



**Village of  
Oswego**  
**Comprehensive Annual  
Financial Report**  
For the Fiscal Year Ended  
April 30, 2017  
Village of Oswego, Illinois



**VILLAGE OF OSWEGO, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
April 30, 2017

Prepared by:

Village of Oswego Finance Department

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# Principal Officials

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## VILLAGE PRESIDENT

**Gail Johnson**

(Term Expires April 2019)

## VILLAGE TRUSTEES

**Pam Parr**

(Term Expires April 2021)

**Ryan Kauffman**

(Term Expires April 2019)

**Luis Perez**

(Term Expires April 2021)

**Karen McCarthy-Lange**

(Term Expires April 2019)

**Judy Sollinger**

(Term Expires April 2021)

**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

**Michele Brown**

Community Relations Manager

**Joe Renzetti**

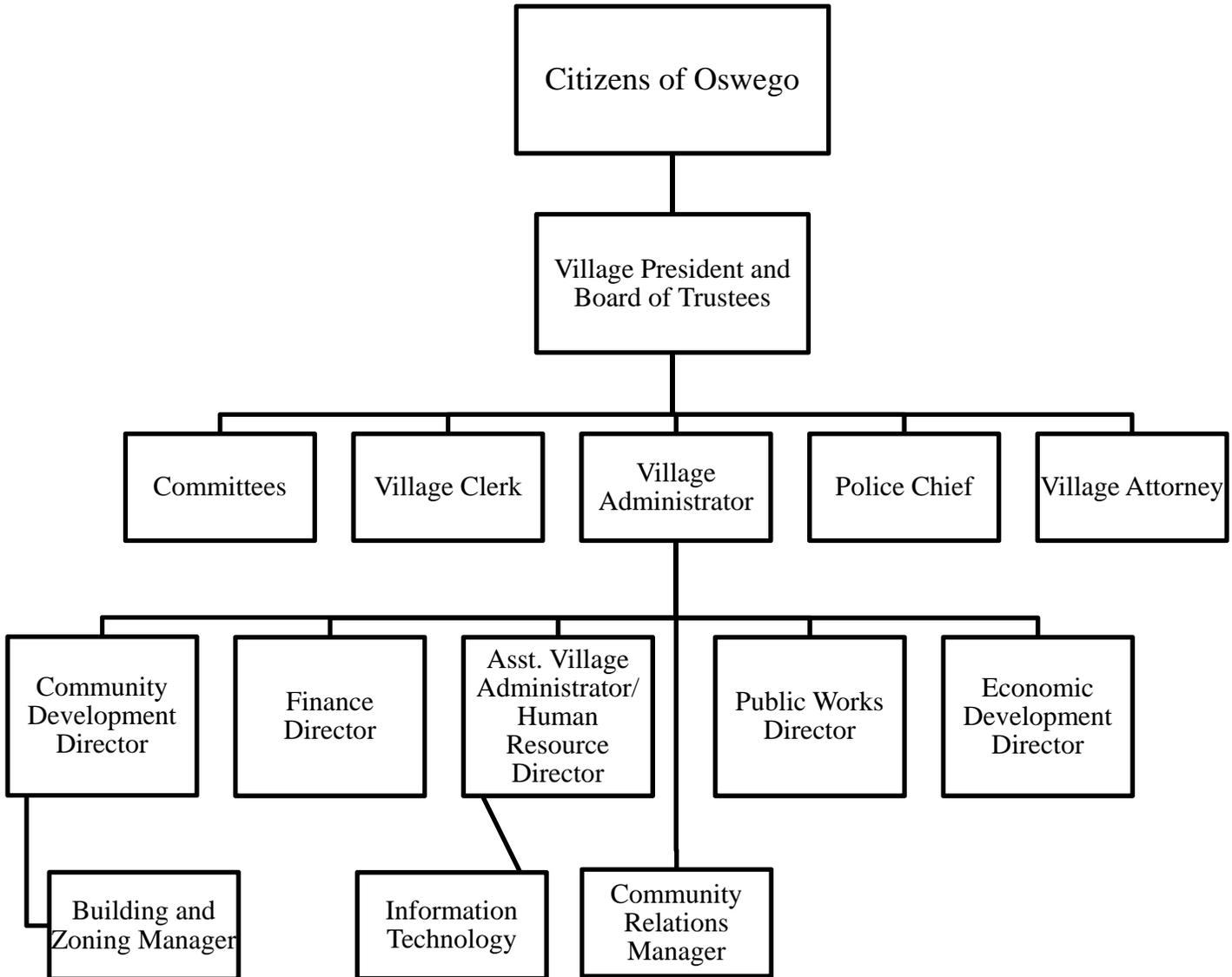
IT/GIS Manager

**Jeff Burgner**

Police Chief

Officials and Staff may be contacted at:  
[village@oswegoil.org](mailto: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, 2016**

Executive Director/CEO



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

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October 17, 2017

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, 2017 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, 2017 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, 2017 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 117.05 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. 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 Capital Projects Fund, the Water and Sewer Fund, the Water and Sewer Capital Fund, the Garbage Fund, the Debt Service 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 1<sup>st</sup>.

## **ECONOMIC CONDITION AND OUTLOOK**

### **Local Economy**

The building of new residential homes and commercial buildings was less than in previous years. The Village reduced the building fees charged to developers to encourage development during the fiscal year. During the last two months of the fiscal year, interest from developers returned and a couple of

unfinished subdivisions will now be seeing new home construction in Fiscal Year 2018. An 88 unit memory and assisted living housing campus was approved in April and Longhorn Steakhouse is on track to open in August 2017. The Village also entered into a purchase and sale agreement in March, 2017 which would develop a long vacant property into a \$55 million mixed use residential and commercial development in the downtown. This is expected to be the catalyst for further redevelopment in the downtown area.

New business openings in the past year included; Oswego Segway, Five Guys Restaurant, Sages Meat Market, Tide Dry Cleaners. The O'Reilly Auto Parts Store and Burlington Coat Factory Store are both underway in opening businesses in Oswego within the next few months. 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**

The Village annually prepares a detailed multi-year Capital Improvement Program. This plan was created to list pending improvement projects and to engage in long term planning discussions to allow the Village to appropriately schedule and secure the funding needed to ensure the local infrastructure is maintained at acceptable levels for the residents. The CIP, as well as the Five Year Financial Forecast document estimating annual revenues and annual expenditures for long term planning are updated annually. Trends in revenue sources and expenditures are identified and reviewed so quality assumptions may be made for the future fiscal health of the Village. In fiscal year 2017, the Village Board completed a 4 year 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. All of 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**

Major projects completed in fiscal year 2017 included completion of a new village-wide strategic plan, \$1.9 million in road resurfacing improvements, groundbreaking for the new Police Headquarters facility, installation of a new SCADA system for sanitary pump stations, adoption of a Tax Increment Financing District for the downtown, Environmental Phase I engineering was begun on the Wolfs Crossing Road improvements and the 2 year implementation of an Enterprise Resource Planning System for the Village kicked off.

The capital projects scheduled for fiscal year 2018, include the annual road program paid from Motor Fuel Tax and Home Rule Sales Tax revenue, the implementation of MUNIS, a new enterprise-wide software solution, the completion of the new Police Headquarters, the start of a new water meter/remote replacement program, and an upgrade to the audio/visual equipment in the Village Hall Board room.

### **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, 2016. This was the 14<sup>th</sup> 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 2017 Annual Budget document. This was the 13<sup>th</sup> 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 2016. 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 general public. This report provides a

brief analysis of when the Village's revenues come from and how those dollars are spent, as well as trends in the local economy. This report, the Resident's Annual Financial Report, 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 entire staff of the finance department is extended a special appreciation for all of 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



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Naperville, Illinois 60563

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Certified Public Accountants & Advisors  
*Members of American Institute of Certified Public Accountants*

## 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, 2017, 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. 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, 2017, 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, 2016, 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 2016 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 2016 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.

*Sibich LLP*

Naperville, Illinois  
September 8, 2017

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**

**VILLAGE OF OSWEGO, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2017**

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, 2017. 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 increased \$23.6 million from \$368.6 million to \$392.3 million. The issuance of General Obligation Bonds, Series 2016 for the new Police Headquarters increased the restricted cash and investments. Deferred Outflows of Resources decreased \$2.8 million.
- The Village's total liabilities and deferred inflows increased \$29.5 million for the fiscal year. The major increase was issuance of bonds, as stated above. This change increased liabilities \$27.6 million. The Deferred Inflow of Resources also increased \$1.9 million.
- The Village's total net position decreased \$5.8 million including the change in the accounting principle for the fiscal year ending April 30, 2017. This occurred because the increase in liability was higher than the increase in assets.
- Total revenues decreased \$4.8 million during the fiscal year. Although Other Taxes and Other revenues both increased, the increase was offset by a substantial decrease in Capital Grants/Contributions.
- Total expenses increased \$4.1 million compared to the previous fiscal year. The reason for this increase was planned expenditures pertaining to the New Police Headquarters and the creation of the new TIF Fund.
- The net change in the General Fund's Fund balance increased \$0.9 million in FY 17. This increase was due to vigilant monitoring of the Village's revenues and expenditures.

**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 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.

**VILLAGE OF OSWEGO, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2017**

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 the majority 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 of 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 considered to be 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.

**VILLAGE OF OSWEGO, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2017**

***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 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 considered to be 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.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position.** Table 1 presents a condensed Statement of Net Position as of April 30, 2017 compared to the prior year ending April 30, 2016.

**Table 1  
Village of Oswego  
Statement of Net Position  
As of April 30, 2017**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
<b>Assets:</b>						
Current & other assets	\$13,240,913	\$42,162,204	\$10,661,190	\$10,471,102	\$23,902,103	\$52,633,306
Capital assets	282,173,726	281,382,525	57,801,909	56,350,795	339,975,635	337,733,320
<b>Total assets</b>	<b>295,414,639</b>	<b>323,544,729</b>	<b>68,463,099</b>	<b>66,821,897</b>	<b>363,877,738</b>	<b>390,366,626</b>
Deferred outflows	4,107,063	1,383,677	621,375	517,287	4,728,438	1,900,964
<b>Total assets &amp; deferred outflows</b>	<b>299,521,702</b>	<b>324,928,406</b>	<b>69,084,474</b>	<b>67,339,184</b>	<b>368,606,176</b>	<b>392,267,590</b>
<b>Liabilities:</b>						
Current liabilities	1,557,632	2,864,521	3,071,885	2,896,729	4,629,517	5,761,250
Long-term liabilities	28,914,343	56,709,532	13,426,626	12,081,303	42,340,969	68,790,835
<b>Total liabilities</b>	<b>30,471,975</b>	<b>59,574,053</b>	<b>16,498,511</b>	<b>14,978,032</b>	<b>46,970,486</b>	<b>74,552,085</b>
Deferred inflows	1,450,023	3,301,013	35,089	130,688	1,485,112	3,431,701
<b>Total liabilities &amp; deferred inflows</b>	<b>31,921,998</b>	<b>62,875,066</b>	<b>16,533,600</b>	<b>15,108,720</b>	<b>48,455,598</b>	<b>77,983,786</b>
<b>Net Position:</b>						
Net invested in capital assets	269,710,313	266,143,880	45,499,004	43,955,344	315,209,317	310,099,224
Restricted	3,025,632	2,262,586	654,000	654,000	3,679,632	2,916,586
Unrestricted	-5,136,241	-6,353,126	6,397,870	7,621,120	1,261,629	1,267,994
<b>Total Net Position</b>	<b>\$267,599,704</b>	<b>\$262,053,340</b>	<b>\$52,550,874</b>	<b>\$52,230,464</b>	<b>\$320,150,578</b>	<b>\$314,283,804</b>

A useful indicator of the Village's financial position may be ascertained by comparing the total Net Position from year to year. The largest 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. The Village's current assets and long-term liabilities went up substantially this year. These increases were due to the Village issuing General Obligation Bonds to fund the construction of a new Police Headquarters.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

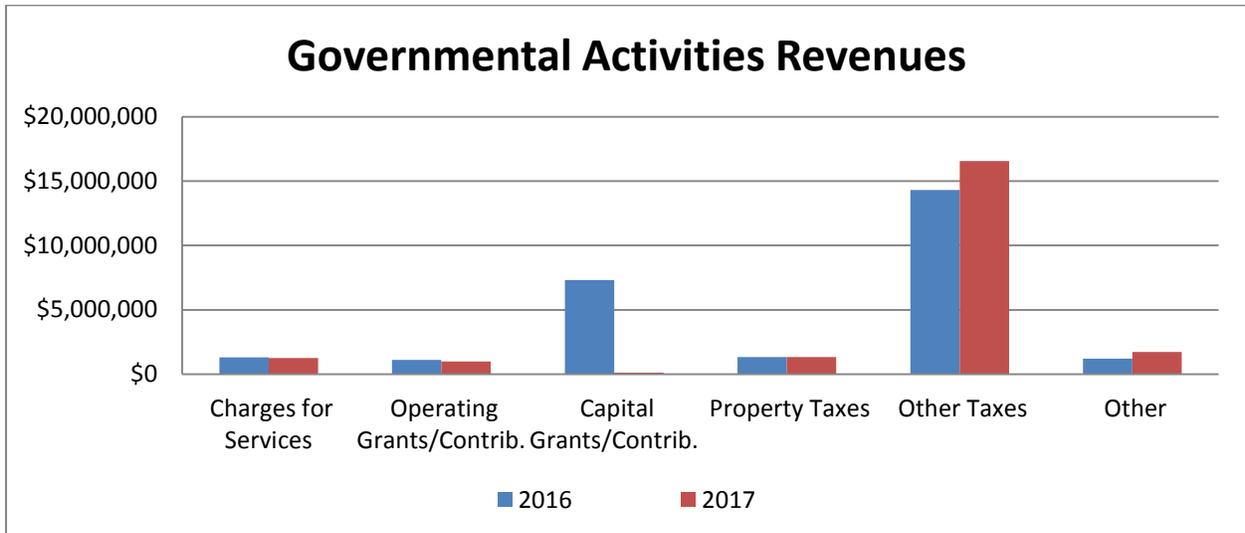
**Changes in Net Position.** Table 2 summarizes the revenue and expenses of the Village's activities.

**Table 2  
Village of Oswego  
Changes in Net Position  
For the Fiscal Year Ended April 30, 2017**

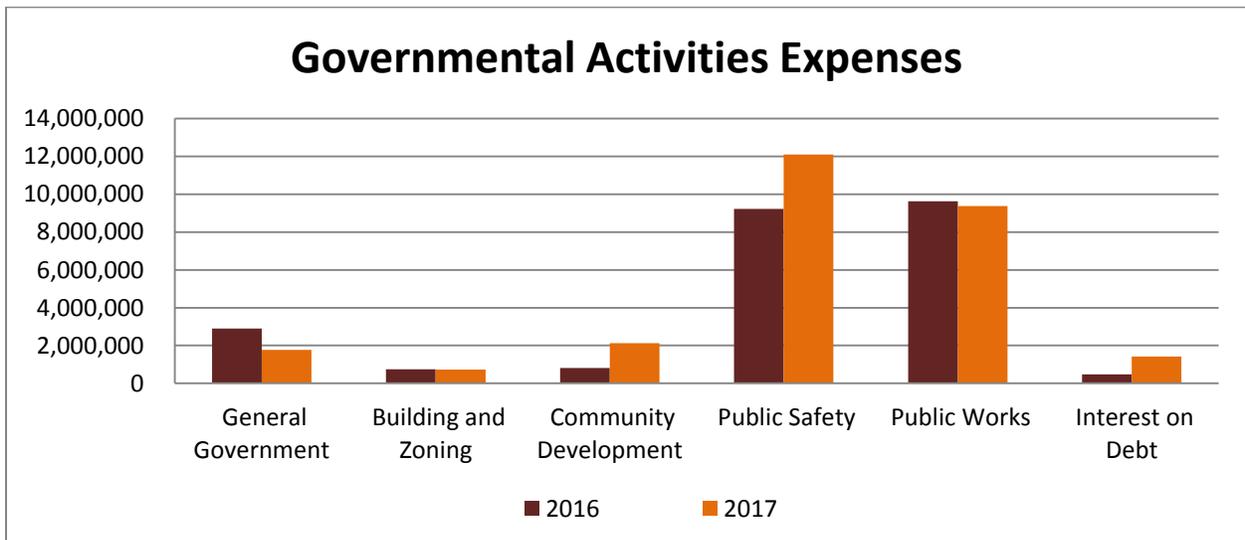
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$1,321,146	\$1,264,087	\$7,782,030	\$7,603,259	\$9,103,176	\$8,927,346
Operating Grants/Contrib.	1,117,999	979,002	90,270	84,572	1,208,269	1,063,574
Capital Grants/Contrib.	7,305,199	127,631			7,305,199	127,631
General Revenues:						
Property Taxes	1,326,196	1,326,027			1,326,196	1,326,027
Other Taxes	14,295,965	16,553,394			14,295,965	16,553,394
Other	1,201,582	1,735,837	133,865	21,605	1,335,447	1,757,442
<b>Total Revenues</b>	<b>26,568,087</b>	<b>21,985,978</b>	<b>8,006,165</b>	<b>7,769,436</b>	<b>34,574,252</b>	<b>29,755,414</b>
<b>EXPENSES</b>						
General Government	2,901,661	1,779,446			2,901,661	1,779,446
Building and Zoning	747,864	724,871			747,864	724,871
Community Development	811,923	2,132,879			811,923	2,132,879
Public Safety	9,225,417	12,103,554			9,225,417	12,103,554
Public Works	9,626,504	9,376,444			9,626,504	9,376,444
Interest on Debt	477,036	1,415,148			477,036	1,415,148
Water and Sewer			5,310,304	5,743,368	5,310,304	5,743,368
Garbage			2,415,909	2,346,478	2,415,909	2,346,478
<b>Total Expenses</b>	<b>23,790,405</b>	<b>27,532,342</b>	<b>7,726,213</b>	<b>8,089,846</b>	<b>31,516,618</b>	<b>35,622,188</b>
<b>Change in Net Position</b>	<b>2,777,682</b>	<b>(5,546,364)</b>	<b>279,952</b>	<b>(320,410)</b>	<b>3,057,634</b>	<b>(5,866,774)</b>
<b>Net Position, Beginning of the Year</b>	<b>275,598,179</b>	<b>267,599,704</b>	<b>52,647,441</b>	<b>52,550,874</b>	<b>328,245,620</b>	<b>320,150,578</b>
<b>Change in Accounting Principle</b>	<b>(10,776,157)</b>		<b>(376,519)</b>		<b>(11,152,676)</b>	
<b>Prior period adjustment</b>					<b>0</b>	
<b>Net Position, Beginning of Year Restated</b>	<b>264,822,022</b>	<b>267,599,704</b>	<b>52,270,922</b>	<b>52,550,874</b>	<b>317,092,944</b>	<b>320,150,578</b>
<b>Net Position, End of the Year</b>	<b>\$267,599,704</b>	<b>\$262,053,340</b>	<b>\$52,550,874</b>	<b>\$52,230,464</b>	<b>\$320,150,578</b>	<b>\$314,283,804</b>

**Change in Net Position in the Governmental Activities.** Total revenues for governmental activities decreased \$4.5 million compared to fiscal year 2016. Although most revenues came in higher than last year, the capital grants/contributions category had a major decrease. This occurred because the \$7.3 million received in fiscal year 2015 was a one-time dedication of private roads to the Village.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**



Total expenses for governmental activities increased \$3.7 million compared with fiscal year 2016. Public Safety and Community Development had the largest increases. This was due to expenses for the new Police Headquarters and expenses in the Tax Incremental Financing Fund.



The resulting total change in Net Position was a decrease of \$5.5 million leaving an ending Net Position balance of \$262 million at April 30, 2017.

**Change in Net Position in Business-Type Activities.** The total change in Net Position for business-type activities is a decrease of \$0.3 million, despite total revenues decreasing \$0.3 million and total expenses increasing \$0.4 million over last year. The difference is due to the change in accounting principle implemented in fiscal year 2016. This accounting change requires the Village to record the net pension liability for pension funds.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

**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, 2017, the governmental funds reported combined ending fund balances of \$38.5 million, an increase of \$27.9 million compared to the ending fund balances at April 30, 2016. Total expenditures for governmental funds exceeded revenues by \$2.6 million.

*The General Fund* is the primary operating fund of the Village of Oswego. The total fund balance of the General Fund increased \$0.9 million creating an ending balance at April 30, 2017 of \$7.6 million. As a measure of liquidity, it is useful to compare unrestricted fund balance to total expenditures. Unrestricted fund balance is 47% of total 2017 General Fund expenditures. This is consistent with the Village's General Fund Fund balance policy.

*The Capital Improvement Fund* had expenditures of \$4.8 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 broke ground at the end of the fiscal year.

*The Debt Service Fund* had expenditures of \$2.4 million for principal and interest payments during the fiscal year. Transfers from the General Fund and Motor Fuel Tax Fund supported the expenditures.

*The Downtown TIF Fund* was created this fiscal year. There were \$1.6 million in expenditures. This amount included the purchase of 59 S Adams, former Alexander Lumber property, a prime development site within the downtown area.

*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 \$1.6 million compared to last fiscal year. Total assets in Public Works Escrow Fund decreased \$1.0 million. Dedicated funds were transferred to the Capital Improvement Fund to pay for the Wolf's Crossing Road environmental study, which was started in fiscal year 2017.

**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 1.5 million. This was due to the moving of all vehicles and equipment into a newly opened internal service fund (Vehicle Replacement Fund). Water and Sewer Fund total liabilities decreased \$1.3 million due to debt service payments. The overall effect caused the Water and Sewer Fund Net Position to decrease \$0.3 million compared to Fiscal Year 2016.

*The Garbage Fund* total Net Position remained at \$0.5 million as of April 30, 2017 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.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

The Vehicle Replacement Fund was created during this fiscal year. All vehicles and motorized equipment was moved into this fund. 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, 2017 were \$1.5 million.

**General Fund Budgetary Highlights**

Overall, the total General Fund Revenues were \$0.5 million or 3% less than budget. All categories, with the exception of "Other" revenues, were slightly under budget. General Fund Expenditures were 8% under budget. All departments were under budget.

**Table 3  
Village of Oswego  
General Fund Budgetary Highlights  
For the Fiscal Year Ended April 30, 2017**

	Original Budget	Final Budget	Actual	Over(under) Budget
<b>REVENUES</b>				
Taxes	\$11,079,831	\$11,079,831	\$10,985,376	(\$94,455)
Intergovernmental	\$3,403,312	\$3,403,312	\$3,053,850	(\$349,462)
Charges for Services	\$1,344,008	1,344,008	1,185,921	(\$158,087)
Other	\$1,714,902	1,714,902	1,785,803	70,901
Total revenues	<u>17,542,053</u>	<u>17,542,053</u>	<u>17,010,950</u>	<u>(531,103)</u>
<b>EXPENDITURES</b>				
General Government	2,917,080	2,917,080	2,504,085	(412,995)
Building and Zoning	711,504	711,504	686,781	(24,723)
Community Development	767,641	767,641	513,651	(253,990)
Public Works	1,938,395	1,938,395	1,736,921	(201,474)
Public Safety	9,519,473	9,519,473	9,143,682	(375,791)
Total expenditures	<u>15,854,093</u>	<u>15,854,093</u>	<u>14,585,120</u>	<u>(1,268,973)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In (Out)	(1,491,894)	(1,491,894)	(1,491,894)	0
Sale of capital assets	0	0	217	217
Total other financing sources (uses)	<u>(1,491,894)</u>	<u>(1,491,894)</u>	<u>(1,491,677)</u>	<u>217</u>
<b>Net Change in Fund Balance</b>	<u>\$196,066</u>	<u>\$196,066</u>	934,153	<u>738,087</u>
<b>Fund Balance, May 1</b>			<u>6,726,461</u>	
<b>Fund Balance, April 30</b>			<u>\$7,660,614</u>	

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

**Table 3  
Village of Oswego  
General Fund Budgetary Highlights  
For the Fiscal Year Ended April 30, 2017**

	Original Budget	Final Budget	Actual	Over(under) Budget
<b>REVENUES</b>				
Taxes	\$11,079,831	\$11,079,831	\$10,985,376	(\$94,455)
Intergovernmental	\$3,403,312	\$3,403,312	\$3,053,850	(\$349,462)
Charges for Services	\$1,344,008	1,344,008	1,185,921	(\$158,087)
Other	\$1,714,902	1,714,902	1,785,803	70,901
Total revenues	<u>17,542,053</u>	<u>17,542,053</u>	<u>17,010,950</u>	<u>(531,103)</u>
<b>EXPENDITURES</b>				
General Government	2,917,080	2,917,080	2,504,085	(412,995)
Building and Zoning	711,504	711,504	686,781	(24,723)
Community Development	767,641	767,641	513,651	(253,990)
Public Works	1,938,395	1,938,395	1,736,921	(201,474)
Public Safety	9,519,473	9,519,473	9,143,682	(375,791)
Total expenditures	<u>15,854,093</u>	<u>15,854,093</u>	<u>14,585,120</u>	<u>(1,268,973)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In (Out)	(1,491,894)	(1,491,894)	(1,491,894)	0
Sale of capital assets	0	0	217	217
Total other financing sources (uses)	<u>(1,491,894)</u>	<u>(1,491,894)</u>	<u>(1,491,677)</u>	
<b>Net Change in Fund Balance</b>	<u>\$196,066</u>	<u>\$196,066</u>	934,153	
<b>Fund Balance, May 1</b>			<u>6,726,461</u>	
<b>Fund Balance, April 30</b>			<u><u>\$7,660,614</u></u>	

**Capital Asset and Debt Administration.** The Village of Oswego's investment in capital assets decreased \$2.2 million (net of accumulated depreciation) as compared to fiscal year 2016. 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 decreased \$0.8 million as the increase in net assets was less than the change in accumulated depreciation.

Business-type activities total capital assets decreased \$1.5 million compared to last fiscal year due to the transfer of the vehicles and equipment into the Vehicle Replacement Fund.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

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, 2017**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
<b>Non-Depreciable Assets:</b>						
Land	1,312,153	3,026,555	3,348,121	3,348,121	4,660,274	6,374,676
Right of Way	104,263,377	104,263,377	0	0	104,263,377	104,263,377
CIP	92,112	2,204,583	194,070	386,195	286,182	0
<b>Depreciable Assets</b>						
Land improvements	848,229	848,229	0	0	848,229	848,229
Buildings	9,495,393	9,495,393	6,618,082	6,618,082	16,113,475	16,113,475
Equipment	1,423,187	1,728,868	572,418	453,964	1,995,605	2,182,832
Vehicles	1,698,416	3,246,048	1,271,780	0	2,970,196	3,246,048
Infrastructure	236,735,195	236,735,195	67,394,341	67,416,541	304,129,536	304,151,736
Accumulated Depreciation	(73,694,336)	(80,165,723)	(21,596,903)	(21,872,108)	(95,291,239)	(102,037,831)
Total	282,173,726	281,382,525	57,801,909	56,350,795	339,975,635	337,733,320

**Long-Term Debt**

At April 30, 2017 the Village had total debt outstanding of \$68.8 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 IEPA notes account for 73% of the Village's total outstanding debt. Sales tax, MFT tax and water/sewer revenues are currently pledged to pay the annual debt service on the bonds and notes.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

**Table 5  
Village of Oswego  
Bonded and Other Indebtedness  
As of April 30, 2017**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2017	2016	2017	2016	2017
General obligation bonds	\$13,050,000	\$38,815,000	\$11,790,000	\$10,730,000	\$24,840,000	\$49,545,000
Unamortized premium (discount)	512,030	4,184,418	(23,768)	(21,028)	488,262	4,163,390
Unamortized loss on refunding	(1,321)	(436)	200,780	151,896	199,459	151,460
IEPA notes	0	0	756,148	625,125	756,148	625,125
Compensated absences	447,724	554,264	70,642	74,290	518,366	628,554
Retiree termination benefits	109,673	157,845	0	0	109,673	157,845
Net pension obligation-Police Pension	13,123,201	11,589,328	0	0		11,589,328
Net pension obligation-IMRF	1,546,943	1,252,618	619,612	501,723	2,166,555	1,754,341
Other post employment benefits	126,093	156,495	13,212	19,297	139,305	175,792
<b>Total</b>	<b>\$28,914,343</b>	<b>\$56,709,532</b>	<b>\$13,426,626</b>	<b>\$12,081,303</b>	<b>\$42,340,969</b>	<b>\$68,790,835</b>

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 \$831,033,315 which results in a gross debt to EAV ratio of 5.96% as of April 30, 2017 and a gross debt per capita of \$1,498 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.

### **Economic Factors and Next Year's Budget**

Fiscal Year 2017 financial results were as 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 2018 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.

**VILLAGE OF OSWEGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
APRIL 30, 2017**

**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, 2017

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 35,771,222	\$ 8,641,780	\$ 44,413,002
Restricted cash and investments	-	654,000	654,000
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	1,300,729	-	1,300,729
Accounts	362,508	1,141,778	1,504,286
Accrued interest	684	15,207	15,891
Intergovernmental	3,519,156	-	3,519,156
Utility taxes	68,444	-	68,444
Notes	319,044	-	319,044
Insurance	335,374	-	335,374
Prepaid expenses	472,315	18,337	490,652
Due from fiduciary funds	12,728	-	12,728
Capital assets not being depreciated	109,494,515	3,734,316	113,228,831
Capital assets being depreciated (net of accumulated depreciation)	171,888,010	52,616,479	224,504,489
Total assets	<u>323,544,729</u>	<u>66,821,897</u>	<u>390,366,626</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	921,416	339,814	1,261,230
Pension items - Police Pension	19,177	-	19,177
Pension items - IMRF	443,084	177,473	620,557
Total deferred outflows of resources	<u>1,383,677</u>	<u>517,287</u>	<u>1,900,964</u>
Total assets and deferred outflows of resources	<u>324,928,406</u>	<u>67,339,184</u>	<u>392,267,590</u>
<b>LIABILITIES</b>			
Accounts payable	1,211,915	228,523	1,440,438
Accrued payroll	390,322	49,307	439,629
Escrow deposits	591,871	-	591,871
Due to fiduciary funds	53,857	-	53,857
Unearned revenue	4,123	2,450,250	2,454,373
Interest payable	612,433	168,649	781,082
Long-term liabilities			
Due within one year	1,746,985	1,194,603	2,941,588
Due in more than one year	54,962,547	10,886,700	65,849,247
Total liabilities	<u>59,574,053</u>	<u>14,978,032</u>	<u>74,552,085</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	1,300,729	-	1,300,729
Pension items - Police Pension	1,674,005	-	1,674,005
Pension items - IMRF	326,279	130,688	456,967
Total deferred inflows of resources	<u>3,301,013</u>	<u>130,688</u>	<u>3,431,701</u>
Total liabilities and deferred inflows of resources	<u>62,875,066</u>	<u>15,108,720</u>	<u>77,983,786</u>
<b>NET POSITION</b>			
Net investment in capital assets	266,143,880	43,955,344	310,099,224
Restricted for			
Highways and streets	922,462	-	922,462
Special projects	889,944	-	889,944
Economic development	450,180	-	450,180
Radium removal	-	654,000	654,000
Unrestricted	(6,353,126)	7,621,120	1,267,994
<b>TOTAL NET POSITION</b>	<u>\$ 262,053,340</u>	<u>\$ 52,230,464</u>	<u>\$ 314,283,804</u>

See accompanying notes to financial statements.

**VILLAGE OF OSWEGO, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 1,779,446	\$ 35,305	\$ -	\$ -
Building and zoning	724,871	561,658	42,711	-
Community development	2,132,879	167,993	-	122,021
Public safety	12,103,554	499,131	50,540	-
Public works	9,376,444	-	885,751	5,610
Interest	1,415,148	-	-	-
Total governmental activities	<u>27,532,342</u>	<u>1,264,087</u>	<u>979,002</u>	<u>127,631</u>
Business-Type Activities				
Water and sewer	5,388,643	5,325,191	84,572	-
Garbage	2,346,478	2,338,068	-	-
Total business-type activities	<u>7,735,121</u>	<u>7,663,259</u>	<u>84,572</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 35,267,463</u>	<u>\$ 8,927,346</u>	<u>\$ 1,063,574</u>	<u>\$ 127,631</u>

<b>Net (Expense) Revenue and Change in Net Position</b>			
<b>Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (1,744,141)	\$ -	\$ (1,744,141)
	(120,502)	-	(120,502)
	(1,842,865)	-	(1,842,865)
	(11,553,883)	-	(11,553,883)
	(8,485,083)	-	(8,485,083)
	(1,415,148)	-	(1,415,148)
	<u>(25,161,622)</u>	<u>-</u>	<u>(25,161,622)</u>
	-	21,120	21,120
	-	(8,410)	(8,410)
	-	12,710	12,710
	<u>(25,161,622)</u>	<u>12,710</u>	<u>(25,148,912)</u>
General Revenues			
Taxes			
Property	1,326,027	-	1,326,027
Sales	10,672,951	-	10,672,951
Telecommunication	674,036	-	674,036
Utility	1,038,028	-	1,038,028
Other	977,856	-	977,856
Intergovernmental - unrestricted			
Income tax	2,991,771	-	2,991,771
Personal property replacement tax	11,539	-	11,539
Investment income	187,213	8,822	196,035
Miscellaneous	1,381,112	12,783	1,393,895
Transfers	354,725	(354,725)	-
Total	<u>19,615,258</u>	<u>(333,120)</u>	<u>19,282,138</u>
CHANGE IN NET POSITION	(5,546,364)	(320,410)	(5,866,774)
NET POSITION, MAY 1	<u>267,599,704</u>	<u>52,550,874</u>	<u>320,150,578</u>
NET POSITION, APRIL 30	<u>\$ 262,053,340</u>	<u>\$ 52,230,464</u>	<u>\$ 314,283,804</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2017

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and investments	\$ 2,746,343	\$ 29,981,962	\$ 68,041	\$ 412,792	\$ 2,499,373	\$ 35,708,511
Receivables						
Property taxes	1,280,573	-	-	20,156	-	1,300,729
Accounts	301,889	60,000	-	-	619	362,508
Accrued interest	684	-	-	-	-	684
Intergovernmental	2,751,505	692,710	-	-	74,941	3,519,156
Utility tax	68,444	-	-	-	-	68,444
Notes	-	-	-	-	319,044	319,044
Insurance	335,374	-	-	-	-	335,374
Prepaid items	255,381	216,909	-	-	25	472,315
Advances to other funds	2,000,000	-	-	-	-	2,000,000
Due from fiduciary funds	12,728	-	-	-	-	12,728
<b>TOTAL ASSETS</b>	<b>\$ 9,752,921</b>	<b>\$ 30,951,581</b>	<b>\$ 68,041</b>	<b>\$ 432,948</b>	<b>\$ 2,894,002</b>	<b>\$ 44,099,493</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 365,707	\$ 787,955	\$ -	\$ 20,983	\$ 37,270	\$ 1,211,915
Accrued payroll	390,322	-	-	-	-	390,322
Escrow deposits	-	-	-	-	591,871	591,871
Advance from other funds	-	-	-	2,000,000	-	2,000,000
Due to fiduciary funds	53,857	-	-	-	-	53,857
Unearned revenue	1,848	-	-	-	2,275	4,123
Total liabilities	811,734	787,955	-	2,020,983	631,416	4,252,088
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	1,280,573	-	-	20,156	-	1,300,729
Total deferred inflows of resources	1,280,573	-	-	20,156	-	1,300,729
Totals liabilities and deferred inflows of resources	2,092,307	787,955	-	2,041,139	631,416	5,552,817
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid items	255,381	216,909	-	-	25	472,315
Advances	2,000,000	-	-	-	-	2,000,000
Restricted						
Highways and streets	-	-	-	-	922,462	922,462
Special projects	-	-	-	-	889,919	889,919
Economic development	-	-	-	-	450,180	450,180
Capital projects	-	29,946,717	-	-	-	29,946,717
Unrestricted						
Assigned						
Debt service	-	-	68,041	-	-	68,041
Working cash	5,405,233	-	-	-	-	5,405,233
Unassigned	-	-	-	(1,608,191)	-	(1,608,191)
Total fund balances (deficit)	7,660,614	30,163,626	68,041	(1,608,191)	2,262,586	38,546,676
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 9,752,921</b>	<b>\$ 30,951,581</b>	<b>\$ 68,041</b>	<b>\$ 432,948</b>	<b>\$ 2,894,002</b>	<b>\$ 44,099,493</b>

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, 2017

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>		\$ 38,546,676
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		279,921,557
The loss on refunding of bonds is deferred and amortized on the statement of net position		921,416
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		116,805
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		(1,654,828)
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	\$ (38,815,000)	
Unamortized discount on bonds payable	436	
Unamortized premium on bonds payable	(4,184,418)	
Compensated absences payable	(554,264)	
Retiree termination benefit payable	(157,845)	
Net pension liability - Police Pension	(11,589,328)	
Net pension liability - IMRF	(1,252,618)	
Other postemployment benefit	(156,495)	
Interest payable	(612,433)	(57,321,965)
The net position of the internal service fund is included in the governmental activities on the statement of net position		1,523,679
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>		<b>\$ 262,053,340</b>

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, 2017

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 10,985,376	\$ 3,025,536	\$ -	\$ -	\$ -	\$ 14,010,912
Licenses and permits	640,310	-	-	-	-	640,310
Intergovernmental	3,053,850	93,000	-	-	891,361	4,038,211
Charges for services	1,185,921	-	-	-	10,107	1,196,028
Fines and forfeits	216,151	-	-	-	92,779	308,930
Investment income	23,457	137,682	1,057	1,336	22,487	186,019
Miscellaneous	905,885	125,339	-	-	200,713	1,231,937
Total revenues	17,010,950	3,381,557	1,057	1,336	1,217,447	21,612,347
<b>EXPENDITURES</b>						
Current						
General government	2,504,085	353,077	-	-	117,298	2,974,460
Building and zoning	686,781	-	-	-	-	686,781
Community development	513,651	-	-	115,240	-	628,891
Public safety	9,143,682	-	-	-	15,352	9,159,034
Public works	1,736,921	-	-	-	611,760	2,348,681
Capital outlay	-	4,491,866	-	1,494,287	-	5,986,153
Debt service						
Principal retirement	-	-	1,340,000	-	-	1,340,000
Interest and fiscal charges	-	-	1,048,006	-	-	1,048,006
Total expenditures	14,585,120	4,844,943	2,388,006	1,609,527	744,410	24,172,006
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,425,830	(1,463,386)	(2,386,949)	(1,608,191)	473,037	(2,559,659)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	973,583	2,389,025	-	-	3,362,608
Transfers (out)	(1,491,894)	(1,134,631)	-	-	(1,236,083)	(3,862,608)
Bonds issued, at par	-	27,105,000	-	-	-	27,105,000
Premium on bonds issued	-	3,883,608	-	-	-	3,883,608
Proceeds from the sale of capital assets	217	-	-	-	-	217
Total other financing sources (uses)	(1,491,677)	30,827,560	2,389,025	-	(1,236,083)	30,488,825
NET CHANGE IN FUND BALANCES	934,153	29,364,174	2,076	(1,608,191)	(763,046)	27,929,166
FUND BALANCES, MAY 1	6,726,461	799,452	65,965	-	3,025,632	10,617,510
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 7,660,614</b>	<b>\$ 30,163,626</b>	<b>\$ 68,041</b>	<b>\$ (1,608,191)</b>	<b>\$ 2,262,586</b>	<b>\$ 38,546,676</b>

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, 2017

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 27,929,166</b>
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	2,810,895
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	(5,063,064)
The change in the net pension liability is reported only in the statement of activities Police Pension IMRF	1,533,873 294,325
The changes in deferred outflows of resources and deferred inflows of resources is reported only in the statement of activities Police Pension IMRF	(4,076,659) (297,716)
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 Retiree benefit payable Other postemployment benefit Bonds payable Change in interest payable	(106,540) (48,172) (30,402) 1,340,000 (458,536)
The issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase of principal outstanding in the statement of activities	(30,988,608)
Amortization is recorded as interest expense on the statement of activities including unamortized discount, unamortized premium and unamortized loss on refunding	91,395
Internal service funds are reported separately in the fund financial statements	<u>1,523,679</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (5,546,364)</u></b>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

April 30, 2017

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 8,557,571	\$ 84,209	\$ 8,641,780	\$ 62,711
Accounts receivable	719,748	422,030	1,141,778	-
Accrued interest receivable	15,207	-	15,207	-
Restricted cash and investments				
IEPA restriction	654,000	-	654,000	-
Prepaid expenses	18,337	-	18,337	-
Total current assets	9,964,863	506,239	10,471,102	62,711
<b>NONCURRENT ASSETS</b>				
Capital assets				
Capital assets, net of depreciation				
Nondepreciable assets	3,734,316	-	3,734,316	-
Depreciable buildings, property and infrastructure	74,488,587	-	74,488,587	4,201,079
Accumulated depreciation	(21,872,108)	-	(21,872,108)	(2,740,111)
Total capital assets	56,350,795	-	56,350,795	1,460,968
Total noncurrent assets	56,350,795	-	56,350,795	1,460,968
Total assets	66,315,658	506,239	66,821,897	1,523,679
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunding	339,814	-	339,814	-
Pension items - IMRF	177,473	-	177,473	-
Total deferred outflows of resources	517,287	-	517,287	-
Total assets and deferred outflows of resources	66,832,945	506,239	67,339,184	1,523,679

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)  
 PROPRIETARY FUNDS

April 30, 2017

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 227,773	\$ 750	\$ 228,523	\$ -
Accrued payroll	49,307	-	49,307	-
Compensated absences	38,087	-	38,087	-
Interest payable	168,649	-	168,649	-
IEPA loans payable	71,516	-	71,516	-
Bonds payable	1,085,000	-	1,085,000	-
Unearned revenue	2,450,250	-	2,450,250	-
Total current liabilities	4,090,582	750	4,091,332	-
<b>LONG-TERM LIABILITIES</b>				
Compensated absences	36,203	-	36,203	-
Other postemployment benefits	19,297	-	19,297	-
Net pension liability	501,723	-	501,723	-
IEPA loans payable	553,609	-	553,609	-
Bonds payable, net	9,775,868	-	9,775,868	-
Total long-term liabilities	10,886,700	-	10,886,700	-
Total liabilities	14,977,282	750	14,978,032	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension items - IMRF	130,688	-	130,688	-
Total deferred inflows of resources	130,688	-	130,688	-
Total liabilities and deferred inflows of resources	15,107,970	750	15,108,720	-
<b>NET POSITION</b>				
Net investment in capital assets	43,955,344	-	43,955,344	1,460,968
Restricted for radium removal	654,000	-	654,000	-
Unrestricted	7,115,631	505,489	7,621,120	62,711
<b>TOTAL NET POSITION</b>	<b>\$ 51,724,975</b>	<b>\$ 505,489</b>	<b>\$ 52,230,464</b>	<b>\$ 1,523,679</b>

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, 2017

	<b>Business-Type Activities</b>			<b>Governmental</b>
	<b>Water and Sewer</b>	<b>Garbage</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 5,201,991	\$ 2,338,068	\$ 7,540,059	\$ -
<b>OPERATING EXPENSES</b>				
Production	3,330,660	2,346,478	5,677,138	988
<b>OPERATING INCOME (LOSS)</b>				
<b>BEFORE DEPRECIATION</b>	1,871,331	(8,410)	1,862,921	(988)
Depreciation	1,543,214	-	1,543,214	389,163
<b>OPERATING INCOME (LOSS)</b>	328,117	(8,410)	319,707	(390,151)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Connection fees	123,200	-	123,200	-
Grant revenue	84,572	-	84,572	-
Investment income	8,360	462	8,822	1,193
Interest expense and amortization	(514,769)	-	(514,769)	-
Gain on sale of capital assets	-	-	-	17,495
Miscellaneous income	12,783	-	12,783	-
Total non-operating revenues (expenses)	(285,854)	462	(285,392)	18,688
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	42,263	(7,948)	34,315	(371,463)
<b>TRANSFERS</b>				
Transfers in	-	-	-	1,895,142
Transfers (out)	(354,725)	-	(354,725)	-
Total transfers	(354,725)	-	(354,725)	1,895,142
<b>CHANGE IN NET POSITION</b>	(312,462)	(7,948)	(320,410)	1,523,679
<b>NET POSITION, MAY 1</b>	52,037,437	513,437	52,550,874	-
<b>NET POSITION, APRIL 30</b>	\$ 51,724,975	\$ 505,489	\$ 52,230,464	\$ 1,523,679

See accompanying notes to financial statements.

**VILLAGE OF OSWEGO, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2017

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 5,151,728	\$ 2,347,652	\$ 7,499,380	\$ -
Payments to suppliers	(2,182,590)	(2,547,880)	(4,730,470)	(988)
Payments to employees	(1,097,622)	-	(1,097,622)	-
Miscellaneous income	12,783	-	12,783	-
Net cash from operating activities	1,884,299	(200,228)	1,684,071	(988)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Payment (to) from other funds	(232,502)	-	(232,502)	732,500
Grant revenue	84,572	-	84,572	-
Net cash from noncapital financing activities	(147,930)	-	(147,930)	732,500
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	(214,325)	-	(214,325)	(687,489)
Sale of capital assets	-	-	-	17,495
Connection fees	123,200	-	123,200	-
Bond principal payments	(1,060,000)	-	(1,060,000)	-
IEPA loan principal payments	(131,023)	-	(131,023)	-
Interest paid	(493,562)	-	(493,562)	-
Net cash from capital and related financing activities	(1,775,710)	-	(1,775,710)	(669,994)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	7,160	462	7,622	1,193
Net cash from investing activities	7,160	462	7,622	1,193
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(32,181)	(199,766)	(231,947)	62,711
CASH AND CASH EQUIVALENTS, MAY 1	9,243,752	283,975	9,527,727	-
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<b>\$ 9,211,571</b>	<b>\$ 84,209</b>	<b>\$ 9,295,780</b>	<b>\$ 62,711</b>

(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, 2017

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 328,117	\$ (8,410)	\$ 319,707	\$ (390,151)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,543,214	-	1,543,214	389,163
Miscellaneous income	12,783	-	12,783	-
Changes in assets and liabilities				
Accounts receivable	(50,263)	9,584	(40,679)	-
Prepaid expenses	22	-	22	-
Accounts payable	36,103	(201,402)	(165,299)	-
Accrued payroll	3,233	-	3,233	-
Compensated absences	3,648	-	3,648	-
Other postemployment benefits	6,085	-	6,085	-
IMRF items	1,357	-	1,357	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 1,884,299</b>	<b>\$ (200,228)</b>	<b>\$ 1,684,071</b>	<b>\$ (988)</b>
<b>CASH AND CASH EQUIVALENTS</b>				
Unrestricted cash and cash equivalents	\$ 8,557,571	\$ 84,209	\$ 8,641,780	\$ 62,711
Restricted cash and cash equivalents IEPA restriction	654,000	-	654,000	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 9,211,571</b>	<b>\$ 84,209</b>	<b>\$ 9,295,780</b>	<b>\$ 62,711</b>
<b>NONCASH TRANSACTIONS</b>				
Contribution of capital assets	\$ -	\$ -	\$ -	\$ 1,162,642
Transfer of capital assets	(122,223)	-	(122,223)	-
<b>TOTAL NONCASH TRANSACTIONS</b>	<b>\$ (122,223)</b>	<b>\$ -</b>	<b>\$ (122,223)</b>	<b>\$ 1,162,642</b>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUND

April 30, 2017

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	<b>Pension</b>		<b>Agency</b>
	<b>Trust</b>		
<b>ASSETS</b>			
Cash and cash equivalents	\$ 176,316	\$	126,031
Investments, at fair value			
U.S. Government and U.S. agency securities	9,477,558		-
Municipal bonds	1,754,539		-
Equity mutual funds	14,695,591		-
Accounts receivable	-		40,978
Due from other funds	-		53,857
Accrued interest receivable	80,076		-
Prepaid items	531		-
			<hr/>
Total assets	26,184,611	\$	220,866
			<hr/> <hr/>
<b>LIABILITIES</b>			
Accounts payable	8,312	\$	52,059
Due to others	-		156,079
Due to other funds	-		12,728
			<hr/>
Total liabilities	8,312	\$	220,866
			<hr/> <hr/>
<b>NET POSITION RESTRICTED</b>			
<b>FOR PENSIONS</b>			
	\$ 26,176,299		
			<hr/> <hr/>

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, 2017

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**ADDITIONS**

Contributions	
Employer	\$ 1,550,011
Employee	423,439
	<hr/>
Total contributions	1,973,450
	<hr/>
Investment income	
Net appreciation in fair value of investments	1,582,843
Interest	782,303
	<hr/>
Total investment income	2,365,146
	<hr/>
Less investment expense	(74,973)
	<hr/>
Net investment income	2,290,173
	<hr/>
Total additions	4,263,623
	<hr/>

**DEDUCTIONS**

Benefits and refunds	619,053
Administration	21,897
	<hr/>
Total deductions	640,950
	<hr/>

NET INCREASE 3,622,673

**NET POSITION RESTRICTED  
FOR PENSIONS**

May 1	<hr/> 22,553,626
April 30	<hr/> <hr/> \$ 26,176,299

See accompanying notes to financial statements.

# VILLAGE OF OSWEGO, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2017

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### 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 the Series 2006A, a portion of the 2009 general obligation bonds that are being repaid with property and sales tax, 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 generally accepted accounting principles. 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)

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**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 generally accepted accounting principles 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 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	5-10	Greater than 10
U.S. Treasury obligations	\$ 508,222	\$ 163,793	\$ 344,429	\$ -	\$ -
U.S. agency obligations	853,383	-	569,864	-	283,519
Negotiable CDs	3,715,993	2,970,867	745,126	-	-
<b>TOTAL</b>	<b>\$ 5,077,598</b>	<b>\$ 3,134,660</b>	<b>\$ 1,659,419</b>	<b>\$ -</b>	<b>\$ 283,519</b>

The Village has the following recurring fair value measurements as of April 30, 2017, 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)

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**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. 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. Illinois Funds are not subject to custodial credit risk.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

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.

**3. RECEIVABLE - TAXES**

Property taxes for 2016 attach as an enforceable lien on January 1, 2016, 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, 2017, and are payable in two installments, on or about June 1, 2017 and September 1, 2017. The County collects such taxes and remits them periodically. Because the 2016 levy is intended to finance the fiscal year ending April 30, 2018, it has been offset by unavailable/deferred revenue at April 30, 2017. The 2017 tax levy, which attached as an enforceable lien on property as of January 1, 2017, has not been recorded as a receivable as of April 30, 2017, as the tax has not yet been levied by the Village and will not be levied until December 2017 and, therefore, the levy is not measurable at April 30, 2017.

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

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**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, 2017:

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, 2017 was \$70,851.

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, 2017 was \$178,333.

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, 2017 was \$69,860.

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

Year Ending April 30,	Amount
2018	\$ 57,570
2019	55,320
2020	55,320
2021	55,320
2022	47,988
2023	24,000
2024	24,000
2025	24,000
2026	<u>8,000</u>
Total principal and interest	351,518
Interest	<u>(32,474)</u>
<b>TOTAL PRINCIPAL</b>	<b><u>\$ 319,044</u></b>

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

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**5. DUE FROM OTHER GOVERNMENTS**

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

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 1,416,779
Home rule tax	1,154,517
Use tax	194,689
Income tax	504,224
Telecommunications tax	167,116
Motor fuel tax	74,575
Grants	<u>7,256</u>
 TOTAL GOVERNMENTAL ACTIVITIES	 <u><u>\$ 3,519,156</u></u>

**6. INDIVIDUAL FUND DISCLOSURES**

a. Interfund Receivable/Payable

Interfund receivable/payables at April 30, 2017 are as follows:

	Due From	Due To
General Fund		
Fiduciary funds	<u>\$ 12,728</u>	<u>\$ 53,857</u>
Total General Fund	<u>12,728</u>	<u>53,857</u>
Fiduciary funds		
General Fund	<u>53,857</u>	<u>12,728</u>
Total fiduciary funds	<u>53,857</u>	<u>12,728</u>

The purpose of the due from/to other funds is as follows:

- Financial activity for the above funds are processed through the General Fund's checking account. These balances reflect available cash or cash advances for these funds that do not have physical operating accounts.

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

**6. INDIVIDUAL FUND DISCLOSURES (Continued)**

b. Interfund Advances

Interfund advances at April 30, 2017 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.

c. Transfers In/Out

Transfers between funds at April 30, 2017 consist of the following:

	Transfers In	Transfers Out
General	\$ -	\$ 1,491,894
Capital Projects	973,583	1,134,631
Debt Service	2,389,025	-
Nonmajor Governmental		
Motor Fuel Tax	-	262,500
Public Works Escrow	-	973,583
Water and Sewer	-	354,725
Vehicle Replacement	1,895,142	-
TOTAL	<u>\$ 5,257,750</u>	<u>\$ 4,217,333</u>

Transfers out above do not include \$1,040,417 of capital assets transferred from the governmental activities to the Vehicle Replacement Fund.

Significant interfund transfers are as follows:

- \$1,491,894 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.
- \$634,631 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)**

c. Transfers In/Out (Continued)

- \$500,000 transferred from the Capital Improvement Fund to Vehicle Replacement Fund.
- \$973,583 transferred from the Public Works Escrow Fund to Capital Improvements Fund to pay for the Wolf's Crossing Environmental phase of Engineering.

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	Transfers	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital assets not being depreciated					
Land	\$ 1,312,153	\$ 1,704,402	\$ -	\$ 10,000	\$ 3,026,555
Right of way	104,263,377	-	-	-	104,263,377
Construction in progress	92,112	2,122,471	-	(10,000)	2,204,583
Total capital assets not being depreciated	105,667,642	3,826,873	-	-	109,494,515
Capital assets being depreciated					
Land improvements	848,229	-	-	-	848,229
Buildings	9,495,393	-	-	-	9,495,393
Equipment	1,423,187	24,438	19,982	(653,806)	773,837
Equipment - internal service fund	-	201,510	-	753,521	955,031
Vehicles	1,698,416	-	-	(1,698,416)	-
Vehicles - internal service fund	-	485,979	210,126	2,970,195	3,246,048
Infrastructure	236,735,195	-	-	-	236,735,195
Total capital assets being depreciated	250,200,420	711,927	230,108	1,371,494	252,053,733
Less accumulated depreciation for					
Land improvements	258,000	42,412	-	-	300,412
Buildings	2,716,240	237,838	-	-	2,954,078
Equipment	623,634	76,076	19,982	(342,753)	336,975
Equipment - internal service fund	-	60,686	-	442,468	503,154
Vehicles	969,053	-	-	(969,053)	-
Vehicles - internal service fund	-	328,474	210,126	2,118,609	2,236,957
Infrastructure	69,127,409	4,706,738	-	-	73,834,147
Total accumulated depreciated	73,694,336	5,452,224	230,108	1,249,271	80,165,723
Total capital assets being depreciated, net	176,506,084	(4,740,297)	-	122,223	171,888,010
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>CAPITAL ASSETS, NET</b>	<b>\$ 282,173,726</b>	<b>\$ (913,424)</b>	<b>\$ -</b>	<b>\$ 122,223</b>	<b>\$ 281,382,525</b>

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

**7. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>					
Capital assets not being depreciated					
Land	\$ 3,348,121	\$ -	\$ -	\$ -	\$ 3,348,121
Construction in progress	194,070	192,125	-	-	386,195
Total capital assets not being depreciated	3,542,191	192,125	-	-	3,734,316
Capital assets being depreciated					
Buildings	6,618,082	-	-	-	6,618,082
Equipment	572,418	-	18,739	(99,715)	453,964
Vehicles	1,271,780	-	-	(1,271,780)	-
Infrastructure	67,394,341	22,200	-	-	67,416,541
Total capital assets being depreciated	75,856,621	22,200	18,739	(1,371,495)	74,488,587
Less accumulated depreciation for					
Buildings	1,765,169	164,195	-	-	1,929,364
Equipment	148,837	22,100	18,739	(99,715)	52,483
Vehicles	1,149,557	-	-	(1,149,557)	-
Infrastructure	18,533,340	1,356,921	-	-	19,890,261
Total accumulated depreciation	21,596,903	1,543,216	18,739	(1,249,272)	21,872,108
Total capital assets being depreciated, net	54,259,718	(1,521,016)	-	(122,223)	52,616,479
<b>BUSINESS-TYPE ACTIVITIES</b>					
CAPITAL ASSETS, NET	\$ 57,801,909	\$ (1,328,891)	\$ -	\$ (122,223)	\$ 56,350,795

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

**GOVERNMENTAL ACTIVITIES**

General government	\$ 288,289
Community development	17,601
Public safety	265,864
Public works	4,880,470

**TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL  
ACTIVITIES**

\$ 5,452,224

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

**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.

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	\$ 1,025,000	\$ -	\$ 500,000	\$ 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	605,000	-	320,000	285,000	285,000

**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
\$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 2.0% to 3.5% payable each June 15 and December 15 from sales tax revenues**	Debt Service	Refund 2004A and 2004B Bonds	\$ 1,800,000	\$ -	\$ 180,000	\$ 1,620,000	\$ 180,000
\$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 ***	Debt Service	Refund 2006A and 2007B Bonds	6,680,000	-	45,000	6,635,000	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	2,940,000	-	295,000	2,645,000	300,000

**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
\$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	\$ -
TOTAL GOVERNMENTAL ACTIVITIES			\$ 13,050,000	\$ 27,105,000	\$ 1,340,000	\$ 38,815,000	\$ 1,335,000

\* 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%.

\*\* 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.

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

**8. LONG-TERM DEBT (Continued)**

a. General Obligation Bonds (Continued)

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	\$ 250,000	\$ -	\$ 125,000	\$ 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	5,905,000	-	300,000	5,605,000	310,000
\$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 2.0% to 3.5% payable each June 15 and December 15 from sales tax revenues**	Water and Sewer	Refund 2004A and 2004B Bonds	1,360,000	-	130,000	1,230,000	130,000

**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
\$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	\$ 1,390,000	\$ -	\$ 330,000	\$ 1,060,000	\$ 340,000
\$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	1,805,000	-	10,000	1,795,000	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	1,080,000	-	165,000	915,000	170,000
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>			<b>\$ 11,790,000</b>	<b>\$ -</b>	<b>\$ 1,060,000</b>	<b>\$ 10,730,000</b>	<b>\$ 1,085,000</b>

\* 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%.

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

**8. LONG-TERM DEBT (Continued)**

a. General Obligation Bonds (Continued)

Business-Type Activities (Continued)

\*\* 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.

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
\$907,735 loan agreement with the IEPA, IEPA-SRF Loan No. 17-0783, dated November 1, 1999, due semiannually on April 27 and October 27 through April 27, 2017, with interest at 2.89%	Water and Sewer	Convert sewage treatment facility to a pump station	\$ 61,261	\$ -	\$ 61,261	\$ -	\$ -
\$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 2.5%	Water and Sewer	Installation of radium removal equipment at five existing well sites	694,887	-	69,762	625,125	71,516
<b>TOTAL IEPA LOANS</b>			<b>\$ 756,148</b>	<b>\$ -</b>	<b>\$ 131,023</b>	<b>\$ 625,125</b>	<b>\$ 71,516</b>

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

**8. LONG-TERM DEBT (Continued)**

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
2018	\$ 1,335,000	\$ 1,585,644	\$ 1,085,000	\$ 441,105	\$ 71,516	\$ 15,184
2019	1,285,000	1,538,300	1,140,000	404,531	73,316	13,384
2020	1,325,000	1,500,200	1,160,000	365,719	75,161	11,539
2021	1,365,000	1,460,050	850,000	324,829	77,051	9,649
2022	1,410,000	1,416,250	740,000	292,459	78,989	7,711
2023	1,455,000	1,370,900	775,000	262,669	80,977	5,723
2024	1,500,000	1,324,200	805,000	230,994	83,014	3,686
2025	1,550,000	1,278,100	845,000	197,594	85,101	1,599
2026	1,595,000	1,228,100	700,000	162,494	-	-
2027	1,650,000	1,175,250	730,000	131,506	-	-
2028	1,725,000	1,100,750	760,000	97,850	-	-
2029	1,805,000	1,022,900	555,000	62,700	-	-
2030	1,895,000	932,650	585,000	32,174	-	-
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	-	-	-	-
<b>TOTAL</b>	<b>\$ 38,815,000</b>	<b>\$ 20,611,294</b>	<b>\$ 10,730,000</b>	<b>\$ 3,006,624</b>	<b>\$ 625,125</b>	<b>\$ 68,475</b>

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	\$ 13,050,000	\$ 27,105,000	\$ 1,340,000	\$ 38,815,000	\$ 1,335,000
Unamortized premium on bonds payable	512,030	3,883,608	211,220	4,184,418	-
Unamortized (discount) on bonds payable	(1,321)	-	(885)	(436)	-
Compensated absences payable	447,724	387,985	281,445	554,264	387,985
Retiree termination benefit payable	109,673	57,774	9,602	157,845	24,000
Net pension liability - Police Pension	13,123,201	-	1,533,873	11,589,328	-
Net pension liability - IMRF	1,546,943	-	294,325	1,252,618	-
Other postemployment benefit	126,093	30,402	-	156,495	-
<b>TOTAL</b>	<b>\$ 28,914,343</b>	<b>\$ 31,464,769</b>	<b>\$ 3,669,580</b>	<b>\$ 56,709,532</b>	<b>\$ 1,746,985</b>

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

**8. LONG-TERM DEBT (Continued)**

d. Changes in Long-Term Liabilities (Continued)

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	\$ 11,790,000	\$ -	\$ 1,060,000	\$ 10,730,000	\$ 1,085,000
Unamortized discount on bonds payable	(23,768)	-	(2,740)	(21,028)	-
Unamortized premium on bonds payable	200,780	-	48,884	151,896	-
IEPA loans payable	756,148	-	131,023	625,125	71,516
Compensated absences payable	70,642	38,087	34,439	74,290	38,087
Net pension liability - IMRF	619,612	-	117,889	501,723	-
Other postemployment benefit	13,212	6,085	-	19,297	-
<b>TOTAL</b>	<b>\$ 13,426,626</b>	<b>\$ 44,172</b>	<b>\$ 1,389,495</b>	<b>\$ 12,081,303</b>	<b>\$ 1,194,603</b>

e. 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.

**8. LONG-TERM DEBT (Continued)**

f. 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 Alternate Revenue Source Bonds Series 2006A, 2006B; the Taxable General Obligation Bonds Series 2009; and the General Obligation Refunding Bonds Series 2011, 2012, 2013 and 2014 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 \$3,844,425, while total sales tax was \$10,672,951, total motor fuel tax was \$885,751 and total water and sewer operating revenues were \$5,001,418. The total pledge remaining for all bonds are \$54,316,470.

**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.

**9. RISK MANAGEMENT (Continued)**

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.

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 2017 claims year as of April 30, 2017.

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.

**9. RISK MANAGEMENT (Continued)**

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, 2017.

**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.

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, 2017, 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, 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, 2017 was \$411,178. The total expenditures incurred to date (reported as a reduction of sales tax revenue) related to these rebates as of April 30, 2017 was \$3,825,083.

**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](http://www.imrf.org).

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, 2016, IMRF membership consisted of:

Inactive plan members currently receiving benefits	28
Inactive plan members entitled to but not yet receiving benefits	45
Active plan members	<u>59</u>
 TOTAL	 <u><u>132</u></u>

**12. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*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.

*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, 2016 was 11.05% of covered payroll.

*Actuarial Assumptions*

The Village's net pension liability was measured as of December 31, 2016 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.

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

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**12. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

Actuarial valuation date	December 31, 2016
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-2014 (base year 2014). 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-2014 (base year 2014). 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-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the total pension liability was 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.

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

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**12. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a)	(b)	(a) - (b)
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 12,294,296	\$ 10,127,741	\$ 2,166,555
Changes for the period			
Service cost	416,010	-	416,010
Interest	922,833	-	922,833
Difference between expected and actual experience	(415,197)	-	(415,197)
Changes in assumptions	(37,107)	-	(37,107)
Employer contributions	-	418,182	(418,182)
Employee contributions	-	180,746	(180,746)
Net investment income	-	689,647	(689,647)
Benefit payments and refunds	(329,911)	(329,911)	-
Other (net transfer)	-	10,178	(10,178)
Net changes	556,628	968,842	(412,214)
BALANCES AT DECEMBER 31, 2016	\$ 12,850,924	\$ 11,096,583	\$ 1,754,341

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

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

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**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, 2017, the Village recognized pension expense of \$420,865. At April 30, 2017, 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	\$ -	\$ 427,173
Changes in assumption	11,202	29,794
Net difference between projected and actual earnings on pension plan investments	484,531	-
Contributions made subsequent to the measurement date	124,824	-
<b>TOTAL</b>	<b>\$ 620,557</b>	<b>\$ 456,967</b>

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>	
2018	\$ 41,572
2019	41,572
2020	41,571
2021	(79,370)
2022	(6,579)
Thereafter	-
<b>TOTAL</b>	<b>\$ 38,766</b>

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

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**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 to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.5% 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 (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 3,767,003	\$ 1,754,341	\$ 123,141

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 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)**

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**12. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Plan Membership*

At April 30, 2017, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	9
Inactive plan members entitled to benefits but not yet receiving them	3
Active plan members	49
 TOTAL	 61

*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 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 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 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 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 1<sup>st</sup> 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 proceeding 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, 2017, the Village's contribution was 34.58% 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 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%	38.5%	6.4%
Small Cap Domestic Equity	0%-40%	11.0%	8.4%
International Equity	0%-20%	5.5%	6.7%
Fixed Income	40%-50%	45.0%	1.2%

\* This rate is net of a 3.2% 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, 2017 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, 2017, the Police Pension Plan had four mutual funds that were valued at 6.00%, 6.20%, 12.80% and 13.08% of the total fiduciary net position.

*Investment Rate of Return*

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.78%. 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,605,698	\$ 462,600	\$ 709,281	\$ 433,817	\$ -
U.S. agency obligations	7,871,860	200,089	1,860,570	4,746,146	1,065,055
Municipal bonds	1,754,539	172,782	923,430	658,327	-
<b>TOTAL</b>	<b>\$ 11,232,097</b>	<b>\$ 835,471</b>	<b>\$ 3,493,281</b>	<b>\$ 5,838,290</b>	<b>\$ 1,065,055</b>

**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, 2017. 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, 2016	\$ 35,676,827	\$ 22,553,626	\$ 13,123,201
Changes for the period			
Service cost	1,222,188	-	1,222,188
Interest	2,475,711	-	2,475,711
Difference between expected and actual experience	19,177	-	19,177
Changes in assumptions	(1,009,224)	-	(1,009,224)
Employer contributions	-	1,550,011	(1,550,011)
Employee contributions	-	423,439	(423,439)
Net investment income	-	2,290,173	(2,290,173)
Benefit payments and refunds	(619,053)	(619,053)	-
Administrative expense	-	(21,897)	21,897
Net changes	2,088,799	3,622,673	(1,533,874)
BALANCES AT APRIL 30, 2017	\$ 37,765,626	\$ 26,176,299	\$ 11,589,327

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

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

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**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, 2017 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	7.00%
Discount rate	7.00%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improved scale MP-2016. The actuarial assumptions used in the April 30, 2017 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 7%. 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)**

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**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 7% 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 (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 18,052,289	\$ 11,589,327	\$ 6,377,665

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

For the year ended April 30, 2017, the Village recognized police pension expense of \$2,542,786. At April 30, 2017, 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	\$ -	\$ -
Changes in assumption		1,009,224
Net difference between projected and actual earnings on pension plan investments	19,177	664,781
<b>TOTAL</b>	<b>\$ 19,177</b>	<b>\$ 1,674,005</b>

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

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**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,	
2018	\$ (245,462)
2019	(245,462)
2020	(245,462)
2021	(245,462)
2022	(245,462)
Thereafter	<u>(427,518)</u>
<b>TOTAL</b>	<b><u>\$ (1,654,828)</u></b>

**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)**

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**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, 2017, the Village contributed \$28,585. 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)**

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**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
2015	\$ 49,068	\$ 22,684	46.20%	\$ 109,719
2016	62,407	32,820	52.60%	139,306
2017	65,071	28,585	43.92%	175,792

The net OPEB obligation (NOPEBO) as of April 30, 2017 was calculated as follows:

Annual required contribution	\$ 64,142
Interest on net OPEB obligation	5,573
Adjustment to annual required contribution	<u>(4,644)</u>
Annual OPEB cost	65,071
Contributions made	<u>28,585</u>
Increase in net OPEB obligation	36,486
Net OPEB obligation, beginning of year	<u>139,306</u>
<b>NET OPEB OBLIGATION, END OF YEAR</b>	<b><u>\$ 175,792</u></b>

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)	0.0%
Covered payroll (active plan members)	\$ 7,839,042
UAAL as a percentage of covered payroll	10.1%

**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 5.5%, 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.

**14. SUBSEQUENT EVENT**

On July 25, 2017, the Village sold \$5,065,000 General Obligation Refunding Bonds, Series 2017. The bonds mature annually on December 15, beginning December 15, 2018 through December 15, 2029, with maturities ranging from \$325,000 to \$560,000. Interest is due semiannually on June 15 and December 15, with rates ranging from 2% to 4%.

**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, 2017  
(with comparative actual)

	2017		2016	
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Taxes	\$ 11,079,831	\$ 11,079,831	\$ 10,985,376	\$ 10,736,923
Licenses and permits	693,300	693,300	640,310	823,358
Intergovernmental	3,403,312	3,403,312	3,053,850	3,310,513
Charges for services	1,344,008	1,344,008	1,185,921	1,262,167
Fines and forfeits	307,100	307,100	216,151	291,922
Investment income	16,000	16,000	23,457	18,630
Miscellaneous	698,502	698,502	905,885	792,542
Total revenues	17,542,053	17,542,053	17,010,950	17,236,055
<b>EXPENDITURES</b>				
Current				
General government	2,917,080	2,917,080	2,504,085	2,549,266
Building and zoning	711,504	711,504	686,781	713,458
Community development	767,641	767,641	513,651	790,683
Public works	1,938,395	1,938,395	1,736,921	3,184,640
Public safety	9,519,473	9,519,473	9,143,682	8,938,046
Total expenditures	15,854,093	15,854,093	14,585,120	16,176,093
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,687,960	1,687,960	2,425,830	1,059,962
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	5,898
Transfers (out)	(1,491,894)	(1,491,894)	(1,491,894)	(1,511,989)
Proceeds from the sale of capital assets	-	-	217	28,945
Total other financing sources (uses)	(1,491,894)	(1,491,894)	(1,491,677)	(1,477,146)
NET CHANGE IN FUND BALANCE	\$ 196,066	\$ 196,066	934,153	(417,184)
FUND BALANCE, MAY 1			6,726,461	7,143,645
FUND BALANCE, APRIL 30			\$ 7,660,614	\$ 6,726,461

(See independent auditor's report.)

## VILLAGE OF OSWEGO, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2017

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#### **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, 2017

<b>Actuarial Valuation Date April 30,</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) Entry-Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (4) / (5)</b>
2012	N/A	N/A	N/A	N/A	N/A	N/A
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

N/A - Not available

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

Last Two Fiscal Years

<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2016</b>	<b>2017</b>
Actuarially determined contribution	\$ 415,960	\$ 416,117
Contributions in relation to the actuarially determined contribution	<u>415,960</u>	<u>416,117</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 3,767,125	\$ 3,784,455
Contributions as a percentage of covered-employee payroll	11.04%	11.00%

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 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually projected salary increases assumption of 4.4% to 16.0% compounded annually and postretirement benefit increases of 3.0% 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

<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially determined contribution	\$ 726,606	\$ 752,163	\$ 890,070	\$ 990,649	\$ 1,003,047	\$ 1,007,990	\$ 1,056,065	\$ 1,150,866	\$ 1,182,911	\$ 1,465,094
Contribution in relation to the actuarially determined contribution	728,387	752,748	890,070	990,650	1,015,000	1,025,000	1,075,000	1,185,000	1,250,000	1,550,011
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (1,781)</b>	<b>\$ (585)</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ (11,953)</b>	<b>\$ (17,010)</b>	<b>\$ (18,935)</b>	<b>\$ (34,134)</b>	<b>\$ (67,089)</b>	<b>\$ (84,917)</b>
Covered-employee payroll	\$ 3,551,158	\$ 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
Contributions as a percentage of covered-employee payroll	20.51%	20.46%	23.94%	25.96%	25.62%	25.23%	25.78%	27.89%	28.14%	34.58%

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 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.0% annually, projected salary increase assumption of 5.5% compounded annually and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

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<b>Fiscal Year</b>	<b>Annual Required Contribution (ARC)</b>	<b>Contribution Made</b>	<b>Percentage Contributed</b>	<b>Net OPEB Obligation</b>
2012	\$ 32,207	\$ 18,197	56.50%	\$ 42,830
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

(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 Two Calendar Years

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

The discount rate assumption was changed from 7.48% to 7.50% in 2016.

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 Three Fiscal Years

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

Change in assumptions from 2015 to 2016 and from 2016 to 2017 relates to mortality rates.

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**

April 30, 2017

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	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	6.67%	0.78%	9.78%

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 the Series 2006A, a portion of the 2009 general obligation bonds that are being repaid with property and sales tax, 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, 2017  
(with comparative prior year)

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash and investments	\$ 2,746,343	\$ 3,734,934
Receivables		
Property taxes	1,280,573	1,219,668
Accounts	301,889	287,259
Accrued interest	684	732
Intergovernmental	2,751,505	2,739,098
Utility tax	68,444	69,907
Insurance	335,374	251,516
Prepaid items	255,381	327,754
Advances to other funds	2,000,000	-
Due from fiduciary funds	12,728	2,113
	<b>\$ 9,752,921</b>	<b>\$ 8,632,981</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 365,707	\$ 325,983
Accrued payroll	390,322	357,159
Due to fiduciary funds	53,857	-
Unearned revenue	1,848	3,710
	811,734	686,852
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	1,280,573	1,219,668
	1,280,573	1,219,668
Total liabilities and deferred inflows of resources		
	2,092,307	1,906,520
<b>FUND BALANCE</b>		
Nonspendable		
Prepaid items	255,381	327,754
Advances	2,000,000	-
Unrestricted		
Assigned - working cash	5,405,233	6,071,095
Unassigned	-	327,612
	7,660,614	6,726,461
	<b>\$ 9,752,921</b>	<b>\$ 8,632,981</b>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

For the Year Ended April 30, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>TAXES</b>				
Property	\$ 1,327,638	\$ 1,327,638	\$ 1,326,027	\$ 1,326,196
Sales	8,379,311	8,379,311	8,058,593	8,047,448
Less sales tax rebate	(390,000)	(390,000)	(411,178)	(457,489)
Other	1,762,882	1,762,882	2,011,934	1,820,768
Total taxes	11,079,831	11,079,831	10,985,376	10,736,923
<b>LICENSES AND PERMITS</b>				
Licenses and permits	693,300	693,300	600,917	616,308
Transition fees	-	-	39,393	207,050
Total licenses and permits	693,300	693,300	640,310	823,358
<b>INTERGOVERNMENTAL</b>				
Grants	65,000	65,000	50,540	65,925
Income	3,328,312	3,328,312	2,991,771	3,235,006
Replacement	10,000	10,000	11,539	9,582
Total intergovernmental	3,403,312	3,403,312	3,053,850	3,310,513
<b>CHARGES FOR SERVICES</b>				
Telecommunication surcharge	724,058	724,058	674,036	751,196
Other charges for services	619,950	619,950	511,885	510,971
Total charges for services	1,344,008	1,344,008	1,185,921	1,262,167
<b>FINES AND FORFEITS</b>				
Fines and fees	307,100	307,100	216,151	291,922
Total fines and forfeits	307,100	307,100	216,151	291,922
<b>INVESTMENT INCOME</b>				
	16,000	16,000	23,457	18,630
<b>MISCELLANEOUS</b>				
Contributions	146,000	146,000	148,756	143,758
Miscellaneous	552,502	552,502	757,129	648,784
Total miscellaneous	698,502	698,502	905,885	792,542
<b>TOTAL REVENUES</b>	<b>\$ 17,542,053</b>	<b>\$ 17,542,053</b>	<b>\$ 17,010,950</b>	<b>\$ 17,236,055</b>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

For the Year Ended April 30, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>CURRENT</b>				
General government				
Administration				
Salaries/personnel services	\$ 576,612	\$ 576,612	\$ 610,681	\$ 607,968
Insurance and benefits	159,999	159,999	153,096	149,781
Professional services	384,050	384,050	305,574	374,264
Contractual services	184,012	184,012	107,803	117,405
Communication	18,224	18,224	25,522	18,123
Professional development	39,565	39,565	45,653	35,863
Operating supplies	5,590	5,590	3,336	2,514
Capital outlay	-	-	-	269,434
<b>Total administration</b>	<b>1,368,052</b>	<b>1,368,052</b>	<b>1,251,665</b>	<b>1,575,352</b>
Community relations				
Salaries/personnel services	126,651	126,651	127,710	122,653
Insurance and benefits	44,832	44,832	44,433	41,096
Professional services	122,100	122,100	110,837	50,388
Contractual services	32,281	32,281	30,745	29,670
Communication	33,948	33,948	21,982	21,324
Professional development	2,500	2,500	546	356
Operating supplies	1,780	1,780	679	116
<b>Total community relations</b>	<b>364,092</b>	<b>364,092</b>	<b>336,932</b>	<b>265,603</b>
Finance				
Salaries/personnel services	368,448	368,448	289,963	274,399
Insurance and benefits	156,393	156,393	98,158	89,750
Professional services	70,750	70,750	77,783	300,324
Contractual services	34,934	34,934	30,556	28,535
Communication	6,559	6,559	5,940	6,007
Professional development	8,700	8,700	8,042	6,933
Operating supplies	1,500	1,500	2,094	2,363
<b>Total finance</b>	<b>647,284</b>	<b>647,284</b>	<b>512,536</b>	<b>708,311</b>

(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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>CURRENT (Continued)</b>				
General government (Continued)				
Information technology				
Salaries/personnel services	\$ 65,434	\$ 65,434	\$ 81,120	\$ -
Insurance and benefits	28,300	28,300	30,314	-
Professional services	36,200	36,200	47,279	-
Contractual services	391,903	391,903	240,030	-
Communication	2,430	2,430	595	-
Professional development	8,135	8,135	350	-
Operating supplies	5,250	5,250	3,264	-
Total information technology	537,652	537,652	402,952	-
Total general government	2,917,080	2,917,080	2,504,085	2,549,266
Building and zoning				
Salaries/personnel services	445,103	445,103	447,526	427,648
Insurance and benefits	177,786	177,786	174,056	172,414
Professional services	20,500	20,500	4,859	7,879
Contractual services	41,101	41,101	38,049	38,002
Communication	8,539	8,539	7,898	5,738
Professional development	7,225	7,225	6,039	4,552
Operating supplies	11,250	11,250	8,354	7,925
Capital outlay	-	-	-	49,300
Total building and zoning	711,504	711,504	686,781	713,458
Community development				
Community development				
Salaries and personnel services	344,149	344,149	272,360	367,356
Insurance and benefits	125,187	125,187	95,875	135,269
Professional services	41,000	41,000	8,694	53,896
Contractual services	21,812	21,812	25,077	24,399
Communication	5,472	5,472	5,336	6,317
Professional development	5,050	5,050	2,689	3,058
Operating supplies	10,500	10,500	3,628	3,312
Total community development	553,170	553,170	413,659	593,607

(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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>CURRENT (Continued)</b>				
Community development (Continued)				
Economic development				
Salaries and personnel services	\$ 107,186	\$ 107,186	\$ 54,327	\$ 121,811
Insurance and benefits	21,320	21,320	9,963	24,270
Professional services	21,500	21,500	8,550	-
Contractual services	5,011	5,011	5,269	4,726
Communication	8,904	8,904	4,400	5,646
Professional development	10,200	10,200	10,101	10,043
Operating supplies	350	350	1,382	170
Capital outlay	40,000	40,000	6,000	30,410
Total economic development	214,471	214,471	99,992	197,076
Total community development	767,641	767,641	513,651	790,683
Public works				
Salaries/personnel services	412,257	412,257	432,411	410,719
Insurance and benefits	157,560	157,560	143,261	142,535
Professional services	22,000	22,000	23,467	9,991
Contractual services	1,094,840	1,094,840	923,828	916,886
Communication	15,138	15,138	16,287	10,578
Professional development	9,600	9,600	9,576	11,073
Operating supplies	227,000	227,000	188,091	195,250
Capital outlay	-	-	-	1,487,608
Total public works	1,938,395	1,938,395	1,736,921	3,184,640
Public safety - police				
Salaries/personnel services	5,495,214	5,495,214	5,288,308	5,172,440
Insurance and benefits	1,449,086	1,449,086	1,401,672	1,395,829
Professional services	140,907	140,907	102,278	130,972
Contractual services	594,944	594,944	585,482	562,313
Communication	76,327	76,327	55,176	60,048
Professional development	62,955	62,955	46,875	49,333
Operating supplies	150,040	150,040	113,880	124,561
Capital outlay	-	-	-	192,550
Contribution to Police Pension Fund	1,550,000	1,550,000	1,550,011	1,250,000
Total public safety - police	9,519,473	9,519,473	9,143,682	8,938,046
<b>TOTAL EXPENDITURES</b>	<b>\$ 15,854,093</b>	<b>\$ 15,854,093</b>	<b>\$ 14,585,120</b>	<b>\$ 16,176,093</b>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET  
CAPITAL PROJECTS FUND

April 30, 2017  
(with comparative prior year)

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and investments	\$ 29,981,962	\$ 198,763
Receivables		
Accounts	60,000	-
Intergovernmental	692,710	684,876
Prepaid items	216,909	-
	<u>216,909</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 30,951,581</u>	<u>\$ 883,639</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 787,955	\$ 84,187
	<u>787,955</u>	<u>84,187</u>
Total liabilities	<u>787,955</u>	<u>84,187</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	-	-
	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>787,955</u>	<u>84,187</u>
<b>FUND BALANCE</b>		
Nonspendable		
Prepaid items	216,909	-
Restricted for capital improvements	29,946,717	-
Unrestricted		
Unassigned	-	799,452
	<u>-</u>	<u>799,452</u>
Total fund balance	<u>30,163,626</u>	<u>799,452</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<u>\$ 30,951,581</u>	<u>\$ 883,639</u>

(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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Taxes				
Sales	\$ 2,900,000	\$ 2,900,000	\$ 3,025,536	\$ 885,706
Intergovernmental	-	-	93,000	349
Contributions	714,559	714,559	125,339	-
Investment income	2,500	2,500	137,682	876
Total revenues	3,617,059	3,617,059	3,381,557	886,931
<b>EXPENDITURES</b>				
Current				
Professional services	-	-	353,077	-
Capital outlay	6,443,700	6,443,700	4,491,866	345,037
Total expenditures	6,443,700	6,443,700	4,844,943	345,037
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	(2,826,641)	(2,826,641)	(1,463,386)	541,894
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	970,000	970,000	973,583	-
Transfers (out)	(500,000)	(500,000)	(1,134,631)	-
Bonds issued, at par	30,000,000	30,000,000	27,105,000	-
Premium on bonds issued	-	-	3,883,608	-
Total other financing sources (uses)	30,470,000	30,470,000	30,827,560	-
<b>NET CHANGE IN FUND BALANCE</b>				
	\$ 27,643,359	\$ 27,643,359	29,364,174	541,894
<b>FUND BALANCE, MAY 1</b>				
			799,452	257,558
<b>FUND BALANCE, APRIL 30</b>				
			\$ 30,163,626	\$ 799,452

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**BALANCE SHEET  
DEBT SERVICE FUND**

April 30, 2017  
(with comparative prior year)

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	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and investments	\$ 68,041	\$ 65,965
<b>TOTAL ASSETS</b>	<u>\$ 68,041</u>	<u>\$ 65,965</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
None	\$ -	\$ -
Total liabilities	-	-
<b>FUND BALANCE</b>		
Assigned for debt service	68,041	65,965
Total fund balance	68,041	65,965
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 68,041</u>	<u>\$ 65,965</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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>REVENUES</b>				
Investment income	\$ 200	\$ 200	\$ 1,057	\$ 83
Total revenues	200	200	1,057	83
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	1,340,000	1,340,000	1,340,000	1,305,000
Interest and fiscal charges	414,394	1,048,007	1,048,006	467,101
Total expenditures	1,754,394	2,388,007	2,388,006	1,772,101
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,754,194)	(2,387,807)	(2,386,949)	(1,772,018)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,754,394	1,754,394	2,389,025	1,774,489
Total other financing sources (uses)	1,754,394	1,754,394	2,389,025	1,774,489
NET CHANGE IN FUND BALANCE	\$ 200	\$ (633,413)	2,076	2,471
FUND BALANCE, MAY 1			65,965	63,494
<b>FUND BALANCE, APRIL 30</b>			\$ 68,041	\$ 65,965

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**BALANCE SHEET  
TAX INCREMENT FINANCING FUND**

April 30, 2017

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

(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, 2017

---

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Investment income	\$ -	\$ -	\$ 1,336
Total revenues	-	-	1,336
<b>EXPENDITURES</b>			
Current			
Professional services	-	115,242	115,240
Capital outlay	-	1,494,287	1,494,287
Total expenditures	-	1,609,529	1,609,527
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ (1,609,529)</b>	<b>(1,608,191)</b>
<b>FUND BALANCE, MAY 1</b>			<b>-</b>
<b>FUND BALANCE (DEFICIT), APRIL 30</b>			<b>\$ (1,608,191)</b>

(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, 2017

	Special Revenue				
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	Total
<b>ASSETS</b>					
Cash and investments	\$ 883,521	\$ 656,464	\$ 131,136	\$ 828,252	\$ 2,499,373
Receivables					
Accounts	-	-	-	619	619
Intergovernmental	74,941	-	-	-	74,941
Notes	-	-	319,044	-	319,044
Prepaid items	-	-	-	25	25
<b>TOTAL ASSETS</b>	<b>\$ 958,462</b>	<b>\$ 656,464</b>	<b>\$ 450,180</b>	<b>\$ 828,896</b>	<b>\$ 2,894,002</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 36,000	\$ -	\$ -	\$ 1,270	\$ 37,270
Escrow deposits	-	591,871	-	-	591,871
Unearned revenue	-	-	-	2,275	2,275
Total liabilities	36,000	591,871	-	3,545	631,416
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	-	-	-	25	25
Restricted					
Highways and streets	922,462	-	-	-	922,462
Special projects	-	64,593	-	825,326	889,919
Economic development	-	-	450,180	-	450,180
Total fund balances	922,462	64,593	450,180	825,351	2,262,586
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 958,462</b>	<b>\$ 656,464</b>	<b>\$ 450,180</b>	<b>\$ 828,896</b>	<b>\$ 2,894,002</b>

(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, 2017

	<b>Special Revenue</b>				<b>Total</b>
	<b>Motor Fuel Tax</b>	<b>Public Works Escrow</b>	<b>Economic Development</b>	<b>Public Service</b>	
<b>REVENUES</b>					
Intergovernmental	\$ 885,751	\$ -	\$ -	\$ 5,610	\$ 891,361
Charges for services	-	-	-	10,107	10,107
Fines and forfeits	-	-	-	92,779	92,779
Investment income	4,856	5,382	12,249	-	22,487
Donations and contributions	-	-	-	200,713	200,713
<b>Total revenues</b>	<b>890,607</b>	<b>5,382</b>	<b>12,249</b>	<b>309,209</b>	<b>1,217,447</b>
<b>EXPENDITURES</b>					
Current					
General government	-	-	-	117,298	117,298
Public safety	-	-	-	15,352	15,352
Public works	611,760	-	-	-	611,760
<b>Total expenditures</b>	<b>611,760</b>	<b>-</b>	<b>-</b>	<b>132,650</b>	<b>744,410</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>278,847</b>	<b>5,382</b>	<b>12,249</b>	<b>176,559</b>	<b>473,037</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	(262,500)	(973,583)	-	-	(1,236,083)
<b>Total other financing sources (uses)</b>	<b>(262,500)</b>	<b>(973,583)</b>	<b>-</b>	<b>-</b>	<b>(1,236,083)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>16,347</b>	<b>(968,201)</b>	<b>12,249</b>	<b>176,559</b>	<b>(763,046)</b>
<b>FUND BALANCES, MAY 1</b>	<b>906,115</b>	<b>1,032,794</b>	<b>437,931</b>	<b>648,792</b>	<b>3,025,632</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 922,462</b>	<b>\$ 64,593</b>	<b>\$ 450,180</b>	<b>\$ 825,351</b>	<b>\$ 2,262,586</b>

(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, 2017  
(with comparative prior year)

	<b>2017</b>		<b>Actual</b>	<b>2016</b>
	<b>Original Budget</b>	<b>Final Budget</b>		<b>Actual</b>
<b>REVENUES</b>				
Intergovernmental				
Motor fuel tax	\$ 800,000	\$ 800,000	\$ 885,751	\$ 889,922
Investment income	1,250	1,250	4,856	2,634
Donations and contributions	-	-	-	133
<b>Total revenues</b>	<b>801,250</b>	<b>801,250</b>	<b>890,607</b>	<b>892,689</b>
<b>EXPENDITURES</b>				
Current				
Public works/transportation	600,000	611,761	611,760	416,504
<b>Total expenditures</b>	<b>600,000</b>	<b>611,761</b>	<b>611,760</b>	<b>416,504</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>201,250</b>	<b>189,489</b>	<b>278,847</b>	<b>476,185</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(262,500)	(262,500)	(262,500)	(262,500)
<b>Total other financing sources (uses)</b>	<b>(262,500)</b>	<b>(262,500)</b>	<b>(262,500)</b>	<b>(262,500)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (61,250)</b>	<b>\$ (73,011)</b>	<b>16,347</b>	<b>213,685</b>
FUND BALANCE, MAY 1			906,115	692,430
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 922,462</b>	<b>\$ 906,115</b>

(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, 2017

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	<b>Water and Sewer Operating</b>	<b>Water and Sewer Capital</b>	<b>Total</b>
<b>CURRENT ASSETS</b>			
Cash and investments	\$ 3,007,409	\$ 5,550,162	\$ 8,557,571
Accounts receivable	719,748	-	719,748
Accrued interest receivable	1,929	13,278	15,207
Restricted cash and investments			
IEPA restriction	654,000	-	654,000
Prepaid expenses	18,337	-	18,337
Total current assets	<u>4,401,423</u>	<u>5,563,440</u>	<u>9,964,863</u>
<b>NONCURRENT ASSETS</b>			
Capital assets			
Capital assets, net of depreciation			
Nondepreciable assets	3,734,316	-	3,734,316
Depreciable buildings, property and infrastructure	74,488,587	-	74,488,587
Accumulated depreciation	<u>(21,872,108)</u>	<u>-</u>	<u>(21,872,108)</u>
Total capital assets	<u>56,350,795</u>	<u>-</u>	<u>56,350,795</u>
Total assets	<u>60,752,218</u>	<u>5,563,440</u>	<u>66,315,658</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	339,814	-	339,814
Pension items - IMRF	<u>177,473</u>	<u>-</u>	<u>177,473</u>
Total deferred outflows of resources	<u>517,287</u>	<u>-</u>	<u>517,287</u>
Total assets and deferred outflows of resources	<u>61,269,505</u>	<u>5,563,440</u>	<u>66,832,945</u>

(This statement is continued on the following page.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

	<b>Water and Sewer Operating</b>	<b>Water and Sewer Capital</b>	<b>Total</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 163,478	\$ 64,295	\$ 227,773
Accrued payroll	49,307	-	49,307
Compensated absences	38,087	-	38,087
Interest payable	168,649	-	168,649
IEPA loans payable	71,516	-	71,516
Bonds payable	1,085,000	-	1,085,000
Unearned revenue	2,450,250	-	2,450,250
Total current liabilities	4,026,287	64,295	4,090,582
<b>LONG-TERM LIABILITIES</b>			
Compensated absences	36,203	-	36,203
Other postemployment benefits	19,297	-	19,297
Net pension liability	501,723	-	501,723
IEPA loans payable	553,609	-	553,609
Bonds payable, net	9,775,868	-	9,775,868
Total long-term liabilities	10,886,700	-	10,886,700
Total liabilities	14,912,987	64,295	14,977,282
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension items - IMRF	130,688	-	130,688
Total deferred inflows of resources	130,688	-	130,688
Total liabilities and deferred inflows of resources	15,043,675	64,295	15,107,970
<b>NET POSITION</b>			
Net investment in capital assets	43,955,344	-	43,955,344
Restricted for radium removal	654,000	-	654,000
Unrestricted	1,616,486	5,499,145	7,115,631
<b>TOTAL NET POSITION</b>	<b>\$ 46,225,830</b>	<b>\$ 5,499,145</b>	<b>\$ 51,724,975</b>

(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, 2017

	<b>Water and Sewer Operating</b>	<b>Water and Sewer Capital</b>	<b>Eliminations</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 5,172,206	\$ 29,785	\$ -	\$ 5,201,991
Total operating revenues	5,172,206	29,785	-	5,201,991
<b>OPERATING EXPENSES</b>				
Production	3,252,392	78,268	-	3,330,660
Total operating expenses	3,252,392	78,268	-	3,330,660
<b>OPERATING INCOME (LOSS) BEFORE DEPRECIATION</b>				
	1,919,814	(48,483)	-	1,871,331
Depreciation	1,543,214	-	-	1,543,214
<b>OPERATING INCOME (LOSS)</b>	<b>376,600</b>	<b>(48,483)</b>	<b>-</b>	<b>328,117</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Connection fees	-	123,200	-	123,200
Grant revenue	84,572	-	-	84,572
Investment income	16,090	(7,730)	-	8,360
Interest expense and amortization	(514,769)	-	-	(514,769)
Miscellaneous income	12,783	-	-	12,783
Total non-operating revenues (expenses)	(401,324)	115,470	-	(285,854)
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(24,724)</b>	<b>66,987</b>	<b>-</b>	<b>42,263</b>
<b>TRANSFERS</b>				
Transfer in	214,325	-	(214,325)	-
Transfer (out)	(354,725)	(214,325)	214,325	(354,725)
Total transfers	(140,400)	(214,325)	-	(354,725)
<b>CHANGE IN NET POSITION</b>	<b>(165,124)</b>	<b>(147,338)</b>	<b>-</b>	<b>(312,462)</b>
<b>NET POSITION, MAY 1</b>	<b>46,390,954</b>	<b>5,646,483</b>	<b>-</b>	<b>52,037,437</b>
<b>NET POSITION, APRIL 30</b>	<b>\$ 46,225,830</b>	<b>\$ 5,499,145</b>	<b>\$ -</b>	<b>\$ 51,724,975</b>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**SCHEDULE OF CASH FLOWS  
WATER AND SEWER FUND ACCOUNTS**

For the Year Ended April 30, 2017

	<b>Water and Sewer Operating</b>	<b>Water and Sewer Capital</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 5,121,943	\$ 29,785	\$ 5,151,728
Payments to suppliers	(2,062,401)	(120,189)	(2,182,590)
Payments to employees	(1,097,622)	-	(1,097,622)
Miscellaneous income	12,783	-	12,783
Net cash from operating activities	<u>1,974,703</u>	<u>(90,404)</u>	<u>1,884,299</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Payment from (to) other funds	(18,177)	(214,325)	(232,502)
Grant revenue	84,572	-	84,572
Net cash from noncapital financing activities	<u>66,395</u>	<u>(214,325)</u>	<u>(147,930)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(214,325)	-	(214,325)
Sale of capital assets	-	-	-
Connection fees	-	123,200	123,200
Bond principal payments	(1,060,000)	-	(1,060,000)
IEPA loan principal payments	(131,023)	-	(131,023)
Interest paid	(493,562)	-	(493,562)
Net cash from capital and related financing activities	<u>(1,898,910)</u>	<u>123,200</u>	<u>(1,775,710)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	14,161	(7,001)	7,160
Net cash from investing activities	<u>14,161</u>	<u>(7,001)</u>	<u>7,160</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	156,349	(188,530)	(32,181)
CASH AND CASH EQUIVALENTS, MAY 1	<u>3,505,060</u>	<u>5,738,692</u>	<u>9,243,752</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u>\$ 3,661,409</u>	<u>\$ 5,550,162</u>	<u>\$ 9,211,571</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, 2017

	<b>Water and Sewer Operating</b>	<b>Water and Sewer Capital</b>	<b>Total</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 376,600	\$ (48,483)	\$ 328,117
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,543,214	-	1,543,214
Miscellaneous income	12,783	-	12,783
Changes in assets and liabilities			
Accounts receivable	(50,263)	-	(50,263)
Prepaid expenses	22	-	22
Accounts payable	78,024	(41,921)	36,103
Accrued payroll	3,233	-	3,233
Compensated absences	3,648	-	3,648
Other postemployment benefits	6,085	-	6,085
IMRF items	1,357	-	1,357
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 1,974,703</b>	<b>\$ (90,404)</b>	<b>\$ 1,884,299</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Unrestricted cash and cash equivalents	\$ 3,007,409	\$ 5,550,162	\$ 8,557,571
Restricted cash and cash equivalents			
IEPA restriction	654,000	-	654,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 3,661,409</b>	<b>\$ 5,550,162</b>	<b>\$ 9,211,571</b>
<b>NONCASH TRANSACTIONS</b>			
Transfer of capital assets	\$ (122,223)	\$ -	\$ (122,223)

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION  
WATER AND SEWER OPERATING SUBFUND

April 30, 2017  
(with comparative prior year)

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	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 3,007,409	\$ 2,851,060
Accounts receivable	719,748	669,483
Accrued interest receivable	1,929	-
Restricted cash and investments		
IEPA restriction	654,000	654,000
Prepaid expenses	18,337	18,359
Total current assets	<u>4,401,423</u>	<u>4,192,902</u>
<b>NONCURRENT ASSETS</b>		
Capital assets		
Capital assets, net of depreciation		
Nondepreciable assets	3,734,316	3,542,191
Depreciable buildings, property and infrastructure	74,488,587	75,856,621
Accumulated depreciation	<u>(21,872,108)</u>	<u>(21,596,903)</u>
Total capital assets	<u>56,350,795</u>	<u>57,801,909</u>
Total assets	<u>60,752,218</u>	<u>61,994,811</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized loss on refunding	339,814	420,255
Pension items - IMRF	<u>177,473</u>	<u>201,120</u>
Total deferred outflows of resources	<u>517,287</u>	<u>621,375</u>
Total assets and deferred outflows of resources	<u>61,269,505</u>	<u>62,616,186</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, 2017  
(with comparative prior year)

	<u>2017</u>	<u>2016</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 163,478	\$ 85,454
Accrued payroll	49,307	46,074
Compensated absences	38,087	34,439
Interest payable	168,649	181,739
IEPA loans payable	71,516	131,023
Bonds payable	1,085,000	1,060,000
Unearned revenue	2,450,250	2,450,250
	<u>4,026,287</u>	<u>3,988,979</u>
<b>LONG-TERM LIABILITIES</b>		
Compensated absences	36,203	36,203
Other postemployment benefits	19,297	13,212
Net pension liability	501,723	619,612
IEPA loans payable	553,609	625,125
Bonds payable, net	9,775,868	10,907,012
	<u>10,886,700</u>	<u>12,201,164</u>
Total long-term liabilities	<u>10,886,700</u>	<u>12,201,164</u>
Total liabilities	<u>14,912,987</u>	<u>16,190,143</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension items - IMRF	<u>130,688</u>	<u>35,089</u>
Total deferred inflows of resources	<u>130,688</u>	<u>35,089</u>
Total liabilities and deferred inflows of resources	<u>15,043,675</u>	<u>16,225,232</u>
<b>NET POSITION</b>		
Net investment in capital assets	43,955,344	45,499,004
Restricted for radium removal	654,000	654,000
Unrestricted	<u>1,616,486</u>	<u>237,950</u>
<b>TOTAL NET POSITION</b>	<u>\$ 46,225,830</u>	<u>\$ 46,390,954</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 OPERATING SUBFUND

For the Year Ended April 30, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>OPERATING REVENUES</b>				
Charges for services	\$ 5,090,800	\$ 5,090,800	\$ 5,172,206	\$ 5,001,418
Total operating revenues	<u>5,090,800</u>	<u>5,090,800</u>	<u>5,172,206</u>	<u>5,001,418</u>
<b>OPERATING EXPENSES</b>				
Salaries/personnel services	1,148,960	1,148,960	1,110,587	1,081,928
Insurance and benefits	474,498	474,498	446,014	447,230
Pension expense	-	-	1,358	77,062
Professional services	163,800	163,800	115,228	72,758
Contractual services	1,604,399	1,604,399	1,391,955	1,265,974
Communication	65,667	65,667	67,650	63,897
Professional development	15,400	15,400	5,633	5,697
Operating supplies	77,900	77,900	113,967	116,801
Capital maintenance	-	-	214,325	-
Total operating expenses	<u>3,550,624</u>	<u>3,550,624</u>	<u>3,466,717</u>	<u>3,131,347</u>
OPERATING INCOME	<u>1,540,176</u>	<u>1,540,176</u>	<u>1,705,489</u>	<u>1,870,071</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grant revenue	86,000	86,000	84,572	90,270
Investment income	6,000	6,000	16,090	39,486
Interest expense and amortization	(493,980)	(493,980)	(514,769)	(545,723)
Principal retirement	(1,190,595)	(1,190,595)	(1,191,023)	(1,152,172)
Gain on sale of capital assets	-	-	-	25,591
Miscellaneous income	8,000	8,000	12,783	17,844
Total non-operating revenues (expenses)	<u>(1,584,575)</u>	<u>(1,584,575)</u>	<u>(1,592,347)</u>	<u>(1,524,704)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(44,399)</u>	<u>(44,399)</u>	<u>113,142</u>	<u>345,367</u>
<b>TRANSFERS</b>				
Transfer in	-	-	214,325	648,502
Transfer (out)	(732,500)	(732,500)	(354,725)	(5,927,706)
Total transfers	<u>(732,500)</u>	<u>(732,500)</u>	<u>(140,400)</u>	<u>(5,279,204)</u>

(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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Principal retirement	\$ 1,190,595	\$ 1,190,595	\$ 1,191,023	\$ 1,152,172
Depreciation	-	-	(1,543,214)	(1,576,590)
Capital assets capitalized	-	-	214,325	-
Total adjustments to GAAP basis	1,190,595	1,190,595	(137,866)	(424,418)
CHANGE IN NET POSITION	\$ 413,696	\$ 413,696	(165,124)	(5,358,255)
NET POSITION, MAY 1			46,390,954	52,125,728
Change in accounting principle			-	(376,519)
NET POSITION, MAY 1, RESTATED			46,390,954	51,749,209
<b>NET POSITION, APRIL 30</b>			\$ 46,225,830	\$ 46,390,954

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017  
(with comparative prior year)

	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 5,550,162	\$ 5,738,692
Accrued interest receivable	13,278	14,007
Total current assets	<u>5,563,440</u>	<u>5,752,699</u>
<b>NONCURRENT ASSETS</b>		
None	-	-
Total noncurrent assets	-	-
Total assets	<u>5,563,440</u>	<u>5,752,699</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
None	-	-
Total deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>5,563,440</u>	<u>5,752,699</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	64,295	106,216
Total current liabilities	<u>64,295</u>	<u>106,216</u>
<b>LONG-TERM LIABILITIES</b>		
None	-	-
Total long-term liabilities	-	-
Total liabilities	<u>64,295</u>	<u>106,216</u>
<b>NET POSITION</b>		
Unrestricted	<u>5,499,145</u>	<u>5,646,483</u>
<b>TOTAL NET POSITION</b>	<u>\$ 5,499,145</u>	<u>\$ 5,646,483</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, 2017  
(with comparative actual)

	2017			2016 Actual
	Original Budget	Final Budget	Actual	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 70,000	\$ 70,000	\$ 29,785	\$ 43,131
Total operating revenues	70,000	70,000	29,785	43,131
<b>OPERATING EXPENSES</b>				
Capital maintenance	659,000	659,000	78,268	56,644
Total operating expenses	659,000	659,000	78,268	56,644
OPERATING INCOME (LOSS)	(589,000)	(589,000)	(48,483)	(13,513)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Connection fees	220,000	220,000	123,200	330,530
Investment income	6,000	6,000	(7,730)	50,262
Total non-operating revenues (expenses)	226,000	226,000	115,470	380,792
NET INCOME (LOSS) BEFORE TRANSFERS	(363,000)	(363,000)	66,987	367,279
<b>TRANSFERS</b>				
Transfer in	500,000	500,000	-	5,927,706
Transfer (out)	-	-	(214,325)	(648,502)
Total transfers	500,000	500,000	(214,325)	5,279,204
CHANGE IN NET POSITION	\$ 137,000	\$ 137,000	(147,338)	5,646,483
NET POSITION, MAY 1			5,646,483	-
<b>NET POSITION, APRIL 30</b>			\$ 5,499,145	\$ 5,646,483

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**STATEMENT OF NET POSITION  
GARBAGE FUND**

April 30, 2017  
(with comparative prior year)

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	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 84,209	\$ 283,975
Accounts receivable	422,030	431,614
	<hr/>	
Total current assets	506,239	715,589
<b>NONCURRENT ASSETS</b>		
None	-	-
	<hr/>	
Total assets	506,239	715,589
	<hr/>	
<b>CURRENT LIABILITIES</b>		
Accounts payable	750	202,152
	<hr/>	
Total current liabilities	750	202,152
<b>LONG-TERM LIABILITIES</b>		
None	-	-
	<hr/>	
Total liabilities	750	202,152
	<hr/>	
<b>NET POSITION</b>		
Unrestricted	505,489	513,437
	<hr/>	
<b>TOTAL NET POSITION</b>	<u>\$ 505,489</u>	<u>\$ 513,437</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, 2017  
(with comparative prior year)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,501,200	\$ 2,501,200	\$ 2,338,068	\$ 2,406,951
Total operating revenues	<u>2,501,200</u>	<u>2,501,200</u>	<u>2,338,068</u>	<u>2,406,951</u>
<b>OPERATING EXPENSES</b>				
Disposal services	2,501,200	2,501,200	2,346,478	2,415,909
Total operating expenses	<u>2,501,200</u>	<u>2,501,200</u>	<u>2,346,478</u>	<u>2,415,909</u>
OPERATING INCOME (LOSS)	<u>-</u>	<u>-</u>	<u>(8,410)</u>	<u>(8,958)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	750	750	462	682
Total non-operating revenues (expenses)	<u>750</u>	<u>750</u>	<u>462</u>	<u>682</u>
CHANGE IN NET POSITION	<u>\$ 750</u>	<u>\$ 750</u>	<u>(7,948)</u>	<u>(8,276)</u>
NET POSITION, MAY 1			<u>513,437</u>	<u>521,713</u>
<b>NET POSITION, APRIL 30</b>			<u>\$ 505,489</u>	<u>\$ 513,437</u>

(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, 2017

---

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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
None	\$ -	\$ -	\$ -
Total operating revenues	-	-	-
<b>OPERATING EXPENSES</b>			
Capital outlay	713,680	713,680	988
Total operating expenses	713,680	713,680	988
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(713,680)	(713,680)	(988)
Depreciation	-	-	389,163
OPERATING INCOME (LOSS)	(713,680)	(713,680)	(390,151)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	-	-	1,193
Sale of fixed assets	-	-	17,495
Total non-operating revenues (expenses)	-	-	18,688
NET INCOME (LOSS) BEFORE TRANSFERS	(713,680)	(713,680)	(371,463)
<b>TRANSFERS</b>			
Transfer in	732,500	732,500	1,895,142
Total transfers	732,500	732,500	1,895,142
CHANGE IN NET POSITION	\$ 18,820	\$ 18,820	1,523,679
NET POSITION, MAY 1			-
<b>NET POSITION, APRIL 30</b>			<b>\$ 1,523,679</b>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**SCHEDULE OF CASH FLOWS  
VEHICLE REPLACEMENT FUND**

For the Year Ended April 30, 2017

---

	<u>Vehicle Replacement</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ -
Payments to suppliers	<u>(988)</u>
Net cash from operating activities	<u>(988)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Payment from (to) other funds	<u>732,500</u>
Net cash from noncapital financing activities	<u>732,500</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of capital assets	(687,489)
Sale of capital assets	<u>17,495</u>
Net cash from capital and related financing activities	<u>(669,994)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	<u>1,193</u>
Net cash from investing activities	<u>1,193</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	62,711
<b>CASH AND CASH EQUIVALENTS, MAY 1</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u><u>\$ 62,711</u></u>

(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, 2017

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	<b><u>Vehicle Replacement</u></b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (390,151)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	<u>389,163</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b><u>\$ (988)</u></b>
<b>CASH AND CASH EQUIVALENTS</b>	
Unrestricted cash and cash equivalents	<u>\$ 62,711</u>
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b><u>\$ 62,711</u></b>
<b>NONCASH TRANSACTIONS</b>	
Contribution of capital assets	<u>\$ 1,162,642</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, 2017  
(with comparative prior year)

---

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 176,316	\$ 52,785
Investments, at fair value		
U.S. Government and U.S. agency securities	9,477,558	8,131,533
Municipal bonds	1,754,539	1,502,104
Insurance contracts	-	1,017,944
Equity mutual funds	14,695,591	11,790,666
Accrued interest receivable	80,076	64,181
Prepaid items	531	980
	<hr/>	
Total assets	26,184,611	22,560,193
	<hr/>	
<b>LIABILITIES</b>		
Accounts payable	8,312	6,567
	<hr/>	
Total liabilities	8,312	6,567
	<hr/>	
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 26,176,299</u>	<u>\$ 22,553,626</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, 2017  
(with comparative actual)

	2017		Actual	2016
	Original Budget	Final Budget		Actual
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 1,550,000	\$ 1,550,000	\$ 1,550,011	\$ 1,250,000
Employee	440,000	440,000	423,439	425,332
Total contributions	1,990,000	1,990,000	1,973,450	1,675,332
Investment income				
Net appreciation (depreciation) in fair value of investments	-	-	1,582,843	(508,075)
Interest	200,000	200,000	782,303	739,871
Total investment income	200,000	200,000	2,365,146	231,796
Less investment expense	(70,000)	(70,000)	(74,973)	(59,895)
Net investment income	130,000	130,000	2,290,173	171,901
Total additions	2,120,000	2,120,000	4,263,623	1,847,233
<b>DEDUCTIONS</b>				
Benefits and refunds	534,000	615,024	619,053	517,978
Administration	30,900	30,900	21,897	20,659
Total deductions	564,900	645,924	640,950	538,637
NET INCREASE	<u>\$ 1,555,100</u>	<u>\$ 1,474,076</u>	3,622,673	1,308,596
<b>NET POSITION RESTRICTED FOR PENSIONS</b>				
May 1			22,553,626	21,245,030
April 30			<u>\$ 26,176,299</u>	<u>\$ 22,553,626</u>

(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, 2017

	<b>Balances May 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances April 30</b>
<b>Total All Agency Funds</b>				
<b>ASSETS</b>				
Cash and investments	\$ 254,752	\$ -	\$ 128,721	\$ 126,031
Accounts receivable	40,193	785	-	40,978
Due from other funds	-	53,857	-	53,857
<b>TOTAL ASSETS</b>	<b>\$ 294,945</b>	<b>\$ 54,642</b>	<b>\$ 128,721</b>	<b>\$ 220,866</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 48,294	\$ 4,076	\$ 311	\$ 52,059
Due to others	244,538	310	88,769	156,079
Due to other funds	2,113	10,615	-	12,728
<b>TOTAL LIABILITIES</b>	<b>\$ 294,945</b>	<b>\$ 15,001</b>	<b>\$ 89,080</b>	<b>\$ 220,866</b>
 <b>1. Agency Fund</b>				
<b>ASSETS</b>				
Cash and investments	\$ 118,544	\$ -	\$ 45,625	\$ 72,919
Due from others	-	50,011	-	50,011
<b>TOTAL ASSETS</b>	<b>\$ 118,544</b>	<b>\$ 50,011</b>	<b>\$ 45,625</b>	<b>\$ 122,930</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 37,264	\$ 4,076	\$ -	\$ 41,340
Due to others	81,280	310	-	81,590
<b>TOTAL LIABILITIES</b>	<b>\$ 118,544</b>	<b>\$ 4,386</b>	<b>\$ -</b>	<b>\$ 122,930</b>

(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, 2017

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	<b>Balances</b>			<b>Balances</b>
	<b>May 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>April 30</b>
<b>2. Subdivision Escrow Fund</b>				
<b>ASSETS</b>				
Cash and investments	\$ 136,208	\$ -	\$ 83,096	\$ 53,112
Accounts receivable	40,193	785	-	40,978
Due from other funds	-	3,846	-	3,846
	<hr/>			
<b>TOTAL ASSETS</b>	<b>\$ 176,401</b>	<b>\$ 4,631</b>	<b>\$ 83,096</b>	<b>\$ 97,936</b>
	<hr/>			
<b>LIABILITIES</b>				
Accounts payable	\$ 11,030	\$ -	\$ 311	\$ 10,719
Due to others	163,258	-	88,769	74,489
Due to other funds	2,113	10,615	-	12,728
	<hr/>			
<b>TOTAL LIABILITIES</b>	<b>\$ 176,401</b>	<b>\$ 10,615</b>	<b>\$ 89,080</b>	<b>\$ 97,936</b>
	<hr/>			

(See independent auditor's report.)

## **SUPPLEMENTAL DATA**

**VILLAGE OF OSWEGO, ILLINOIS**

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE  
BOND SERIES OF 2006A

April 30, 2017

Date of Issue	May 15, 2006
Date of Maturity	December 15, 2025
Authorized Issue	\$ 9,970,000
Actual Issue	\$ 9,970,000
Denomination of Bonds	1-1994 - \$5,000
Interest Rates	
	Bonds
	1-75 4.125%
	76-314 4.250%
	315-979 4.300%
	980-1089 4.375%
	1090-1449 4.400%
	1450-1854 4.450%
	1855-1994 4.500%
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
2016	875-979	\$ 525,000	\$ 22,575	\$ 547,575	2017	\$ 11,288	2017	\$ 11,288
2017	980-1089	-	-	-	2018	-	2018	-
2018	1090-1204	-	-	-	2019	-	2019	-
2019	1205-1324	-	-	-	2020	-	2020	-
2020	1325-1449	-	-	-	2021	-	2021	-
2021	1450-1579	-	-	-	2022	-	2022	-
2022	1580-1714	-	-	-	2023	-	2023	-
2023	1715-1854	-	-	-	2024	-	2024	-
2024	1855-1994	-	-	-	2025	-	2025	-
		<u>\$ 525,000</u>	<u>\$ 22,575</u>	<u>\$ 547,575</u>		<u>\$ 11,288</u>		<u>\$ 11,288</u>

The bonds maturing December 15, 2021 to 2025 totaling \$3,350,000 were refunded by the General Obligation Refunding Bonds, Series 2013.

The bonds maturing December 15, 2018 to 2020 totaling \$1,725,000 were refunded by the General Obligation Refunding Bonds, Series 2014.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE  
BOND SERIES OF 2006B

April 30, 2017

Date of Issue	May 15, 2006
Date of Maturity	December 15, 2020
Authorized Issue	\$ 1,585,000
Actual Issue	\$ 1,585,000
Denomination of Bonds	1-317 - \$5,000
Interest Rates	
	Bonds
	164-238            4.250%
	239-263            4.300%
	264-288            4.350%
	289-317            4.375%
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	December 15	Amount	
2016	214-238	\$ 125,000	\$ 5,312	\$ 130,312	2017	\$ 2,656	2017	\$ 2,656
2017	239-263	-	-	-	2018	-	2018	-
2018	264-288	-	-	-	2019	-	2019	-
2019	289-317	-	-	-	2020	-	2020	-
		<u>\$ 125,000</u>	<u>\$ 5,312</u>	<u>\$ 130,312</u>		<u>\$ 2,656</u>		<u>\$ 2,656</u>

The bonds maturing December 15, 2018 to 2020 totaling \$395,000 were refunded by the General Obligation Refunding Bonds, Series 2014.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION  
BOND SERIES OF 2009 - TOTAL**

April 30, 2017

Date of Issue September 2, 2009  
 Date of Maturity December 15, 2029  
 Authorized Issue \$ 9,015,000  
 Actual Issue \$ 9,015,000  
 Denomination of Bonds 1-1803 - \$5,000  
 Interest Rates \*

Bonds		Bonds	
1-48	2.125%	810-877	4.600%
49-102	2.500%	878-949	4.700%
103-158	2.750%	950-1025	4.800%
159-268	3.250%	1026-1105	4.900%
269-382	3.500%	1106-1278	5.000%
383-501	3.750%	1279-1372	5.125%
502-625	4.000%	1373-1575	5.375%
626-744	4.375%	1576-1803	5.500%
745-809	4.450%		

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
2016	626-744	\$ 595,000	\$ 295,488	\$ 890,488	2017	\$ 147,744	2017	\$ 147,744
2017	745-809	325,000	269,456	594,456	2018	134,728	2018	134,728
2018	810-877	340,000	254,994	594,994	2019	127,497	2019	127,497
2019	878-949	360,000	239,354	599,354	2020	119,677	2020	119,677
2020	950-1025	380,000	222,434	602,434	2021	111,217	2021	111,217
2021	1026-1105	400,000	204,194	604,194	2022	102,097	2022	102,097
2022	1106-1189	420,000	184,594	604,594	2023	92,297	2023	92,297
2023	1190-1278	445,000	163,594	608,594	2024	81,797	2024	81,797
2024	1279-1372	470,000	141,344	611,344	2025	70,672	2025	70,672
2025	1373-1471	495,000	117,256	612,256	2026	58,628	2026	58,628
2026	1472-1575	520,000	90,650	610,650	2027	45,325	2027	45,325
2027	1576-1686	555,000	62,700	617,700	2028	31,350	2028	31,350
2028	1687-1803	585,000	32,175	617,175	2029	16,088	2029	16,088
		<u>\$ 5,890,000</u>	<u>\$ 2,278,233</u>	<u>\$ 8,168,233</u>		<u>\$ 1,139,117</u>		<u>\$ 1,139,116</u>

\*Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U.S. Treasury Department of the 35% of the interest paid each year. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION  
BOND SERIES OF 2009 - GOVERNMENTAL ACTIVITIES**

April 30, 2017

Date of Issue September 2, 2009  
 Date of Maturity December 15, 2029  
 Authorized Issue \$ 9,015,000  
 Actual Issue \$ 9,015,000  
 Denomination of Bonds 1-1803 - \$5,000  
 Interest Rates \*

Bonds		Bonds	
1-48	2.125%	810-877	4.600%
49-102	2.500%	878-949	4.700%
103-158	2.750%	950-1025	4.800%
159-268	3.250%	1026-1105	4.900%
269-382	3.500%	1106-1278	5.000%
383-501	3.750%	1279-1372	5.125%
502-625	4.000%	1373-1575	5.375%
626-744	4.375%	1576-1803	5.500%
745-809	4.450%		

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	December 15	Amount	
2016	626-744	\$ 285,000	\$ 12,469	\$ 297,469	2017	\$ 6,235	2017	\$ 6,235
2017	745-809	-	-	-	2018	-	2018	-
2018	810-877	-	-	-	2019	-	2019	-
2019	878-949	-	-	-	2020	-	2020	-
2020	950-1025	-	-	-	2021	-	2021	-
2021	1026-1105	-	-	-	2022	-	2022	-
2022	1106-1189	-	-	-	2023	-	2023	-
2023	1190-1278	-	-	-	2024	-	2024	-
2024	1279-1372	-	-	-	2025	-	2025	-
2025	1373-1471	-	-	-	2026	-	2026	-
2026	1472-1575	-	-	-	2027	-	2027	-
2027	1576-1686	-	-	-	2028	-	2028	-
2028	1687-1803	-	-	-	2029	-	2029	-
		<u>\$ 285,000</u>	<u>\$ 12,469</u>	<u>\$ 297,469</u>		<u>\$ 6,235</u>		<u>\$ 6,235</u>

\*Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U.S. Treasury Department of the 35% of the interest paid each year. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS  
TAXABLE GENERAL OBLIGATION  
BOND SERIES OF 2009 - BUSINESS-TYPE ACTIVITIES**

April 30, 2017

Date of Issue September 2, 2009  
 Date of Maturity December 15, 2029  
 Authorized Issue \$ 9,015,000  
 Actual Issue \$ 9,015,000  
 Denomination of Bonds 1-1803 - \$5,000  
 Interest Rates \*

Bonds		Bonds	
1-48	2.125%	810-877	4.600%
49-102	2.500%	878-949	4.700%
103-158	2.750%	950-1025	4.800%
159-268	3.250%	1026-1105	4.900%
269-382	3.500%	1106-1278	5.000%
383-501	3.750%	1279-1372	5.125%
502-625	4.000%	1373-1575	5.375%
626-744	4.375%	1576-1803	5.500%
745-809	4.450%		

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
2016	626-744	\$ 310,000	\$ 283,019	\$ 593,019	2017	\$ 141,510	2017	\$ 141,510
2017	745-809	325,000	269,456	594,456	2018	134,728	2018	134,728
2018	810-877	340,000	254,994	594,994	2019	127,497	2019	127,497
2019	878-949	360,000	239,354	599,354	2020	119,677	2020	119,677
2020	950-1025	380,000	222,434	602,434	2021	111,217	2021	111,217
2021	1026-1105	400,000	204,194	604,194	2022	102,097	2022	102,097
2022	1106-1189	420,000	184,594	604,594	2023	92,297	2023	92,297
2023	1190-1278	445,000	163,594	608,594	2024	81,797	2024	81,797
2024	1279-1372	470,000	141,344	611,344	2025	70,672	2025	70,672
2025	1373-1471	495,000	117,256	612,256	2026	58,628	2026	58,628
2026	1472-1575	520,000	90,650	610,650	2027	45,325	2027	45,325
2027	1576-1686	555,000	62,700	617,700	2028	31,350	2028	31,350
2028	1687-1803	585,000	32,175	617,175	2029	16,088	2029	16,087
		<u>\$ 5,605,000</u>	<u>\$ 2,265,764</u>	<u>\$ 7,870,764</u>		<u>\$ 1,132,883</u>		<u>\$ 1,132,882</u>

\*Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate from the U.S. Treasury Department of the 35% of the interest paid each year. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

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	December 15	Amount	
2016	243-304	\$ 310,000	\$ 96,575	\$ 406,575	2017	\$ 48,288	2017	\$ 48,287
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>\$ 2,850,000</u>	<u>\$ 462,100</u>	<u>\$ 3,312,100</u>		<u>\$ 231,053</u>		<u>\$ 231,047</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, 2017

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	
2016	243-304	\$ 180,000	\$ 54,900	\$ 234,900	2017	\$ 27,450	2017	\$ 27,450	
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>\$ 1,620,000</u>	<u>\$ 262,600</u>	<u>\$ 1,882,600</u>		<u>\$ 131,300</u>		<u>\$ 131,300</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, 2017

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
2016	243-304	\$ 130,000	\$ 41,675	\$ 171,675	2017	\$ 20,838	2017	\$ 20,838
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>\$ 1,230,000</u>	<u>\$ 199,500</u>	<u>\$ 1,429,500</u>		<u>\$ 99,753</u>		<u>\$ 99,753</u>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

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	
2016	181-242	\$ 340,000	\$ 31,800	\$ 371,800	2017	\$ 15,900	2017	\$ 15,900
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>\$ 1,060,000</u>	<u>\$ 64,350</u>	<u>\$ 1,124,350</u>		<u>\$ 32,175</u>		<u>\$ 32,175</u>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING  
BOND SERIES 2013 - TOTAL

April 30, 2017

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
2016	34-44	\$ 55,000	\$ 251,150	\$ 306,150	2017	\$ 125,575	2017	\$ 125,575
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>\$ 8,430,000</u>	<u>\$ 1,834,350</u>	<u>\$ 10,264,350</u>		<u>\$ 917,175</u>		<u>\$ 917,175</u>

(See independent auditor's report.)

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

April 30, 2017

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
2016	34-44	\$ 45,000	\$ 197,600	\$ 242,600	2017	\$ 98,800	2017	\$ 98,800
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>\$ 6,635,000</u>	<u>\$ 1,428,300</u>	<u>\$ 8,063,300</u>			<u>\$ 714,150</u>	<u>\$ 714,150</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, 2017

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
2016	34-44	\$ 10,000	\$ 53,550	\$ 63,550	2017	\$ 26,775	2017	\$ 26,775
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>\$ 1,795,000</u>	<u>\$ 406,050</u>	<u>\$ 2,201,050</u>		<u>\$ 203,025</u>		<u>\$ 203,025</u>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

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
2016	97-190	\$ 470,000	\$ 102,100	\$ 572,100	2017	\$ 51,050	2017	\$ 51,050
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>\$ 3,560,000</u>	<u>\$ 274,900</u>	<u>\$ 3,834,900</u>		<u>\$ 137,450</u>		<u>\$ 137,450</u>

(See independent auditor's report.)

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

April 30, 2017

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
2016	97-190	\$ 300,000	\$ 76,350	\$ 376,350	2017	\$ 38,175	2017	\$ 38,175
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>\$ 2,645,000</u>	<u>\$ 209,250</u>	<u>\$ 2,854,250</u>		<u>\$ 104,625</u>		<u>\$ 104,625</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, 2017

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
2016	97-190	\$ 170,000	\$ 25,750	\$ 195,750	2017	\$ 12,875	2017	\$ 12,875
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>\$ 915,000</u>	<u>\$ 65,650</u>	<u>\$ 980,650</u>		<u>\$ 32,825</u>		<u>\$ 32,825</u>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION  
BOND SERIES 2016**

April 30, 2017

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

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
2016	n/a	\$ -	\$ 1,221,750	\$ 1,221,750	2017	\$ 610,875	2017	\$ 610,875
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	118-156	200,000	1,202,500	1,402,500	2021	601,250	2021	601,250
2021	159-195	195,000	1,194,500	1,389,500	2022	597,250	2022	597,250
2022	199-238	215,000	1,186,700	1,401,700	2023	593,350	2023	593,350
2023	243-286	240,000	1,180,250	1,420,250	2024	590,125	2024	590,125
2024	292-386	500,000	1,170,650	1,670,650	2025	585,325	2025	585,325
2025	393-636	1,250,000	1,150,650	2,400,650	2026	575,325	2026	575,325
2026	644-897	1,305,000	1,088,150	2,393,150	2027	544,075	2027	544,075
2027	906-1258	1,805,000	1,022,900	2,827,900	2028	511,450	2028	511,450
2028	1268-1637	1,895,000	932,650	2,827,650	2029	466,325	2029	466,325
2029	1648-2035	1,990,000	837,900	2,827,900	2030	418,950	2030	418,950
2030	2047-2452	2,085,000	738,400	2,823,400	2031	369,200	2031	369,200
2031	2465-2890	2,190,000	634,150	2,824,150	2032	317,075	2032	317,075
2032	2904-3350	2,300,000	524,650	2,824,650	2033	262,325	2033	262,325
2033	3365-3833	2,415,000	409,650	2,824,650	2034	204,825	2034	204,825
2034	3849-4340	2,535,000	288,900	2,823,900	2035	144,450	2035	144,450
2035	4357-4873	2,665,000	162,150	2,827,150	2036	81,075	2036	81,075
2036	4891-5421	2,740,000	82,200	2,822,200	2037	41,100	2037	41,100
		<u>\$ 27,105,000</u>	<u>\$ 18,676,100</u>	<u>\$ 45,781,100</u>			<u>\$ 9,338,050</u>	<u>\$ 9,338,050</u>

(See independent auditor's report.)

**VILLAGE OF OSWEGO, ILLINOIS**

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

April 30, 2017

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
2018	\$ 71,516	\$ 15,184	\$ 86,700	2017	\$ 7,814	2018	\$ 7,370
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>\$ 625,125</u>	<u>\$ 68,475</u>	<u>\$ 693,600</u>		<u>\$ 36,182</u>		<u>\$ 32,293</u>

(See independent auditor's report.)

## 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>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	123-132
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	133-141
<b>Debt Capacity</b> 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.	142-146
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	147-148
<b>Operating Information</b> 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.	149-151

*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

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	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 275,890,996	\$ 279,192,631	\$ 275,314,514	\$ 274,396,968
Restricted	2,271,727	2,603,394	2,599,700	2,772,565
Unrestricted	6,193,562	4,893,607	4,420,252	3,419,680
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>\$ 284,356,285</u>	<u>\$ 286,689,632</u>	<u>\$ 282,334,466</u>	<u>\$ 280,589,213</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 41,640,918	\$ 40,762,063	\$ 42,523,985	\$ 41,398,648
Restricted	899,500	899,500	654,000	654,000
Unrestricted	2,043,619	1,736,338	1,684,126	4,704,208
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<u>\$ 44,584,037</u>	<u>\$ 43,397,901</u>	<u>\$ 44,862,111</u>	<u>\$ 46,756,856</u>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 317,531,914	\$ 319,954,694	\$ 317,838,499	\$ 315,795,616
Restricted	3,171,227	3,502,894	3,253,700	3,426,565
Unrestricted	8,237,181	6,629,945	6,104,378	8,123,888
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 328,940,322</u>	<u>\$ 330,087,533</u>	<u>\$ 327,196,577</u>	<u>\$ 327,346,069</u>

The Village implemented GASB Statement No. 68 during 2016.

Data Source

Audited Financial Statements

2012	2013	2014	2015	2016	2017
\$ 272,998,786	\$ 271,570,611	\$ 269,462,285	\$ 267,114,160	\$ 269,710,313	\$ 266,143,880
2,273,073	2,888,976	3,136,556	2,726,245	3,025,632	2,262,586
5,357,170	4,826,113	6,621,863	5,757,774	(5,136,241)	(6,353,126)
<u>\$ 280,629,029</u>	<u>\$ 279,285,700</u>	<u>\$ 279,220,704</u>	<u>\$ 275,598,179</u>	<u>\$ 267,599,704</u>	<u>\$ 262,053,340</u>
\$ 40,762,984	\$ 41,995,957	\$ 42,143,249	\$ 42,852,341	\$ 45,499,004	\$ 43,955,344
654,000	654,000	654,000	654,000	654,000	654,000
5,217,977	8,501,995	9,243,426	9,141,100	6,397,870	7,621,120
<u>\$ 46,634,961</u>	<u>\$ 51,151,952</u>	<u>\$ 52,040,675</u>	<u>\$ 52,647,441</u>	<u>\$ 52,550,874</u>	<u>\$ 52,230,464</u>
\$ 313,761,770	\$ 313,566,568	\$ 311,605,534	\$ 309,966,501	\$ 315,209,317	\$ 310,099,224
2,927,073	3,542,976	3,790,556	3,380,245	3,679,632	2,916,586
10,575,147	13,328,108	15,865,289	14,898,874	1,261,629	1,267,994
<u>\$ 327,263,990</u>	<u>\$ 330,437,652</u>	<u>\$ 331,261,379</u>	<u>\$ 328,245,620</u>	<u>\$ 320,150,578</u>	<u>\$ 314,283,804</u>

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2008	2009	2010	2011
<b>EXPENSES</b>				
Governmental activities				
General government	\$ 1,757,232	\$ 2,550,510	\$ 2,786,451	\$ 2,574,508
Building and zoning	1,001,493	782,406	688,512	574,252
Community development	447,050	567,010	413,592	355,570
Public safety	7,264,710	7,281,633	7,495,117	7,771,351
Public works	6,454,882	6,321,596	6,465,291	6,443,722
Interest	652,516	774,560	798,077	810,467
Total governmental activities expenses	17,577,883	18,277,715	18,647,040	18,529,870
Business-type activities				
Water and sewer	6,866,834	6,441,779	6,444,545	5,915,469
Garbage	1,675,620	1,982,933	1,995,198	2,088,471
Total business-type activities expenses	8,542,454	8,424,712	8,439,743	8,003,940
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 26,120,337</b>	<b>\$ 26,702,427</b>	<b>\$ 27,086,783</b>	<b>\$ 26,533,810</b>
<b>PROGRAM REVENUES</b>				
Governmental activities				
Charges for services				
General government	\$ 59,324	\$ 71,824	\$ 132,928	\$ 34,291
Building and zoning	1,190,633	544,440	513,399	438,255
Community development	200,517	168,897	162,819	169,080
Public safety	523,519	486,881	722,428	708,635
Operating grants and contributions	1,353,159	1,230,557	1,380,242	1,218,753
Capital grants and contributions	4,638,376	7,447,372	598,992	3,681,288
Total governmental activities program revenues	7,965,528	9,949,971	3,510,808	6,250,302
Business-type activities				
Charges for services				
Water and sewer	6,563,342	5,348,323	5,308,250	5,497,141
Garbage	1,736,868	2,052,072	2,084,353	2,172,351
Operating grants and contributions	-	-	-	-
Capital grants and contributions	1,474,988	166,998	-	149,056
Total business-type activities program revenues	9,775,198	7,567,393	7,392,603	7,818,548
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<b>\$ 17,740,726</b>	<b>\$ 17,517,364</b>	<b>\$ 10,903,411</b>	<b>\$ 14,068,850</b>
<b>NET REVENUE (EXPENSE)</b>				
Governmental activities	\$ (9,612,355)	\$ (8,327,744)	\$ (15,136,232)	\$ (12,279,568)
Business-type activities	1,232,744	(857,319)	(1,047,140)	(185,392)
<b>TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)</b>	<b>\$ (8,379,611)</b>	<b>\$ (9,185,063)</b>	<b>\$ (16,183,372)</b>	<b>\$ (12,464,960)</b>

	2012	2013	2014	2015	2016	2017
\$	2,551,465	\$ 2,504,327	\$ 2,568,401	\$ 2,901,044	\$ 2,901,661	\$ 1,779,446
	603,708	627,008	638,618	656,478	747,864	724,871
	469,946	507,828	707,665	753,815	811,923	2,132,879
	7,785,066	7,854,804	8,374,812	8,871,896	9,225,417	12,103,554
	6,466,254	7,560,190	7,119,256	8,034,011	9,626,504	9,376,444
	756,086	827,319	580,528	566,382	477,036	1,415,148
	18,632,525	19,881,476	19,989,280	21,783,626	23,790,405	27,532,342
	5,573,478	5,171,212	5,475,321	5,553,577	5,310,304	5,388,643
	2,272,694	2,069,201	2,105,583	2,257,770	2,415,909	2,346,478
	7,846,172	7,240,413	7,580,904	7,811,347	7,726,213	7,735,121
\$	26,478,697	\$ 27,121,889	\$ 27,570,184	\$ 29,594,973	\$ 31,516,618	\$ 35,267,463
\$	22,668	\$ 19,489	\$ 79,360	\$ 17,659	\$ 17,708	\$ 35,305
	530,892	546,995	745,449	667,232	556,063	561,658
	146,390	135,718	167,520	177,315	179,470	167,993
	682,086	603,156	631,669	591,515	567,905	499,131
	1,207,396	1,561,809	1,148,407	1,142,991	1,117,999	979,002
	3,495,236	3,614,701	2,525,807	270,519	7,305,199	127,631
	6,084,668	6,481,868	5,298,212	2,867,231	9,744,344	2,370,720
	6,261,974	6,695,627	6,223,868	6,024,616	5,375,079	5,325,191
	2,267,599	2,032,054	2,097,286	2,248,211	2,406,951	2,338,068
	111,935	636,669	99,265	95,321	90,270	84,572
	62,390	-	-	-	-	-
	8,703,898	9,364,350	8,420,419	8,368,148	7,872,300	7,747,831
\$	14,788,566	\$ 15,846,218	\$ 13,718,631	\$ 11,235,379	\$ 17,616,644	\$ 10,118,551
\$	(12,547,857)	\$ (13,399,608)	\$ (14,691,068)	\$ (18,916,395)	\$ (14,046,061)	\$ (25,161,622)
	857,726	2,123,937	839,515	556,801	146,087	12,710
\$	(11,690,131)	\$ (11,275,671)	\$ (13,851,553)	\$ (18,359,594)	\$ (13,899,974)	\$ (25,148,912)

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2008	2009	2010	2011
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET ASSETS</b>				
Governmental activities				
Taxes				
Property	\$ 1,149,608	\$ 1,258,277	\$ 1,395,165	\$ 1,449,154
Sales	3,595,313	3,444,187	4,072,717	5,349,488
Telecommunication	1,020,222	1,067,075	1,073,121	1,022,272
Utility	972,764	957,052	886,998	1,010,223
Other	293,303	387,339	354,165	490,642
Intergovernmental - unrestricted				
Income tax	1,837,415	2,175,465	2,304,243	2,261,969
Personal property replacement tax	11,864	10,366	9,175	10,666
Investment income	516,202	229,198	74,953	100,039
Miscellaneous	785,556	707,915	610,529	722,862
Transfers in (out)	382,146	424,217	-	(1,883,000)
Total governmental activities	10,564,393	10,661,091	10,781,066	10,534,315
Business-type activities				
Miscellaneous	-	-	107,450	164,442
Investment income	228,086	95,400	55,376	32,695
Transfers in (out)	(382,146)	(424,217)	-	1,883,000
Total business-type activities	(154,060)	(328,817)	162,826	2,080,137
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 10,410,333</b>	<b>\$ 10,332,274</b>	<b>\$ 10,943,892</b>	<b>\$ 12,614,452</b>
<b>CHANGE IN NET POSITION</b>				
Governmental activities	\$ 952,038	\$ 2,333,347	\$ (4,355,166)	\$ (1,745,253)
Business-type activities	1,078,684	(1,186,136)	(884,314)	1,894,745
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 2,030,722</b>	<b>\$ 1,147,211</b>	<b>\$ (5,239,480)</b>	<b>\$ 149,492</b>
<b>CHANGE IN NET POSITION</b>				

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	1,454,079	\$ 1,344,929	\$ 1,326,712	\$ 1,327,139	\$ 1,326,196	\$ 1,326,027
	6,039,345	6,129,126	6,401,637	7,208,332	8,475,664	10,672,951
	1,304,003	959,986	934,655	837,796	751,196	674,036
	959,959	1,009,180	1,136,668	1,083,899	968,086	1,038,028
	511,361	555,475	612,825	748,254	856,431	977,856
	2,460,342	2,735,608	2,957,978	2,972,805	3,235,006	2,991,771
	9,627	9,480	10,923	10,647	9,582	11,539
	92,563	57,097	35,528	35,673	38,718	187,213
	707,593	876,398	1,046,968	1,069,325	1,162,864	1,381,112
	325,470	(1,621,000)	-	-	-	354,725
	13,864,342	12,056,279	14,463,894	15,293,870	16,823,743	19,615,258
	14,345	30,761	19,657	26,201	43,435	12,783
	44,349	28,448	29,551	23,764	90,430	8,822
	(325,470)	1,621,000	-	-	-	(354,725)
	(266,776)	1,680,209	49,208	49,965	133,865	(333,120)
\$	13,597,566	\$ 13,736,488	\$ 14,513,102	\$ 15,343,835	\$ 16,957,608	\$ 19,282,138
\$	1,316,485	\$ (1,343,329)	\$ (227,174)	\$ (3,622,525)	\$ 2,777,682	\$ (5,546,364)
	590,950	3,804,146	888,723	606,766	279,952	(320,410)
\$	1,907,435	\$ 2,460,817	\$ 661,549	\$ (3,015,759)	\$ 3,057,634	\$ (5,866,774)

**VILLAGE OF OSWEGO, ILLINOIS**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>GENERAL FUND</b>				
Reserved	\$ 222,328	\$ 138,934	\$ 160,365	\$ 154,338
Unreserved - undesignated	5,039,694	4,799,544	5,461,181	4,372,535
Nonspendable	-	-	-	-
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 5,262,022</b>	<b>\$ 4,938,478</b>	<b>\$ 5,621,546</b>	<b>\$ 4,526,873</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 2,271,727	\$ 2,603,394	\$ 2,599,700	\$ 2,828,917
Unreserved, reported in				
Special Revenue Funds	1,208,681	739,078	(242)	-
Debt Service Funds	-	-	-	-
Capital Project Funds	6,154,477	991,902	263,626	349,405
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 9,634,885</b>	<b>\$ 4,334,374</b>	<b>\$ 2,863,084</b>	<b>\$ 3,178,322</b>

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

Data Source

Audited Financial Statements

<b>2012*</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
88,206	128,249	158,983	228,305	327,754	2,255,381
5,021,748	5,021,748	5,358,071	6,119,151	6,071,095	5,405,233
891,528	606,285	1,180,021	796,189	327,612	-
<u>\$ 6,001,482</u>	<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
313,658	260,251	226,679	14,308	5,389	30,163,651
2,253,504	2,628,725	2,909,877	2,711,937	3,020,243	2,262,561
755,050	697,473	584,001	257,558	865,417	68,041
-	-	-	-	-	(1,608,191)
<u>\$ 3,322,212</u>	<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>

**VILLAGE OF OSWEGO, ILLINOIS**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>REVENUES</b>				
Taxes	\$ 5,923,856	\$ 6,070,220	\$ 7,509,857	\$ 8,078,942
Licenses and permits	1,762,818	944,023	759,162	741,030
Intergovernmental	2,587,649	3,144,141	3,129,158	3,885,905
Charges for services	1,603,959	1,507,759	1,594,789	1,349,356
Fines and forfeits	255,339	259,635	466,995	508,506
Contributions	136,582	66,208	66,394	59,168
Investment income	516,202	229,198	74,953	100,039
Miscellaneous	779,490	745,738	674,537	798,293
<b>Total revenues</b>	<b>13,565,895</b>	<b>12,966,922</b>	<b>14,275,845</b>	<b>15,521,239</b>
<b>EXPENDITURES</b>				
General government	1,946,204	2,337,350	2,570,171	2,368,944
Building and zoning	1,000,940	783,117	692,072	573,687
Community development	464,973	564,967	417,585	353,320
Public safety	7,120,633	7,144,164	7,281,450	7,555,771
Public works	1,613,678	1,845,856	2,114,545	1,659,059
Retirement	-	-	-	-
Capital outlay	6,831,068	4,880,950	3,274,945	243,714
Debt service				
Principal	500,000	720,000	740,000	1,010,000
Interest	555,028	761,851	741,672	811,754
Other charges	1,625	1,625	1,625	1,625
<b>Total expenditures</b>	<b>20,034,149</b>	<b>19,039,880</b>	<b>17,834,065</b>	<b>14,577,874</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,468,254)</b>	<b>(6,072,958)</b>	<b>(3,558,220)</b>	<b>943,365</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,606,398	2,070,351	1,888,737	1,821,696
Transfers (out)	(1,224,252)	(1,646,134)	(1,888,737)	(3,704,696)
Bonds issued at par	6,000,000	-	2,285,000	-
Premium on bonds issued	-	-	-	-
Payment to escrow agent	-	-	-	-
Discount on bonds issued	(48,000)	-	-	-
Proceeds from sale of capital assets	13,427	24,676	8,091	2,702
<b>Total other financing sources (uses)</b>	<b>6,347,573</b>	<b>448,893</b>	<b>2,293,091</b>	<b>(1,880,298)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (120,681)</b>	<b>\$ (5,624,065)</b>	<b>\$ (1,265,129)</b>	<b>\$ (936,933)</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>6.94%</b>	<b>9.40%</b>	<b>10.17%</b>	<b>0.00%</b>

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	9,289,911	\$ 9,038,711	\$ 9,476,192	\$ 10,364,622	\$ 11,622,629	\$ 14,010,912
	807,046	917,933	1,048,980	991,724	823,358	640,310
	3,243,025	5,176,372	4,032,226	4,155,089	4,200,784	4,038,211
	1,651,653	1,353,105	1,438,488	1,300,758	1,262,366	1,196,028
	478,278	386,811	409,699	428,127	350,808	308,930
	46,926	-	-	-	-	-
	92,563	57,097	35,528	35,673	38,718	186,019
	743,581	830,654	1,004,152	883,905	980,528	1,231,937
	16,352,983	17,760,683	17,445,265	17,445,265	19,279,191	21,612,347
	2,083,617	2,159,799	2,292,962	2,393,196	2,626,290	2,974,460
	602,123	616,216	637,964	654,696	713,458	686,781
	467,525	489,809	698,354	750,705	790,683	628,891
	7,759,427	7,926,878	8,526,113	8,816,774	8,969,361	9,159,034
	1,949,282	1,974,580	2,426,556	3,644,432	3,601,144	2,348,681
	-	-	-	-	-	-
	222,351	1,156,074	187,303	421,149	345,037	5,986,153
	1,060,000	1,130,000	1,145,000	1,225,000	1,305,000	1,340,000
	796,970	691,422	619,817	542,425	465,476	1,046,381
	1,625	1,625	1,625	1,625	1,625	1,625
	14,942,920	16,146,403	16,535,694	16,535,694	18,818,074	24,172,006
	1,410,063	1,614,280	909,571	909,571	461,117	(2,559,659)
	2,143,087	1,901,294	1,779,063	1,807,607	1,780,387	3,362,608
	(1,817,617)	(3,522,294)	(1,779,063)	(1,807,607)	(1,780,387)	(3,862,608)
	2,300,000	-	6,770,000	2,955,000	-	27,105,000
	92,033	-	387,715	176,385	-	3,883,608
	(2,351,675)	-	(7,170,687)	(3,132,668)	-	-
	-	-	-	-	-	-
	106	25,757	16,124	1,203	28,945	217
	365,934	(1,595,243)	3,152	3,152	28,945	30,488,825
\$	1,775,997	\$ 19,037	\$ 912,723	\$ 912,723	\$ 490,062	\$ 27,929,166
	12.53%	11.60%	10.96%	10.96%	9.83%	11.17%

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
2007	2008	\$ 725,042	\$ 714,402,997	\$ 112,097,740	\$ 8,141,000	\$ 9,390	\$ 27,693	\$ 835,403,862	\$ 0.1334	\$ 2,508,720,306	33.30%
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%

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
2007	2008	\$ 0.0229	\$ -	\$ 0.0205	\$ 0.0900	\$ -	\$ 0.1334	\$ 0.5595	\$ -	\$ -
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	-	-

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

<b>Overlapping Rates</b>									
<b>Oswego Township</b>	<b>Kendall County Forest Preserve</b>	<b>Oswego School CU-308</b>	<b>Waubonsie JC #516</b>	<b>Oswego Fire Protection District</b>	<b>Oswego Library District</b>	<b>Oswego Park District</b>	<b>Oswego Road District</b>	<b>Total Overlapping Rates</b>	<b>Total Direct and Overlapping Rates</b>
\$ 0.0734	\$ 0.1292	\$ 5.0600	\$ 0.3924	\$ 0.5772	\$ 0.2012	\$ 0.3896	\$ 0.1687	\$ 7.5512	\$ 7.6846
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

**VILLAGE OF OSWEGO, ILLINOIS**

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

Last Ten Levy Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Village of Oswego	\$ 0.1334	\$ 0.1393	\$ 0.1400	\$ 0.1468	\$ 0.1453	\$ 0.1560	\$ 0.1633	\$ 0.1634	\$ 0.1558	\$ 0.1541
Kendall County	0.5595	0.5724	0.5734	0.6396	0.6998	0.7446	0.8009	0.8085	0.7909	0.7477
Kendall County Mental Health	-	-	-	-	-	-	-	-	-	-
Kendall County Health	-	-	-	-	-	-	-	-	-	-
Oswego Township	0.0734	0.0745	0.0729	0.0790	0.0800	0.0845	0.0920	0.0947	0.0904	0.0855
Kendall County Forest Preserve	0.1292	0.0966	0.0944	0.1041	0.1204	0.1495	0.1640	0.1826	0.1787	0.1755
Oswego School CU-308	5.0600	5.0600	5.0600	5.8377	6.6572	7.3488	7.8596	7.8803	7.3176	6.9712
Waubonsie JC #516	0.3924	0.3990	0.4037	0.4115	0.4702	0.5306	0.5690	0.5973	0.5885	0.5601
Oswego Fire Protection District	0.5772	0.5821	0.5731	0.6286	0.6713	0.7216	0.7806	0.8045	0.7871	0.7524
Oswego Library District	0.2012	0.2031	0.2012	0.2206	0.2449	0.2721	0.2961	0.3058	0.2996	0.2864
Oswego Park District	0.3896	0.3880	0.3594	0.3830	0.4116	0.4203	0.4872	0.5103	0.4973	0.4764
Oswego Road District	0.1687	0.1711	0.1675	0.1804	0.1870	0.1963	0.2059	0.2124	0.2027	0.1917
<b>TOTAL</b>	<b>\$ 7.6846</b>	<b>\$ 7.6861</b>	<b>\$ 7.6456</b>	<b>\$ 8.6313</b>	<b>\$ 9.6877</b>	<b>\$ 10.6243</b>	<b>\$ 11.4186</b>	<b>\$ 11.5598</b>	<b>\$ 10.9086</b>	<b>\$ 10.4010</b>

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	2016 Levy			2007 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	0.63%	\$ 5,768,130	2	0.81%
Richport Property Prairie Market, LLC	4,514,261	2	0.54%	-	n/a	0.00%
Oswego Gerry Centennial, LLC	4,296,807	3	0.52%	-	n/a	0.00%
Meijer Stores LTD Partnership	4,037,374	4	0.49%	-	n/a	0.00%
Wal-Mart Real Estate Business Trust	3,733,483	5	0.45%	-	n/a	0.00%
Inland Western Oswego Douglass	3,524,736	6	0.42%	6,317,830	1	0.88%
Inland Real Estate Towne Cross	2,813,911	7	0.34%	2,892,940	5	0.40%
Target Corporation	2,255,050	8	0.27%	2,921,210	3	0.41%
Oswego Partners, LLC	2,180,447	9	0.26%	-	n/a	0.00%
Retail Properties of America, Inc.	2,172,604	10	0.26%	-	n/a	0.00%
Home Depot USA	-	n/a	0.00%	2,915,340	4	0.41%
Dreyer Clinic, Inc.	-	n/a	0.00%	1,554,250	6	0.22%
Mason Square LLC	-	n/a	0.00%	1,376,060	7	0.19%
Goodrich Quality Theaters, Inc.	-	n/a	0.00%	1,366,410	8	0.19%
Amoco Oil Co.	-	n/a	0.00%	1,346,770	9	0.19%
MicDanick Investments, LLC	-	n/a	0.00%	1,319,500	10	0.18%
	<u>\$ 34,760,739</u>		<u>4.18%</u>	<u>\$ 27,778,440</u>		<u>3.88%</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
2007	\$ 1,116,935	\$ 1,116,423	99.95%	\$ (36)	\$ 1,116,387	99.95%
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	-	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

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<b>Calendar Year</b>	<b>Village Direct Rate</b>	<b>County Rate</b>	<b>County Public Safety Rate</b>	<b>State Rate</b>	<b>Total</b>
2008	1.00%	0.25%	1.00%	5.00%	7.25%
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%

Data Source

Department of Revenue

**VILLAGE OF OSWEGO, ILLINOIS**

GENERAL SALES TAX BY CATEGORY

Last Ten Calendar Years

<b>Calendar Year</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
General merchandise	\$ 835,823	\$ 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
Food	626,897	469,987	608,638	561,369	520,995	465,110	477,393	448,860	736,908	569,734
Drinking and eating places	388,960	418,317	543,990	538,906	566,591	598,064	639,448	714,404	1,193,258	844,653
Apparel	182,697	203,385	200,655	228,374	379,146	252,180	263,034	267,752	414,947	287,756
Furniture, H.H. and Radio	251,549	310,674	260,491	267,536	266,894	246,453	229,101	226,135	365,219	226,675
Lumber, building hardware	433,350	366,169	302,034	313,492	281,290	215,643	249,375	268,823	418,433	292,939
Automobile and filling stations	869,332	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
Drugs and miscellaneous retail	469,358	489,005	501,300	550,689	578,602	665,416	693,093	740,026	800,399	749,123
Agriculture and all others	305,607	258,909	184,054	132,674	186,966	369,659	324,119	329,249	563,734	301,602
Manufacturers	20,973	24,764	76,516	74,224	23,368	23,555	23,724	25,620	53,463	49,030
<b>TOTAL</b>	<b>\$ 4,384,546</b>	<b>\$ 4,600,736</b>	<b>\$ 4,699,433</b>	<b>\$ 4,825,359</b>	<b>\$ 5,011,615</b>	<b>\$ 5,356,105</b>	<b>\$ 5,429,931</b>	<b>\$ 5,734,792</b>	<b>\$ 7,944,378</b>	<b>\$ 6,040,662</b>
<b>VILLAGE DIRECT SALES TAX RATE</b>	<b>1.00%</b>									

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General merchandise	\$ -	\$ -	\$ -	\$ 200,098	\$ 317,148	\$ 358,345	\$ 355,684	\$ 524,363	\$ 519,197	\$ 1,291,982
Food	-	-	-	61,378	109,599	79,882	82,826	76,165	136,196	317,198
Drinking and eating places	-	-	-	132,401	279,711	294,925	317,169	354,581	395,760	1,044,375
Apparel	-	-	-	59,752	155,532	126,033	131,438	133,754	138,204	354,666
Furniture, H.H. and Radio	-	-	-	74,095	131,635	121,668	113,174	112,355	120,653	281,364
Lumber, building hardware	-	-	-	74,964	140,120	107,447	124,058	134,167	139,352	361,767
Automobile and filling stations	-	-	-	128,593	292,333	315,667	284,747	185,903	156,009	386,040
Drugs and miscellaneous retail	-	-	-	90,094	189,861	229,725	233,106	249,264	219,204	562,918
Agriculture and all others	-	-	-	26,246	79,016	176,477	153,561	156,634	138,599	353,244
Manufacturers	-	-	-	16,907	9,130	9,547	9,736	9,904	16,448	56,253
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,704,085</b>	<b>\$ 1,819,716</b>	<b>\$ 1,805,500</b>	<b>\$ 1,937,090</b>	<b>\$ 1,979,622</b>	<b>\$ 5,009,807</b>
<b>VILLAGE HOME RULE TAX RATE</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>1.25%</b>	<b>1.25%</b>

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			
2008	\$ -	\$ 18,530,000	\$ 1,684,310	\$ 13,055,000	\$ 33,269,310	6.13%	\$ 1,667
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

See the schedule of Demographic and Economic Information on page 147 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, 2017

<b>Governmental Unit</b>	<b>Gross Bonded Debt</b>	<b>Percentage Debt Applicable to the Village*</b>	<b>Village's Share of Debt</b>
Village of Oswego	\$ 38,815,000	100.00%	\$ 38,815,000
Oswego Community Unit School District #308	314,683,712	56.57%	178,016,576
Yorkville Community Unit School District #115	72,795,667	1.92%	1,397,677
Kendall County	30,593,762	29.11%	8,905,844
Kendall County Forest Preserve	41,575,000	29.11%	12,102,483
Waubensee Community College #516	62,810,000	9.52%	5,979,512
Oswegoland Park District	5,600,000	64.43%	3,608,080
Oswego Public Library District	6,815,000	58.32%	3,974,508
<b>Total Overlapping Debt</b>	<u>534,873,141</u>		<u>213,984,680</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<u>\$ 573,688,141</u>		<u>\$ 252,799,680</u>
Per capita overlapping debt			<u>\$ 7,681</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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 72,053,583	*	*	*	*	*	*	*	*	*
Total net debt applicable to limit	18,530,000	*	*	*	*	*	*	*	*	*
<b>LEGAL DEBT MARGIN</b>	<b>\$ 53,523,583</b>	*	*	*	*	*	*	*	*	*
<b>TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT</b>	25.7%	*	*	*	*	*	*	*	*	*

\* 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

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<b>Fiscal Year</b>	<b>Sales Tax Revenue</b>	<b>Net Available Revenue</b>	<b>General Obligation Bonds Debt Service</b>		<b>Coverage</b>
			<b>Principal</b>	<b>Interest</b>	
2008	\$ 3,510,620	\$ 3,510,620	\$ 500,000	\$ 556,653	\$ 3.32
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

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	
2008	\$ 6,790,870	\$ 4,742,094	\$ 2,048,776	\$ 795,000	\$ 455,655	\$ 89,672	\$ 48,200	1.48
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	1.24

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

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>
2008	19,956	\$ 542,883,024	\$ 27,204	3.9%
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%

\*2016 population from decennial census

### Data Source

U.S. Census Bureau Fact Sheet

**VILLAGE OF OSWEGO, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

<b>2017</b>				<b>2008</b>			
<b>Employer</b>	<b>Rank</b>	<b>Number</b>	<b>% of Total Village Population</b>	<b>Employer</b>	<b>Rank</b>	<b>Number</b>	<b>% of Total Village Population</b>
Oswego Comm. Unit School Dist. No. 308	1	1,893	5.7%	Oswego Comm. Unit School Dist. No. 308	1	1400	7.0%
Jewel/Osco - 2 locations	2	362	1.1%	Wal-Mart Stores, Inc.	2	450	2.3%
Meijer Corporation	3	300	0.9%	Meijer Corporation	3	425	2.1%
Radiac Abrasives, Inc.	4	250	0.8%	Dominick's Fresh Foods, Inc.	4	275	1.4%
Wal-Mart Stores	5	260	0.8%	Jewel/Osco	5	275	1.4%
Coldwell Banker Honig-Bell	6	225	0.7%	Lowe's Home Improvement	6	250	1.3%
UPS Freight	7	100	0.3%	Target Corporation	7	250	1.3%
Village of Oswego	8	118	0.4%	Home Depot USA	8	250	1.3%
Target Corporation	9	117	0.4%	Kohl's	9	225	1.1%
Home Depot USA	10	115	0.3%	Anfinsen Assembly, Inc.	10	150	0.8%

Data Source

Village of Oswego Economic Development Director

**VILLAGE OF OSWEGO, ILLINOIS**  
**FULL-TIME EQUIVALENT EMPLOYEES**

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2008*</b>	<b>2009*</b>	<b>2010*</b>	<b>2011*</b>	<b>2012*</b>	<b>2013*</b>	<b>2014*</b>	<b>2015*</b>	<b>2016*</b>	<b>2017*</b>
<b>GENERAL GOVERNMENT</b>										
Administration	8.50	8.50	7.00	4.50	3.50	3.50	4.25	4.25	4.25	5.25
Finance	3.50	4.00	4.00	6.00	6.00	6.00	6.00	7.00	6.00	6.00
Village Clerk	2.50	3.00	3.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Building and Zoning	12.50	12.00	6.00	7.00	7.00	7.30	7.30	7.30	7.30	7.30
Community Development	6.00	6.50	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.00
Community Relation	-	-	-	-	1.50	2.00	2.00	2.00	2.00	2.00
Economic Development	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
Information Technology	-	-	-	-	-	-	-	-	-	1.00
<b>PUBLIC SAFETY</b>										
Police										
Officers	53.00	53.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00	49.00
Civilians	15.00	15.00	13.00	13.50	13.50	13.50	14.00	15.00	15.00	16.00
<b>PUBLIC WORKS</b>										
Road and Bridge/Water and Sewer	33.00	32.00	24.00	23.50	23.50	21.50	21.00	23.50	22.00	23.00
<b>TOTAL</b>	<b>134.00</b>	<b>134.00</b>	<b>110.00</b>	<b>110.00</b>	<b>111.50</b>	<b>111.30</b>	<b>112.05</b>	<b>116.55</b>	<b>114.05</b>	<b>117.05</b>

\* 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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>BUILDING AND ZONING</b>										
Permits issued	1,642	1,123	1,492	982	1,285	1,191	1,585	1,530	1,624	2,115
<b>COMMUNITY DEVELOPMENT</b>										
Total year end requested projects	40	46	45	47	38	34	48	41	27	50
Total year end projects approved	39	45	45	46	27	32	45	34	23	19
<b>PUBLIC SAFETY</b>										
Police										
Physical arrests	1,382	1,371	1,140	1,201	1,174	997	748	741	688	518
Parking violations	1,174	758	1,137	505	604	1,225	1,297	547	997	1,608
Traffic violations	6,172	4,565	5,033	5,246	11,622	12,548	10,841	11,017	12,391	10,679
Criminal reports	2,335	2,185	1,770	1,862	4,339	3,982	1,436	1,048	1,332	1,162
Calls for service	51,918	46,378	47,813	25,128	22,607	23,568	22,885	19,317	24,946	24,321
<b>ROAD AND BRIDGE</b>										
Pothole repairs (tons)	99	94	65	109	-	37	80	30	21	25
Parkway tree replacement	48	57	-	1	-	586	546	733	604	591
<b>WATER</b>										
Number of accounts	10,061	10,350	10,344	10,597	10,733	10,829	10,873	11,083	11,177	11,289
Total annual consumption	930,759,000	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
Average daily consumption	2,550,025	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
Peak daily consumption	5,692,000	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
Water main breaks	9	13	7	9	-	9	3	13	7	11
Water service repairs	7	8	11	69	-	74	153	73	63	147
Main line valve repairs	1	-	-	5	-	1	-	4	1	1
Fire hydrant replacements	3	1	-	4	-	2	4	7	4	2

Data Source

Various village departments

VILLAGE OF OSWEGO, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

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Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	34	38	37	34	34	32	34	33	33	32
<b>PUBLIC WORKS</b>										
Miles of streets	125	128	128	128	128	128	129	139	156	156
Streetlights	2,094	2,120	2,126	2,133	2,145	2,149	2,149	2,149	2,153	2,153
Traffic signals	20	20	20	20	20	20	24	24	24	24
<b>WATER</b>										
Water mains (miles)	159	161	161	161	161	162	162	162	163	163
Fire hydrants	2,400	2,517	2,511	2,503	2,543	2,544	2,543	2,543	2,559	2,559
Storage capacity (gallons)	3,500,000	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

Data Source

Various village departments