369	365,000	10,950	375,950	2019	5,475	2019	5,475
		<u>\$ 720,000</u>	<u>\$ 32,550</u>	<u>\$ 752,550</u>		<u>\$ 16,275</u>		<u>\$ 16,275</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2013 - TOTAL

April 30, 2018

Date of Issue	May 17, 2013
Date of Maturity	December 15, 2027
Authorized Issue	\$ 11,300,000
Actual Issue	\$ 8,595,000
Denomination of Bonds	1-1719 - \$5,000
Interest Rate	
	Bonds
	1-68 2%
	69-1719 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	45-55	\$ 55,000	\$ 250,050	\$ 305,050	2018	\$ 125,025	2018	\$ 125,025
2018	56-68	65,000	248,950	313,950	2019	124,475	2019	124,475
2019	69-183	575,000	247,650	822,650	2020	123,825	2020	123,825
2020	184-425	1,210,000	230,400	1,440,400	2021	115,200	2021	115,200
2021	426-675	1,250,000	194,100	1,444,100	2022	97,050	2022	97,050
2022	676-931	1,280,000	156,600	1,436,600	2023	78,300	2023	78,300
2023	932-1195	1,320,000	118,200	1,438,200	2024	59,100	2024	59,100
2024	1196-1460	1,325,000	78,600	1,403,600	2025	39,300	2025	39,300
2025	1461-1587	635,000	38,850	673,850	2026	19,425	2026	19,425
2026	1588-1719	660,000	19,800	679,800	2027	9,900	2027	9,900
		<u>\$ 8,375,000</u>	<u>\$ 1,583,200</u>	<u>\$ 9,958,200</u>			<u>\$ 791,600</u>	<u>\$ 791,600</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2013 - GOVERNMENTAL ACTIVITIES

April 30, 2018

Date of Issue	May 17, 2013
Date of Maturity	December 15, 2027
Authorized Issue	\$ 11,300,000
Actual Issue	\$ 8,595,000
Denomination of Bonds	1 -1719 - \$5,000
Interest Rate	
	Bonds
	1-68 2%
	69-1719 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	45-55	\$ 45,000	\$ 196,700	\$ 241,700	2018	\$ 98,350	2018	\$ 98,350
2018	56-68	55,000	195,800	250,800	2019	97,900	2019	97,900
2019	69-183	380,000	194,700	574,700	2020	97,350	2020	97,350
2020	184-425	1,000,000	183,300	1,183,300	2021	91,650	2021	91,650
2021	426-675	1,040,000	153,300	1,193,300	2022	76,650	2022	76,650
2022	676-931	1,065,000	122,100	1,187,100	2023	61,050	2023	61,050
2023	932-1195	1,090,000	90,150	1,180,150	2024	45,075	2024	45,075
2024	1196-1460	1,095,000	57,450	1,152,450	2025	28,725	2025	28,725
2025	1461-1587	400,000	24,600	424,600	2026	12,300	2026	12,300
2026	1588-1719	420,000	12,600	432,600	2027	6,300	2027	6,300
		<u>\$ 6,590,000</u>	<u>\$ 1,230,700</u>	<u>\$ 7,820,700</u>			<u>\$ 615,350</u>	<u>\$ 615,350</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2013 - BUSINESS-TYPE ACTIVITIES**

April 30, 2018

Date of Issue	May 17, 2013
Date of Maturity	December 15, 2027
Authorized Issue	\$ 11,300,000
Actual Issue	\$ 8,595,000
Denomination of Bonds	1-1719 - \$5,000
Interest Rate	
	Bonds
	1-68 2%
	69-1719 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	45-55	\$ 10,000	\$ 53,350	\$ 63,350	2018	\$ 26,675	2018	\$ 26,675
2018	56-68	10,000	53,150	63,150	2019	26,575	2019	26,575
2019	69-183	195,000	52,950	247,950	2020	26,475	2020	26,475
2020	184-425	210,000	47,100	257,100	2021	23,550	2021	23,550
2021	426-675	210,000	40,800	250,800	2022	20,400	2022	20,400
2022	676-931	215,000	34,500	249,500	2023	17,250	2023	17,250
2023	932-1195	230,000	28,050	258,050	2024	14,025	2024	14,025
2024	1196-1460	230,000	21,150	251,150	2025	10,575	2025	10,575
2025	1461-1587	235,000	14,250	249,250	2026	7,125	2026	7,125
2026	1588-1719	240,000	7,200	247,200	2027	3,600	2027	3,600
		<u>\$ 1,785,000</u>	<u>\$ 352,500</u>	<u>\$ 2,137,500</u>		<u>\$ 176,250</u>		<u>\$ 176,250</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2014 - TOTAL

April 30, 2018

Date of Issue	November 20, 2014
Date of Maturity	December 15, 2020
Authorized Issue	\$ 5,100,000
Actual Issue	\$ 4,040,000
Denomination of Bonds	1-808 - \$5,000
Interest Rate	
	Bonds
	1-190 2%
	191-808 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	191-423	\$ 1,165,000	\$ 92,700	\$ 1,257,700	2018	\$ 46,350	2018	\$ 46,350
2018	424-659	1,180,000	57,750	1,237,750	2019	28,875	2019	28,875
2019	660-808	745,000	22,350	767,350	2020	11,175	2020	11,175
		<u>\$ 3,090,000</u>	<u>\$ 172,800</u>	<u>\$ 3,262,800</u>		<u>\$ 86,400</u>		<u>\$ 86,400</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2014 - GOVERNMENTAL ACTIVITIES

April 30, 2018

Date of Issue	November 20, 2014
Date of Maturity	December 15, 2020
Authorized Issue	\$ 5,100,000
Actual Issue	\$ 4,040,000
Denomination of Bonds	1-808 - \$5,000
Interest Rate	
	Bonds
	1-190 2%
	191-808 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	191-423	\$ 860,000	\$ 70,350	\$ 930,350	2018	\$ 35,175	2018	\$ 35,175
2018	424-659	885,000	44,550	929,550	2019	22,275	2019	22,275
2019	660-808	600,000	18,000	618,000	2020	9,000	2020	9,000
		<u>\$ 2,345,000</u>	<u>\$ 132,900</u>	<u>\$ 2,477,900</u>		<u>\$ 66,450</u>		<u>\$ 66,450</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES 2014 - BUSINESS-TYPE ACTIVITIES

April 30, 2018

Date of Issue	November 20, 2014
Date of Maturity	December 15, 2020
Authorized Issue	\$ 5,100,000
Actual Issue	\$ 4,040,000
Denomination of Bonds	1-808 - \$5,000
Interest Rate	
	Bonds
	1-190 2%
	191-808 3%

Principal Maturity Date	December 15
Interest Dates	December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	191-423	\$ 305,000	\$ 22,350	\$ 327,350	2018	\$ 11,175	2018	\$ 11,175
2018	424-659	295,000	13,200	308,200	2019	6,600	2019	6,600
2019	660-808	145,000	4,350	149,350	2020	2,175	2020	2,175
		<u>\$ 745,000</u>	<u>\$ 39,900</u>	<u>\$ 784,900</u>		<u>\$ 19,950</u>		<u>\$ 19,950</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION
BOND SERIES 2016

April 30, 2018

Date of Issue June 8, 2016
Date of Maturity December 15, 2037
Authorized Issue \$ 32,000,000
Actual Issue \$ 27,105,000
Denomination of Bonds 1-5421 - \$5,000
Interest Rate 3% to 5%

Principal Maturity Date December 15
Interest Dates December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2017	1-40	\$ 200,000	\$ 1,221,750	\$ 1,421,750	2018	\$ 610,875	2018	\$ 610,875
2018	41-79	195,000	1,215,750	1,410,750	2019	607,875	2019	607,875
2019	80-116	185,000	1,209,900	1,394,900	2020	604,950	2020	604,950
2020	117-156	200,000	1,202,500	1,402,500	2021	601,250	2021	601,250
2021	157-195	195,000	1,194,500	1,389,500	2022	597,250	2022	597,250
2022	196-238	215,000	1,186,700	1,401,700	2023	593,350	2023	593,350
2023	239-286	240,000	1,180,250	1,420,250	2024	590,125	2024	590,125
2024	287-386	500,000	1,170,650	1,670,650	2025	585,325	2025	585,325
2025	387-636	1,250,000	1,150,650	2,400,650	2026	575,325	2026	575,325
2026	637-897	1,305,000	1,088,150	2,393,150	2027	544,075	2027	544,075
2027	898-1258	1,805,000	1,022,900	2,827,900	2028	511,450	2028	511,450
2028	1259-1637	1,895,000	932,650	2,827,650	2029	466,325	2029	466,325
2029	1638-2035	1,990,000	837,900	2,827,900	2030	418,950	2030	418,950
2030	2036-2452	2,085,000	738,400	2,823,400	2031	369,200	2031	369,200
2031	2453-2890	2,190,000	634,150	2,824,150	2032	317,075	2032	317,075
2032	2891-3350	2,300,000	524,650	2,824,650	2033	262,325	2033	262,325
2033	3351-3833	2,415,000	409,650	2,824,650	2034	204,825	2034	204,825
2034	3834-4340	2,535,000	288,900	2,823,900	2035	144,450	2035	144,450
2035	4341-4873	2,665,000	162,150	2,827,150	2036	81,075	2036	81,075
2036	4874-5421	2,740,000	82,200	2,822,200	2037	41,100	2037	41,100
		<u>\$ 27,105,000</u>	<u>\$ 17,454,350</u>	<u>\$ 44,559,350</u>			<u>\$ 8,727,175</u>	<u>\$ 8,727,175</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION
BOND SERIES 2017**

April 30, 2018

Date of Issue July 25, 2017
 Date of Maturity December 15, 2029
 Authorized Issue \$ 5,600,000
 Actual Issue \$ 5,070,000
 Denomination of Bonds 1 - 1014 - \$5,000
 Interest Rate 2% to 4%

Principal Maturity Date December 15
 Interest Dates December 15 and June 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2017	1-66	\$ 330,000	\$ 158,750	\$ 488,750	2018	\$ 79,375	2018	\$ 79,375
2018	67-133	335,000	152,150	487,150	2019	76,075	2019	76,075
2019	134-204	350,000	145,450	495,450	2020	72,725	2020	72,725
2020	205-277	365,000	138,450	503,450	2021	69,225	2021	69,225
2021	278-353	380,000	131,150	511,150	2022	65,575	2022	65,575
2022	354-433	400,000	119,750	519,750	2023	59,875	2023	59,875
2023	434-517	420,000	107,750	527,750	2024	53,875	2024	53,875
2024	518-606	445,000	95,150	540,150	2025	47,575	2025	47,575
2025	607-699	465,000	81,800	546,800	2026	40,900	2026	40,900
2026	700-797	490,000	63,200	553,200	2027	31,600	2027	31,600
2027	798-903	530,000	43,600	573,600	2028	21,800	2028	21,800
2028	904-1015	560,000	22,400	582,400	2029	11,200	2029	11,200
		<u>\$ 5,070,000</u>	<u>\$ 1,259,600</u>	<u>\$ 6,329,600</u>		<u>\$ 629,800</u>		<u>\$ 629,800</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
IEPA LOAN NO. 17-1445**

April 30, 2018

Date of Loan	April 1, 2004
Date of Maturity	January 15, 2025
Authorized Loan	\$ 1,772,543
Actual Loan	\$ 1,346,766
Interest Rate	2.5%
Principal Maturity Date	January 15 and July 15
Interest Dates	January 15 and July 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year				Interest Due on			
	Principal	Interest	Total	July 15	Amount	January 15	Amount
2019	\$ 73,316	\$ 13,384	\$ 86,700	2018	\$ 6,920	2019	\$ 6,464
2020	75,161	11,539	86,700	2019	6,004	2020	5,535
2021	77,051	9,649	86,700	2020	5,064	2021	4,585
2022	78,989	7,711	86,700	2021	4,101	2022	3,610
2023	80,977	5,723	86,700	2022	3,114	2023	2,609
2024	83,014	3,686	86,700	2023	2,101	2024	1,585
2025	85,101	1,599	86,700	2024	1,064	2025	535
	<u>\$ 553,609</u>	<u>\$ 53,291</u>	<u>\$ 606,900</u>		<u>\$ 28,368</u>		<u>\$ 24,923</u>

(See independent auditor's report.)

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable President
Members of the Board of Trustees
Village of Oswego, Illinois

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois (the Village), as of and for the year ended April 30, 2018, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated September 5, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
September 5, 2018

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	120-129
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	130-138
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	139-143
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	144-145
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	146-148

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF OSWEGO, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 279,192,631	\$ 275,314,514	\$ 274,396,968	\$ 272,998,786
Restricted	2,603,394	2,599,700	2,772,565	2,273,073
Unrestricted	4,893,607	4,420,252	3,419,680	5,357,170
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 286,689,632</u>	<u>\$ 282,334,466</u>	<u>\$ 280,589,213</u>	<u>\$ 280,629,029</u>
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 40,762,063	\$ 42,523,985	\$ 41,398,648	\$ 40,762,984
Restricted	899,500	654,000	654,000	654,000
Unrestricted	1,736,338	1,684,126	4,704,208	5,217,977
TOTAL BUSINESS-TYPE ACTIVITIES	<u>\$ 43,397,901</u>	<u>\$ 44,862,111</u>	<u>\$ 46,756,856</u>	<u>\$ 46,634,961</u>
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 319,954,694	\$ 317,838,499	\$ 315,795,616	\$ 313,761,770
Restricted	3,502,894	3,253,700	3,426,565	2,927,073
Unrestricted	6,629,945	6,104,378	8,123,888	10,575,147
TOTAL PRIMARY GOVERNMENT	<u>\$ 330,087,533</u>	<u>\$ 327,196,577</u>	<u>\$ 327,346,069</u>	<u>\$ 327,263,990</u>

The Village implemented GASB Statement No. 68 during 2016.

Data Source

Audited Financial Statements

2013	2014	2015	2016	2017	2018
\$ 271,570,611	\$ 269,462,285	\$ 267,114,160	\$ 269,710,313	\$ 266,143,880	\$ 263,761,350
2,888,976	3,136,556	2,726,245	3,025,632	2,262,586	2,141,559
4,826,113	6,621,863	5,757,774	(5,136,241)	(6,353,126)	(5,397,463)
\$ 279,285,700	\$ 279,220,704	\$ 275,598,179	\$ 267,599,704	\$ 262,053,340	\$ 260,505,446
\$ 41,995,957	\$ 42,143,249	\$ 42,852,341	\$ 45,499,004	\$ 43,955,344	\$ 44,660,699
654,000	654,000	654,000	654,000	654,000	654,000
8,501,995	9,243,426	9,141,100	6,397,870	7,621,120	7,693,106
\$ 51,151,952	\$ 52,040,675	\$ 52,647,441	\$ 52,550,874	\$ 52,230,464	\$ 53,007,805
\$ 313,566,568	\$ 311,605,534	\$ 309,966,501	\$ 315,209,317	\$ 310,099,224	\$ 308,422,049
3,542,976	3,790,556	3,380,245	3,679,632	2,916,586	2,795,559
13,328,108	15,865,289	14,898,874	1,261,629	1,267,994	2,295,643
\$ 330,437,652	\$ 331,261,379	\$ 328,245,620	\$ 320,150,578	\$ 314,283,804	\$ 313,513,251

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2009	2010	2011	2012
EXPENSES				
Governmental activities				
General government	\$ 2,550,510	\$ 2,786,451	\$ 2,574,508	\$ 2,551,465
Building and zoning	782,406	688,512	574,252	603,708
Community development	567,010	413,592	355,570	469,946
Public safety	7,281,633	7,495,117	7,771,351	7,785,066
Public works	6,321,596	6,465,291	6,443,722	6,466,254
Interest	774,560	798,077	810,467	756,086
Total governmental activities expenses	18,277,715	18,647,040	18,529,870	18,632,525
Business-type activities				
Water and sewer	6,441,779	6,444,545	5,915,469	5,573,478
Garbage	1,982,933	1,995,198	2,088,471	2,272,694
Total business-type activities expenses	8,424,712	8,439,743	8,003,940	7,846,172
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 26,702,427	\$ 27,086,783	\$ 26,533,810	\$ 26,478,697
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 71,824	\$ 132,928	\$ 34,291	\$ 22,668
Building and zoning	544,440	513,399	438,255	530,892
Community development	168,897	162,819	169,080	146,390
Public safety	486,881	722,428	708,635	682,086
Operating grants and contributions	1,230,557	1,380,242	1,218,753	1,207,396
Capital grants and contributions	7,447,372	598,992	3,681,288	3,495,236
Total governmental activities program revenues	9,949,971	3,510,808	6,250,302	6,084,668
Business-type activities				
Charges for services				
Water and sewer	5,348,323	5,308,250	5,497,141	6,261,974
Garbage	2,052,072	2,084,353	2,172,351	2,267,599
Operating grants and contributions	-	-	-	111,935
Capital grants and contributions	166,998	-	149,056	62,390
Total business-type activities program revenues	7,567,393	7,392,603	7,818,548	8,703,898
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 17,517,364	\$ 10,903,411	\$ 14,068,850	\$ 14,788,566
NET REVENUE (EXPENSE)				
Governmental activities	\$ (8,327,744)	\$ (15,136,232)	\$ (12,279,568)	\$ (12,547,857)
Business-type activities	(857,319)	(1,047,140)	(185,392)	857,726
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (9,185,063)	\$ (16,183,372)	\$ (12,464,960)	\$ (11,690,131)

	2013	2014	2015	2016	2017	2018
\$	2,504,327	\$ 2,568,401	\$ 2,901,044	\$ 2,901,661	\$ 1,779,446	\$ 3,317,100
	627,008	638,618	656,478	747,864	724,871	680,972
	507,828	707,665	753,815	811,923	2,132,879	2,516,524
	7,854,804	8,374,812	8,871,896	9,225,417	12,103,554	9,438,787
	7,560,190	7,119,256	8,034,011	9,626,504	9,376,444	7,592,397
	827,319	580,528	566,382	477,036	1,415,148	1,344,600
	19,881,476	19,989,280	21,783,626	23,790,405	27,532,342	24,890,380
	5,171,212	5,475,321	5,553,577	5,310,304	5,388,643	5,512,167
	2,069,201	2,105,583	2,257,770	2,415,909	2,346,478	2,408,455
	7,240,413	7,580,904	7,811,347	7,726,213	7,735,121	7,920,622
\$	27,121,889	\$ 27,570,184	\$ 29,594,973	\$ 31,516,618	\$ 35,267,463	\$ 32,811,002
\$	19,489	\$ 79,360	\$ 17,659	\$ 17,708	\$ 35,305	\$ 30,426
	546,995	745,449	667,232	556,063	561,658	456,685
	135,718	167,520	177,315	179,470	167,993	176,865
	603,156	631,669	591,515	567,905	499,131	682,412
	1,561,809	1,148,407	1,142,991	1,117,999	979,002	1,013,662
	3,614,701	2,525,807	270,519	7,305,199	127,631	-
	6,481,868	5,298,212	2,867,231	9,744,344	2,370,720	2,360,050
	6,695,627	6,223,868	6,024,616	5,375,079	5,325,191	6,108,987
	2,032,054	2,097,286	2,248,211	2,406,951	2,338,068	2,434,270
	636,669	99,265	95,321	90,270	84,572	92,370
	-	-	-	-	-	-
	9,364,350	8,420,419	8,368,148	7,872,300	7,747,831	8,635,627
\$	15,846,218	\$ 13,718,631	\$ 11,235,379	\$ 17,616,644	\$ 10,118,551	\$ 10,995,677
\$	(13,399,608)	\$ (14,691,068)	\$ (18,916,395)	\$ (14,046,061)	\$ (25,161,622)	\$ (22,530,330)
	2,123,937	839,515	556,801	146,087	12,710	715,005
\$	(11,275,671)	\$ (13,851,553)	\$ (18,359,594)	\$ (13,899,974)	\$ (25,148,912)	\$ (21,815,325)

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2009	2010	2011	2012
GENERAL REVENUES AND OTHER				
CHANGES IN NET ASSETS				
Governmental activities				
Taxes				
Property	\$ 1,258,277	\$ 1,395,165	\$ 1,449,154	\$ 1,454,079
Sales	3,444,187	4,072,717	5,349,488	6,039,345
Telecommunication	1,067,075	1,073,121	1,022,272	1,304,003
Utility	957,052	886,998	1,010,223	959,959
Other	387,339	354,165	490,642	511,361
Intergovernmental - unrestricted				
Income tax	2,175,465	2,304,243	2,261,969	2,460,342
Personal property replacement tax	10,366	9,175	10,666	9,627
Investment income	229,198	74,953	100,039	92,563
Miscellaneous	707,915	610,529	722,862	707,593
Transfers in (out)	424,217	-	(1,883,000)	325,470
Total governmental activities	10,661,091	10,781,066	10,534,315	13,864,342
Business-type activities				
Miscellaneous	-	107,450	164,442	14,345
Investment income	95,400	55,376	32,695	44,349
Transfers in (out)	(424,217)	-	1,883,000	(325,470)
Total business-type activities	(328,817)	162,826	2,080,137	(266,776)
TOTAL PRIMARY GOVERNMENT	\$ 10,332,274	\$ 10,943,892	\$ 12,614,452	\$ 13,597,566
CHANGE IN NET POSITION				
Governmental activities	\$ (4,475,141)	\$ (1,498,502)	\$ (2,013,542)	\$ 464,734
Business-type activities	(1,375,957)	(22,566)	2,937,863	1,857,161
TOTAL PRIMARY GOVERNMENT	\$ (5,851,098)	\$ (1,521,068)	\$ 924,321	\$ 2,321,895

Data Source

Audited Financial Statements

	2013	2014	2015	2016	2017	2018
\$	1,344,929	\$ 1,326,712	\$ 1,327,139	\$ 1,326,196	\$ 1,326,027	\$ 1,404,345
	6,129,126	6,401,637	7,208,332	8,475,664	10,672,951	11,037,654
	959,986	934,655	837,796	751,196	674,036	632,625
	1,009,180	1,136,668	1,083,899	968,086	1,038,028	1,037,640
	555,475	612,825	748,254	856,431	977,856	2,129,642
	2,735,608	2,957,978	2,972,805	3,235,006	2,991,771	2,999,575
	9,480	10,923	10,647	9,582	11,539	10,083
	57,097	35,528	35,673	38,718	187,213	336,891
	876,398	1,046,968	1,069,325	1,162,864	1,381,112	1,358,981
	(1,621,000)	-	-	-	354,725	35,000
	12,056,279	14,463,894	15,293,870	16,823,743	19,615,258	20,982,436
	30,761	19,657	26,201	43,435	12,783	22,138
	28,448	29,551	23,764	90,430	8,822	75,198
	1,621,000	-	-	-	(354,725)	(35,000)
	1,680,209	49,208	49,965	133,865	(333,120)	62,336
\$	13,736,488	\$ 14,513,102	\$ 15,343,835	\$ 16,957,608	\$ 19,282,138	\$ 21,044,772
\$	(1,343,329)	\$ (227,174)	\$ 1,247,809	\$ (8,337,879)	\$ (5,546,364)	\$ (1,547,894)
	3,804,146	888,723	196,052	146,575	(320,410)	777,341
\$	2,460,817	\$ 661,549	\$ 1,443,861	\$ (8,191,304)	\$ (5,866,774)	\$ (770,553)

VILLAGE OF OSWEGO, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2009	2010	2011	2012*
GENERAL FUND				
Reserved	\$ 138,934	\$ 160,365	\$ 154,338	\$ -
Unreserved - undesignated	4,799,544	5,461,181	4,372,535	-
Nonspendable	-	-	-	88,206
Unrestricted				
Assigned	-	-	-	5,021,748
Unassigned	-	-	-	891,528
TOTAL GENERAL FUND	\$ 4,938,478	\$ 5,621,546	\$ 4,526,873	\$ 6,001,482
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 2,603,394	\$ 2,599,700	\$ 2,828,917	\$ -
Unreserved, reported in				
Special Revenue Funds	739,078	(242)	-	-
Debt Service Funds	-	-	-	-
Capital Project Funds	991,902	263,626	349,405	-
Nonspendable	-	-	-	313,658
Restricted	-	-	-	2,253,504
Unrestricted				
Assigned	-	-	-	755,050
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 4,334,374	\$ 2,863,084	\$ 3,178,322	\$ 3,322,212

*The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2012.

Data Source

Audited Financial Statements

2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
128,249	158,983	228,305	327,754	2,255,381	2,288,351
5,021,748	5,358,071	6,119,151	6,071,095	5,405,233	5,357,803
606,285	1,180,021	796,189	327,612	-	1,072,236
<u>\$ 5,756,282</u>	<u>\$ 6,697,075</u>	<u>\$ 6,697,075</u>	<u>\$ 6,726,461</u>	<u>\$ 7,660,614</u>	<u>\$ 8,718,390</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
260,251	226,679	14,308	5,389	30,163,651	13,882,625
2,628,725	2,909,877	2,711,937	3,020,243	2,262,561	2,122,575
697,473	584,001	257,558	865,417	68,041	69,063
-	-	-	-	(1,608,191)	(1,760,063)
<u>\$ 3,586,449</u>	<u>\$ 3,720,557</u>	<u>\$ 3,720,557</u>	<u>\$ 3,891,049</u>	<u>\$ 30,886,062</u>	<u>\$ 14,314,200</u>

VILLAGE OF OSWEGO, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2009	2010	2011	2012
REVENUES				
Taxes	\$ 6,070,220	\$ 7,509,857	\$ 8,078,942	\$ 9,289,911
Licenses and permits	944,023	759,162	741,030	807,046
Intergovernmental	3,144,141	3,129,158	3,885,905	3,243,025
Charges for services	1,507,759	1,594,789	1,349,356	1,651,653
Fines and forfeits	259,635	466,995	508,506	478,278
Contributions	66,208	66,394	59,168	46,926
Investment income	229,198	74,953	100,039	92,563
Miscellaneous	745,738	674,537	798,293	743,581
Total revenues	12,966,922	14,275,845	15,521,239	16,352,983
EXPENDITURES				
General government	2,337,350	2,570,171	2,368,944	2,083,617
Building and zoning	783,117	692,072	573,687	602,123
Community development	564,967	417,585	353,320	467,525
Public safety	7,144,164	7,281,450	7,555,771	7,759,427
Public works	1,845,856	2,114,545	1,659,059	1,949,282
Retirement	-	-	-	-
Capital outlay	4,880,950	3,274,945	243,714	222,351
Debt service				
Principal	720,000	740,000	1,010,000	1,060,000
Interest	761,851	741,672	811,754	796,970
Other charges	1,625	1,625	1,625	1,625
Total expenditures	19,039,880	17,834,065	14,577,874	14,942,920
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,072,958)	(3,558,220)	943,365	1,410,063
OTHER FINANCING SOURCES (USES)				
Transfers in	2,070,351	1,888,737	1,821,696	2,143,087
Transfers (out)	(1,646,134)	(1,888,737)	(3,704,696)	(1,817,617)
Bonds issued at par	-	2,285,000	-	2,300,000
Premium on bonds issued	-	-	-	92,033
Payment to escrow agent	-	-	-	(2,351,675)
Discount on bonds issued	-	-	-	-
Proceeds from sale of capital assets	24,676	8,091	2,702	106
Total other financing sources (uses)	448,893	2,293,091	(1,880,298)	365,934
NET CHANGE IN FUND BALANCES	\$ (5,624,065)	\$ (1,265,129)	\$ (936,933)	\$ 1,775,997
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	9.40%	10.17%	0.00%	12.53%

Data Source

Audited Financial Statements

	2013	2014	2015	2016	2017	2018
\$	9,038,711	\$ 9,476,192	\$ 10,364,622	\$ 11,622,629	\$ 14,010,912	\$ 15,122,713
	917,933	1,048,980	991,724	823,358	640,310	560,000
	5,176,372	4,032,226	4,155,089	4,200,784	4,038,211	4,467,253
	1,353,105	1,438,488	1,300,758	1,262,366	1,196,028	1,166,722
	386,811	409,699	428,127	350,808	308,930	407,848
	-	-	-	-	-	-
	57,097	35,528	35,673	38,718	186,019	336,557
	830,654	1,004,152	883,905	980,528	1,231,937	1,208,641
	17,760,683	17,445,265	17,445,265	19,279,191	21,612,347	23,269,734
	2,159,799	2,292,962	2,393,196	2,626,290	2,974,460	3,203,737
	616,216	637,964	654,696	713,458	686,781	692,144
	489,809	698,354	750,705	790,683	628,891	762,537
	7,926,878	8,526,113	8,816,774	8,969,361	9,159,034	9,203,251
	1,974,580	2,426,556	3,644,432	3,601,144	2,348,681	2,703,854
	-	-	-	-	-	-
	1,156,074	187,303	421,149	345,037	5,986,153	19,246,402
	1,130,000	1,145,000	1,225,000	1,305,000	1,340,000	1,335,000
	691,422	619,817	542,425	465,476	1,046,381	1,585,570
	1,625	1,625	1,625	1,625	1,625	1,625
	16,146,403	16,535,694	16,535,694	18,818,074	24,172,006	38,734,120
	1,614,280	909,571	909,571	461,117	(2,559,659)	(15,464,386)
	1,901,294	1,779,063	1,807,607	1,780,387	3,362,608	3,023,016
	(3,522,294)	(1,779,063)	(1,807,607)	(1,780,387)	(3,862,608)	(3,073,016)
	-	6,770,000	2,955,000	-	27,105,000	-
	-	387,715	176,385	-	3,883,608	-
	-	(7,170,687)	(3,132,668)	-	-	-
	-	-	-	-	-	-
	25,757	16,124	1,203	28,945	217	300
	(1,595,243)	3,152	3,152	28,945	30,488,825	(49,700)
\$	19,037	\$ 912,723	\$ 912,723	\$ 490,062	\$ 27,929,166	\$ (15,514,086)
	11.60%	10.96%	10.96%	9.83%	11.17%	12.94%

VILLAGE OF OSWEGO, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Fiscal Year	Farm	Residential Property	Commercial Property	Industrial Property	Railroad Local	Railroad State	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2008	2009	\$ 1,015,643	\$ 768,055,888	\$ 120,267,641	\$ 8,426,867	\$ 9,200	\$ 27,693	\$ 897,802,932	\$ 0.1393	\$ 2,696,104,901	33.30%
2009	2010	1,011,885	790,703,227	132,681,817	8,887,396	3,000	27,693	933,315,018	0.1400	2,802,747,802	33.30%
2010	2011	874,234	748,097,856	132,123,809	8,779,509	3,015	27,693	933,315,018	0.1453	2,802,747,802	33.30%
2011	2012	916,416	700,657,817	126,530,094	8,573,857	3,015	27,693	836,708,892	0.1453	2,512,639,315	33.30%
2012	2013	959,934	645,685,646	124,345,342	8,468,446	3,015	27,723	779,490,106	0.1560	2,340,811,129	33.30%
2013	2014	1,038,430	615,982,517	119,791,336	8,090,629	-	27,693	744,930,605	0.1633	2,237,028,844	33.30%
2014	2015	1,264,871	618,500,657	118,659,688	8,068,396	-	27,693	746,521,305	0.1634	2,241,805,721	33.30%
2015	2016	1,448,288	654,818,991	119,120,630	7,426,266	-	27,693	782,841,868	0.1558	2,350,876,480	33.30%
2016	2017	1,517,689	702,215,302	119,846,365	7,426,266	-	27,693	831,033,315	0.1541	2,495,595,541	33.30%
2017	2018	1,588,286	743,170,473	120,811,248	7,426,266	-	27,693	873,023,966	0.1539	2,621,693,592	33.30%

Note: Property in the Village is reassessed each year. Property is assessed at 33.3% of actual value.

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Fiscal Year	Village Direct Rates						Overlapping Rates		
		Corporate	Bonds and Interest	IMRF	Police Pension	Audit	Total Direct Tax Rate	Kendall County	Kendall County Mental Health	Kendall County Health
2008	2009	\$ 0.0084	\$ -	\$ 0.0317	\$ 0.0992	\$ -	\$ 0.1393	\$ 0.5724	\$ -	\$ -
2009	2010	0.0079	-	0.0259	0.1062	-	0.1400	0.5734	-	-
2010	2011	0.0081	-	0.0246	0.1141	-	0.1468	0.6396	-	-
2011	2012	-	-	0.0228	0.1225	-	0.1453	0.6998	-	-
2012	2013	-	-	0.0205	0.1355	-	0.1560	0.7446	-	-
2013	2014	-	-	0.0042	0.1591	-	0.1633	0.8009	-	-
2014	2015	-	-	0.0049	0.1585	-	0.1634	0.8085	-	-
2015	2016	-	-	-	0.1558	-	0.1558	0.7909	-	-
2016	2017	0.0001	-	0.0001	0.1539	-	0.1541	0.7477	-	-
2017	2018	0.00001	-	0.00001	0.1539	-	0.1539	0.7088	-	-

Note: The Village basic property tax rate may be increased only by a majority vote of the Village's residents. Rates for debt service are set based on each year's requirements.

Data Source

Kendall County Clerk

Overlapping Rates									
Oswego Township	Kendall County Forest Preserve	Oswego School CU-308	Waubonsie JC #516	Oswego Fire Protection District	Oswego Library District	Oswego Park District	Oswego Road District	Total Overlapping Rates	Total Direct and Overlapping Rates
\$ 0.0745	\$ 0.0966	\$ 5.0600	\$ 0.3990	\$ 0.5821	\$ 0.2031	\$ 0.3880	\$ 0.1711	\$ 7.5468	\$ 7.6861
0.0729	0.0944	5.0600	0.4037	0.5731	0.2012	0.3594	0.1675	7.5056	7.6456
0.0790	0.1041	5.8377	0.4115	0.6286	0.2206	0.3830	0.1804	8.4845	8.6313
0.0800	0.1204	6.6572	0.4702	0.6713	0.2449	0.4116	0.1870	9.5424	9.6877
0.0845	0.1495	7.3488	0.5306	0.7216	0.2721	0.4203	0.1963	10.4683	10.6243
0.0920	0.1640	7.8596	0.5690	0.7806	0.2961	0.4872	0.2059	11.2553	11.4186
0.0947	0.1826	7.8803	0.5973	0.8045	0.3058	0.5103	0.2124	11.3964	11.5598
0.0904	0.1787	7.3176	0.5885	0.7871	0.2996	0.4973	0.2027	10.7528	10.9086
0.0855	0.1755	6.9712	0.5601	0.7524	0.2864	0.4764	0.1917	10.2469	10.4010
0.0814	0.1752	6.9131	0.5514	0.7377	0.2808	0.4668	0.1824	10.0976	10.2515

VILLAGE OF OSWEGO, ILLINOIS

PROPERTY TAX RATES - PER \$100 OF ASSESSED VALUATION - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Village of Oswego	\$ 0.1393	\$ 0.1400	\$ 0.1468	\$ 0.1453	\$ 0.1560	\$ 0.1633	\$ 0.1634	\$ 0.1558	\$ 0.1541	\$ 0.1539
Kendall County	0.5724	0.5734	0.6396	0.6998	0.7446	0.8009	0.8085	0.7909	0.7477	0.7088
Kendall County Mental Health	-	-	-	-	-	-	-	-	-	-
Kendall County Health	-	-	-	-	-	-	-	-	-	-
Oswego Township	0.0745	0.0729	0.0790	0.0800	0.0845	0.0920	0.0947	0.0904	0.0855	0.0814
Kendall County Forest Preserve	0.0966	0.0944	0.1041	0.1204	0.1495	0.1640	0.1826	0.1787	0.1755	0.1752
Oswego School CU-308	5.0600	5.0600	5.8377	6.6572	7.3488	7.8596	7.8803	7.3176	6.9712	6.9131
Waubonsie JC #516	0.3990	0.4037	0.4115	0.4702	0.5306	0.5690	0.5973	0.5885	0.5601	0.5514
Oswego Fire Protection District	0.5821	0.5731	0.6286	0.6713	0.7216	0.7806	0.8045	0.7871	0.7524	0.7377
Oswego Library District	0.2031	0.2012	0.2206	0.2449	0.2721	0.2961	0.3058	0.2996	0.2864	0.2808
Oswego Park District	0.3880	0.3594	0.3830	0.4116	0.4203	0.4872	0.5103	0.4973	0.4764	0.4668
Oswego Road District	0.1711	0.1675	0.1804	0.1870	0.1963	0.2059	0.2124	0.2027	0.1917	0.1824
TOTAL	\$ 7.6861	\$ 7.6456	\$ 8.6313	\$ 9.6877	\$ 10.6243	\$ 11.4186	\$ 11.5598	\$ 10.9086	\$ 10.4010	\$ 10.2515

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

Levy year finances the subsequent fiscal year (i.e., Levy Year 2016 finances Fiscal Year 2018).

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2017 Levy			2008 Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Farmington Lakes, LLC	\$ 5,232,066	1	0.60%	\$ 5,419,954	2	0.60%
Richport Property Prairie Market, LLC	4,566,626	2	0.52%	-	n/a	0.00%
Meijer Stores LTD Partnership	4,037,374	3	0.46%	3,840,197	3	0.43%
Oswego Gerry Centennial, LLC	3,946,450	4	0.45%	3,755,889	4	0.42%
Wal-Mart Real Estate Business Trust	3,733,483	5	0.43%	3,536,750	5	0.39%
Inland Western Oswego Douglass	3,524,736	6	0.40%	6,433,783	1	0.72%
Target Corporation	2,255,050	7	0.26%	2,983,574	8	0.33%
Oswego Partners, LLC	2,180,447	8	0.25%	-	n/a	0.00%
Retail Properties of America, Inc.	1,972,955	9	0.23%	-	n/a	0.00%
Home Depot USA	1,766,595	10	0.20%	2,977,568	9	0.33%
KDR-Oswego Associates LLC	-	n/a	0.00%	3,424,957	6	0.38%
Lowes Home Centers	-	n/a	0.00%	3,020,020	7	0.34%
Jewel Food Stores	-	n/a	0.00%	2,851,822	10	0.32%
	<u>\$ 33,215,782</u>		<u>3.80%</u>	<u>\$ 38,244,514</u>		<u>4.26%</u>

Data Source

Office of the County Clerk

VILLAGE OF OSWEGO, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount*	Percentage of Levy
2008	\$ 1,249,762	\$ 1,248,470	99.90%	\$ 666	\$ 1,249,136	99.95%
2009	1,306,268	1,303,787	99.81%	(736)	1,303,051	99.75%
2010	1,306,204	1,304,363	99.86%	1,639	1,306,002	99.98%
2011	1,216,073	1,215,196	99.93%	(466)	1,214,730	99.89%
2012	1,216,083	1,214,638	99.88%	(258)	1,214,380	99.86%
2013	1,216,099	1,214,768	99.89%	(776)	1,213,992	99.83%
2014	1,219,666	1,218,564	99.91%	-	1,218,564	99.91%
2015	1,219,659	1,218,341	99.89%	(340)	1,218,001	99.86%
2016	1,280,500	1,279,300	99.91%	(126)	1,279,174	99.90%
2017	1,343,397	-	0.00%	-	-	0.00%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

* Total collections to date are the same as the amount collected during the fiscal year that the levy is financing. Certain years may have collections greater than 100% as the County does not identify the tax year related to prior year collections.

Data Source

Office of the County Clerk

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	Village Direct Rate	County Rate	County Public Safety Rate	State Rate	Total
2009	1.00%	0.25%	1.00%	5.00%	7.25%
2010	1.00%	0.25%	1.00%	5.00%	7.25%
2011	1.00%	0.25%	1.00%	5.00%	7.25%
2012	1.00%	0.25%	1.00%	5.00%	7.25%
2013	1.50%	0.25%	1.00%	5.00%	7.75%
2014	1.50%	0.25%	1.00%	5.00%	7.75%
2015	1.50%	0.25%	1.00%	5.00%	7.75%
2016	2.25%	0.25%	1.00%	5.00%	8.50%
2017	2.25%	0.25%	1.00%	5.00%	8.50%
2018	2.25%	0.25%	1.00%	5.00%	8.50%

Data Source

Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

GENERAL SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General merchandise	\$ 1,026,304	\$ 1,017,002	\$ 1,044,682	\$ 897,868	\$ 1,052,030	\$ 1,032,790	\$ 1,772,784	\$ 2,289,392	\$ 1,739,752	\$ 1,722,784
Food	469,987	608,638	561,369	520,995	465,110	477,393	448,860	736,908	569,734	618,676
Drinking and eating places	418,317	543,990	538,906	566,591	598,064	639,448	714,404	1,193,258	844,653	896,932
Apparel	203,385	200,655	228,374	379,146	252,180	263,034	267,752	414,947	287,756	296,426
Furniture, H.H. and Radio	310,674	260,491	267,536	266,894	246,453	229,101	226,135	365,219	226,675	187,436
Lumber, building hardware	366,169	302,034	313,492	281,290	215,643	249,375	268,823	418,433	292,939	304,910
Automobile and filling stations	1,033,223	1,004,753	1,113,413	1,309,894	1,467,995	1,497,855	941,139	1,108,625	979,398	1,022,267
Drugs and miscellaneous retail	489,005	501,300	550,689	578,602	665,416	693,093	740,026	800,399	749,123	757,550
Agriculture and all others	258,909	184,054	132,674	186,966	369,659	324,119	329,249	563,734	301,602	289,574
Manufacturers	24,764	76,516	74,224	23,368	23,555	23,724	25,620	53,463	49,030	41,374
TOTAL	\$ 4,600,736	\$ 4,699,433	\$ 4,825,359	\$ 5,011,615	\$ 5,356,105	\$ 5,429,931	\$ 5,734,792	\$ 7,944,378	\$ 6,040,662	\$ 6,137,929
VILLAGE DIRECT SALES TAX RATE	1.00%									

Note: Data available for calendar year only.

Data Source

Illinois Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General merchandise	\$ -	\$ -	\$ 200,098	\$ 317,148	\$ 358,345	\$ 355,684	\$ 524,363	\$ 519,197	\$ 1,291,982	\$ 1,288,092
Food	-	-	61,378	109,599	79,882	82,826	76,165	136,196	317,198	348,693
Drinking and eating places	-	-	132,401	279,711	294,925	317,169	354,581	395,760	1,044,375	1,107,532
Apparel	-	-	59,752	155,532	126,033	131,438	133,754	138,204	354,666	369,862
Furniture, H.H. and Radio	-	-	74,095	131,635	121,668	113,174	112,355	120,653	281,364	233,614
Lumber, building hardware	-	-	74,964	140,120	107,447	124,058	134,167	139,352	361,767	380,543
Automobile and filling stations	-	-	128,593	292,333	315,667	284,747	185,903	156,009	386,040	437,955
Drugs and miscellaneous retail	-	-	90,094	189,861	229,725	233,106	249,264	219,204	562,918	571,499
Agriculture and all others	-	-	26,246	79,016	176,477	153,561	156,634	138,599	353,244	344,593
Manufacturers	-	-	16,907	9,130	9,547	9,736	9,904	16,448	56,253	46,427
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 1,819,716	\$ 1,805,500	\$ 1,937,090	\$ 1,979,622	\$ 5,009,807	\$ 5,128,810
VILLAGE HOME RULE TAX RATE	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	1.25%	1.25%

Note: Home Rule Tax established July 1, 2010. Data before that is not applicable.
Data available for calendar year only.

Data Source

Illinois Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Alternate Revenue Bonds	IEPA Loans Payable	General Obligation Alternate Revenue Bonds			
2009	\$ -	\$ 17,810,000	\$ 1,578,760	\$ 12,115,000	\$ 31,503,760	3.94%	\$ 1,073
2010	-	19,355,000	1,470,363	17,875,000	38,700,363	4.05%	1,275
2011	-	18,345,000	1,359,041	16,870,000	36,574,041	3.85%	1,188
2012	-	17,325,000	1,244,716	15,850,000	34,419,716	3.35%	1,119
2013	-	16,195,000	1,127,309	14,635,000	31,957,309	3.14%	1,039
2014	-	15,970,483	1,006,733	14,001,417	30,978,633	3.02%	1,007
2015	-	14,951,903	882,903	13,045,195	28,880,001	2.69%	873
2016	-	13,050,000	756,148	11,790,000	25,596,148	2.39%	778
2017	-	38,815,000	625,125	10,730,000	50,170,125	4.67%	1,517
2018	-	37,480,000	533,609	9,420,000	47,433,609	4.32%	1,434

See the schedule of Demographic and Economic Information on page 144 for personal income and population.

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

Data Source

Village Finance Department

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT

April 30, 2018

Governmental Unit	Gross Bonded Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Village of Oswego	\$ 37,480,000	100.00%	\$ 37,480,000
Oswego Community Unit School District #308	309,466,053	56.59%	175,131,087
Yorkville Community Unit School District #115	72,795,667	1.92%	1,397,677
Kendall County	29,675,000	28.82%	8,551,670
Kendall County Forest Preserve	41,575,000	28.82%	11,980,983
Waubensee Community College #516	58,005,000	9.52%	5,522,076
Oswegoland Park District	8,055,000	64.59%	5,202,521
Oswego Public Library District	6,320,000	58.52%	3,698,741
Will County	316,457,488	0.00%	1,812
Total Overlapping Debt	<u>842,349,208</u>		<u>211,486,567</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 879,829,208</u></u>		<u><u>\$ 248,966,567</u></u>
Per capita overlapping debt			<u><u>\$ 7,564.84</u></u>

* Percentage is calculated by dividing the Village equalized assessed value (EAV) by the respective taxing district EAV

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	*	*	*	*	*	*	*	*	*	*
Total net debt applicable to limit	*	*	*	*	*	*	*	*	*	*
LEGAL DEBT MARGIN	*	*	*	*	*	*	*	*	*	*
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	*	*	*	*	*	*	*	*	*	*

* The Village became a home rule municipality during fiscal year 2009.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the 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 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.

VILLAGE OF OSWEGO, ILLINOIS

**PLEDGED-REVENUE COVERAGE
GOVERNMENTAL ACTIVITIES**

Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue	Net Available Revenue	General Obligation Bonds Debt Service		Coverage
			Principal	Interest	
2009	\$ 3,475,795	\$ 3,475,795	\$ 720,000	\$ 763,476	\$ 2.34
2010	4,072,717	4,072,717	740,000	743,297	2.75
2011	5,349,488	5,349,488	1,010,000	813,379	2.93
2012	6,039,346	6,039,346	1,060,000	798,595	3.25
2013	6,129,126	6,129,126	1,130,000	693,047	3.36
2014	6,401,537	6,401,537	1,145,000	621,442	3.62
2015	7,208,331	7,208,331	1,225,000	544,050	4.07
2016	7,589,959	7,589,959	1,305,000	467,101	4.28
2017	10,672,951	10,672,951	1,340,000	1,048,006	4.47
2018	11,025,546	11,025,546	1,285,000	1,538,300	3.91

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

VILLAGE OF OSWEGO, ILLINOIS

PLEDGED-REVENUE COVERAGE
BUSINESS-TYPE ACTIVITIES

Last Ten Fiscal Years

Fiscal Year	Water and Sewer Revenue	Less Operating Expenses	Net Available Revenue	General Obligation Bonds Debt Service		IEPA Loans Debt Service		Coverage
				Principal	Interest	Principal	Interest	
2009	\$ 5,443,437	\$ 4,063,299	\$ 1,380,138	\$ 940,000	\$ 502,754	\$ 105,551	\$ 42,886	\$ 0.87
2010	5,363,112	3,577,194	1,785,918	970,000	703,325	108,397	40,029	0.98
2011	5,527,817	3,408,690	2,119,127	1,005,000	825,637	111,322	37,089	1.07
2012	6,304,099	3,173,278	3,130,821	1,050,000	743,619	114,325	34,085	1.61
2013	6,722,980	2,766,698	3,956,282	1,110,000	746,247	117,409	31,457	1.97
2014	6,252,863	3,326,221	2,926,642	940,000	573,524	120,576	27,925	1.76
2015	6,047,998	3,400,092	2,647,906	995,000	531,418	123,830	24,538	1.58
2016	5,464,827	3,187,991	2,276,836	1,025,000	510,043	126,755	21,693	1.35
2017	5,333,551	3,330,660	2,002,891	1,085,000	441,106	71,517	15,184	1.35
2018	6,183,690	3,450,220	2,733,470	1,145,000	293,825	73,316	13,385	1.79

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

Operating expenses do not include interest or depreciation.

VILLAGE OF OSWEGO, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2009	29,364	\$ 798,818,256	\$ 27,204	5.2%
2010	30,355	954,543,330	31,446	8.5%
2011	30,780	950,763,420	30,889	8.7%
2012	30,750	1,013,058,750	32,945	8.0%
2013	30,750	1,033,384,500	33,606	8.3%
2014	30,750	1,027,234,500	33,406	7.0%
2015	33,100	1,075,352,800	32,488	5.0%
2016	32,901	1,089,483,714	33,114	5.2%
2017 *	33,078	1,098,454,224	33,208	3.4%
2018 *	33,078	1,180,256,118	35,681	2.7%

*2017 and 2018 population from 2016 special census

Data Source

U.S. Census Bureau Fact Sheet

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2018				2009			
Employer	Rank	Number	% of Total Village Population	Employer	Rank	Number	% of Total Village Population
Oswego Comm. Unit School Dist. No. 308	1	1,893	5.7%	Oswego Comm. Unit School Dist. No. 308	1	1400	4.4%
Jewel/Osco - 2 locations	2	362	1.1%	Wal-Mart Stores, Inc.	2	450	1.4%
Meijer Corporation	3	300	0.9%	Meijer Corporation	3	425	1.3%
Radiac Abrasives, Inc.	4	250	0.8%	Dominick's Fresh Foods, Inc.	4	275	0.9%
Wal-Mart Stores	5	260	0.8%	Jewel/Osco	5	275	0.9%
Coldwell Banker Honig-Bell	6	225	0.7%	Lowe's Home Improvement	6	250	0.8%
UPS Freight	7	100	0.3%	Target Corporation	7	250	0.8%
Village of Oswego	8	118	0.4%	Home Depot USA	8	250	0.8%
Target Corporation	9	117	0.4%	Kohl's	9	225	0.7%
Home Depot USA	10	115	0.3%	Anfinsen Assembly, Inc.	10	150	0.5%

Data Source

Village of Oswego

VILLAGE OF OSWEGO, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2009*	2010*	2011*	2012*	2013*	2014*	2015*	2016*	2017*	2018*
GENERAL GOVERNMENT										
Administration	8.50	7.00	4.50	3.50	3.50	4.25	4.25	4.25	5.25	5.00
Finance	4.00	4.00	6.00	6.00	6.00	6.00	7.00	6.00	6.00	6.00
Village Clerk	3.00	3.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Building and Zoning	12.00	6.00	7.00	7.00	7.30	7.30	7.30	7.30	7.30	7.50
Community Development	6.50	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.00	4.00
Community Relation	-	-	-	1.50	2.00	2.00	2.00	2.00	2.00	2.25
Economic Development	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Information Technology	-	-	-	-	-	-	-	-	1.00	1.00
PUBLIC SAFETY										
Police										
Officers	53.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00
Civilians	15.00	13.00	13.50	13.50	13.50	14.00	15.00	15.00	16.00	16.00
PUBLIC WORKS										
Road and Bridge/Water and Sewer	32.00	24.00	23.50	23.50	21.50	21.00	23.50	22.00	23.00	24.50
TOTAL	134.00	110.00	110.00	111.50	111.30	112.05	116.55	114.05	117.05	118.75

* Totals include seasonal positions. Each seasonal position counts as 0.5 positions. A full-time employee works 2,080 hours in a year. (For instance, if an employee is scheduled to work 500 hours a year, their full-time equivalent amount would be 0.25)

Data Source

Village budget office

VILLAGE OF OSWEGO, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
BUILDING AND ZONING										
Permits issued	1,123	1,492	982	1,285	1,191	1,585	1,530	1,624	2,115	1,833
COMMUNITY DEVELOPMENT										
Total year end requested projects	46	45	47	38	34	48	41	27	50	51
Total year end projects approved	45	45	46	27	32	45	34	23	19	28
PUBLIC SAFETY										
Police										
Physical arrests	1,371	1,140	1,201	1,174	997	748	741	688	518	518
Parking violations	758	1,137	505	604	1,225	1,297	547	997	1,608	2,553
Traffic violations	4,565	5,033	5,246	11,622	12,548	10,841	11,017	12,391	10,679	10,190
Criminal reports	2,185	1,770	1,862	4,339	3,982	1,436	1,048	1,332	1,162	1,178
Calls for service	46,378	47,813	25,128	22,607	23,568	22,885	19,317	24,946	24,321	24,231
ROAD AND BRIDGE										
Pothole repairs (tons)	94	65	109	-	37	80	30	21	25	20
Parkway tree replacement	57	-	1	-	586	546	733	604	591	602
WATER										
Number of accounts	10,350	10,344	10,597	10,733	10,829	10,873	11,083	11,177	11,289	11,361
Total annual consumption	898,847,000	895,657,000	868,978,000	909,085,000	971,176,000	934,131,000	915,941,000	847,515,000	842,397,000	800,823,000
Average daily consumption	2,462,595	2,453,855	2,380,762	2,490,644	2,660,756	2,559,263	2,509,427	2,321,958	2,307,936	2,194,036
Peak daily consumption	5,951,000	4,588,000	4,146,000	4,723,000	4,943,000	4,683,000	4,175,000	3,964,000	3,964,000	3,964,000
Water main breaks	13	7	9	-	9	3	13	7	11	12
Water service repairs	8	11	69	-	74	153	73	63	147	117
Main line valve repairs	-	-	5	-	1	-	4	1	1	27
Fire hydrant replacements	1	-	4	-	2	4	7	4	2	2

Data Source

Various village departments

VILLAGE OF OSWEGO, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	37	34	34	32	34	33	33	32	32
PUBLIC WORKS										
Miles of streets	128	128	128	128	128	129	139	156	156	156
Streetlights	2,120	2,126	2,133	2,145	2,149	2,149	2,149	2,153	2,153	2,160
Traffic signals	20	20	20	20	20	24	24	24	24	24
WATER										
Water mains (miles)	161	161	161	161	162	162	162	163	163	165
Fire hydrants	2,517	2,511	2,503	2,543	2,544	2,543	2,543	2,559	2,559	2,760
Storage capacity (gallons)	3,800,000	3,800,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000

Data Source

Various village departments