



Village of Oswego, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended
April 30, 2009

VILLAGE OF OSWEGO, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
April 30, 2009

Prepared by:

Village of Oswego Finance Department
Billie Robinson, Assistant Finance Director

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials.....	i
Organization Chart	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal.....	iv-ix
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis	MD&A 1-9
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	3
Statement of Activities	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	9

VILLAGE OF OSWEGO, ILLINOIS
 TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

Statement of Net Assets	10-11
Statement of Revenues, Expenses and Changes in Net Assets	12
Statement of Cash Flows.....	13-14

Fiduciary Funds

Statement of Fiduciary Net Assets	15
Statement of Changes in Fiduciary Net Assets	16

Notes to Financial Statements	17-43
-------------------------------------	-------

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	44
Schedule of Funding Progress	
Illinois Municipal Retirement Fund.....	45
Police Pension Fund	46
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund.....	47
Police Pension Fund	48
Notes to Required Supplementary Information.....	49

COMBINING AND INDIVIDUAL FUND FINANCIAL
 STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

Schedule of Revenues - Budget and Actual - General Fund.....	50
Schedule of Detailed Expenditures - Budget and Actual - General Fund	51-52

VILLAGE OF OSWEGO, ILLINOIS
 TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL
 STATEMENTS AND SCHEDULES (Continued)

MAJOR GOVERNMENTAL FUNDS (Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Improvement Fund.....	53
---	----

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet.....	54-55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	56-57
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	58
Special Census Fund.....	59
Capital Reserve Fund.....	60
Debt Service Fund.....	61

MAJOR ENTERPRISE FUNDS

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual	
Water and Sewer Fund.....	62
Garbage Fund.....	63

FIDUCIARY FUNDS

Agency Funds	
Combining Statement of Changes in Assets and Liabilities.....	64-65

STATISTICAL SECTION

Financial Trends	
Net Assets by Component.....	66
Change in Net Assets.....	67-68
Fund Balances of Governmental Funds.....	69
Changes in Fund Balances of Governmental Funds.....	70-71

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION (Continued)	
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	72
Direct and Overlapping Property Tax Rates.....	73-74
Property Tax Rates - Per \$100 of Assessed Valuation -	
Direct and Overlapping Governments	75
Principal Property Taxpayers.....	76
Property Tax Levies and Collections	77
Direct and Overlapping Sales Tax Rates	78
Sales Taxes by Category.....	79
Debt Capacity	
Ratios of Outstanding Debt by Type.....	80
Direct and Overlapping Bonded Debt	81
Legal Debt Margin Information	82
Pledged-Revenue Coverage	
Governmental Activities.....	83
Business-Type Activities.....	84
Demographic and Economic Information	
Demographic and Economic Information.....	85
Principal Employers.....	86
Operating Information	
Full-Time Equivalent Employees	87
Operating Indicators.....	88
Capital Asset Statistics	89

Village of Oswego, Illinois
Principal Officials
For the Fiscal Year Ended April 30, 2009

Legislative

Brian LeClercq, Village President

Board of Trustees

Tony Giles

Terry Michels

Braden G. Rock

Dave Schlaker

Judy Sollinger

Lori West

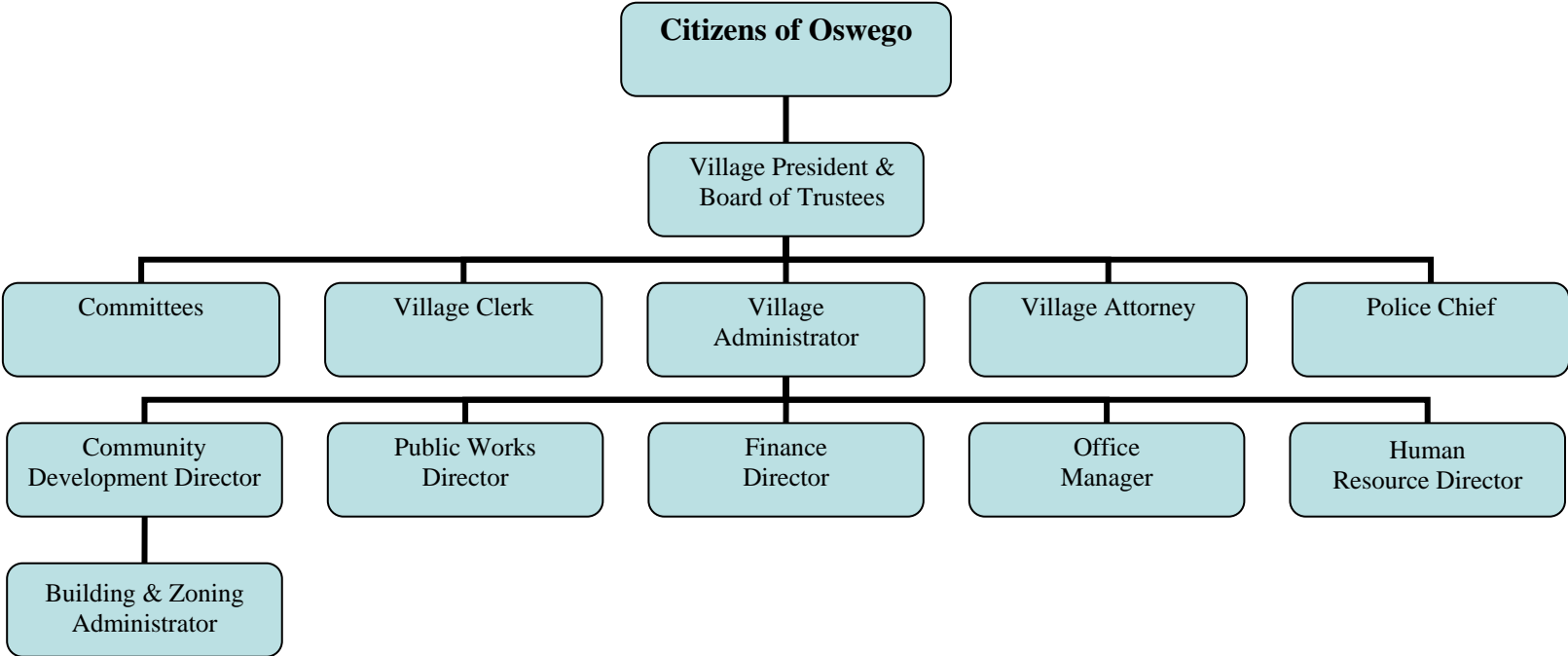
Jeanne Hoch, Village Clerk

Administrative

Gary D. Adams, Village Administrator

Mark A. Pries, Finance Director/Treasurer

Village of Oswego Organizational Chart



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, 2008

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



President

Executive Director



December 11, 2009

The Citizens of the Village of Oswego
and
Brian LeClercq, Village President and the Board of Trustees
Village of Oswego
Oswego, IL 60543

President LeClercq and the Board of Trustees,

In accordance with State Statutes, the Comprehensive Annual Financial Report of the Village of Oswego, Illinois, for the year ended April 30, 2009 (Fiscal Year 2008/2009) is, hereby, transmitted. Responsibility for both the accuracy of presented data and completeness of presentation, including all disclosures, is that of the Village management.

Management believes that the data, as presented, is accurate in all material aspects. The data is presented in a manner designed to fairly detail the financial position, changes in financial position and cash flows of the Village, as measured by the financial activity of its various fund types. All disclosures that enable the reader to gain maximum understanding of the Village's financial affairs have been included. In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are discussed herein and within the framework provided. Management believes the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Village of Oswego has retained the services of an independent accounting firm, Sikich LLP, Aurora, Illinois, to conduct the April 30, 2009 audit. The auditors' opinion is included in this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

REPORTING ENTITY

The Village of Oswego is located in the northeastern section of the State of Illinois within the far reaches of the Chicago metropolitan area (approximately 50 miles southwest of Chicago) in the northeast corner of Kendall County. Oswego was first settled in 1833 and formally incorporated in 1852. The Village operates under the President/Trustee form of government, as defined in Illinois state statutes. Six trustees are elected at large to terms that are 4 years in length. There is a full-time Village Administrator that acts as the Chief Operating Officer of the Village, managing the day-to-day activities of the Village.

A presentation of the general governmental functions of the Village of Oswego refers to those operations directly supervised or controlled by the Village of Oswego as a municipal corporation. These operations include police protection, water supply, sanitary sewer line administration, storm water collection, public works operations, road maintenance, community development, building and inspection services and general administrative services.

Kendall County is one of the fastest growing counties in the State of Illinois. In fact, on a percentage basis, Kendall County has been the fastest growing county in the United States from 2000 to 2007. Along with those facts, the Village of Oswego has the largest population of any municipality in Kendall County. As such, the growth not only in population but in economic opportunity has been astounding. The Village's population has grown from 5,517 in 1994 to 31,504 per current Village estimates. A fact that attests to the growth Oswego has seen is the increase in equalized assessed valuations (EAV's) of property from \$89,899,299 in 1993 to \$897,373,161 in 2008, an 898.2% increase. The Village anticipates moderate growth rates for the next ten to fifteen years even with the slowdown in the housing market.

Generally accepted accounting principles (GAAP) requires 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 Village Board has the responsibility to oversee and control all activities related to the Village, which is the primary level of government exercising oversight responsibility. 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. Based on these criteria, the Village has one blended component unit, the Police Pension Fund, whose financial data is combined with and included in the basic financial statements of the Village. The Village is not considered to be a component unit of any other governmental unit.

Budgetary control is maintained at the departmental level within the General Fund and at the total fund level for all other budgeted funds. The objective of these budgetary controls is to ensure compliance with the legal provisions embodied in the annual budget ordinance (in lieu of an appropriation ordinance) approved by the Village Board. A separate departmental line item budget is prepared and approved and used as a management tool to monitor and evaluate departmental fiscal responsibility throughout the fiscal year.

An annual budget is prepared for the General Fund, the Capital Projects Fund, the Capital Reserve Fund, the Debt Service Fund, the Motor Fuel Tax Fund, the Police Pension Fund, the Water and Sewer Fund, the Garbage Fund, and the Special Census Fund. The budget process begins in the fall with the Board establishing short-term and long-term goals for the coming fiscal year. Department heads then prepare a five year capital purchasing plan and a five year staffing needs plan. The department heads then prepare a line item budget for their respective departments and submit them to the Finance Director. The Finance Director also serves as the Budget Officer. The first draft of the budget is reviewed by the Board in February where cuts, if needed, are made and affordable amounts from both the capital plan and staffing plan are placed into the budget. The budget is then legally adopted by April 30th.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

The Oswego Economic Development Corporation (OEDC) works to bring commercial entities to the Village. It is a quasi-public/private partnership, partially funded by the Village. Together, the Village and the OEDC work hand-in-hand to ensure that the goals for the Village of Oswego are mutually understood and attained.

The main commercial artery for the Village of Oswego is Route 34 and it generates the majority of sales tax dollars. In late 2001, prior to Home Depot opening, the Village was receiving, on average, \$143,145 per month in sales tax revenue. For the same time period in 2002, the Village was averaging \$198,106 per month. And by the end of fiscal year 2008/2009, the Village was earning \$375,130 per month, on average, during this time frame. This increase in sales tax dollars, which is a 38.4% and an 89.4% incremental increase, respectively, came for the most part from the Route 34 corridor and is a prime example of the increasing trend in sales tax receipts for the Village over the last nine fiscal years. This increasing trend in sales taxes is needed to offset the Village's ever decreasing property tax rate. This rate has steadily declined over the last eleven years, due to property tax cap laws and property values growing at a very fast rate. Due to an official population change in 2008, the Village has earned Home-Rule status. This status removes the property tax cap.

With the rapid increase in population has come a demand for additional commercial and industrial development. The Village currently has two business parks that are almost fully occupied: the 300-acre Kendall Point Business Center, and the 130-acre Stonehill Business Park. To date, the two largest tenants are the Village of Oswego's Public Works facility, which is 22,000 square feet, and the Dreyer Medical Clinic, which is 25,000 square feet. Another business park area in the Village is the Highland Business Center. This area is a blend of commercial and manufacturing. The largest business in the Highland Business Center is Anfinzen Assembly, which is a plastic injection molding company. Anfinzen relocated their manufacturing and headquarters into a 112,000 sq. ft. facility in 2004. This year, Anfinzen completed a 50,000 sq. ft. expansion. There are further plans for industrial and office development in the Orchard Road corridor, north of the Burlington Northern Santa Fe rail line. There are two sites that combine for more than 200 acres.

There are several fully stabilized commercial centers within the Village: Mason Square, Townes Crossing, Oswego Commons, Oswego Plaza and Washington Square. The largest of these is the Oswego Commons. With 500,000 square feet of space, the Commons is a regional retail center, whose largest tenant, Home Depot, opened its doors in December, 2001. The other two large boxes, Target and Dominick's food stores, both opened in March, 2002. There are many other tenants, including: Chili's, Office Max, TJ Maxx, Panera Bread, Red Robin and Giordano's. Townes Crossing opened in 1989 and its largest tenants are Jewel-Osco and the Kendall 10 Theatre. Mason Square encompasses 44 acres, and includes AmericInn, a 56 room hotel that was completed in early FY 04/05. This is the second large scale lodging facility in the Village. A Holiday Inn opened next to Townes Crossing in 1999.

There are two large commercial developments whose impact on the Village of Oswego started in FY 06/07 but will truly be felt in the years to come. The largest, Prairie Market, includes five anchor stores: a 203,000 square foot Wal-Mart Supercenter, Kohl's, Lowe's, Dick's Sporting Goods and Best Buy. These anchors opened between October 2006 and August 2007. Several restaurants have opened, including TGI Friday's, Famous Dave's, and Olive Garden. The next largest development, Centennial Plaza, includes a 220,000 square foot Meijer's retail store which opened in May, 2007. There are several large retail stores in each of these developments, including Bed Bath & Beyond, Michael's and Old Navy. Buffalo Wild Wings opened in late 2007. These two centers will span 151 and 57 acres, respectively, and further solidify the Village of Oswego's draw as a major regional retail destination.

In addition, commercial development has begun in the Orchard Road corridor with two new developments: Orchard Way and Oswego Junction. Orchard Way is a 60-acre project on the northwest corner of Orchard Road and Route 34 that is anchored by Jewel-Osco and Edward Health Center; both having opened in May 2008. Several out lots have been developed, including a Walgreens. Oswego Junction is a retail/restaurant development on four acres, at the northwest corner of Orchard and Mill Roads.

Private investment is also taking place in Downtown Oswego. Washington Place, a 27,000 sq. ft. retail/office building was completed in summer 2006. Two new commercial projects are scheduled to begin in the near future: a five-acre site on Route 31 called the Studio Shop that will include an upscale restaurant; and a mixed-use project on the site of the former Alexander Lumber.

In addition, several office projects have started, including Farmington Lakes Office Campus, Kendall County's first office park, which will have 72,000 sq. ft. of leased space. The park is located on Douglas Road, just north of Mason Square.

Long-Term Financial Planning

The Village employs two devices, a five year capital plan and a five year staffing plan, that aid in the creation of each year's budget as well as educates the Village Board as to the types of resources that will be needed in future years. Each plan details what each Village department

requires, in terms of capital purchases and new staff, in order to maintain current service levels, at the very least, or increase service levels.

It is the policy of the Village of Oswego to keep borrowing to a minimum. This includes small and large-scale projects. The Village negotiated to have a recent well and tower installed by a developer and gave that developer credit against paying its water tap-on fees for as long as it takes to build out their site rather than require the Village to borrow the funds to complete such a capital-intensive project. This type of forward thinking alleviates the Village from having ten, fifteen or twenty year bond commitments that would impact cash flows for the same amount of time.

The Village's engineering firm is continuing to develop a mechanism that places the burden of expanding the Village's road network, both arterial and collector, much more so on the development community rather than the Village. The Village has a major road project it started at the end of FY 07/08, the Douglas Road widening project, which will require the Village to fund almost \$11.5 million. This road expansion is caused by the development that has occurred in the Village but it is the Village that will pay for the majority of this project. If this methodology continues, the Village cannot afford to make the necessary expansion to its infrastructure that will be necessary as it continues to grow. Development must accept much more of this burden.

Future projects, including the possible expansion of the Public Works facility and construction of a new Police facility are all on the short-term financial planning horizon and will consume considerable resources to complete. A long-range project, the expansion of Wolf Road, will cost considerably more than these projects and will require developer involvement to complete. All of these projects will require careful planning in order for the Village to maintain a healthy fiscal course while meeting the needs of its residents.

Financial Policies

One of the more important policies the Village has established is maintaining a minimum of a three month unreserved fund balance in the General Fund, with a six month reserve being optimal. The Village has maintained between a 4.3 and a 5.9 month reserve over the last four fiscal years and by doing so, the bond ratings issued by Standard and Poor's and Moody's were both improved over the last two years. The Moody's rating went from an A2 to an A1 and the Standard and Poor's rating went from an A- to an A. Financial policies are continually analyzed to determine their effectiveness and relevance to the Village's activities.

Major Initiatives

There were several major projects that were either started, continued or finished in Fiscal Year 08/09, which included the continued construction for the Douglas Road project and the start of a new well & tower on the west side of the Village.

The Douglas Road project converted a two lane rural roadway into a five lane major arterial that has curb and gutter with new storm sewer lines as well as sanitary and water lines. This project

has an estimated total cost of \$14.9 million and started in earnest in Fiscal Year 06/07 with the purchase of right-of-way for the road widening. Construction began in early spring, 2008 and has continued through the fall of 2009. Bonds were issued that will be backed by available sales tax dollars and motor fuel tax dollars.

Another project started in FY 08/09 was the new Well & Tower on the west side of the Village. This project is estimated at \$6.5 million and should be completed during FY 09/10. The Village issued Build-America bonds in 2009 to finance this capital addition.

Awards and Acknowledgements

The Village of Oswego received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the first time with its annual report for the fiscal year ending April 30, 2003. This award recognizes those units of government that publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Village has also received the award for all of its submissions since the April 30, 2003 report.

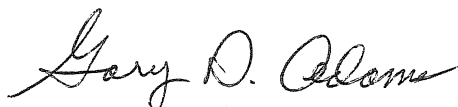
Another award the Village receives is the GFOA Distinguished Budget Award. This honor has been awarded to the Village the past 6 years, starting in FY 04/05. In order to be awarded this recognition, a governmental unit must present a document that is a 1) policy document; 2) financial plan; 3) operations guide and 4) communications device. Among other measurements, the document must include a coherent statement of organization-wide financial and programmatic policies and goals that address long-term concerns and issues.

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated service of the entire finance department.

Our deepest appreciation is extended to the Village President and Trustees for their interest and support in planning and conducting Village governance in a progressive and responsible manner. Our thanks go to all Village departments that cooperated with the audit process which allowed it to be completed in a very timely and efficient manner.

This report evidences the continued significant progress the Village of Oswego has made toward developing responsible financial reporting.

Respectfully submitted,



Gary D. Adams
Village Administrator



Billie J Robinson
Assistant Finance Director/Interim Treasurer



998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Oswego
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, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, 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.

The Management's Discussion and Analysis and the required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Oswego, Illinois' basic financial statements. The combining and individual fund financial statements and schedules 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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.

A handwritten signature in black ink, appearing to read "Seuch LLP". The signature is written in a cursive, flowing style.

Aurora, Illinois
December 4, 2009

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009

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, 2009. Since the 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 Villages financial statements.

Financial Highlights

- The assets of the Village of Oswego exceeded its liabilities at the close of the most recent fiscal year by \$330,087,533 (net assets). This is an increase from FY 07/08's net asset amount of \$328,940,322 due primarily to the recognition of infrastructure assets being reported.
- The Village of Oswego's total net assets increased by \$1,147,211.
- As of the close of the current fiscal year, the Village of Oswego's General Fund reported a fund balance of \$4,938,468, a decrease of \$323,554, or (6.15%) from the prior year.

Overview of the Financial Statements

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: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets 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 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.

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009

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 and the Capital Improvement Fund, both 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 Village maintains one type of proprietary fund; this is called an enterprise fund. 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.

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.

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.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

The following chart reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2009	2008	2009	2008	2009
Assets:						
Current & other assets	\$ 18,681,035	\$ 12,830,989	\$ 8,123,617	\$ 3,579,005	\$ 26,804,652	\$ 16,409,994
Capital assets	288,549,870	295,838,541	53,901,906	54,347,584	342,451,776	350,186,125
Total assets	307,230,905	308,669,530	62,025,523	57,926,589	369,256,428	366,596,119
Liabilities:						
Current liabilities	3,415,311	3,206,462	3,020,859	1,122,755	6,436,170	4,329,217
Long-term liabilities	19,459,309	18,773,436	14,420,627	13,405,933	33,879,936	32,179,369
Total liabilities	22,874,620	21,979,898	17,441,486	14,528,688	40,316,106	36,508,586
Net Assets:						
Invested in capital assets, net	275,890,996	279,192,631	41,640,918	40,762,063	317,531,914	319,954,694
Restricted	2,271,727	2,603,394	899,500	899,500	3,171,227	3,502,894
Unrestricted	6,193,562	4,893,607	2,043,619	1,736,338	8,237,181	6,629,945
Total Net Assets	\$ 284,356,285	\$ 286,689,632	\$ 44,584,037	\$ 43,397,901	\$ 328,940,322	\$ 330,087,533

The majority of the Village of Oswego's net assets reflect 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 is reporting \$6,629,945 in unrestricted net assets in the current year. The Village of Oswego is reporting a positive balance of \$330,087,533 in net assets in the current year.

In the current year, the addition of new subdivisions in the Village caused the increase of both the right of way and infrastructure assets. The Village also acquired capital assets, which included vehicles for police and public works. No bond issuances were made this fiscal year. Cash balances have decreased significantly due to decreased revenues and bond monies from prior fiscal years being paid out for the Douglas Rd project and the remaining payouts of the new Village Hall building.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

Statement of Activities

The following chart reflects the condensed Statement of Activities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2009	2008	2009	2008	2009
REVENUES						
Program Revenues:						
Charges for Services	\$ 1,973,993	\$ 1,272,042	\$ 8,300,210	\$ 7,400,395	\$ 10,274,203	\$ 8,672,437
Capital Grants/Contrib.	4,638,376	7,447,372	1,474,988	166,998	6,113,364	7,614,370
Operating Grants/Contrib.	1,353,159	1,230,557	-	-	1,353,159	1,230,557
General Revenues:						
Property Taxes	1,149,608	1,258,277	-	-	1,149,608	1,258,277
Other Taxes	7,730,881	8,041,484	-	-	7,730,881	8,041,484
Other	1,301,758	937,113	228,086	95,400	1,529,844	1,032,513
Total Revenues	18,147,775	20,186,845	10,003,284	7,662,793	28,151,059	27,849,638
EXPENSES						
General Government	1,757,232	2,550,510	-	-	1,757,232	2,550,510
Building and Zoning	1,001,493	782,406	-	-	1,001,493	782,406
Community Dev.	447,050	567,010	-	-	447,050	567,010
Public Safety	7,264,710	7,281,633	-	-	7,264,710	7,281,633
Public Works	6,454,882	6,321,596	-	-	6,454,882	6,321,596
Interest on Debt	652,516	774,560	-	-	652,516	774,560
Water and Sewer	-	-	6,866,834	6,441,779	6,866,834	6,441,779
Garbage	-	-	1,675,620	1,982,933	1,675,620	1,982,933
Total Expenses	17,577,883	18,277,715	8,542,454	8,424,712	26,120,337	26,702,427
Change in Net Assets						
Before Transfers	569,892	1,909,130	1,460,830	(761,919)	2,030,722	1,147,211
Transfers	382,146	424,217	(382,146)	(424,217)	-	-
Change in Net Assets	952,038	2,333,347	1,078,684	(1,186,136)	2,030,722	1,147,211
Net Assets, Beginning of the Year	283,404,247	284,356,285	43,505,353	44,584,037	326,909,600	328,940,322
Net Assets, End of the Year	\$ 284,356,285	\$ 286,689,632	\$ 44,584,037	\$ 43,397,901	\$ 328,940,322	\$ 330,087,533

Key factors in the change in Net Assets in the Governmental Activities were:

The major reason why Net Assets increased FY 08/09 in the Governmental Activities section was the continued reporting of the infrastructure assets of the Village on the annual report. The vast majority of the \$7,447,372 amount in "Capital Grants and Contributions" under the revenue section of Governmental Activities above is from additional infrastructure assets that were contributed by developers during the fiscal year.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

Key factors in the change in Net Assets in Business-Type Activities:

The total change in net assets for the Business Type Activities is (\$1,186,136). The majority of the decrease in Charges for Service revenue of \$899,815 came from a decrease in water tap on fees and meter fees. These fees are directly associated with new building permits. There was also a large decrease of \$1.3 million in Capital Contributions. These contributions consist of the water and sewer mains dedicated to the Village by developers. The Water and Sewer Fund's operating expenses did decrease from FY 07/08, however, due to the substantial decrease in revenues, the Net Assets for Business Type Activities finished lower in FY 08/09.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The General Fund is the chief operating fund of the Village of Oswego. At the end of the 08/09 fiscal year, fund balance of the General Fund was \$4,938,468. This is a decrease of \$323,554 from FY 07/08. This was due to a decrease in General Fund revenues, as well as a decrease to accounts receivable of \$184,192 because of a bankruptcy.

The Capital Improvement Fund spent just under \$5.0 million in FY 08/09 on the Douglas Rd project. The Fund's balance decreased to \$1,288,203 at the end of FY 08/09 due to the spend down of bond proceeds during the fiscal year.

The non-major governmental funds saw, for the most part, most of the same activity in FY 08/09 as compared to FY 07/08. The Motor Fuel Tax (MFT) Fund spent funds for its annual road program and bond payment for the Douglas Rd project. The fund balance of the MFT Fund was \$607,609 at the end of FY 08/09. The Debt Service Fund's fund balance was \$15,167 at the end of FY 08/09, continuing with the change in accounting procedures as suggested by bond counsel in FY 07/08. The Special Census Fund completed a full special census in FY 08/09. The fund finished with a fund balance of \$199,975. Because a full census is being completed in 2010, Village board has decided to close out the fund into the General Fund in FY 09/10. This will provide additional monies for the General Fund during this economic hardship.

Proprietary Funds

The Water and Sewer Fund had \$1,361,000 in unrestricted net assets and \$43,022,563 in total net assets at the end of the 08/09 fiscal year. The Water and Sewer Fund operating revenues were down by \$158,729 and operating expenses were down by \$466,840 as compared to the prior fiscal year, and the change in net assets for the current year was (\$1,255,561). The deficit in the operations of the fund continues to be a concern. A study of Village water rates was conducted in FY 08/09 to determine if the Village is truly covering its costs with its current rates. The water rate study is still being analyzed. The Garbage Fund had an increase in net assets in the current year of \$69,425 and the fund had an unrestricted net asset balance of \$375,338. The Garbage Fund operates with a contractual waste hauler, thereby keeping costs to a minimum.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule:

	Final Budget	Actual
General Fund:		
Revenues:		
Taxes	\$ 8,817,734	\$ 7,837,057
Licenses and Permits	1,449,545	944,023
Intergovernmental	176,483	118,881
Charges for Services	1,325,262	1,464,554
Fines and Forfeits	214,600	249,239
Investment Income	170,000	66,320
Other	356,293	395,884
Total:	12,509,917	11,075,958
Expenditures:		
Current Expenditures	12,463,785	11,855,125
Total	\$ 12,463,785	\$ 11,855,125
Change in Fund Balance	\$ 46,132	\$ (779,167)

The General Fund Revenues were \$1,433,959 under budget in the current year, with close to \$1.0 million of the difference in taxes. FY 08/09 was the second year of the housing market slow-down which was an unforeseen downturn in the economy in 2006 and forced very specific “belt-tightening” measures in the FY 08/09 budget. Also, the Village of Oswego will continually adjust its budget to be more consistent with the current year tax revenue receipts. However, the speed at which Oswego is growing, even in this slower market, makes estimating revenues somewhat difficult, especially the Utility Tax and Telecommunication Tax.

The General Fund Expenditures were \$608,660 under budget in the current year. This variance includes savings realized from staffing positions remaining vacant for extended periods of time due to employee turnover. Another savings realized that is directly related to salaries is that merit increases are budgeted at the maximum but not all employees receive the maximum. Therefore, there are several thousands of dollars saved based upon this fact. The FY 09/10 budget has eliminated a merit increase altogether. Quantifying the savings from these two areas are difficult due to the nature and timing of these occurrences. However, every department in the General Fund holds the line when it comes to spending money. Funds are spent only when needed, not because there is a budget in place authorizing the expenditure. This is the conservative nature Oswego takes in spending its funds.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

During the fiscal year, the Village amended the FY 08/09 budget for several reasons. Because remaining bond money from the 2006A bond issuance could be used to make next year's bond payment, there was a decrease to Transfers to Capital Reserve of \$400,000. State Grant revenues increased by \$74,983 because the Village received two additional grants during the fiscal year. There were increases to Community Development's Other Capital Outlay (\$24,983) and Police's Other Capital Outlay (\$47,112) to offset these two grants. The Board authorized the use of Recycling Funds to cover the overage in costs for the Christmas Walk causing the Transfer In revenue to increase by \$15,000. Expenses in Decorations and Community Relations increased to accommodate for these expenses. Miscellaneous Professional Services was increased \$75,000 to cover the costs of a Transportation plan that was originally budgeted in FY 07/08, but not performed until FY 08/09. Due to the impact of a harsh winter, Street/Storm Sewer Maintenance was increased by \$117,297. Finally, the Village had to adjust the budget for salt purchase to maintain its streets by \$100,000 due to the price of salt.

CAPITAL ASSET AND DEBT ADMINISTRATION

**Governmental Activities
Change in Capital Assets**

	Balance May 1, 2008	Net Additions/ Deletions	Balance April 30, 2009
Non-Depreciable Assets:			
Land	\$ 1,312,153	\$ -	\$ 1,312,153
Right of Way	97,000,285	2,906,448	99,906,733
CIP	7,739,202	(2,576,055)	5,163,147
Other Capital Assets			
Buildings	2,191,823	7,323,565	9,515,388
Equipment	1,104,296	-	1,104,296
Vehicles	1,329,188	(83,946)	1,245,242
Infrastructure	212,991,981	4,325,689	217,317,670
Accum. Depreciation on Capital Assets	(35,119,058)	(4,607,030)	(39,726,088)
Total	\$ 288,549,870	\$ 7,288,671	\$ 295,838,541

The Village of Oswego's investment in capital assets for its governmental activities as of April 30, 2009, was \$295,838,541 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, facilities, vehicles and infrastructure.

The completion of the new Village Hall project saw the Construction in Progress (CIP) amount decrease and the Buildings amount increase. The addition of new subdivision roads in the Village is the cause of the increase of both the right of way and infrastructure assets, to \$99,906,733 and \$217,317,670, respectively. The normal course of replacing or adding/retiring new vehicles saw this asset item decrease slightly to \$1,245,242. Land and equipment remained flat this fiscal year. The Village's capitalization threshold is \$10,000 for a single piece of equipment, machinery, or vehicle, \$50,000 for land improvements, \$100,000 for buildings, \$200,000 for general infrastructure, and \$50,000 for computer software.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

**Business-Type Activities
Change in Capital Assets**

	Balance May 1, 2008	Net Additions/ Deletions	Balance April 30, 2009
Non-Depreciable Assets:			
Land	\$ 760,780	\$ 137,091	\$ 897,871
CIP	3,284,968	(2,252,838)	1,032,130
Other Capital Assets			
Buildings	3,013,942	3,598,729	6,612,671
Equipment	130,417	-	130,417
Vehicles	961,483	175,601	1,137,084
Infrastructure	57,016,599	561,765	57,578,364
Accum. Depreciation on Capital Assets	(11,266,283)	(1,774,670)	(13,040,953)
Total	\$ 53,901,906	\$ 445,678	\$ 54,347,584

The Village of Oswego's investment in capital assets for its business-type activities as of April 30, 2009, was \$54,347,584 (net of accumulated depreciation). This investment in capital assets includes property and improvements, equipment, vehicles and infrastructure (e.g. water supply lines and sanitary sewer lines). The major capital asset events during the current fiscal year included:

- In the Business-Type Funds, the new Village Hall and Route 34 water main extension were both moved out of Construction in Progress and into their correct capital asset category, Buildings for the new Village Hall and Infrastructure for Route 34 water main extension.
- Contributed infrastructure assets of water supply lines and sanitary sewer lines totaled \$166,998 for the fiscal year. All developers in the Village's corporate limits are required to install these infrastructure items during construction of their projects. Once completed, these items are then deeded to the Village, who will then maintain and replace this infrastructure as needed.
- During the normal course of adding new vehicles, whether as replacements or as new vehicles, to the Public Works fleet, purchases totaling \$189,176 were added in the fiscal year.
- Work on a new Well and Tower did start in FY 08/09. This is the amount remaining in Construction in Progress (CIP) of \$1,032,130.

Future construction commitments for the Village of Oswego are as follows:

- Completion of Douglas Road – Douglas Road between Routes 30 and 34 will be widened with curb and gutter and storm sewer added. This project started in early 2008 and the current estimated cost is approximately \$14.9 million.
- New Well and Tower – A new well and tower on the west side of the Village is planned to start in FY 08/09 with an estimated cost of \$6.5 million.

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

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2009**

Debt Administration

In FY 06/07, Moody's Investors Service assigned the Village of Oswego's bond rating to A1, up from A2. Of special note, the Village's bond rating increased in 2004 from an A3 rating to an A2. Moody's changed the Village's ratings for the following reasons: stable reserves in Village funds; increased reserves in the General Fund; and, no non-payment of any debt due in the past.

In fiscal year 08/09, the Village became a home rule community. To date the General Assembly has set no debt limits for home rule municipalities.

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

ECONOMIC FACTORS

The Village of Oswego is located approximately 50 miles southwest of downtown Chicago. Based upon the 2008 EAV, 100% is located in Kendall County.

The 2008 unemployment rate according to the Illinois Department of Employment Services for the Village of Oswego is 5.2%, which compares slightly favorably to the Illinois State unemployment rate of 6.5% as well as to the National rate of 5.8%.

According to the 2000 Census, the Village of Oswego had a median family income of \$79,929. This compares favorably to \$69,383 for Kendall County and \$55,545 for the State of Illinois. Obviously, these figures are quite old but are the best resource the Village has until the next complete census is done in 2010.

As part of the budget process each year, the Village of Oswego analyzes the fees it charges to its residents, developers and contractors doing business in the Village. This is accomplished by surveying surrounding towns as well as other municipalities that are experiencing similar growth patterns compared to Oswego.

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.

(This page is intentionally left blank.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 8,892,477	\$ 382,507	\$ 9,274,984
Restricted cash and investments	-	1,315,362	1,315,362
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	1,249,762	-	1,249,762
Accounts	185,280	1,740,283	1,925,563
Intergovernmental	1,806,795	-	1,806,795
Utility taxes	111,826	-	111,826
Accrued interest	6,114	29,002	35,116
Notes	284,669	-	284,669
Prepaid expenses	138,924	25,917	164,841
Due from fiduciary funds	2,265	1,742	4,007
Capital assets not being depreciated	106,382,033	1,930,001	108,312,034
Capital assets being depreciated (net of accumulated depreciation)	189,456,508	52,417,583	241,874,091
Deferred charges	152,877	84,192	237,069
Total assets	308,669,530	57,926,589	366,596,119
LIABILITIES			
Accounts payable	631,519	858,664	1,490,183
Accrued payroll	145,520	14,238	159,758
Retainage payable	87,097	50,753	137,850
Due to fiduciary funds	-	500	500
Escrow deposits	92,269	-	92,269
Unearned revenue	1,971,948	-	1,971,948
Interest payable	278,109	198,600	476,709
Long-term liabilities			
Due within one year	836,640	1,088,238	1,924,878
Due in more than one year	17,936,796	12,317,695	30,254,491
Total liabilities	21,979,898	14,528,688	36,508,586
NET ASSETS			
Invested in capital assets, net of related debt	279,192,631	40,762,063	319,954,694
Restricted for			
Highways and streets	607,609	-	607,609
Special projects	1,306,251	-	1,306,251
Economic development	378,066	-	378,066
Debt service	15,167	-	15,167
Road fees	296,301	-	296,301
Radium removal	-	899,500	899,500
Unrestricted	4,893,607	1,736,338	6,629,945
TOTAL NET ASSETS	\$ 286,689,632	\$ 43,397,901	\$ 330,087,533

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2009

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,550,510	\$ 71,824	\$ 45,993	\$ 43,540
Building and zoning	782,406	544,440	372,082	-
Community development	567,010	168,897	-	-
Public safety	7,281,633	486,881	118,881	-
Public works	6,321,596	-	693,601	7,403,832
Interest	774,560	-	-	-
Total governmental activities	18,277,715	1,272,042	1,230,557	7,447,372
Business-Type Activities				
Water and sewer	6,441,779	5,348,323	-	166,998
Garbage	1,982,933	2,052,072	-	-
Total business-type activities	8,424,712	7,400,395	-	166,998
TOTAL PRIMARY GOVERNMENT	\$ 26,702,427	\$ 8,672,437	\$ 1,230,557	\$ 7,614,370

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (2,389,153)	\$ -	\$ (2,389,153)
	134,116	-	134,116
	(398,113)	-	(398,113)
	(6,675,871)	-	(6,675,871)
	1,775,837	-	1,775,837
	(774,560)	-	(774,560)
	(8,327,744)	-	(8,327,744)
	-	(926,458)	(926,458)
	-	69,139	69,139
	-	(857,319)	(857,319)
	(8,327,744)	(857,319)	(9,185,063)
General Revenues			
Taxes			
Property	1,258,277	-	1,258,277
Sales	3,444,187	-	3,444,187
Telecommunication	1,067,075	-	1,067,075
Personal property replacement	10,366	-	10,366
Utility	957,052	-	957,052
Other	2,562,804	-	2,562,804
Investment income	229,198	95,400	324,598
Miscellaneous	707,915	-	707,915
Transfers in (out)	424,217	(424,217)	-
Total	10,661,091	(328,817)	10,332,274
CHANGE IN NET ASSETS	2,333,347	(1,186,136)	1,147,211
NET ASSETS, MAY 1	284,356,285	44,584,037	328,940,322
NET ASSETS, APRIL 30	\$ 286,689,632	\$ 43,397,901	\$ 330,087,533

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2009

	General	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 3,940,792	\$ 2,137,884	\$ 2,813,801	\$ 8,892,477
Receivables				
Property taxes	1,249,762	-	-	1,249,762
Accounts	173,302	-	11,978	185,280
Intergovernmental	1,748,861	-	57,934	1,806,795
Utility tax	111,826	-	-	111,826
Accrued interest	3,532	-	2,582	6,114
Notes	-	-	284,669	284,669
Prepaid items	138,924	-	-	138,924
Due from other funds	413	-	-	413
Due from fiduciary funds	2,265	-	-	2,265
TOTAL ASSETS	\$ 7,369,677	\$ 2,137,884	\$ 3,170,964	\$ 12,678,525
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 559,142	\$ 67,541	\$ 4,836	\$ 631,519
Accrued payroll	145,388	-	132	145,520
Retainage payable	-	87,097	-	87,097
Escrow deposits	-	-	92,269	92,269
Deferred revenue	1,726,679	695,043	27,143	2,448,865
Due to other funds	-	-	413	413
Total liabilities	2,431,209	849,681	124,793	3,405,683
FUND BALANCES				
Reserved for notes receivable	-	-	284,669	284,669
Reserved for prepaid items	138,924	-	-	138,924
Reserved for highways and streets	-	-	607,609	607,609
Reserved for special projects	-	-	1,306,251	1,306,251
Reserved for economic development	-	-	93,397	93,397
Reserved for debt service	-	-	15,167	15,167
Reserved for road fees	-	296,301	-	296,301
Unreserved - undesignated				
General Fund	4,799,544	-	-	4,799,544
Special Revenue Funds	-	-	739,078	739,078
Capital Projects Fund	-	991,902	-	991,902
Total fund balances	4,938,468	1,288,203	3,046,171	9,272,842
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,369,677	\$ 2,137,884	\$ 3,170,964	\$ 12,678,525

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 ASSETS

April 30, 2009

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 9,272,842
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	295,838,541
Certain state tax revenues that are deferred in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements	476,917
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 assets.	
Bonds payable	\$ (17,810,000)
Unamortized discount on bonds payable	63,974
Compensated absences payable	(298,479)
Retirement benefit payable	(77,205)
Net pension obligation	(651,726)
Deferred charges	152,877
Interest payable	(278,109)
	<u>(18,898,668)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 286,689,632</u>

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, 2009

	General	Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 7,837,057	\$ -	\$ 418,994	\$ 8,256,051
Licenses and permits	944,023	-	-	944,023
Intergovernmental	118,881	54,957	784,472	958,310
Charges for services	1,464,554	-	43,205	1,507,759
Fines and forfeits	249,239	-	10,396	259,635
Investment income	66,320	98,802	64,076	229,198
Miscellaneous	395,884	-	349,854	745,738
Developer contributions	-	66,208	-	66,208
Total revenues	11,075,958	219,967	1,670,997	12,966,922
EXPENDITURES				
Current				
General government	1,946,283	-	391,067	2,337,350
Building and zoning	783,117	-	-	783,117
Community development	564,967	-	-	564,967
Public safety	7,121,774	-	22,390	7,144,164
Public works	1,438,984	-	406,872	1,845,856
Capital outlay	-	4,880,950	-	4,880,950
Debt service				
Principal retirement	-	-	720,000	720,000
Interest and fiscal charges	-	-	763,476	763,476
Total expenditures	11,855,125	4,880,950	2,303,805	19,039,880
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(779,167)	(4,660,983)	(632,808)	(6,072,958)
OTHER FINANCING SOURCES (USES)				
Transfers in	439,217	184,952	1,446,182	2,070,351
Transfers (out)	-	(584,952)	(1,061,182)	(1,646,134)
Proceeds from the sale of capital assets	16,396	-	8,280	24,676
Total other financing sources (uses)	455,613	(400,000)	393,280	448,893
NET CHANGE IN FUND BALANCES	(323,554)	(5,060,983)	(239,528)	(5,624,065)
FUND BALANCES, MAY 1	5,262,022	6,349,186	3,285,699	14,896,907
FUND BALANCES, APRIL 30	\$ 4,938,468	\$ 1,288,203	\$ 3,046,171	\$ 9,272,842

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, 2009

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (5,624,065)
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	4,832,478
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	(4,763,220)
Capital contributions by developers are reported as revenue in the statement of activities	7,232,137
The loss on disposal of capital assets is reported as an expense on the statement of activities	(12,724)
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 Net pension obligation Bonds payable Change in interest	(21,089) 6,704 (13,576) 720,000 10,659
The amortization of bond issuance costs and unamortized discount are recorded as interest expense on the statement of activities	(21,743)
Certain state tax revenues not collected as of the year end are not considered "available" revenues in the governmental funds, but are recognized as revenue in the statement of activities	(12,214)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 2,333,347</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

April 30, 2009

	Business-Type Activities		
	Water and Sewer	Garbage	Total
CURRENT ASSETS			
Cash and investments	\$ 252,022	\$ 130,485	\$ 382,507
Accounts receivable	1,324,673	415,610	1,740,283
Restricted cash and investments			
Cash with paying agent	415,862	-	415,862
IEPA restriction	899,500	-	899,500
Accrued interest receivable	29,002	-	29,002
Prepaid expenses	25,917	-	25,917
Due from fiduciary funds	1,742	-	1,742
Total current assets	2,948,718	546,095	3,494,813
NONCURRENT ASSETS			
Capital assets			
Capital assets, net of depreciation			
Nondepreciable assets	1,930,001	-	1,930,001
Depreciable buildings, property, infrastructure	65,458,538	-	65,458,538
Accumulated depreciation	(13,040,955)	-	(13,040,955)
Total capital assets	54,347,584	-	54,347,584
Deferred charges	84,192	-	84,192
Total noncurrent assets	54,431,776	-	54,431,776
Total assets	57,380,494	546,095	57,926,589

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS (Continued)
 PROPRIETARY FUNDS

April 30, 2009

	Business-Type Activities		
	Water and Sewer	Garbage	Total
CURRENT LIABILITIES			
Accounts payable	\$ 687,907	\$ 170,757	\$ 858,664
Accrued payroll	14,238	-	14,238
Retainage payable	50,753	-	50,753
Compensated absences	9,841	-	9,841
Interest payable	198,600	-	198,600
Due to fiduciary funds	500	-	500
IEPA loans payable	108,397	-	108,397
Bonds payable	970,000	-	970,000
Total current liabilities	2,040,236	170,757	2,210,993
LONG-TERM LIABILITIES			
Unamortized bond premium	7,715	-	7,715
Unamortized bond discount	(40,421)	-	(40,421)
Unamortized loss on refunding	(270,329)	-	(270,329)
Compensated absences	5,367	-	5,367
IEPA loans payable	1,470,363	-	1,470,363
Bonds payable	11,145,000	-	11,145,000
Total long-term liabilities	12,317,695	-	12,317,695
Total liabilities	14,357,931	170,757	14,528,688
NET ASSETS			
Invested in capital assets, net of related debt	40,762,063	-	40,762,063
Restricted for radium removal	899,500	-	899,500
Unrestricted	1,361,000	375,338	1,736,338
TOTAL NET ASSETS	\$ 43,022,563	\$ 375,338	\$ 43,397,901

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2009

	Business-Type Activities		
	Water and Sewer Fund	Garbage Fund	Total
OPERATING REVENUES			
Charges for services	\$ 4,658,357	\$ 2,052,072	\$ 6,710,429
OPERATING EXPENSES			
Administration	433,154	-	433,154
Production	3,630,145	1,982,933	5,613,078
Depreciation and amortization	1,832,840	-	1,832,840
Total operating expenses	5,896,139	1,982,933	7,879,072
OPERATING INCOME (LOSS)	(1,237,782)	69,139	(1,168,643)
NONOPERATING REVENUES (EXPENSES)			
Connection fees	689,966	-	689,966
Investment income	95,114	286	95,400
Interest expense	(545,640)	-	(545,640)
Total nonoperating revenues (expenses)	239,440	286	239,726
NET INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(998,342)	69,425	(928,917)
Transfers (out)	(424,217)	-	(424,217)
Contributions	166,998	-	166,998
CHANGE IN NET ASSETS	(1,255,561)	69,425	(1,186,136)
NET ASSETS, MAY 1	44,278,124	305,913	44,584,037
NET ASSETS, APRIL 30	\$ 43,022,563	\$ 375,338	\$ 43,397,901

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2009

	Business-Type Activities		
	Water and Sewer Fund	Garbage Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 4,579,924	\$ 1,980,101	\$ 6,560,025
Payments to suppliers	(4,251,730)	(2,103,280)	(6,355,010)
Payments to employees	(1,158,892)	-	(1,158,892)
Interfund charges	(433,187)	-	(433,187)
Net cash from operating activities	(1,263,885)	(123,179)	(1,387,064)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer (out)	(424,217)	-	(424,217)
Net cash from noncapital financing activities	(424,217)	-	(424,217)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(2,025,005)	-	(2,025,005)
Connection fees	689,966	-	689,966
Bond principal payments	(940,000)	-	(940,000)
IEPA loan principal payments	(105,551)	-	(105,551)
Interest paid	(592,770)	-	(592,770)
Net cash from capital and related financing activities	(2,973,360)	-	(2,973,360)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	95,114	286	95,400
Net cash from investing activities	95,114	286	95,400
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,566,348)	(122,893)	(4,689,241)
CASH AND CASH EQUIVALENTS, MAY 1	6,133,732	253,378	6,387,110
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,567,384	\$ 130,485	\$ 1,697,869

(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, 2009

	Business-Type Activities		
	Water and Sewer Fund	Garbage Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,237,782)	\$ 69,139	\$ (1,168,643)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization	1,832,840	-	1,832,840
Changes in assets and liabilities			
Accounts receivable	(78,923)	(71,971)	(150,894)
Prepaid expenses	(20,959)	(120,347)	(141,306)
Accounts payable	(1,713,687)	-	(1,713,687)
Accrued payroll	(43,028)	-	(43,028)
Compensated absences	(2,346)	-	(2,346)
NET CASH FROM OPERATING ACTIVITIES	\$ (1,263,885)	\$ (123,179)	\$ (1,387,064)
CASH AND CASH EQUIVALENTS			
Unrestricted cash and cash equivalents	\$ 252,022	\$ 130,485	\$ 382,507
Restricted cash and cash equivalents			
Cash with paying agent	415,862	-	415,862
IEPA restriction	899,500	-	899,500
TOTAL CASH AND CASH EQUIVALENTS	\$ 1,567,384	\$ 130,485	\$ 1,697,869
NONCASH TRANSACTIONS			
Developer capital contributions	\$ 166,998	\$ -	\$ 166,998

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS

April 30, 2009

	Pension Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 122,064	\$ 412,302
Investments, at fair value		
U.S. Government securities	3,468,822	-
Insurance contracts	2,802,373	-
Equity mutual funds	1,583,187	-
Accounts receivable	-	138,611
Accrued interest receivable	15,357	-
Due from other funds	-	500
	<u>7,991,803</u>	<u>\$ 551,413</u>
LIABILITIES		
Accounts payable	-	\$ 14,015
Due to others	-	534,669
Due to other funds	1,278	2,729
	<u>1,278</u>	<u>\$ 551,413</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 7,990,525</u></u>	

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUND

For the Year Ended April 30, 2009

ADDITIONS	
Contributions	
Employer	\$ 752,748
Employee	524,960
	<hr/>
Total contributions	1,277,708
	<hr/>
Investment income	
Net appreciation (depreciation) in fair value of investments	(1,357,620)
Interest	274,052
	<hr/>
Total investment income	(1,083,568)
	<hr/>
Less investment expense	-
	<hr/>
Net investment income	(1,083,568)
	<hr/>
Total additions	194,140
	<hr/>
DEDUCTIONS	
Benefits and refunds	192,405
Administration	9,825
	<hr/>
Total deductions	202,230
	<hr/>
NET INCREASE (DECREASE)	(8,090)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
May 1	7,998,615
	<hr/>
April 30	\$ 7,990,525
	<hr/> <hr/>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

April 30, 2009

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. It is located in the Chicago metropolitan area, approximately 45 miles southwest of downtown Chicago. The Village operates under a Village-Board Trustee form of government providing services which include public safety, highways and roads, water and waste removal services and general administrative services. The Village of Oswego Board (the Board) is the designated governing body of the Village. The Village's structure and legal activities are controlled by state statute. The primary function of the Board is to establish the various budgets for Village funds and to levy taxes for Village purposes. In addition, the Board adopts ordinances and rules pertaining to the management and operations of village departments.

The Village has defined its reporting entity in accordance with GASB Statement No. 14. 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds) and 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). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise 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 assets 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. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 required to be accounted for in another fund.

The Capital Improvement Fund is used to account for the Village's purchase or construction of major capital facilities not being financed by proprietary funds.

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.

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 nonoperating.

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. 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 taxes, 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 revenue on its financial statements. Deferred/unearned 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 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 for deferred/unearned 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 noninterest-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 are stated at fair value, except for nonnegotiable certificates and other nonpension fund investments with a maturity of less than one year at date of purchase which are stated at cost or amortized cost.

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. 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 estimated fair market 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:

Buildings	40 years
Vehicles	3-7 years
Equipment	5-10 years
Infrastructure	25-75 years

j. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. 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, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and any gain or loss on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

l. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance, if any, represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. In the Capital Improvement Fund, the reservation of fund balance for road fees is a result of enabling legislation adopted by the Village. This is also shown as restricted net assets on the statement of net assets. Invested in capital assets, net of related debt, is the book value of the capital assets net of any debt outstanding that was issued to construct or acquire the capital assets.

m. 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.

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 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.

The Police Pension Fund can invest in the same securities as the Village, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions, Illinois insurance company general and separate accounts and equity mutual 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. At April 30, 2009, the Village had \$680,707 of uninsured/uncollateralized deposits, which is in violation of its investment policy.

Village Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-2	3-5	Greater than 5
U.S. Treasury obligations	\$ 374,094	\$ 161,087	\$ 40,965	\$ 172,042	\$ -
U.S. agency obligations	365,420	-	233,974	131,446	-
Illinois Funds	2,475,323	2,475,323	-	-	-
Money market mutual funds	354,604	354,604	-	-	-
TOTAL	\$ 3,569,441	\$ 2,991,014	\$ 274,939	\$ 303,488	\$ -

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.

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.

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.

Police Pension Fund Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to them. The Police Pension Fund's investment policies require that bank balances may not be in excess of federal depository insurance.

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

2. CASH AND INVESTMENTS (Continued)

Police Pension Fund Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2009:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury strips	\$ 602,199	\$ -	\$ -	\$ 148,631	\$ 453,568
U.S. agency obligations	2,866,623	-	-	-	2,866,623
TOTAL	\$ 3,468,822	\$ -	\$ -	\$ 148,631	\$ 3,320,191

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.

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 investment policy requires that investments in Illinois municipal bonds (if any) are rated a minimum of A. The U.S. agency securities are rated AAA by Moody's or Standard and Poor's or are small issues that are unrated.

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 is exposed to custodial credit risk since the broker also serves as the custodian of the investments. The Police Pension Fund's investment policy does not address custodial credit risk. The money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk - The Police Pension Fund's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle to 10% of the portfolio, exclusive of direct obligations of the U.S. Treasury and the money market account. At April 30, 2009, the Village had three separate annuity contracts that were each valued at greater than 5.00% of the total plan net assets for the Police Pension Fund.

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.

3. RECEIVABLE - TAXES

Property taxes for 2008 attach as an enforceable lien on January 1, 2008, 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, 2009, and are payable in two installments, on or about June 1, 2009 and September 1, 2009. The County collects such taxes and remits them periodically. Because the 2008 levy is intended to finance the fiscal year ended April 30, 2010, it has been offset by deferred revenue at April 30, 2009. The 2009 tax levy, which attached as an enforceable lien on property as of January 1, 2009, has not been recorded as a receivable as of April 30, 2009, as the tax has not yet been levied by the Village and will not be levied until December 2009 and, therefore, the levy is not measurable at April 30, 2009.

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, 2009:

During the fiscal year 2009, the Village entered into an installment note with the Oswego Tap House in the amount of \$249,241. The note is payable in monthly installments of \$2,897 through October 2016, which includes 3.0% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2009 was \$228,572.

During the fiscal year 2009, the Village entered into a second installment note with the Oswego Tap House in the amount of \$60,000. The note is payable in monthly installments of \$579 through July 2018, which includes 3.0% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2009 was \$56,097.

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

4. NOTES RECEIVABLE - ECONOMIC DEVELOPMENT (Continued)

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

Year Ending April 30,	Amount
2010	\$ 41,714
2011	41,714
2012	41,714
2013	41,714
2014	41,714
2015	41,714
2016	41,714
2017	18,540
2018	6,952
2019	1,740
	<hr/>
Total principal and interest	319,230
Interest	(34,561)
	<hr/>
TOTAL PRINCIPAL	<u>\$ 284,669</u>

5. DUE FROM OTHER GOVERNMENTS

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

GOVERNMENTAL ACTIVITIES		
Sales tax	\$ 1,113,394	
Income tax	371,222	
Telecommunications tax	264,245	
Motor fuel tax	57,934	
	<hr/>	
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,806,795</u>	

6. INDIVIDUAL FUND DISCLOSURES

a. Interfund receivable/payables at April 30, 2009 are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 413
Water and Sewer	Fiduciary (Agency)	1,742
Fiduciary	Water and Sewer	500
General	Fiduciary (Agency)	987
General	Fiduciary (Pension Trust)	1,278
		<hr/>
TOTAL		<u>\$ 4,920</u>

All amounts will be repaid within one year.

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers between funds at April 30, 2009 consist of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 439,217	\$ -
Capital Improvement	184,952	584,952
Motor Fuel Tax	-	302,258
Public Service	-	15,000
Debt Service	1,046,182	-
Capital Reserve	400,000	743,924
Water and Sewer	-	424,217
TOTAL	<u>\$ 2,070,351</u>	<u>\$ 2,070,351</u>

Significant interfund transfers are as follows:

- \$424,217 transferred from the Water and Sewer Fund to the General Fund is a payment in lieu of property taxes.
- \$400,000 transferred from the Capital Improvements Fund to the Capital Reserve Fund is for the repayment of principal and interest of the Series 2006A bonds.
- \$302,258 transferred from the Motor Fuel Tax Fund to the Capital Improvement Fund (\$184,952) and to the Debt Service Fund (\$117,306) is to set aside funds for the repayment of principal and interest of the Series 2007B bonds.
- \$743,924 transferred from the Capital Reserve Fund to the Debt Service Fund is to cover the non-MFT funded portion of the principal and interest of the Series 2007B bonds (\$58,742), and for the repayment of principal and interest of the Series 2006A bonds (\$685,182).
- \$184,952 transferred from the Capital Improvement Fund to the Debt Service Fund is for the repayment of principal and interest of the Series 2007B bonds.

None of the transfers will be repaid.

c. Deficit Fund Balances

As of April 30, 2009, the Senior Meals Fund had a deficit fund balance of \$4,784.

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

7. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,312,153	\$ -	\$ -	\$ 1,312,153
Right of way	97,000,285	2,906,448	-	99,906,733
Construction in progress	7,739,202	4,698,636	7,274,691	5,163,147
Total capital assets not being depreciated	106,051,640	7,605,084	7,274,691	106,382,033
Capital assets being depreciated				
Buildings	2,191,823	7,323,565	-	9,515,388
Equipment	1,104,296	-	-	1,104,296
Vehicles	1,329,188	84,968	168,914	1,245,242
Infrastructure	212,991,981	4,325,689	-	217,317,670
Total capital assets being depreciated	217,617,288	11,734,222	168,914	229,182,596
Less accumulated depreciation for				
Buildings	833,264	238,105	-	1,071,369
Equipment	784,856	95,910	-	880,766
Vehicles	1,158,338	103,125	156,190	1,105,273
Infrastructure	32,342,600	4,326,080	-	36,668,680
Total accumulated depreciated	35,119,058	4,763,220	156,190	39,726,088
Total capital assets being depreciated, net	182,498,230	6,971,002	12,724	189,456,508
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 288,549,870	\$ 14,576,086	\$ 7,287,415	\$ 295,838,541
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 760,780	\$ 137,091	\$ -	\$ 897,871
Construction in progress	3,284,968	1,032,130	3,284,968	1,032,130
Total capital assets not being depreciated	4,045,748	1,169,221	3,284,968	1,930,001
Capital assets being depreciated				
Buildings	3,013,942	3,598,729	-	6,612,671
Equipment	130,417	-	-	130,417
Vehicles	961,483	189,176	13,575	1,137,084
Infrastructure	57,016,599	561,765	-	57,578,364
Total capital assets being depreciated	61,122,441	4,349,670	13,575	65,458,536
Less accumulated depreciation for				
Buildings	426,200	169,088	-	595,288
Equipment	31,483	14,916	-	46,399
Vehicles	312,094	180,737	13,575	479,256
Infrastructure	10,496,506	1,423,504	-	11,920,010
Total accumulated depreciation	11,266,283	1,788,245	13,575	13,040,953
Total capital assets being depreciated, net	49,856,158	2,561,425	-	52,417,583
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	\$ 53,901,906	\$ 3,730,646	\$ 3,284,968	\$ 54,347,584

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

7. CAPITAL ASSETS (Continued)

a. (Continued)

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 224,547
Public safety		183,814
Public works		<u>4,354,859</u>
TOTAL DEPRECIATION EXPENSE – GOVERNMENTAL ACTIVITIES		<u>\$ 4,763,220</u>

b. Construction Contracts

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Project Authorizations	Expended to Date	Remaining Commitment
New Village Hall	\$ 13,649,594	\$ 11,699,338	\$ 1,950,256
TOTAL	<u>\$ 13,649,594</u>	<u>\$ 11,699,338</u>	<u>\$ 1,950,256</u>

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:

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$3,300,000 General Obligation Alternate Revenue Source Bonds, Series 2004A, dated September 1, 2004, due in annual installments of \$115,000 to \$435,000 through December 15, 2024, interest at 3.30% to 4.50% payable each June 15 and December 15 from sales tax revenues	Debt Service	Town Center Renovation Project	\$ 2,935,000	\$ -	\$ 125,000	\$ 2,810,000	\$ 125,000
\$9,970,000 General Obligation Alternate Revenue Source Bonds, Series 2006A, dated December 15 2006, due in annual installments of \$375,000 to \$700,000 through December 15, 2025, interest at 4.125% to 4.50% payable each June 15 and December 15 from sales tax revenues	Debt Service	New Village Hall Facility and Town Center Renovation Project	9,595,000	-	385,000	9,210,000	400,000
\$6,000,000 General Obligation Alternate Revenue Source Bonds, Series 2007B, dated December 15, 2007, due in annual installments of \$210,000 to \$425,000 through December 15, 2027, interest at 3.750% to 4.000% payable each June 15 and December 15 from sales tax and motor fuel tax revenues	Debt Service	Douglas Road Reconstruct	6,000,000	-	210,000	5,790,000	215,000
TOTAL GOVERNMENTAL ACTIVITIES			\$18,530,000	\$ -	\$ 720,000	\$17,810,000	\$ 740,000

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	Balances April 30	Current Portion
\$4,400,000 General Obligation Alternate Revenue Source Bonds, Series 1997B, dated July 1, 1997, due in annual installments of \$100,000 to \$450,000 through May 1, 2012, interest at 4.875% to 5.000% payable each May 1 and November 1 from water and sewer fund revenues	Water and Sewer	Improve Water and Sewerage System	\$ 2,000,000	\$ -	\$ 350,000	\$ 1,650,000	\$ 375,000
\$4,045,000 General Obligation Refunding Alternate Revenue Source Bonds, Series 2004, dated May 4, 2004, due in annual installments of \$40,000 to \$390,000 through December 30, 2019, interest at 2.500% to 4.000% payable each June 30 and December 30 from water and sewer fund revenues	Water and Sewer	Refund portion of 1999 bonds	3,835,000	-	265,000	3,570,000	270,000
\$2,500,000 General Obligation Alternate Revenue Source Bonds, Series 2004B, dated September 1, 2004, due in annual installments of \$85,000 to \$390,000 through December 15, 2024, interest at 3.000% to 4.550% payable each June 15 and December 15 from water and sewer fund revenues	Water and Sewer	Town Center Renovation Project	2,235,000	-	100,000	2,135,000	100,000

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	Balances April 30	Current Portion
<p>\$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</p>	<p>Water and Sewer</p>	<p>Town Center Renovation Project</p>	<p>\$ 1,485,000</p>	<p>\$ -</p>	<p>\$ 100,000</p>	<p>\$ 1,385,000</p>	<p>\$ 100,000</p>
<p>\$3,500,000 General Obligation Alternate Revenue Source Bonds, Series 2007A, dated December 15, 2007, due in annual installments of \$375,000 to \$480,000 through December 15, 2020, interest at 4.000% to 4.250% payable each June 15 and December 15 from water and sewer fund revenues</p>	<p>Water and Sewer</p>	<p>Village Hall Facility</p>	<p>3,500,000</p>	<p>-</p>	<p>125,000</p>	<p>3,375,000</p>	<p>125,000</p>
<p>TOTAL BUSINESS- TYPE ACTIVITIES</p>			<p>\$13,055,000</p>	<p>\$ -</p>	<p>\$ 940,000</p>	<p>\$12,115,000</p>	<p>\$ 970,000</p>

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

8. LONG-TERM DEBT (Continued)

b. IEPA Loans

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

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$907,735 loan agreement with the IEPA, IEPA-SRF Loan No. 17-0783 dated November 1, 1999, due semi-annually 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	\$ 489,555	\$ -	\$ 48,363	\$ 441,192	\$ 49,771
\$1,346,766 loan agreement with the IEPA, IEPA-SRF Loan No. 17-145 issued April 1, 2004, due semi-annually on February 1 and August 1 through February 1, 2025, with interest at 2.89%	Water and Sewer	Installation of radium removal equipment at five existing well sites	1,194,755	-	57,187	1,137,568	58,626
TOTAL IEPA LOANS			<u>\$ 1,684,310</u>	<u>\$ -</u>	<u>\$ 105,550</u>	<u>\$ 1,578,760</u>	<u>\$ 108,397</u>

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	Business-Type Activities IEPA Loans		Governmental Activities General Obligation Bonds		Business-Type Activities General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2010	\$ 108,397	\$ 40,467	\$ 740,000	\$ 741,621	\$ 970,000
2011	111,322	37,544	770,000	712,308	1,005,000	445,458
2012	114,325	34,541	790,000	681,654	1,050,000	403,784
2013	117,408	31,457	840,000	649,971	1,100,000	358,509
2014	120,576	28,289	850,000	616,297	675,000	322,949
2015	123,830	25,036	875,000	582,246	710,000	297,710
2016	127,172	21,693	925,000	547,122	730,000	270,802
2017	130,606	18,260	950,000	509,524	755,000	242,467
2018	71,516	15,184	985,000	470,974	775,000	212,831
2019	73,316	13,384	1,025,000	429,911	815,000	181,456
2020	75,161	11,539	1,075,000	386,760	840,000	148,412
2021	77,051	9,649	1,125,000	341,081	480,000	113,999
2022	78,989	7,711	1,160,000	293,280	350,000	93,880
2023	80,977	5,723	1,225,000	243,595	370,000	79,280
2024	83,014	3,686	1,260,000	190,826	385,000	63,550
2025	85,100	1,601	1,300,000	136,375	400,000	46,925
2026	-	-	1,090,000	80,100	225,000	29,682
2027	-	-	400,000	33,000	235,000	20,400
2028	-	-	425,000	17,000	245,000	10,412
TOTAL	\$ 1,578,760	\$ 305,764	\$ 17,810,000	\$ 7,663,645	\$ 12,115,000	\$ 3,827,701

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	Balances April 30	Current Portion
General obligation bonds payable	\$ 18,530,000	\$ -	\$ 720,000	\$ 17,810,000	\$ 740,000
Unamortized (discount) on bonds payable	(70,140)	-	(6,166)	(63,974)	-
Compensated absences payable	277,390	105,044	83,955	298,479	89,701
Retiree termination benefit payable	83,909	-	6,704	77,205	6,939
Net pension obligation	638,150	13,576	-	651,726	-
TOTAL	\$ 19,459,309	\$ 118,620	\$ 804,493	\$ 18,773,436	\$ 836,640

The retiree termination benefit and compensated absences payables are normally liquidated by the General Fund.

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

8. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

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

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds payable	\$ 13,055,000	\$ -	\$ 940,000	\$ 12,115,000	\$ 970,000
Unamortized discount on bonds payable	(47,301)	-	(6,880)	(40,421)	-
Unamortized premium on bonds payable	8,427	-	712	7,715	-
Unamortized loss on refunding	(297,362)	-	(27,033)	(270,329)	-
IEPA loans payable	1,684,310	-	105,550	1,578,760	108,397
Compensated absences payable	17,553	9,218	11,563	15,208	9,841
TOTAL	\$ 14,420,627	\$ 9,218	\$ 1,023,912	\$ 13,405,933	\$ 1,088,238

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.

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. In order to protect against these risks, the Village is a member of the Illinois Municipal League Risk Management Agency (IMLRMA). IMLRMA is a joint risk management pool of approximately 482 cities and villages throughout the State of Illinois through which property, general liability, automobile liability, crime, boiler and machinery and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The Village policy is to record payments as prepaid insurance and recognize expenditures over the term of policy coverage. There is potentially \$48,532, \$51,856, \$59,968, \$74,792 and \$83,768 of additional premiums due for 2005, 2006, 2007, 2008 and 2009, respectively, based on the claims runout. In addition, the Village provides health insurance to its employees through a third-party indemnity policy. The Village pays an annual premium to the insurance company for its coverage. Settled claims have not exceeded the coverages in the current or preceding two fiscal years.

10. COMMITMENTS AND CONTINGENCIES

a. Economic Incentive

The Village has entered into economic development agreements with companies to provide sales tax rebates. As of April 30, 2009, six agreements have been executed for stores that have opened. The agreements require the Village to rebate to the companies different levels additional sales tax generated by the facilities. For one agreement, there is no maximum remaining amount of rebates specified in the agreement, although the term of the agreement is through fiscal year 2012. For the second agreement, a maximum of \$1,000,000 is to be paid or until ten years elapses, whichever occurs first. For the third agreement, repayments will occur until \$3,011,371 is repaid. The fourth agreement requires \$3,789,640 to be repaid through fiscal year 2027, whichever comes first. The fifth agreement requires the repayment of sales taxes until \$305,000 of recapture fees is repaid, which was completed for the year ended April 30, 2009. The sixth agreement requires a maximum of \$850,000 to be repaid with no time limit. The amount paid/accrued for the fiscal year April 30, 2009 was \$1,025,770. The total expenditures incurred to date in rebates as of April 30, 2009 is \$5,571,525.

b. Litigation

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

10. COMMITMENTS AND CONTINGENCIES (Continued)

c. 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. 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. None 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.

a. Plan Descriptions

Illinois Municipal Retirement Fund (IMRF)

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. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the calendar year ended December 31, 2008 was 9.33% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

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 ILCS (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. At April 30, 2009, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	4
Current employees	
Vested	25
Nonvested	26
	<hr/>
TOTAL	<u>55</u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75.00% 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 3.00% of the original pension and 3.00% compounded annually thereafter.

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. 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 July 1, 1993, the Village has until the year 2033 to fully fund the past service cost for the Police Pension Plan. For the year ended April 30, 2009, the Village's contribution was 20.46% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

b. Significant Investments

Significant investments are defined as investments in any one organization that represent 5.00% or more of plan net assets for the Police Pension Plan (other than U.S. Government guaranteed obligations). At April 30, 2009, the Village had three separate annuity contracts that were valued at 9.68%, 9.22% and 8.06% of the total plan net assets for the Police Pension Plan. Information for the IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2006	April 30, 2008
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	26 Years, Closed	25 Years, Closed
Significant actuarial assumptions		
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	5.50% Compounded Annually
c) Additional projected Salary increases - seniority/merit	.40% to 10.00%	3.00%
d) Postretirement benefit increases	3.00%	3.00%

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

11. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

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

	Calendar Year	Illinois Municipal Retirement	Fiscal Year	Police Pension
Annual pension cost (APC)	2006	\$ 287,014	2007	\$ 653,350
	2007	300,334	2008	741,435
	2008	331,351	2009	766,324
Actual contribution	2006	\$ 287,014	2007	\$ 630,600
	2007	300,334	2008	728,387
	2008	331,351	2009	752,748
Percentage of APC contributed	2006	100.00%	2007	96.5%
	2007	100.00%	2008	98.2%
	2008	100.00%	2009	98.2%
NPO (asset)	2006	\$ -	2007	\$ 625,102
	2007	-	2008	638,150
	2008	-	2009	651,726

The NPO (asset) has been calculated as follows as of April 30, 2009:

	<u>Police Pension</u>
Annual required contributions	\$ 752,163
Interest on net pension obligation	44,671
Adjustment to annual required contribution	<u>(30,510)</u>
Annual pension cost	766,324
Contributions made	<u>752,748</u>
Increase in net pension obligation	13,576
Net pension obligation, May 1	<u>638,150</u>
NET PENSION OBLIGATION, APRIL 30	<u><u>\$ 651,726</u></u>

11. DEFINED BENEFIT PENSION PLANS (Continued)

d. Funded Status

The funded status of the plans as of April 30, 2009, based on actuarial valuations performed as of December 31, 2008 and April 30, 2009, is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans:

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 5,094,827	\$ 15,480,858
Actuarial value of plan assets	4,039,923	7,990,525
Unfunded actuarial accrued liability (UAAL)	1,054,904	7,490,333
Funded ratio (actuarial value of plan assets/AAL)	79.29%	51.60%
Covered payroll (active plan members)	\$ 3,551,455	\$ 3,678,626
UAAL as a percentage of covered payroll	29.70%	203.60%

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

12. SUBSEQUENT EVENT

On September 2, 2009, the Village issued \$9,015,000 Taxable General Obligation Bonds, Series 2009 to finance the costs of capital acquisitions and improvements. The bonds are payable through December 15, 2029 with interest rates ranging from 2.125% to 5.500%.

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, 2009
(with comparative actual)

	2009		2008	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 8,817,734	\$ 8,817,734	\$ 7,837,057	\$ 7,511,202
Licenses and permits	1,449,545	1,449,545	944,023	1,762,818
Intergovernmental	101,500	176,483	118,881	67,287
Charges for services	1,325,262	1,325,262	1,464,554	1,584,909
Fines and forfeits	214,600	214,600	249,239	246,467
Investment income	170,000	170,000	66,320	179,443
Miscellaneous	356,293	356,293	395,884	292,562
Total revenues	12,434,934	12,509,917	11,075,958	11,644,688
EXPENDITURES				
Current				
General government	1,768,785	1,789,785	1,946,283	1,571,947
Building and zoning	926,891	926,891	783,117	1,000,940
Community development	529,601	629,584	564,967	464,973
Public works	1,357,349	1,574,646	1,438,984	1,367,463
Public safety	7,495,767	7,542,879	7,121,774	7,110,063
Total expenditures	12,078,393	12,463,785	11,855,125	11,515,386
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	356,541	46,132	(779,167)	129,302
OTHER FINANCING SOURCES (USES)				
Transfers in	857,371	872,371	439,217	382,146
Transfers (out)	(483,613)	(483,613)	-	(350,000)
Proceeds from the sale of capital assets	20,000	20,000	16,396	13,427
Total other financing sources (uses)	393,758	408,758	455,613	45,573
NET CHANGE IN FUND BALANCE	\$ 750,299	\$ 454,890	(323,554)	174,875
FUND BALANCE, MAY 1			5,262,022	5,003,264
Prior period adjustment			-	83,883
FUND BALANCE, MAY 1, RESTATED			5,262,022	5,087,147
FUND BALANCE, APRIL 30			\$ 4,938,468	\$ 5,262,022

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL)/ (OAAL) (2) - (1)	(5) Covered Payroll	UAAL/ (OAAL) as a Percentage of Covered Payroll (4) / (5)
2003	\$ 2,103,271	\$ 2,250,838	93.44%	\$ 147,567	\$ 1,750,962	8.43%
2004	2,232,279	2,716,202	82.18%	483,923	2,123,728	22.79%
2005	2,717,890	3,115,749	87.23%	397,859	2,500,932	15.91%
2006	3,310,062	3,808,522	86.91%	498,460	2,919,774	17.07%
2007	3,998,511	4,591,455	87.09%	592,944	3,222,464	18.40%
2008	4,039,923	5,094,827	79.29%	1,054,904	3,551,455	29.70%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2009

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2004	\$ 3,939,984	\$ 8,289,689	47.53%	\$ 4,349,705	\$ 2,334,842	186.30%
2005	4,678,475	9,235,944	50.66%	4,557,469	2,536,400	179.68%
2006	5,459,950	10,613,219	51.44%	5,153,269	2,848,031	180.94%
2007	6,784,405	11,992,118	56.57%	5,207,713	2,969,860	175.35%
2008	7,998,615	13,722,687	58.29%	5,724,072	3,551,158	161.19%
2009	7,990,525	15,480,858	51.62%	7,490,333	3,678,626	203.62%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2009

<u>Calendar Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Contribution Made</u>	<u>Percentage Contributed</u>
2003	\$ 77,217	\$ 77,217	100.00%
2004	167,774	167,774	100.00%
2005	226,834	226,834	100.00%
2006	287,014	287,014	100.00%
2007	300,334	300,334	100.00%
2008	331,351	331,351	100.00%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2009

Fiscal Year	Annual Required Contribution (ARC)	Contribution Made	Percentage Contributed	Net Pension Obligation
2004	\$ 369,012	\$ 233,506	63.28%	\$ 251,112
2005	491,717	309,299	62.90%	440,481
2006	578,248	428,031	74.02%	602,352
2007	638,206	630,600	98.81%	625,102
2008	726,606	728,387	100.25%	638,150
2009	752,163	752,748	100.08%	651,726

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2009

1. 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, Public Service and Senior Meals Funds). All annual appropriations lapse at fiscal year end.

Prior to November 1, the Village Clerk submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to April 30, the budget is enacted through passage of an ordinance. Formal budget integration is employed as a management control device during the year for the General Fund, Special Revenue Funds (except for the Public Works Escrow, Economic Development, Public Service and Senior Meal Funds), Debt Service Funds, Capital Project Funds and Enterprise Funds.

The Village is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the Village Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level, except for the General Fund where it is at the department level.

The appropriated budget is prepared by fund, function and department. The Village Treasurer is authorized to transfer budget amounts between departments within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund. During the year, several budget amendments were necessary and are reflected in the financial statements.

2. EXCESS OF EXPENDITURES/EXPENSES OVER APPROPRIATIONS

The following individual fund expenditures/expenses exceeded appropriations in the following amounts:

	<u>Expenditures/ Expenses</u>	<u>Final Appropriations</u>
Garbage Fund	\$ 1,982,933	\$ 1,982,701

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 required to be accounted for in another fund.

CAPITAL PROJECTS FUND

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

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property	\$ 1,264,855	\$ 1,264,855	\$ 1,258,277	\$ 1,149,608
Sales	5,170,915	5,170,915	4,082,571	4,351,326
Less sales tax rebate	(1,322,821)	(1,322,821)	(1,025,770)	(1,102,639)
Income	2,306,681	2,306,681	2,175,465	1,837,415
Replacement	9,482	9,482	10,366	11,864
Other	1,388,622	1,388,622	1,336,148	1,263,628
Total taxes	8,817,734	8,817,734	7,837,057	7,511,202
LICENSES AND PERMITS				
Licenses and permits	942,170	942,170	633,149	1,271,400
Transition fees	507,375	507,375	310,874	491,418
Total licenses and permits	1,449,545	1,449,545	944,023	1,762,818
INTERGOVERNMENTAL				
Grants	101,500	176,483	118,881	67,287
Total intergovernmental	101,500	176,483	118,881	67,287
CHARGES FOR SERVICES				
Telecommunication surcharge	981,373	981,373	1,055,924	1,022,217
Other charges for services	343,889	343,889	408,630	562,692
Total charges for services	1,325,262	1,325,262	1,464,554	1,584,909
FINES AND FORFEITS				
Fines and fees	214,600	214,600	249,239	246,467
Total fines and forfeits	214,600	214,600	249,239	246,467
INVESTMENT INCOME				
	170,000	170,000	66,320	179,443
MISCELLANEOUS				
Contributions	-	-	366	1,177
Insurance reimbursements	-	-	24,650	-
Miscellaneous	356,293	356,293	370,868	291,385
Total miscellaneous	356,293	356,293	395,884	292,562
TOTAL REVENUES	\$ 12,434,934	\$ 12,509,917	\$ 11,075,958	\$ 11,644,688

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
CURRENT				
General government				
Salaries/personnel services	\$ 1,093,911	\$ 1,093,911	\$ 1,060,568	\$ 1,004,957
Insurance and benefits	179,568	179,568	163,449	170,628
Professional services	660,950	681,950	895,429	560,355
Contractual services	116,354	116,354	120,415	113,845
Communication	47,000	47,000	34,993	42,321
Professional development	36,320	36,320	23,932	26,295
Operating supplies	43,836	43,836	36,448	36,360
Capital outlay	24,000	24,000	44,203	56,549
Total general government	2,201,939	2,222,939	2,379,437	2,011,310
Less reimbursements from other funds	(433,154)	(433,154)	(433,154)	(439,363)
Net general government	1,768,785	1,789,785	1,946,283	1,571,947
Building and zoning				
Salaries/personnel services	692,071	692,071	604,119	667,896
Insurance and benefits	145,126	145,126	105,002	157,661
Professional services	4,500	4,500	11,724	33,763
Contractual services	32,394	32,394	23,244	93,639
Communication	24,800	24,800	12,580	18,789
Professional development	7,000	7,000	6,442	6,690
Operating supplies	21,000	21,000	20,006	22,502
Total building and zoning	926,891	926,891	783,117	1,000,940
Community development				
Salaries and personnel services	394,949	394,949	336,659	334,705
Insurance and benefits	43,864	43,864	38,199	35,818
Professional services	49,000	124,000	133,315	38,326
Contractual services	12,688	12,688	12,231	10,302
Communication	15,000	15,000	10,636	9,791
Professional development	7,500	7,500	4,760	4,323
Operating supplies	6,600	6,600	4,185	9,509
Capital outlay	-	24,983	24,982	22,199
Total community development	529,601	629,584	564,967	464,973

(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, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Public works				
Salaries/personnel services	\$ 420,374	\$ 420,374	\$ 407,127	\$ 398,991
Insurance and benefits	94,073	94,073	92,019	90,549
Professional services	50,000	50,000	37,895	36,676
Contractual services	665,402	882,699	798,484	721,425
Communication	15,000	15,000	14,231	13,163
Professional development	8,500	8,500	7,210	6,227
Operating supplies	57,000	57,000	54,305	46,370
Capital outlay	47,000	47,000	27,713	54,062
Total public works	1,357,349	1,574,646	1,438,984	1,367,463
Public safety - police				
Salaries/personnel services	5,126,778	5,126,778	4,911,803	4,625,020
Insurance and benefits	741,077	741,077	650,025	724,951
Professional services	100,775	100,775	56,868	59,476
Contractual services	377,809	377,809	334,299	330,390
Communication	74,510	74,510	49,215	61,797
Professional development	101,315	101,315	58,046	60,661
Operating supplies	207,840	207,840	186,262	203,323
Capital outlay	13,500	60,612	122,508	316,058
Contribution to Police Pension Fund	752,163	752,163	752,748	728,387
Total public safety - police	7,495,767	7,542,879	7,121,774	7,110,063
TOTAL EXPENDITURES	\$ 12,078,393	\$ 12,463,785	\$ 11,855,125	\$ 11,515,386

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental	\$ 1,900,000	\$ 1,900,000	\$ 54,957	\$ -
Fines and forfeits	-	-	-	560
Investment income	125,000	125,000	98,802	241,331
Developer contributions	120,239	120,239	66,208	136,582
Total revenues	2,145,239	2,145,239	219,967	378,473
EXPENDITURES				
Capital outlay	14,900,000	14,900,000	4,880,950	6,831,068
Total expenditures	14,900,000	14,900,000	4,880,950	6,831,068
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(12,754,761)	(12,754,761)	(4,660,983)	(6,452,595)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	184,952	-
Transfers (out)	-	-	(584,952)	-
Issuance of bonds at par	7,400,000	7,400,000	-	6,000,000
Discount on bonds issued	-	-	-	(48,000)
Total other financing sources (uses)	7,400,000	7,400,000	(400,000)	5,952,000
NET CHANGE IN FUND BALANCE	\$ (5,354,761)	\$ (5,354,761)	(5,060,983)	(500,595)
FUND BALANCE, MAY 1			6,349,186	6,849,781
FUND BALANCE, APRIL 30			\$ 1,288,203	\$ 6,349,186

(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.

Special Census Fund - to account for the costs associated with a special census of the Village's population.

Senior Meals Fund - to account for the costs of administering the senior citizens meal program.

CAPITAL PROJECTS FUNDS

Capital Reserve Fund - to account for the accumulation of resources for future capital projects.

DEBT SERVICE FUNDS

Debt Service Fund - the debt service fund is used to account for the repayment of the Series 2004A, 2006A and 2007B general obligation bonds that are being repaid with property and sales taxes.

VILLAGE OF OSWEGO, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2009

	Special Revenue		
	Motor Fuel Tax	Public Works Escrow	Economic Development
ASSETS			
Cash and investments	\$ 549,675	\$ 939,715	\$ 93,397
Receivables			
Accounts	-	-	-
Intergovernmental	57,934	-	-
Accrued interest	-	2,582	-
Notes	-	-	284,669
TOTAL ASSETS	\$ 607,609	\$ 942,297	\$ 378,066
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Escrow deposits	-	92,269	-
Due to other funds	-	-	-
Deferred revenue	-	-	-
Total liabilities	-	92,269	-
FUND BALANCES			
Reserved			
Notes receivable	-	-	284,669
Highways and streets	607,609	-	-
Special projects	-	850,028	-
Economic development	-	-	93,397
Debt service	-	-	-
Unreserved			
Special revenue funds (deficit)	-	-	-
Total fund balances (deficit)	607,609	850,028	378,066
TOTAL LIABILITIES AND FUND BALANCES			
	\$ 607,609	\$ 942,297	\$ 378,066

Special Revenue			Capital Projects	Debt Service	
Public Service	Special Census	Senior Meals	Capital Reserve	Debt Service	Total
\$ 481,055	\$ 189,327	\$ 1,578	\$ 543,887	\$ 15,167	\$ 2,813,801
1,006	10,972	-	-	-	11,978
-	-	-	-	-	57,934
-	-	-	-	-	2,582
-	-	-	-	-	284,669
<u>\$ 482,061</u>	<u>\$ 200,299</u>	<u>\$ 1,578</u>	<u>\$ 543,887</u>	<u>\$ 15,167</u>	<u>\$ 3,170,964</u>
\$ 1,807	\$ 324	\$ 2,705	\$ -	\$ -	\$ 4,836
12	-	120	-	-	132
-	-	-	-	-	92,269
-	-	413	-	-	413
24,019	-	3,124	-	-	27,143
<u>25,838</u>	<u>324</u>	<u>6,362</u>	<u>-</u>	<u>-</u>	<u>124,793</u>
-	-	-	-	-	284,669
-	-	-	-	-	607,609
456,223	-	-	-	-	1,306,251
-	-	-	-	-	93,397
-	-	-	-	15,167	15,167
-	199,975	(4,784)	543,887	-	739,078
<u>456,223</u>	<u>199,975</u>	<u>(4,784)</u>	<u>543,887</u>	<u>15,167</u>	<u>3,046,171</u>
<u>\$ 482,061</u>	<u>\$ 200,299</u>	<u>\$ 1,578</u>	<u>\$ 543,887</u>	<u>\$ 15,167</u>	<u>\$ 3,170,964</u>

(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, 2009

	Special Revenue		
	Motor Fuel Tax	Public Works Escrow	Economic Development
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	693,601	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	-
Investment income	9,331	16,288	8,397
Donations and contributions	-	240,187	-
Total revenues	702,932	256,475	8,397
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	344,412	62,460	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	344,412	62,460	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	358,520	194,015	8,397
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(302,258)	-	-
Proceeds from the sale of capital assets	-	-	-
Total other financing sources (uses)	(302,258)	-	-
NET CHANGE IN FUND BALANCES	56,262	194,015	8,397
FUND BALANCES (DEFICIT), MAY 1	551,347	656,013	369,669
FUND BALANCES (DEFICIT), APRIL 30	\$ 607,609	\$ 850,028	\$ 378,066

Special Revenue			Capital Projects	Debt Service	
Public Service	Special Census	Senior Meals	Capital Reserve	Debt Service	Total
\$ -	\$ -	\$ -	\$ -	\$ 418,994	\$ 418,994
1,338	-	89,533	-	-	784,472
-	-	43,205	-	-	43,205
10,396	-	-	-	-	10,396
8,674	4,353	273	12,251	4,509	64,076
109,648	-	19	-	-	349,854
130,056	4,353	133,030	12,251	423,503	1,670,997
115,754	139,673	135,640	-	-	391,067
22,390	-	-	-	-	22,390
-	-	-	-	-	406,872
-	-	-	-	720,000	720,000
-	-	-	-	763,476	763,476
138,144	139,673	135,640	-	1,483,476	2,303,805
(8,088)	(135,320)	(2,610)	12,251	(1,059,973)	(632,808)
-	-	-	400,000	1,046,182	1,446,182
(15,000)	-	-	(743,924)	-	(1,061,182)
8,280	-	-	-	-	8,280
(6,720)	-	-	(343,924)	1,046,182	393,280
(14,808)	(135,320)	(2,610)	(331,673)	(13,791)	(239,528)
471,031	335,295	(2,174)	875,560	28,958	3,285,699
\$ 456,223	\$ 199,975	\$ (4,784)	\$ 543,887	\$ 15,167	\$ 3,046,171

(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, 2009
 (with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental				
Motor fuel tax	\$ 709,517	\$ 709,517	\$ 693,601	\$ 635,580
Investment income	7,300	7,300	9,331	12,385
Total revenues	<u>716,817</u>	<u>716,817</u>	<u>702,932</u>	<u>647,965</u>
EXPENDITURES				
Current				
Public works/transportation	350,000	350,000	344,412	246,215
Debt service				
Principal retirement	361,000	361,000	-	-
Total expenditures	<u>711,000</u>	<u>711,000</u>	<u>344,412</u>	<u>246,215</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>5,817</u>	<u>5,817</u>	<u>358,520</u>	<u>401,750</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(302,258)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(302,258)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5,817</u>	<u>\$ 5,817</u>	<u>56,262</u>	<u>401,750</u>
FUND BALANCE, MAY 1			<u>551,347</u>	<u>149,597</u>
FUND BALANCE, APRIL 30			<u>\$ 607,609</u>	<u>\$ 551,347</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2009
 (with comparative actual)

	2009		2008	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	\$ 7,500	\$ 7,500	\$ 4,353	\$ 15,543
Total revenues	7,500	7,500	4,353	15,543
EXPENDITURES				
Current				
Salaries/personnel services	-	-	133,990	-
Contractual services	125,000	155,000	5,683	203,347
Total expenditures	125,000	155,000	139,673	203,347
NET CHANGE IN FUND BALANCE	\$ (117,500)	\$ (147,500)	(135,320)	(187,804)
FUND BALANCE, MAY 1			335,295	523,099
FUND BALANCE, APRIL 30			\$ 199,975	\$ 335,295

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2009
 (with comparative actual)

	2009		2008	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	\$ 15,500	\$ 15,500	\$ 12,251	\$ 1,308
Total revenues	15,500	15,500	12,251	1,308
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,500	15,500	12,251	1,308
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	400,000	400,000	874,252
Transfers (out)	(685,182)	(685,182)	(743,924)	-
Total other financing sources (uses)	(285,182)	(285,182)	(343,924)	874,252
NET CHANGE IN FUND BALANCE	<u>\$ (269,682)</u>	<u>\$ (269,682)</u>	(331,673)	875,560
FUND BALANCE, MAY 1			875,560	-
FUND BALANCE, APRIL 30			<u>\$ 543,887</u>	<u>\$ 875,560</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, 2009
(with comparative actual)

	2009		Actual	2008
	Original Budget	Final Budget		Actual
REVENUES				
Taxes				
Sales	\$ 443,866	\$ 443,866	\$ 418,994	\$ 261,933
Investment income	1,400	1,400	4,509	44,084
Total revenues	<u>445,266</u>	<u>445,266</u>	<u>423,503</u>	<u>306,017</u>
EXPENDITURES				
Debt service				
Principal retirement	720,000	720,000	720,000	500,000
Interest and fiscal charges	771,847	771,847	763,476	556,653
Total expenditures	<u>1,491,847</u>	<u>1,491,847</u>	<u>1,483,476</u>	<u>1,056,653</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,046,581)</u>	<u>(1,046,581)</u>	<u>(1,059,973)</u>	<u>(750,636)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,046,182	1,046,182	1,046,182	350,000
Transfers (out)	-	-	-	(874,252)
Total other financing sources (uses)	<u>1,046,182</u>	<u>1,046,182</u>	<u>1,046,182</u>	<u>(524,252)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (399)</u>	<u>\$ (399)</u>	<u>(13,791)</u>	<u>(1,274,888)</u>
FUND BALANCE, MAY 1			<u>28,958</u>	<u>1,303,846</u>
FUND BALANCE, APRIL 30			<u>\$ 15,167</u>	<u>\$ 28,958</u>

(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.

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

VILLAGE OF OSWEGO, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 4,870,602	\$ 4,870,602	\$ 4,658,357	\$ 4,817,086
Total operating revenues	4,870,602	4,870,602	4,658,357	4,817,086
OPERATING EXPENSES				
Salaries/personnel services	1,125,103	1,125,103	1,113,518	1,036,793
Insurance and benefits	469,431	469,431	450,871	455,155
Professional services	266,129	266,129	118,912	220,293
Contractual services	1,523,624	1,565,624	1,424,711	1,511,051
Communication	73,000	73,000	62,735	63,406
Professional development	12,500	12,500	8,752	9,786
Operating supplies	558,705	558,705	402,623	565,949
Capital maintenance	-	-	48,023	440,298
Administrative service	433,154	433,154	433,154	439,363
Depreciation	1,703,720	1,703,720	1,788,245	1,575,517
Amortization of bond costs	-	-	44,595	45,368
Total operating expenses	6,165,366	6,207,366	5,896,139	6,362,979
OPERATING INCOME (LOSS)	(1,294,764)	(1,336,764)	(1,237,782)	(1,545,893)
NONOPERATING REVENUES (EXPENSES)				
Connection fees	1,533,300	1,533,300	689,966	1,746,256
Investment income	131,517	131,517	95,114	227,528
Interest expense	(558,149)	(558,149)	(545,640)	(503,855)
Total nonoperating revenues (expenses)	1,106,668	1,106,668	239,440	1,469,929
NET INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(188,096)	(230,096)	(998,342)	(75,964)
TRANSFERS (OUT)				
General Fund	(424,217)	(424,217)	(424,217)	(382,146)
CONTRIBUTIONS				
Developer contributions	-	-	-	27,495
Capital contributions	-	-	166,998	1,447,493
Total contributions	-	-	166,998	1,474,988
CHANGE IN NET ASSETS	\$ (612,313)	\$ (654,313)	(1,255,561)	1,016,878
NET ASSETS, MAY 1			44,278,124	43,241,882
Prior period adjustment			-	19,364
NET ASSETS, MAY 1, RESTATED			44,278,124	43,261,246
NET ASSETS, APRIL 30			\$ 43,022,563	\$ 44,278,124

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2009
(with comparative actual)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 1,755,976	\$ 2,001,232	\$ 2,052,072	\$ 1,736,868
Total operating revenues	1,755,976	2,001,232	2,052,072	1,736,868
OPERATING EXPENSES				
Disposal services	1,743,459	1,982,701	1,982,933	1,675,620
Total operating expenses	1,743,459	1,982,701	1,982,933	1,675,620
OPERATING INCOME	12,517	18,531	69,139	61,248
NONOPERATING REVENUES (EXPENSES)				
Investment income	-	-	286	558
Total nonoperating revenues (expenses)	-	-	286	558
CHANGE IN NET ASSETS	<u>\$ 12,517</u>	<u>\$ 18,531</u>	69,425	61,806
NET ASSETS, MAY 1			305,913	244,107
NET ASSETS, APRIL 30			<u>\$ 375,338</u>	<u>\$ 305,913</u>

(See independent auditor's report.)

FIDUCIARY FUNDS

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended April 30, 2009

	Balances May 1	Additions	Deductions	Balances April 30
ALL FUNDS				
ASSETS				
Cash and investments	\$ 582,895	\$ 139,214	\$ 309,807	\$ 412,302
Accounts receivable	144,990	-	6,379	138,611
Due from other funds	83	417	-	500
TOTAL ASSETS	\$ 727,968	\$ 139,631	\$ 316,186	\$ 551,413
LIABILITIES				
Accounts payable	\$ 81,238	\$ -	\$ 67,223	\$ 14,015
Due to others	534,074	139,631	139,036	534,669
Due to other funds	112,656	-	109,927	2,729
TOTAL LIABILITIES	\$ 727,968	\$ 139,631	\$ 316,186	\$ 551,413
AGENCY FUND				
ASSETS				
Cash and investments	\$ 157,888	\$ -	\$ 78,495	\$ 79,393
TOTAL ASSETS	\$ 157,888	\$ -	\$ 78,495	\$ 79,393
LIABILITIES				
Due to others	\$ 157,888	\$ -	\$ 78,495	\$ 79,393
TOTAL LIABILITIES	\$ 157,888	\$ -	\$ 78,495	\$ 79,393

(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, 2009

	Balances May 1	Additions	Deductions	Balances April 30
SUBDIVISION ESCROW FUND				
ASSETS				
Cash and investments	\$ 425,007	\$ 139,214	\$ 231,312	\$ 332,909
Accounts receivable	144,990	-	6,379	138,611
Due from other funds	83	417	-	500
TOTAL ASSETS	\$ 570,080	\$ 139,631	\$ 237,691	\$ 472,020
LIABILITIES				
Accounts payable	\$ 81,238	\$ -	\$ 67,223	\$ 14,015
Due to others	376,186	139,631	60,541	455,276
Due to other funds	112,656	-	109,927	2,729
TOTAL LIABILITIES	\$ 570,080	\$ 139,631	\$ 237,691	\$ 472,020

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Oswego's 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</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	66-71
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	72-79
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	80-84
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	85-86
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	87-89

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village of Oswego implemented GASB Statement 34 in 2005; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF OSWEGO, ILLINOIS

NET ASSETS BY COMPONENT

Last Five Fiscal Years

	2005	2006*	2007	2008	2009
GOVERNMENTAL ACTIVITIES					
Invested in capital assets net of related debt	\$ 2,246,206	\$ 212,015,432	\$ 275,810,548	\$ 275,890,996	\$ 279,192,631
Restricted	2,988,094	1,469,306	2,833,472	2,271,727	2,603,394
Unrestricted	2,742,804	5,867,096	4,676,344	6,193,562	4,893,607
TOTAL GOVERNMENTAL ACTIVITIES	\$ 7,977,104	\$ 219,351,834	\$ 283,320,364	\$ 284,356,285	\$ 286,689,632
BUSINESS-TYPE ACTIVITIES					
Invested in capital assets net of related debt	\$ 24,853,527	\$ 37,823,930	\$ 38,320,494	\$ 41,640,918	\$ 40,762,063
Restricted	3,151,950	899,500	899,500	899,500	899,500
Unrestricted	6,559,112	1,091,886	4,265,995	2,043,619	1,736,338
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 34,564,589	\$ 39,815,316	\$ 43,485,989	\$ 44,584,037	\$ 43,397,901
PRIMARY GOVERNMENT					
Invested in capital assets net of related debt	\$ 27,099,733	\$ 249,839,362	\$ 314,131,042	\$ 317,531,914	\$ 319,954,694
Restricted	6,140,044	2,368,806	3,732,972	3,171,227	3,502,894
Unrestricted	9,301,916	6,958,982	8,942,339	8,237,181	6,629,945
TOTAL PRIMARY GOVERNMENT	\$ 42,541,693	\$ 259,167,150	\$ 326,806,353	\$ 328,940,322	\$ 330,087,533

Data Source

Audited Financial Statements

The implementation of GASB Statement No. 34 was completed for fiscal year ended April 30, 2005. Therefore, information prior to fiscal year 2005 is unavailable.

* In fiscal year 2006, the Village began reporting infrastructure.

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET ASSETS

Last Five Fiscal Years

	2005	2006	2007	2008	2009
EXPENSES					
Governmental activities					
General government	\$ 1,654,530	\$ 1,275,745	\$ 1,556,726	\$ 1,757,232	\$ 2,550,510
Building and zoning	716,031	720,110	834,696	1,001,493	782,406
Community development	335,868	324,322	371,006	447,050	567,010
Public safety	4,367,226	5,648,230	6,165,019	7,264,710	7,281,633
Public works	1,329,419	5,215,219	6,750,620	6,454,882	6,321,596
Retirement	460,219	-	-	-	-
Interest	153,467	87,901	551,346	652,516	774,560
Total governmental activities expenses	<u>9,016,760</u>	<u>13,271,527</u>	<u>16,229,413</u>	<u>17,577,883</u>	<u>18,277,715</u>
Business-type activities					
Water and sewer	3,790,286	4,750,871	5,672,233	6,866,834	6,441,779
Garbage	1,025,226	1,197,131	1,350,403	1,675,620	1,982,933
Total business-type activities expenses	<u>4,815,512</u>	<u>5,948,002</u>	<u>7,022,636</u>	<u>8,542,454</u>	<u>8,424,712</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 13,832,272</u>	<u>\$ 19,219,529</u>	<u>\$ 23,252,049</u>	<u>\$ 26,120,337</u>	<u>\$ 26,702,427</u>
PROGRAM REVENUES					
Governmental activities					
Charges for services					
General government	\$ 42,921	\$ 22,572	\$ 40,357	\$ 59,324	\$ 71,824
Building and zoning	81,812	1,806,043	2,111,691	1,190,633	544,440
Community development	1,164,757	164,422	179,377	200,517	168,897
Public safety	317,633	398,781	490,922	523,519	486,881
Public works	-	-	-	-	-
Operating grants and contributions	743,489	1,516,159	1,635,808	1,353,159	1,230,557
Capital grants and contributions	-	54,754,974	67,207,177	4,638,376	7,447,372
Total governmental activities program revenues	<u>2,350,612</u>	<u>58,662,951</u>	<u>71,665,332</u>	<u>7,965,528</u>	<u>9,949,971</u>
Business-type activities					
Charges for services					
Water and sewer	3,501,031	3,955,995	7,143,385	6,563,342	5,348,323
Garbage	1,069,999	1,237,470	1,399,455	1,736,868	2,052,072
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	950,200	3,414,625	2,575,410	1,474,988	166,998
Total business-type activities program revenues	<u>5,521,230</u>	<u>8,608,090</u>	<u>11,118,250</u>	<u>9,775,198</u>	<u>7,567,393</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 7,871,842</u>	<u>\$ 67,271,041</u>	<u>\$ 82,783,582</u>	<u>\$ 17,740,726</u>	<u>\$ 17,517,364</u>
NET REVENUE (EXPENSE)					
Governmental activities	\$ (6,666,148)	\$ 45,391,424	\$ 55,435,919	\$ (9,612,355)	\$ (8,327,744)
Business-type activities	705,718	2,660,088	4,095,614	1,232,744	(857,319)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (5,960,430)</u>	<u>\$ 48,051,512</u>	<u>\$ 59,531,533</u>	<u>\$ (8,379,611)</u>	<u>\$ (9,185,063)</u>

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Five Fiscal Years

	2005	2006	2007	2008	2009
GENERAL REVENUES AND OTHER					
CHANGES IN NET ASSETS					
Governmental Activities					
Taxes					
Property	\$ 875,573	\$ 957,682	\$ 1,008,600	\$ 1,149,608	\$ 1,258,277
Sales	2,179,804	2,514,830	2,925,295	3,595,313	3,444,187
Telecommunication	867,423	937,474	899,885	1,020,222	1,067,075
Personal property replacement	8,077	9,135	9,926	11,864	10,366
Developer contributions	1,286,994	-	-	-	-
Utility	-	837,414	824,833	972,764	957,052
Other	2,301,650	1,778,621	1,948,201	2,130,718	2,562,804
Investment income	110,685	282,254	736,926	516,202	229,198
Miscellaneous	529,556	782,579	548,958	785,556	707,915
Transfers in	-	313,646	337,048	382,146	424,217
Total governmental activities	8,159,762	8,413,635	9,239,672	10,564,393	10,661,091
Business-type activities					
Developer contributions	4,883,135	-	-	-	-
Connection fees	2,934,498	2,724,191	-	-	-
Investment income	46,939	122,081	212,107	228,086	95,400
Transfers in (out)	-	(313,646)	(337,048)	(382,146)	(424,217)
Total business-type activities	7,864,572	2,532,626	(124,941)	(154,060)	(328,817)
TOTAL PRIMARY GOVERNMENT	\$ 16,024,334	\$ 10,946,261	\$ 9,114,731	\$ 10,410,333	\$ 10,332,274
CHANGE IN NET ASSETS					
Governmental activities	\$ 1,493,614	\$ 53,805,059	\$ 64,675,591	\$ 952,038	\$ 2,333,347
Business-type activities	8,570,290	5,192,714	3,970,673	1,078,684	(1,186,136)
TOTAL PRIMARY GOVERNMENT	\$ 10,063,904	\$ 58,997,773	\$ 68,646,264	\$ 2,030,722	\$ 1,147,211

Data Source

Audited Financial Statements

The implementation of GASB Statement No. 34 was completed for fiscal year ended April 30, 2005. Therefore, information prior to fiscal year 2005 is unavailable.

VILLAGE OF OSWEGO, ILLINOIS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
GENERAL FUND										
Reserved	\$ -	\$ -	\$ -	\$ 66,953	\$ 83,574	\$ 257,274	\$ 96,976	\$ 97,538	\$ 222,328	\$ 138,924
Unreserved - designated	-	-	-	-	-	-	-	-	-	-
Unreserved - undesignated	777,864	450,585	1,145,344	1,936,870	3,279,070	4,726,667	4,636,113	4,905,726	5,039,694	4,799,544
TOTAL GENERAL FUND	\$ 777,864	\$ 450,585	\$ 1,145,344	\$ 2,003,823	\$ 3,362,644	\$ 4,983,941	\$ 4,733,089	\$ 5,003,264	\$ 5,262,022	\$ 4,938,468
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ -	\$ 38,758	\$ 55,959	\$ 19,080	\$ 18,397	\$ -	\$ 1,455,526	\$ 2,955,549	\$ 2,271,727	\$ 2,603,394
Unreserved, reported in										
Special Revenue Funds	833,251	1,141,975	1,347,914	1,006,151	295,731	1,044,710	501,978	401,022	1,208,681	739,078
Debt Service Funds	42,646	-	-	-	-	19,091	-	-	-	-
Capital Project Funds	117,982	101,096	216,869	-	-	2,969,003	601,901	6,573,870	6,154,477	991,902
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 993,879	\$ 1,281,829	\$ 1,620,742	\$ 1,025,231	\$ 314,128	\$ 4,032,804	\$ 2,559,405	\$ 9,930,441	\$ 9,634,885	\$ 4,334,374

Data Source

Audited Financial Statements

VILLAGE OF OSWEGO, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
REVENUES										
Taxes	\$ 2,740,852	\$ 2,824,521	\$ 3,578,046	\$ 3,414,524	\$ 3,696,295	\$ 5,344,666	\$ 6,072,842	\$ 6,706,275	\$ 7,773,135	\$ 8,256,051
Telecommunication surcharge	-	331,357	593,261	538,374	778,023	853,278	-	-	-	-
Licenses and permits	516,809	639,813	815,914	833,646	1,130,675	1,273,831	2,553,194	2,626,747	1,762,818	944,023
Intergovernmental	587,463	389,750	944,145	1,226,574	1,231,392	743,489	734,111	750,636	738,370	958,310
Charges for services	31,847	102,683	499	411,639	303,544	344,262	1,406,122	1,439,999	1,603,959	1,507,759
Fines and forfeits	74,326	76,618	198,944	106,341	115,091	127,642	209,438	269,025	255,339	259,635
Transition fees	373,750	521,250	603,696	-	-	1,076,448	-	-	-	-
Franchise fees	-	-	-	767,792	1,237,877	-	-	-	-	-
Reimbursements	-	-	-	316,913	87,590	-	-	-	-	-
Contributions	-	2,663	15,204	64,852	22,465	210,546	-	372,236	136,582	66,208
Rents	-	34,161	22,800	-	-	-	-	-	-	-
Recycling	-	40,000	-	-	-	-	-	-	-	-
Investment income	61,383	96,202	85,007	50,662	43,962	110,685	282,255	736,926	516,202	229,198
Miscellaneous	237,016	215,109	84,703	125,890	6,097	390,944	689,341	706,084	779,490	745,738
Total revenues	4,623,446	5,274,127	6,942,219	7,857,207	8,653,011	10,475,791	11,947,303	13,607,928	13,565,895	12,966,922
EXPENDITURES										
General government	1,103,194	1,415,097	1,777,191	2,182,490	2,359,252	1,510,602	1,361,693	1,573,828	1,946,204	2,337,350
Building and zoning	-	-	-	-	-	712,483	693,129	800,393	1,000,940	783,117
Community development	-	-	-	-	-	335,868	313,529	357,065	464,973	564,967
Public safety	2,054,632	2,069,612	2,490,163	2,989,907	3,422,036	3,945,254	5,272,127	5,920,557	7,120,633	7,144,164
Public works	701,576	1,438,719	1,022,754	1,999,593	1,930,223	1,253,272	2,484,197	1,982,817	1,613,678	1,845,856
Retirement	-	-	-	-	-	460,219	539,628	633,103	-	-
Capital outlay	-	-	504,519	77,298	494,661	924,712	2,440,790	4,530,533	6,831,068	4,880,950
Debt service										
Principal	235,000	255,000	1,070,000	280,000	270,000	280,000	405,000	125,000	500,000	720,000
Interest	120,483	135,028	48,462	35,823	23,370	55,506	138,441	378,275	555,028	761,851
Other charges	-	-	-	2,935	2,400	1,385	1,200	1,100	1,625	1,625
Total expenditures	4,214,885	5,313,456	6,913,089	7,568,046	8,501,942	9,479,301	13,649,734	16,302,671	20,034,149	19,039,880
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	408,561	(39,329)	29,130	289,161	151,069	996,490	(1,702,431)	(2,694,743)	(6,468,254)	(6,072,958)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
OTHER FINANCING SOURCES (USES)										
Transfers in	\$ 482,080	\$ -	\$ 682,197	\$ 570,450	\$ 426,168	\$ 515,631	\$ 1,600,276	\$ 1,137,048	\$ 1,606,398	\$ 2,070,351
Transfers (out)	(502,830)	-	(507,654)	(188,046)	-	(14,624)	(1,286,630)	(800,000)	(1,224,252)	(1,646,134)
Bonds issued at par	-	-	830,000	-	-	3,389,991	-	9,970,000	6,000,000	-
Discount on bonds issued	-	-	-	-	-	(29,657)	-	-	(48,000)	-
Proceeds from sale of capital assets	-	-	-	-	-	-	70,366	28,906	13,427	24,676
Total other financing sources (uses)	(20,750)	-	1,004,543	382,404	426,168	3,861,341	384,012	10,335,954	6,347,573	448,893
NET CHANGE IN FUND BALANCES	\$ 387,811	\$ (39,329)	\$ 1,033,673	\$ 671,565	\$ 577,237	\$ 4,857,831	\$ (1,318,419)	\$ 7,641,211	\$ (120,681)	\$ (5,624,065)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	8.43%	7.34%	17.45%	4.22%	3.66%	392.00%	4.85%	4.28%	7.84%	10.43%

Data Source

Audited Financial Statements

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
1999	2000	\$ 362,227	\$ 191,793,507	\$ 22,438,916	\$ 3,707,904	\$ 9,200	\$ 13,338	\$ 218,325,092	0.2484	\$ 655,630,907	33.300%
2000	2001	339,009	223,559,668	26,368,675	3,935,861	9,200	20,769	254,233,182	0.2214	763,463,009	33.300%
2001	2002	827,061	271,405,488	30,071,015	4,532,910	9,200	17,624	306,863,298	0.2118	921,511,405	33.300%
2002	2003	641,947	312,215,415	39,351,206	5,492,438	9,200	20,325	357,730,531	0.1967	1,074,265,859	33.300%
2003	2004	881,890	364,599,756	48,109,113	6,157,610	9,051	28,901	419,786,321	0.1832	1,260,619,583	33.300%
2004	2005	845,537	428,720,119	63,514,300	7,074,855	9,200	27,693	500,191,704	0.1682	1,502,077,189	33.300%
2005	2006	853,932	527,855,050	78,769,511	7,509,528	9,200	27,849	615,025,070	0.1439	1,846,922,132	33.300%
2006	2007	696,570	623,511,609	83,409,340	7,640,570	9,010	27,693	715,294,792	0.1404	2,148,032,408	33.300%
2007	2008	725,042	714,402,997	112,097,740	8,141,000	9,390	27,693	835,403,862	0.1335	2,508,720,306	33.300%
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	33.300%

Note: Property in the Village is reassessed each year. Property is assessed at 33% 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					Total Direct Tax Rate	Overlapping Rates		
		Corporate	Bonds and Interest	IMRF	Police Pension	Audit		Kendall County	Kendall County Mental Health	Kendall County Health
1999	2000	0.0252	0.0353	0.0907	0.0917	0.0055	0.2484	0.7726	0.0500	0.0466
2000	2001	0.0228	0.0291	0.0827	0.0818	0.0050	0.2214	0.7539	0.0499	0.0480
2001	2002	0.0454	0.0265	0.0695	0.0663	0.0041	0.2118	0.6493	0.0464	0.0476
2002	2003	0.0406	0.0218	0.0653	0.0653	0.0037	0.1967	0.6069	0.0427	0.0424
2003	2004	0.0346	0.0190	0.0556	0.0737	0.0003	0.1832	0.5796	0.0341	0.0344
2004	2005	0.0300	0.0154	0.0366	0.0857	0.0005	0.1682	0.5578	0.0311	0.0305
2005	2006	0.0171	-	0.0230	0.1038	-	0.1439	0.5559	0.0317	0.0280
2006	2007	0.0156	-	0.0232	0.1016	-	0.1404	0.5925	-	-
2007	2008	0.0229	-	0.0205	0.0900	-	0.1334	0.5595	-	-
2008	2009	0.0084	-	0.0317	0.0992	-	0.1393	0.5724	-	-

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

Data Source

Kendall County Clerk

Overlapping Rates								
Oswego Township	Kendall County Forest Preserve	Oswego School CU-308	Waubonsie JC #516	Oswego Fire Protection District	Oswego Library District	Oswego Park District	Oswego Road District	Total Overlapping Rates
0.3137	0.0255	5.0179	0.4386	0.3256	0.1910	0.6019	-	7.7834
0.3039	0.0245	4.8943	0.4287	0.3176	0.1865	0.5715	-	7.5788
0.2944	0.0243	4.8709	0.4239	0.3101	0.1825	0.5255	-	7.3749
0.2899	0.0219	4.9562	0.4043	0.5261	0.1852	0.4974	-	7.5730
0.2717	0.0403	4.8013	0.4105	0.5505	0.1755	0.4586	-	7.3565
0.2621	0.0369	4.9969	0.4104	0.5944	0.1702	0.4586	-	7.5489
0.2534	0.0335	5.0605	0.3968	0.6247	0.1659	0.4353	-	7.5857
0.0766	0.0299	5.0600	0.4005	0.6029	0.2118	0.4122	0.1757	7.5621
0.0734	0.1292	5.0600	0.3924	0.5772	0.2012	0.3896	0.1687	7.5512
0.0745	0.0966	5.0600	0.3990	0.5821	0.2031	0.3880	0.1711	7.5468

VILLAGE OF OSWEGO, ILLINOIS

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

Last Ten Fiscal Years

	Levy 1999	Levy 2000	Levy 2001	Levy 2002	Levy 2003	Levy 2004	Levy 2005	Levy 2006	Levy 2007	Levy 2008
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Village of Oswego	0.2484	0.2214	0.2118	0.1967	0.1832	0.1682	0.1439	0.1404	0.1335	0.1393
Kendall County	0.7726	0.7539	0.6493	0.6069	0.5796	0.5578	0.5559	0.5925	0.5595	0.5724
Kendall County Mental Health	0.0500	0.0499	0.0464	0.0427	0.0341	0.0311	0.0317	-	-	-
Kendall County Health	0.0466	0.0480	0.0476	0.0424	0.0344	0.0305	0.0280	-	-	-
Oswego Township	0.3137	0.3039	0.2944	0.2899	0.2717	0.2621	0.2534	0.0766	0.0734	0.0745
Kendall County Forest Preserve	0.0255	0.0245	0.0243	0.0219	0.0403	0.0369	0.0335	0.0299	0.1292	0.0966
Oswego School CU-308	5.0179	4.8943	4.8709	4.9562	4.8013	4.9969	5.0605	5.0600	5.0600	5.0600
Waubonsie JC #516	0.4386	0.4287	0.4239	0.4043	0.4105	0.4104	0.3968	0.4005	0.3924	0.3990
Oswego Fire Protection District	0.3256	0.3176	0.3101	0.5261	0.5505	0.5944	0.6247	0.6029	0.5772	0.5821
Oswego Library District	0.1910	0.1865	0.1825	0.1852	0.1755	0.1702	0.1659	0.2118	0.2012	0.2031
Oswego Park District	0.6019	0.5715	0.5255	0.4974	0.4586	0.4586	0.4353	0.4122	0.3896	0.3880
Oswego Road District	-	-	-	-	-	-	-	0.1757	0.1687	0.1711
TOTAL	8.0318	7.8002	7.5867	7.7697	7.5397	7.7171	7.7296	7.7025	7.6847	7.6861

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

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS
PRINCIPAL PROPERTY TAXPAYERS

Current Year and Six Years Ago

Taxpayer	2008 Levy			2002 Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Inland Western Oswego Douglas	\$ 6,433,783	1	0.72%	\$ -	n/a	0.00%
Farmington Lakes, LLC	5,419,954	2	0.60%	-	n/a	0.00%
Meijer Stores LTD Partnership	3,840,197	3	0.43%	-	n/a	0.00%
Inland Western Oswego Gerry Centennial, LLC	3,755,889	4	0.42%	-	na/	0.00%
Wal-Mart Real Estate Business Trust	3,536,750	5	0.39%	-	n/a	0.00%
KDR-Oswego Associates LLC	3,424,957	6	0.38%	-	n/a	0.00%
Lowes Home Centers	3,020,020	7	0.34%	-	n/a	0.00%
Target Corporation	2,983,574	8	0.33%	2,389,883	2	0.67%
Home Depot USA	2,977,568	9	0.33%	2,919,288	1	0.82%
Jewel Food Stores Inc	2,851,822	10	0.32%	-	n/a	0.00%
Inland Real Estate Towne Cross	-	n/a	0.00%	2,417,211	3	0.68%
Old Second National Bank, Tr. 5711	-	n/a	0.00%	1,211,073	4	0.34%
Dominicks	-	n/a	0.00%	1,202,285	5	0.34%
Goodrich Quality Theaters, Inc	-	n/a	0.00%	1,140,339	6	0.32%
Kendall Point Assoc. Ltd. Partnership	-	n/a	0.00%	891,669	7	0.25%
Griffith Labs Worldwide	-	n/a	0.00%	847,261	8	0.24%
Mason Square LLC	-	n/a	0.00%	789,533	9	0.22%
Old Second National Bank, Tr. 4080	-	n/a	0.00%	697,596	10	0.20%
	<u>\$ 38,244,514</u>		<u>4.26%</u>	<u>\$ 14,506,138</u>		<u>4.08%</u>

Data Source

Office of the County Clerk

Note: Information is not available prior to 2002.

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		Total Collections to Date**	
		Amount*	Percentage of Levy	Amount*	Percentage of Levy
1999	\$ 542,322	\$ 621,827	114.66%	\$ 621,827	114.66%
2000	562,870	689,169	122.44%	689,169	122.44%
2001	649,936	742,815	114.29%	742,815	114.29%
2002	703,656	805,993	114.54%	805,993	114.54%
2003	769,051	875,573	113.85%	875,573	113.85%
2004	841,319	957,286	113.78%	957,286	113.78%
2005	885,020	1,008,124	113.91%	1,008,124	113.91%
2006	1,004,275	1,149,608	114.47%	1,149,608	114.47%
2007	1,116,935	1,258,277	112.65%	1,258,277	112.65%
2008	1,249,762	-	0.00%	-	0.00%

Data Source

Office of the County Clerk

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value. Subsequent years collections is immaterial to the Village.

* This amount includes road and bridge taxes.

** Total collections to date are the same as the amount collected during the fiscal year that the levy is financing.

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	Village Direct Rate	County Rate	County Public Safety Rate	State Rate	Total
2000	1.00%	0.25%	-	5.00%	6.25%
2001	1.00%	0.25%	-	5.00%	6.25%
2002	1.00%	0.25%	0.50%	5.00%	6.75%
2003	1.00%	0.25%	0.50%	5.00%	6.75%
2004	1.00%	0.25%	0.50%	5.00%	6.75%
2005	1.00%	0.25%	0.50%	5.00%	6.75%
2006	1.00%	0.25%	0.50%	5.00%	6.75%
2007	1.00%	0.25%	0.50%	5.00%	6.75%
2008	1.00%	0.25%	1.00%	5.00%	7.25%
2009	1.00%	0.25%	1.00%	5.00%	7.25%

Data Source

Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

SALES TAXES BY CATEGORY

Last Ten Calendar Years

Calendar Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General merchandise ¹	\$ -	\$ -	\$ -	\$ 229,993	\$ 334,458	\$ 386,487	\$ 427,467	\$ 543,782	\$ 835,823	\$ 1,026,304
Food	311,903	339,274	343,593	478,411	590,685	655,955	687,128	687,390	626,897	469,987
Drinking and eating places	91,136	117,428	112,404	143,073	201,563	242,078	281,626	366,868	388,960	418,317
Apparel	14,858	17,196	17,436	16,397	34,111	33,842	42,128	53,429	182,697	203,385
Furniture & H.H. & Radio ¹	-	-	13,557	13,501	23,854	35,603	36,501	49,469	251,549	310,674
Lumber, building hardware	266,180	270,671	250,100	490,310	486,284	550,776	555,657	407,660	433,350	366,169
Automobile and filling stations	427,695	467,021	501,538	488,387	496,944	520,992	569,694	591,150	869,332	1,033,223
Drugs and miscellaneous retail	163,169	173,922	218,192	198,390	232,518	319,011	356,124	403,803	469,358	489,005
Agriculture and all others	193,565	145,914	156,273	167,467	150,116	200,887	246,646	264,769	305,607	258,909
Manufacturers ¹	20,440	14,286	-	13,094	14,556	13,025	12,687	15,849	20,973	24,764
TOTAL¹	\$ 1,494,590	\$ 1,558,345	\$ 1,627,365	\$ 2,239,024	\$ 2,565,089	\$ 2,958,656	\$ 3,215,658	\$ 3,384,169	\$ 4,384,546	\$ 4,600,736
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

Data available for calendar year only

¹ Data by category is not available from the State of Illinois for categories with less than four taxpayers. However, they are included in the totals.
Per the State of Illinois, there must not have been four taxpayers during the years 1999, 2000 and 2001.

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	Installment Contract	IEPA Loans Payable	General Obligation Alternate Revenue Bonds	Other Governmental Loans Payable			
2000	\$ 1,615,000	\$ -	\$ -	\$ 830,337	\$ 8,900,000	\$ 130,000	\$ 11,475,337	6.71%	\$ 1,261
2001	1,360,000	-	-	791,893	8,525,000	130,000	10,806,893	4.32%	811
2002	1,120,000	-	-	752,329	8,140,000	-	10,012,329	2.76%	751
2003	840,000	-	-	711,614	7,725,000	-	9,276,614	2.56%	696
2004	570,000	-	-	669,714	7,300,000	-	8,539,714	2.36%	641
2005	290,000	3,300,000	89,991	1,971,377	10,010,000	-	15,661,368	4.32%	1,175
2006	-	3,185,000	45,956	1,852,504	9,395,000	-	14,478,460	2.67%	726
2007	-	13,030,000	-	1,773,982	10,350,000	-	25,153,982	4.63%	1,260
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	3.68%	1,000

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

Data Source: Village Finance Department

* See the schedule of Demographic and Economic Information on page 85 for personal income and population.

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2009

Governmental unit	Gross Bonded Debt	Percentage Debt Applicable to the Village of Oswego	Village of Oswego Share of Debt
Village of Oswego	\$ 29,925,000	100.00%	\$ 29,925,000
Oswego Community Unit School District #308	288,903,495	41.76%	120,646,100
Kendall County (includes Forest Preserve)	61,360,000	27.92%	17,131,712
Waubonsee Community College #516	65,156,892	8.03%	5,232,098
Oswegoland Park District	5,470,000	58.19%	3,182,993
Oswego Public Library District	8,900,000	48.67%	4,331,630
Total overlapping debt	429,790,387		150,524,533
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 459,715,387		\$ 180,449,533
Per capita overlapping debt			\$ 5,728

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 18,830,539	\$ 21,927,612	\$ 26,466,959	\$ 30,854,258	\$ 36,206,570	\$ 43,141,534	\$ 53,045,912	\$ 61,694,176	\$ 72,053,583	*
Total net debt applicable to limit	1,615,000	1,360,000	1,120,000	840,000	570,000	3,590,000	3,185,000	13,030,000	18,530,000	*
Legal debt margin	17,215,539	20,567,612	25,346,959	30,014,258	35,636,570	39,551,534	49,860,912	48,664,176	53,523,583	*
Total net debt applicable to the limit as a percentage of debt limit	8.6%	6.2%	4.2%	2.7%	1.6%	8.3%	6.0%	21.1%	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 in the foregoing percentage amounts."

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

VILLAGE OF OSWEGO, ILLINOIS

PLEDGED-REVENUE COVERAGE
GOVERNMENTAL ACTIVITIES

Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue	Net Available Revenue	General Obligation Bonds Debt Service		Coverage
			Principal	Interest	
2000	\$ 1,652,843	\$ 1,652,843	\$ 185,000	\$ 98,073	5.84
2001	1,581,298	1,581,298	195,000	116,518	5.08
2002	1,920,617	1,920,617	1,010,000	33,162	1.84
2003	1,804,887	1,804,887	210,000	26,158	7.64
2004	2,096,941	2,096,941	200,000	16,320	9.69
2005	2,159,366	2,159,366	205,000	50,591	8.45
2006	2,489,674	2,489,674	330,000	136,491	5.34
2007	2,913,178	2,913,178	125,000	379,375	5.78
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

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	
2000	\$ 3,386,231	\$ 1,896,624	\$ 1,489,607	\$ 200,000	\$ 274,040	\$ 30,868	\$ 39,342	2.74
2001	3,970,655	2,109,154	1,861,501	375,000	460,019	38,444	23,721	2.07
2002	4,497,053	2,847,107	1,649,946	385,000	456,551	39,563	22,602	1.83
2003	4,512,389	2,827,524	1,684,865	415,000	414,723	40,715	21,450	1.89
2004	5,446,990	3,160,931	2,286,059	425,000	393,631	41,900	20,265	2.60
2005	6,482,458	2,354,959	4,127,499	385,000	383,988	43,120	19,045	4.97
2006	6,802,147	3,224,109	3,578,038	615,000	405,161	62,828	35,186	3.20
2007	7,355,370	3,725,539	3,629,831	630,000	432,663	78,522	43,268	3.06
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

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

Operating expenses do not include interest or depreciation.

VILLAGE OF OSWEGO, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2000	13,326	\$ 362,520,504	\$ 27,204	3.5%
2001	13,326	362,520,504	27,204	3.5%
2002	13,326	362,520,504	27,204	5.0%
2003	13,326	362,520,504	27,204	7.0%
2004	13,326	362,520,504	27,204	7.6%
2005 *	19,956	542,883,024	27,204	4.8%
2006	19,956	542,883,024	27,204	4.6%
2007	19,956	542,883,024	27,204	3.8%
2008	19,956	542,883,024	27,204	3.9%
2009 *	31,504	857,034,816	27,204	5.2%

* Population change in 2005 and 2009 due to Special Census data received from Census Bureau

Data Source

Illinois Department of Employment Security, U.S. Census Bureau

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2009				2000			
Employer	Rank	Number	% of Total Village Population	Employer	Rank	Number	% of Total Village Population
Oswego Comm. Unit School Dist. No. 308	1	1400	4.4%	Oswego Comm. Unit School Dist. No. 308	1	468	5.1%
Wal-Mart Stores, Inc.	2	450	1.4%	Jewel/Osco	2	245	2.7%
Meijer Corporation	3	425	1.3%	Radiac Abrasives	3	200	2.2%
Dominick's Fresh Foods, Inc.	4	275	0.9%	Avtec Industires, Inc.	4	155	1.7%
Jewel/Osco	5	275	0.9%	The Tillers	5	125	1.4%
Lowe's Home Improvement, Inc.	6	250	0.8%	Custom Food Products	6	80	0.9%
Target Corporation	7	250	0.8%	Alley Drywall	7	70	0.8%
Home Depot USA	8	250	0.8%	Great Western Flooring	8	70	0.8%
Kohl's	9	225	0.7%	Blocker Grading Constructiton	9	65	0.7%
Anfinsen Assembly, Inc.	10	150	0.5%	Precision Packaging Inc.	10	60	0.7%

Data Source

Oswego Economic Development Corporation

VILLAGE OF OSWEGO, ILLINOIS
 FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004*	2005*	2006*	2007*	2008*	2009*
GENERAL GOVERNMENT										
Administration	n/a	n/a	5.00	4.00	5.00	7.50	8.00	8.50	8.50	8.50
Finance	n/a	n/a	3.00	3.00	3.00	3.00	3.00	3.50	3.50	4.00
Village Clerk	n/a	n/a	1.00	1.00	2.00	2.00	2.00	2.50	2.50	3.00
Building and Zoning	n/a	n/a	8.00	8.00	9.00	9.50	11.00	12.00	12.50	12.00
Community Development	n/a	n/a	3.00	3.00	5.00	5.00	6.00	6.00	6.00	6.50
PUBLIC SAFETY										
Police										
Officers	n/a	n/a	37.00	37.00	40.00	42.00	45.00	50.00	53.00	53.00
Civilians	n/a	n/a	3.00	3.00	3.00	7.00	9.00	13.50	15.00	15.00
PUBLIC WORKS										
Road and Bridge/Water and Sewer	n/a	n/a	19.00	18.50	22.50	27.00	28.00	29.00	33.00	32.00
TOTAL	-	-	79.00	77.50	89.50	103.00	112.00	125.00	134.00	134.00

* Totals include seasonal positions. Each seasonal position counts as 0.5 positions.

Data Source

Village budget office

n/a = not available

VILLAGE OF OSWEGO, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Building and Zoning										
Permits issued	n/a	n/a	n/a	420	759	1,080	1,754	2,098	1,642	1,123
Community Development										
Total year-end requested projects	n/a	n/a	n/a	n/a	n/a	57	64	84	40	46
Total year-end projects approved	20	65	27	67	57	83	88	109	39	45
Public Safety										
Police										
Physical arrests	n/a	n/a	n/a	n/a	677	798	1,302	1,326	1,382	1,371
Parking violations	n/a	n/a	n/a	n/a	291	387	882	1,600	1,174	758
Traffic violations	n/a	n/a	n/a	n/a	8,088	10,639	18,663	20,136	6,172	4,565
Criminal reports	n/a	n/a	n/a	n/a	3,630	3,998	4,948	5,096	2,335	2,185
Calls for service	n/a	n/a	n/a	n/a	20,629	30,847	44,385	50,837	51,918	46,378
Road and Bridge										
Pothole repairs (tons)	n/a	n/a	44	19	29	45	47	33	99	94
Parkway tree replacement	50	24	67	104	117	60	17	1	48	57
Water										
Number of accounts	4,698	5,305	5,790	6,185	7,229	7,810	8,965	9,624	10,061	10,350
Total annual consumption	457,011,025	478,746,045	568,632,040	651,291,035	640,361,110	762,958,040	886,948,175	878,522,150	930,759,000	898,847,000
Average daily consumption	1,252,085	1,311,633	1,557,896	1,784,359	1,754,414	2,090,296	2,429,995	2,406,910	2,550,025	2,462,595
Peak daily consumption	2,940,000	3,137,000	3,720,000	4,043,000	3,650,000	3,631,000	5,071,000	5,289,000	5,692,000	5,951,000
Water main breaks	3	14	13	10	5	12	8	4	9	13
Water service repairs	1	5	7	7	2	3	3	3	7	8
Main line valve repairs	n/a	n/a	n/a	3	-	-	5	-	1	0
Fire hydrant replacements	n/a	n/a	n/a	1	1	-	-	2	3	1

n/a = not available

Data Source

Various Village Departments

VILLAGE OF OSWEGO, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	n/a	n/a	n/a	27	28	32	30	34	35	38
PUBLIC WORKS										
Miles of streets	n/a	n/a	n/a	80	80	97	115	125	126	128
Streetlights	n/a	n/a	n/a	1,408	1,408	1,770	2,000	2,094	2,113	2,120
Traffic signals	13	13	15	15	15	16	16	20	20	20
WATER										
Water mains (miles)	n/a	n/a	n/a	n/a	87	110	119	159	161	161
Fire hydrants	n/a	n/a	n/a	1,408	1,408	2,099	2,400	2,400	2,490	2,517
Storage capacity (gallons)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	3,500,000	3,500,000	3,500,000	3,800,000	3,800,000

n/a = not available

Data Source

Various village departments