



Village of
Oswego



Village of Oswego, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

April 30, 2012

VILLAGE OF OSWEGO, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
April 30, 2012

Prepared by:

Village of Oswego Finance Department

VILLAGE OF OSWEGO, ILLINOIS
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Principal Officials

Village President

Brian LeClercq
(Term Expires April 2015)

Village Trustees

Tony Giles
(Term Expires April 2015)

Jeff Lawson
(Term Expires April 2013)

Terry Michels
(Term Expires April 2015)

Gail Johnson
(Term Expires April 2015)

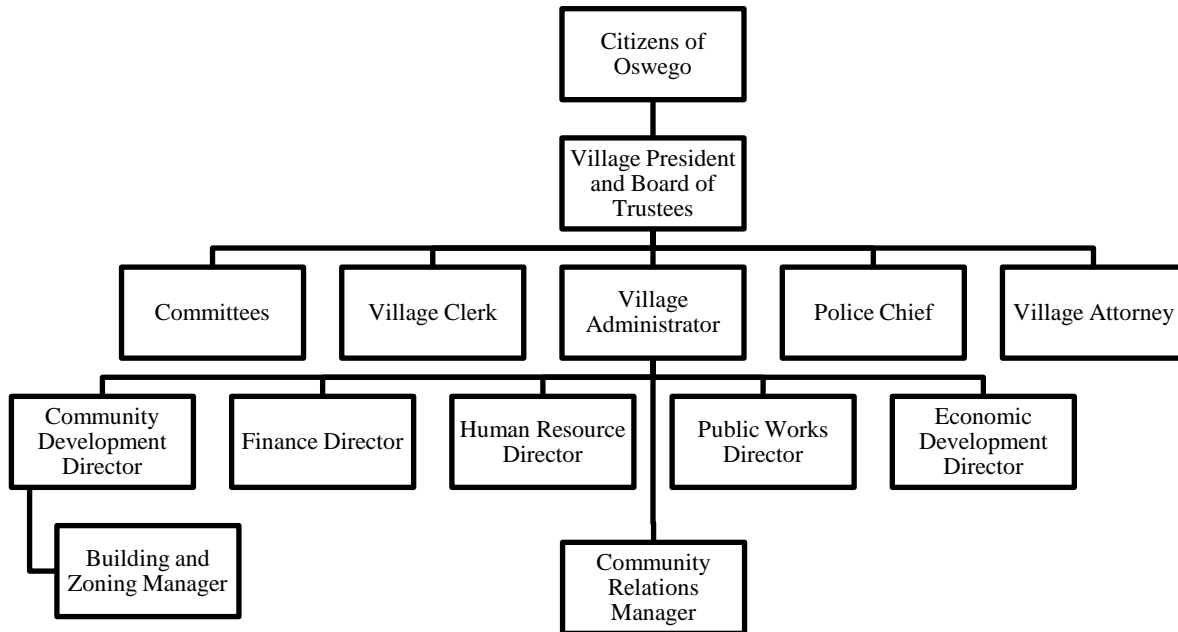
Judy Sollinger
(Term Expires April 2013)

Scott Volpe
(Term Expires April 2013)

Appointed Positions

Jeanne Hoch	Village Clerk
Dwight Baird	Interim Village Administrator
Mark Horton	Finance Director/Village Treasurer
Ann Spears	Human Resources Director
Rod Zenner	Community Development Director
Tony Lucenko	Economic Development Director
Jerry Weaver	Public Works Director
Dwight Baird	Police Chief

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, 2011

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



Linda C. Davison

President

Jeffrey R. Emer

Executive Director



September 21, 2012

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

The Comprehensive Annual Financial Report of the Village of Oswego, Illinois, for the fiscal year ended April 30, 2012 is hereby presented in compliance with State Statutes. State Statutes require local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). These financial statements must also be audited in accordance with accepted auditing standards by a firm of licensed certified public accountants.

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

The Village of Oswego retained the services of an independent accounting firm, Sikich LLP, Aurora, Illinois, to conduct the April 30, 2012 audit. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village of Oswego financial statements for the fiscal year ended April 30, 2012 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

GOVERNMENT PROFILE

Oswego was first settled in 1833 and formally incorporated in 1852. It is a home rule community as defined by the Illinois Constitution and as such is empowered to levy a property tax, at the rate it deems appropriate on all property located within its boundaries. The Village of Oswego is located in the northeastern section of the State of Illinois, approximately 50 miles southwest of Chicago in the northeast corner of Kendall County. The Village population reached 30,355 with the 2010 decennial census. The Village operates under the Trustee/Administrator form of government, as defined in Illinois state statutes. A Village President and six trustees are elected at large to overlapping 4 year terms. The Board appointed full-time Village Administrator acts as the Chief Operating Officer of the Village, managing the day-to-day activities of the Village.

The Village of Oswego has 111.5 full time equivalent employees providing an array of services for the residents including; police protection, maintaining the water distribution system, sanitary sewer line administration, storm water collection, public works operations, road & bridge maintenance, community development, building and zoning services and general administrative services. In addition, economic development and tourism services were also added during fiscal year 2012.

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

The annual budget serves as the spending authority for the Village. Budgetary control is maintained at the departmental level within the General Fund and at the fund level for all other budgeted funds. An annual budget is prepared for the General Fund, the Capital Projects Fund, the Debt Service Fund, the Motor Fuel Tax Fund, the Police Pension Fund, the Water and Sewer Fund, and the Garbage Fund. The budget process begins in the fall with the updating of a five year financial forecast which provides a long term outlook on the Village's financial condition and also provides direction for the subsequent fiscal year budget. Department heads are given instructions for preparing line item budgets for their respective departments and submitting them to the Budget Officer/Finance Director. All the department submissions are compiled creating the draft budget which is presented to the Board. A public hearing is required to be held on the budget before formal adoption by the Board. The annual budget must be adopted before the beginning of the Village's fiscal year, which is May 1st.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

The Village's population increased from 13,326 in calendar year 2000 to the 2010 Census amount of 30,355. Commercial growth has followed the increase in population and is providing retail

shopping for Village residents as well as many non-residents from many surrounding towns. The Village's Economic Development department works to attract retail and commercial business to locate within the Village.

The Village is a regional shopping and dining destination as national retailers and restaurants have located here. The route 34 corridor is one of the largest commercial centers in the Fox Valley area now offering over 2 million square feet of commercial space. Anchor stores include Best Buy, Dick's Sporting Goods, Dominick's, The Home Depot, Kohl's, Meijer, Target, Wal-Mart and Sears Home Appliance. Many well known chain restaurants have also located within the shopping centers.

The Orchard Road Corridor was to be the second largest commercial area within the Village but the economy has stalled much of the anticipated growth. However, a large chain grocery, financial institutions, a health care facility, some restaurants, as well as a senior residential facility, have opened forming the basis for future growth.

The Village has four business parks providing commercial and industrial development. The 300-acre Kendall Point Business Center, the 130-acre Stonehill Business Park, the Highland Business Center and Farmington Lakes Office Campus have all been established providing an abundance of commercial and manufacturing businesses. Proposed industrial and office development in the Orchard Road corridor covering more than 200 acres will add to the commercial and industrial base within the community.

All of this development and residential growth has helped the local economy to remain steady during these rough economic times. The Village's Sales Tax revenue continued to grow beating budget estimates for the fiscal year and the prior year's totals. However, the Village is not immune from the prolonged recession as residential growth has slowed dramatically over the past three years, unemployment is stabilizing, and foreclosures continue to occur. The Village's proactive reaction to the economy has helped keep costs down and the Village's finances on track. The local economy remains strong and is expected to grow as the national economy comes out of recession.

Long-Term Financial Planning

The Village has been annually updating five year capital/personnel plans as a means of identifying increases in expenditure levels for subsequent years. The coming fiscal year will utilize a five year financial forecast document estimating annual revenues and annual expenditures for long term planning. Trends in revenue sources and expenditures will be identified and reviewed so quality assumptions may be made for the future fiscal health of the Village. In fiscal year 2012, the Village Board completed a strategic plan and goal setting session outlining the future direction they have for the Village. The Village Board adopted a new Fund Balance Policy for Governmental Funds during the fiscal year. The Policy states the General Fund will maintain an Unrestricted-assigned amount at a minimum balance of 35% of budgeted expenditures to maintain long term fiscal sustainability. All of this information will be utilized in creating a roadmap for Village operations, future capital improvement projects and creating a financing plan for the Village's future.

Major Initiatives

For fiscal year 2011/2012, there were two capital projects planned. The technology upgrade for all Village departments, funded by the remaining 2009 Bond issuance, was two-thirds completed at the end of the fiscal year. The annual road program, paid from Motor Fuel Tax revenue, was 100% completed.

The capital projects scheduled for Fiscal Year 2012/2013, include the completion of the technology upgrade, the annual road program paid from Motor Fuel Tax revenue, as well as, the Route 71 water-main replacement and other road improvements funded by grants received.

Awards and Acknowledgements

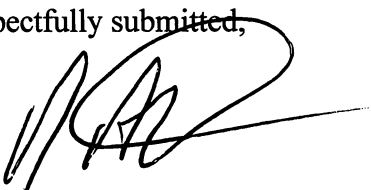
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Oswego for its comprehensive annual financial report for the fiscal year ended April 30, 2011. This was the 9th consecutive year the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Village also received the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2011/2012 Annual Budget document. This was the 8th consecutive year the Village has received this award. In order to qualify for the Distinguished budget Presentation Award, the government must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

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

Respectfully submitted,



Dwight Baird
Interim Village Administrator



Mark G. Horton
Finance Director/Village Treasurer



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

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 as of and for the year ended April 30, 2012, which collectively comprise the Village of Oswego, Illinois' basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Oswego, Illinois' 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 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 financial statements 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, 2012, 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 Village of Oswego, Illinois adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, during the year ended April 30, 2012. The statement changed the classifications of governmental fund balances and clarified the definitions of existing fund types. The adoption of this statement had no effect on any of the Village of Oswego, Illinois' governmental funds' assets or liabilities nor was there any effect to the total amount of any of the Village of Oswego, Illinois' governmental fund balances as of and for the year ended April 30, 2012.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

The prior year comparative information has been derived from the Village of Oswego, Illinois 2011 financial statements and, in our prior year report dated September 20, 2011, we expressed unqualified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information.



Naperville, Illinois
September 7, 2012

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012

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, 2012. Since Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Letter of Transmittal on pages iv through vii and the financial statements beginning on page 3.

Overview of the Financial Statements

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

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

Financial Highlights

- The Village's total assets decreased \$1.7 million from \$371.5 million to \$369.8 million. The decrease is due to depreciation of capital assets being greater than the amount of capital asset additions for the fiscal year.
- The Village's total liabilities decreased \$2.4 million for the fiscal year. Long term liabilities decreased \$2.1 million due to principal payments made on outstanding debt.
- The Village's total net assets increased \$0.7 million for the fiscal year ending April 30, 2012 suggesting the Village is economically slightly better off than the prior fiscal year.
- Total revenues increased \$1.7 million during the fiscal year. Charges for services revenue and increased tax revenues contributed to the increase.
- Total expenses decreased \$0.05 million over the fiscal year due to lower expenses in the enterprise funds as compared to last fiscal year.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The *statement of net 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.

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012

The government-wide financial statements distinguish functions of the Village that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including administration, building and zoning, community development, public works and public safety. Sales taxes, shared state taxes and permit fees finance the majority of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation. The water/sewer operations and the garbage collection operations are the two business-type activities within the village.

The government-wide financial statements can be found beginning on page 3 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Capital Projects Fund and the Debt Service Fund, all of which are considered to be major funds. Information from the Village's other governmental funds is combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report. The basic governmental fund financial statements can be found beginning on page 6 of this report.

Proprietary Funds maintained by the Village are of only one type; enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sanitary sewer operations and its contractually hired garbage collections. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund, both of which are considered to be major funds of the Village. The basic proprietary fund financial statements can be found beginning on page 10 of this report.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds. The Village maintains one fiduciary trust fund; the Police Pension fund and two agency funds; one for development fees held for other governmental agencies and one for developer deposits. The basic fiduciary fund financial statements can be found beginning on page 15 of this report.

Notes to the Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets. A useful indicator of the Village's financial position may be ascertained by comparing the total Net Assets from year to year. The Village's total assets decreased as did total liabilities from 2011 to 2012 resulting in a slight increase in total Net Assets. The increase in total Net Assets suggests the Village's financial position was better off at the end of fiscal year 2012 as compared to fiscal year 2011. The following chart reflects the condensed Statement of Net Assets:

Village of Oswego
Statement of Net Assets
As of April 30, 2012

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
Assets:						
Current & other assets	\$13,059,108	\$14,650,713	\$6,787,355	\$7,608,692	\$19,846,463	\$22,259,405
Capital assets	292,678,715	289,924,391	59,030,240	57,604,920	351,708,955	347,529,311
Total assets	305,737,823	304,575,104	65,817,595	65,213,612	371,555,418	369,788,716
Liabilities:						
Current liabilities	5,659,694	5,440,315	1,094,884	1,008,071	6,754,578	6,448,386
Long-term liabilities	19,488,916	18,505,760	17,965,855	16,857,735	37,454,771	35,363,495
Total liabilities	25,148,610	23,946,075	19,060,739	17,865,806	44,209,349	41,811,881
Net Assets:						
Invested in capital assets, net of related debt	274,396,968	272,998,786	41,398,648	40,762,984	315,795,616	313,761,770
Restricted	2,772,565	2,486,786	654,000	654,000	3,426,565	3,140,786
Unrestricted	3,419,680	5,143,457	4,704,208	5,930,822	8,123,888	11,074,279
Total Net Assets	\$280,589,213	\$280,629,029	\$46,756,856	\$47,347,806	\$327,346,069	\$327,976,835

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

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. Investment in capital assets net of related debt decreased from fiscal year 2011 by \$2.0 million due to the depreciation of the capital assets. Restricted net assets decreased \$0.3 million because of the new classifications for fund balances. Of the total restricted net assets, 76% is for the completion of capital improvement projects and general road improvements. Unrestricted net assets increased \$3.0 million compared to fiscal year 2011. For more detailed information on net assets, refer to the Statement of Net Assets on page 3.

Changes in Net Assets. The following chart summarizes the revenue and expenses of the Village's activities.

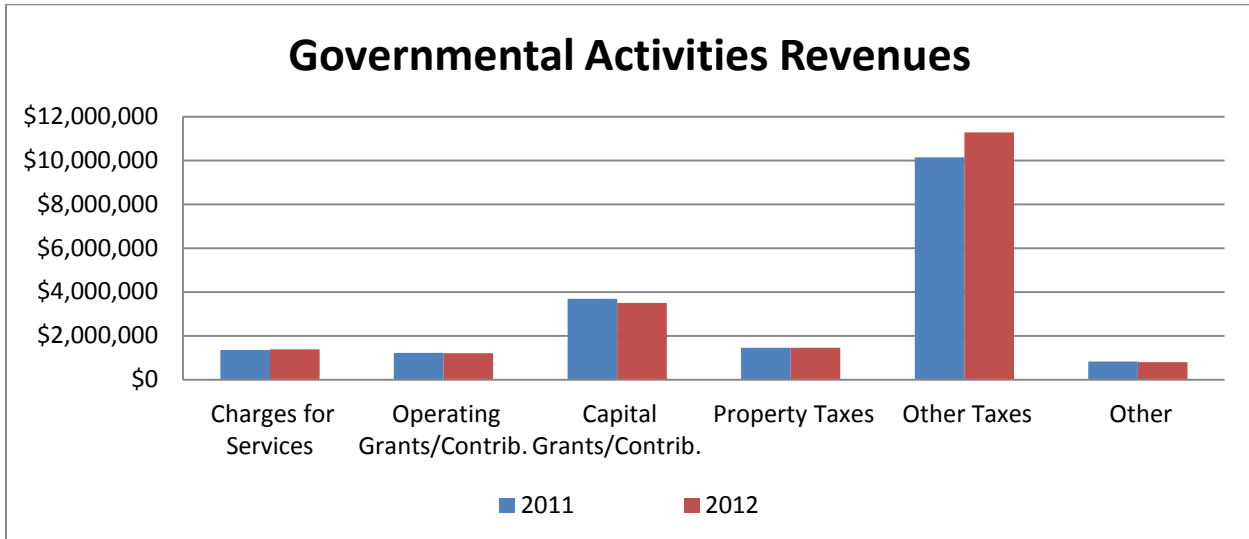
**Village of Oswego
Changes in Net Assets
For the Fiscal Year Ended April 30, 2012**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
REVENUES						
Program Revenues:						
Charges for Services	\$1,350,261	\$1,382,036	\$7,669,492	\$8,529,573	\$9,019,753	\$9,911,609
Operating Grants/Contrib.	1,218,753	1,207,396		111,935	1,218,753	1,319,331
Capital Grants/Contrib.	3,681,288	3,495,236	149,056	62,390	3,830,344	3,557,626
General Revenues:						
Property Taxes	1,449,154	1,454,079	-	-	1,449,154	1,454,079
Other Taxes	10,145,260	11,284,637	-	-	10,145,260	11,284,637
Other	822,901	800,156	197,137	58,694	1,020,038	858,850
Total Revenues	18,667,617	19,623,540	8,015,685	8,762,592	26,683,302	28,386,132
EXPENSES						
General Government	2,574,508	2,551,465	-	-	2,574,508	2,551,465
Building and Zoning	574,252	603,708	-	-	574,252	603,708
Community Development	355,570	469,946	-	-	355,570	469,946
Public Safety	7,771,351	7,785,066	-	-	7,771,351	7,785,066
Public Works	6,443,722	6,466,254	-	-	6,443,722	6,466,254
Interest on Debt	810,467	756,086	-	-	810,467	756,086
Water and Sewer	-	-	5,915,469	5,573,478	5,915,469	5,573,478
Garbage	-	-	2,088,471	2,272,694	2,088,471	2,272,694
Total Expenses	18,529,870	18,632,525	8,003,940	7,846,172	26,533,810	26,478,697
Change in Net Assets before Transfers	137,747	991,015	11,745	916,420	149,492	1,907,435
Transfers	(1,883,000)	325,470	1,883,000	(325,470)	-	-
Change in Net Assets	(1,745,253)	1,316,485	1,894,745	590,950	149,492	1,907,435
Net Assets, Beginning of the Year	282,334,466	280,589,213	44,862,111	46,756,856	327,196,577	327,346,069
Prior period adjustment	-	(1,276,669)	-	-	-	(1,276,669)
Net Assets, Beginning of Year Restated	282,334,466	279,312,544	44,862,111	46,756,856	327,196,577	326,069,400
Net Assets, End of the Year	\$280,589,213	\$280,629,029	\$46,756,856	\$47,347,806	\$327,346,069	\$327,976,835

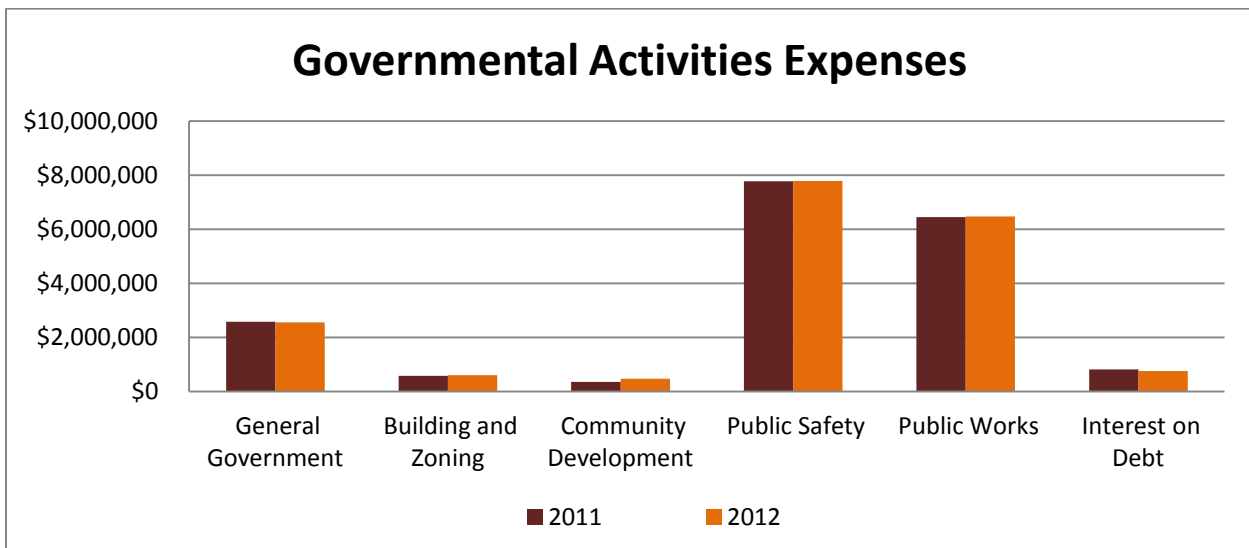
Change in Net Assets in the Governmental Activities. Total revenues for governmental activities increased \$1.0 million compared to fiscal year 2011. Contributing factors to the increase were;

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

- The Other Taxes category of revenue increased \$1.1 million compared to fiscal year 2011. Sales tax revenue (\$0.7 million greater than the prior fiscal year) and Income tax revenue (\$0.2 million greater than the prior year) contributed to the increase in this category. The increases assisted in offsetting the decrease in Capital Grants/Contributions of \$0.2 million.



Total expenses for governmental activities increased \$0.1 million compared with fiscal year 2011. General government, Building and zoning, Public safety and Public works functions had minimal changes in total expenses compared with fiscal year 2011. Community development functions expenses increased \$0.1 million because of the creation of the Economic development department five months into the fiscal year and associated expenses. Interest on debt decreased \$0.07 million compared with 2011.



VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012

The resulting total change in Net Assets was an increase of \$1.0 million leaving an ending Net Assets balance of \$280.6 million at April 30, 2012. The increase in total revenues plus the transfer of \$0.3 million from *business*-type activities to governmental activities accounted for the increase in Net Assets.

Change in Net Assets in Business-Type Activities. The total change in Net Assets for business-type activities is an increase of \$0.6 million for fiscal year 2012. Total revenues increased \$0.7 million compared to fiscal year 2011 while total expenses decreased \$0.1 million. A \$0.3 million transfer of unspent bond proceeds was transferred to governmental activities during the fiscal year.

Charges for Services revenues increased \$0.8 million due to user fee increases. Operating Grants/contributions increased \$0.1 million due to a classification reporting change for the Treasury Rebate receipts on the 2009 debt issuance which were recorded in Capital Grants and Contributions in fiscal year 2011. Total expenses decreased \$0.1 million because of lower costs for capital maintenance in fiscal year 2012.

Increased revenues combined with lower expenses resulted in Total Net Assets increasing \$0.6 million to a total of \$47.3 million.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds. The focus of the governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. This information may be helpful in assessing the Village's financing requirements. For example, unrestricted-unassigned fund balance serves as a useful measure of net resources available for spending at the end of the fiscal year. At April 30, 2012, the governmental funds reported combined ending fund balances of \$9.3 million compared to April 30, 2011 combined balances of \$7.5 million. Total revenues for governmental funds exceeded expenditures by \$1.4 million plus the net \$0.4 million in Other Financing Sources/Uses account for the overall increase in fund balances at April 30, 2012.

The General Fund is the primary operating fund of the Village of Oswego. The total fund balance of the General Fund increased \$1.4 million to an ending balance at April 30, 2012 of \$6.0 million. All but \$0.1 million is unrestricted. As a measure of liquidity, it is useful to compare unrestricted fund balance to total expenditures. Unrestricted fund balance represents 49% of total 2012 General Fund expenditures compared to 38% for fiscal year 2011.

The Capital Projects Fund had capital outlay expenditures of \$0.2 million for the fiscal year. Prior Bond proceeds were spent on the Village computer upgrade project. The Douglas Road project completed in 2010 is still awaiting the Illinois Department of Transportation to invoice the Village for the Village share of the project. This is the reason for the accounts payable balance of \$2.3 million at fiscal year end. Total unrestricted-assigned fund balance changed from April 30, 2011 from \$0.2 million to \$0.7 million at April 30, 2012. Investment income and developer contributions revenues along with the transfer of bond proceeds from the Water & Sewer Fund account for the increase in unrestricted-assigned fund balance.

The Debt Service Fund had expenditures of \$1.8 million for principal and interest payments during the fiscal year. Transfers from the General Fund and Motor Fuel Tax Fund supported the expenditures.

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012

The non-major governmental funds which consist of the Motor Fuel Tax Fund and three small development escrow Funds had the usual activity compared with previous fiscal years. Total combined assets decreased slightly compared to fiscal year 2011 due to less revenue received for special events and the return of held deposits to developers. Total liabilities decreased \$0.2 million compared with fiscal year 2011 also due to the return of escrow funds held from developers. Total fund balances increased less than \$0.1 million from the fiscal year activity.

Proprietary Funds. The Village's proprietary fund statements provide the same type of information found in the government-wide statements but in greater detail. *Water and Sewer Fund* total assets decreased \$0.4 million to a total of \$64.5 million. Water and Sewer Fund total liabilities decreased \$1.0 million primarily from payments made on outstanding debt issuances and loans. Water and Sewer Fund net assets increased \$0.6 million compared to fiscal year 2011 due to the connection fees revenue being \$0.6 million greater than fiscal year 2011.

The Garbage Fund had a decrease in net assets in the current year of \$.02 million resulting in an ending unrestricted net asset balance of \$0.5 million. The Garbage Fund contracts with a commercial waste hauler passing the entire costs of the service to the users.

General Fund Budgetary Highlights

Village of Oswego
General Fund Budgetary Highlights
For the Fiscal Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$10,750,602	\$10,750,602	\$11,434,714
Charges for Services	1,335,250	1,335,250	1,651,653
Other	1,834,001	1,834,001	1,912,300
Total revenues	<u>13,919,853</u>	<u>13,919,853</u>	<u>14,998,667</u>
EXPENDITURES			
General Government	1,783,733	1,964,327	1,969,231
Building and Zoning	612,136	612,136	602,123
Community Development	365,963	521,507	467,525
Public Works	1,281,321	1,281,321	1,176,395
Public Safety	8,035,592	8,035,592	7,753,773
Total expenditures	<u>12,078,745</u>	<u>12,414,883</u>	<u>11,969,047</u>
OTHER FINANCING SOURCES (USES)			
Transfer In (Out)	(1,551,585)	(1,551,585)	(1,555,117)
Sale of capital assets	-	-	106
Total other financing sources (uses)	<u>(1,551,585)</u>	<u>(1,551,585)</u>	<u>(1,555,011)</u>
Net Change in Fund Balance	<u>\$289,523</u>	<u>(\$46,615)</u>	1,474,609
Fund Balance, May 1			<u>4,526,873</u>
Fund Balance, April 30			<u>\$6,001,482</u>

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

Total General Fund Revenues were \$1.0 million greater than budget. Sales Tax revenue was \$0.6 million greater than expected and Income tax revenues were \$0.2 million greater than budget in the taxes category. Charges for Services revenues were greater than budget by \$0.3 million due to increased telecommunication fee revenue. Other revenues were greater than budget due to licenses and permit fees receipts and miscellaneous revenues exceeding budget expectations for the year.

General Fund Expenditures were less than budget by \$0.4 million. General Government and Building and Zoning departments were close to budget for the fiscal year. Community development was less than budget due to the hiring of the Economic Development Director five months into the fiscal year. Public works expenditures were \$0.1 million less than budget because of storm sewer maintenance, street light maintenance, leaf removal and street lighting expenditures costing less than budget. Public safety costs were less than budget by \$0.1 million due to position vacancies during the fiscal year, lower communication costs, lower training/travel costs and less spent on capital outlay for the year.

Capital Asset and Debt Administration. The Village of Oswego's investment in capital assets decreased \$2.9 million (net of accumulated depreciation) as compared to fiscal year 2011. This investment in capital assets includes property and improvements, equipment, facilities, vehicles and infrastructure (roadway improvements, water supply lines and sanitary sewer lines). The following table details the Villages changes in capital assets for governmental activities and business-type activities.

**Village of Oswego
Capital Assets
As of April 30, 2012**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
Non-Depreciable Assets:						
Land	\$1,312,153	\$1,312,153	\$897,871	\$897,871	\$2,210,024	\$2,210,024
Right of Way	100,027,285	100,952,329	-	-	100,027,285	100,952,329
CIP	-	-	61,160	195,946	61,160	195,946
Depreciable Assets						
Land improvements	848,229	848,229	-	-	848,229	848,229
Buildings	9,515,388	9,515,388	6,618,082	6,618,082	16,133,470	16,133,470
Equipment	1,104,296	1,181,016	130,418	130,418	1,234,714	1,311,434
Vehicles	1,098,463	1,118,425	1,367,745	1,367,745	2,466,208	2,486,170
Infrastructure	225,854,157	228,192,271	63,815,922	63,878,312	289,670,079	292,070,583
Accumulated Depreciation	\$48,357,925)	(53,195,420)	(13,860,958)	(15,483,454)	62,218,883	(68,678,874)
Total	\$291,402,046	\$289,924,391	\$59,030,240	\$57,604,920	\$350,432,286	\$347,529,311

Governmental activities total capital assets decreased \$1.5 million as the change in accumulated depreciation was greater than the net increase in assets.

Business-type activities total capital assets decreased \$1.4 million over the fiscal year. Annual depreciation was greater than the increase in capitalized assets accounting for the reduction in total assets. The Route 71 Watermain Relocation Project engineering services were begun during fiscal year 2012 accounting for the increase in CIP compared to 2011.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

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

Long-Term Debt. At April 30, 2012 the Village had total debt outstanding of \$35.4 million. General Obligation Bonds and IEPA notes account for 97% of the Village's total outstanding debt. Sales tax, MFT tax and water/sewer revenues are currently pledged to pay the annual debt service on the bonds and notes.

**Village of Oswego
Bonded and Other Indebtedness
As of April 30, 2012**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
General obligation bonds	\$18,345,000	\$17,325,000	\$16,870,000	\$15,850,000	\$35,215,000	\$33,175,000
IEPA notes	-	-	1,359,042	1,244,718	1,359,042	1,244,718
Unamortized premium (discount)	(63,253)	50,867	(59,569)	28,178	(122,822)	79,045
Unamortized loss on refunding	-	(121,284)	(216,263)	(280,960)	(216,263)	(402,244)
Compensated absences	379,509	439,704	10,827	13,052	390,336	452,756
Retiree termination benefits	123,575	93,104	-	-	123,575	93,104
Net pension obligation	677,555	678,286	-	-	677,555	678,286
Other post employment benefits	26,530	40,083	1,818	2,747	28,348	42,830
Total	\$19,488,916	\$18,505,760	\$17,965,855	\$16,857,735	\$37,454,771	\$35,363,495

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's debt policy is to limit the amount of outstanding debt to 5% of the equalized assessed valuation (EAV) of the Village. The latest EAV is \$836,708,892 which results in a gross debt to EAV ratio of 4.23% as of April 30, 2012 and a gross debt per capita of \$1,165 using the latest certified village population of 30,355. The Village's current credit rating issued by Moody's Investors Services is Aa2.

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

Economic Factors and Next Year's Budget

Fiscal Year 2012 yearend financial results were far better than forecast for the Village when comparing final actual numbers with final budget numbers. Revenues were better than expected due to greater sales tax revenue, greater local home rule sales tax revenue, greater telecommunications revenue, additional motor fuel tax distributions received and greater connection fee revenue in the Water and Sewer Fund. Total expenditures ended the year less than budget contributing to the overall positive financial results. The local unemployment rate stabilized during the fiscal year with employment ads increasing in local news media. Interest in new development also increased with interest from homebuilders and commercial businesses having discussions with the Village.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012**

The Village remained cautious in preparing the Fiscal Year 2013 Budget looking to realize cost savings wherever possible in current expenditures. Revenues were conservatively estimated just in case the economy reversed course. The Budget was balanced maintaining current staffing levels and including only capital improvements supported from grants awarded in fiscal year 2012. Department heads will continue to spend only what is necessary attempting to maintain current service levels over the fiscal year.

The Village will monitor revenues and expenses throughout the fiscal year and will take action if a downturn in the economy does occur. The Village will continue to be proactive in responding to any unforeseen events to minimize the impact to Village residents.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 9,269,525	\$ 5,250,460	\$ 14,519,985
Restricted cash and investments	-	1,115,250	1,115,250
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	1,216,073	-	1,216,073
Accounts	159,278	1,118,181	1,277,459
Intergovernmental	3,395,218	-	3,395,218
Utility taxes	61,989	-	61,989
Notes	308,785	-	308,785
Prepaid expenses	93,079	16,096	109,175
Due from fiduciary funds	606	1,098	1,704
Capital assets not being depreciated	102,264,482	1,093,817	103,358,299
Capital assets being depreciated (net of accumulated depreciation)	187,659,909	56,511,103	244,171,012
Deferred charges	146,160	107,607	253,767
Total assets	304,575,104	65,213,612	369,788,716
LIABILITIES			
Accounts payable	3,083,707	592,489	3,676,196
Accrued payroll	196,001	22,627	218,628
Retainage payable	24,295	8,695	32,990
Escrow deposits	401,578	-	401,578
Unearned revenue	1,475,278	125,000	1,600,278
Interest payable	259,456	259,260	518,716
Long-term liabilities			
Due within one year	1,367,311	1,228,194	2,595,505
Due in more than one year	17,138,449	15,629,541	32,767,990
Total liabilities	23,946,075	17,865,806	41,811,881
NET ASSETS			
Invested in capital assets, net of related debt	272,998,786	40,762,984	313,761,770
Restricted for			
Highways and streets	728,199	-	728,199
Special projects	1,338,488	-	1,338,488
Economic development	404,509	-	404,509
Debt service	15,590	-	15,590
Radium removal	-	654,000	654,000
Unrestricted	5,143,457	5,930,822	11,074,279
TOTAL NET ASSETS	\$ 280,629,029	\$ 47,347,806	\$ 327,976,835

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2012

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 2,551,465	\$ 22,668	\$ -	\$ -
Building and zoning	603,708	530,892	316,157	-
Community development	469,946	146,390	-	-
Public safety	7,785,066	682,086	83,602	-
Public works	6,466,254	-	807,637	3,495,236
Interest	756,086	-	-	-
Total governmental activities	18,632,525	1,382,036	1,207,396	3,495,236
Business-Type Activities				
Water and sewer	5,573,478	6,261,974	111,935	62,390
Garbage	2,272,694	2,267,599	-	-
Total business-type activities	7,846,172	8,529,573	111,935	62,390
TOTAL PRIMARY GOVERNMENT	\$ 26,478,697	\$ 9,911,609	\$ 1,319,331	\$ 3,557,626

	<u>Net (Expense) Revenue and Change in Net Assets</u>		
	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-Type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
	\$ (2,528,797)	\$ -	\$ (2,528,797)
	243,341	-	243,341
	(323,556)	-	(323,556)
	(7,019,378)	-	(7,019,378)
	(2,163,381)	-	(2,163,381)
	(756,086)	-	(756,086)
	<u>(12,547,857)</u>	<u>-</u>	<u>(12,547,857)</u>
	-	862,821	862,821
	-	(5,095)	(5,095)
	<u>-</u>	<u>857,726</u>	<u>857,726</u>
	<u>(12,547,857)</u>	<u>857,726</u>	<u>(11,690,131)</u>
General Revenues			
Taxes			
Property	1,454,079	-	1,454,079
Sales	6,039,345	-	6,039,345
Telecommunication	1,304,003	-	1,304,003
Personal property replacement	9,627	-	9,627
Utility	959,959	-	959,959
Income	2,460,342	-	2,460,342
Other	511,361	-	511,361
Investment income	92,563	44,349	136,912
Miscellaneous	707,593	14,345	721,938
Transfers	325,470	(325,470)	-
Total	<u>13,864,342</u>	<u>(266,776)</u>	<u>13,597,566</u>
CHANGE IN NET ASSETS	<u>1,316,485</u>	<u>590,950</u>	<u>1,907,435</u>
NET ASSETS, MAY 1	280,589,213	46,756,856	327,346,069
Prior period adjustment	<u>(1,276,669)</u>	<u>-</u>	<u>(1,276,669)</u>
NET ASSETS, MAY 1, RESTATED	<u>279,312,544</u>	<u>46,756,856</u>	<u>326,069,400</u>
NET ASSETS, APRIL 30	<u>\$ 280,629,029</u>	<u>\$ 47,347,806</u>	<u>\$ 327,976,835</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2012

	General	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 3,339,008	\$ 3,403,133	\$ 15,590	\$ 2,511,794	\$ 9,269,525
Receivables					
Property taxes	1,216,073	-	-	-	1,216,073
Accounts	158,726	-	-	552	159,278
Intergovernmental	3,336,287	-	-	58,931	3,395,218
Utility tax	61,989	-	-	-	61,989
Notes	-	-	-	308,785	308,785
Prepaid items	88,206	-	-	4,873	93,079
Due from fiduciary funds	606	-	-	-	606
TOTAL ASSETS	\$ 8,200,895	\$ 3,403,133	\$ 15,590	\$ 2,884,935	\$ 14,504,553
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 782,767	\$ 2,298,285	\$ -	\$ 2,655	\$ 3,083,707
Accrued payroll	196,001	-	-	-	196,001
Retainage payable	-	24,295	-	-	24,295
Escrow deposits	-	-	-	401,578	401,578
Deferred revenue	1,220,645	250,000	-	4,633	1,475,278
Total liabilities	2,199,413	2,572,580	-	408,866	5,180,859
FUND BALANCES					
Nonspendable					
Prepaid items	88,206	-	-	4,873	93,079
Notes receivable	-	-	-	308,785	308,785
Restricted					
Highways and streets	-	-	-	728,199	728,199
Road fees	-	75,503	-	-	75,503
Special projects	-	-	-	1,338,488	1,338,488
Economic development	-	-	-	95,724	95,724
Debt service	-	-	15,590	-	15,590
Unrestricted					
Assigned - Fiscal Sustainability	5,021,748	-	-	-	5,021,748
Assigned - Capital Projects	-	755,050	-	-	755,050
Unassigned	891,528	-	-	-	891,528
Total fund balances	6,001,482	830,553	15,590	2,476,069	9,323,694
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,200,895	\$ 3,403,133	\$ 15,590	\$ 2,884,935	\$ 14,504,553

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, 2012

FUND BALANCES OF GOVERNMENTAL FUNDS	\$	9,323,694
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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	289,924,391
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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	\$ (17,325,000)	
Unamortized discount on bonds payable	41,166	
Unamortized loss on refunding	121,284	
Unamortized premium on bonds payable	(92,033)	
Compensated absences payable	(439,704)	
Retiree termination benefit payable	(93,104)	
Net pension obligation	(678,286)	
Other postemployment benefit	(40,083)	
Deferred charges	146,160	
Interest payable	(259,456)	(18,619,056)

NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	<u>280,629,029</u>
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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, 2012

	General	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 11,434,714	\$ -	\$ -	\$ -	\$ 11,434,714
Licenses and permits	807,046	-	-	-	807,046
Intergovernmental	83,602	(3,364)	-	1,017,984	1,098,222
Charges for services	1,651,653	-	-	-	1,651,653
Fines and forfeits	458,830	-	-	19,448	478,278
Investment income	26,881	35,557	631	29,494	92,563
Miscellaneous	535,941	-	1,078	206,562	743,581
Developer contributions	-	46,926	-	-	46,926
Total revenues	14,998,667	79,119	1,709	1,273,488	16,352,983
EXPENDITURES					
Current					
General government	1,969,231	-	-	114,386	2,083,617
Building and zoning	602,123	-	-	-	602,123
Community development	467,525	-	-	-	467,525
Public safety	7,753,773	-	-	5,654	7,759,427
Public works	1,176,395	-	-	772,887	1,949,282
Capital outlay	-	222,351	-	-	222,351
Debt service					
Principal retirement	-	-	1,060,000	-	1,060,000
Interest and fiscal charges	-	-	798,595	-	798,595
Total expenditures	11,969,047	222,351	1,858,595	892,927	14,942,920
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,029,620	(143,232)	(1,856,886)	380,561	1,410,063
OTHER FINANCING SOURCES (USES)					
Transfers in	-	325,470	1,817,617	-	2,143,087
Transfers (out)	(1,555,117)	-	-	(262,500)	(1,817,617)
Bonds issued, at par	-	-	2,300,000	-	2,300,000
Premium on bonds issued	-	-	92,033	-	92,033
Payment to escrow agent	-	-	(2,351,675)	-	(2,351,675)
Proceeds from the sale of capital assets	106	-	-	-	106
Total other financing sources (uses)	(1,555,011)	325,470	1,857,975	(262,500)	365,934
NET CHANGE IN FUND BALANCES	1,474,609	182,238	1,089	118,061	1,775,997
FUND BALANCES, MAY 1	4,526,873	648,315	14,501	2,358,008	7,547,697
FUND BALANCES, APRIL 30	\$ 6,001,482	\$ 830,553	\$ 15,590	\$ 2,476,069	\$ 9,323,694

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, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,775,997
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	200,738
Loss on disposal of capital assets is not a use of current financial resources and, therefore, is not reported in governmental funds but is reported as an expense on the statement of activities	(7,001)
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	(4,941,843)
Bond proceeds are reported as an other financing source in governmental funds Bond proceeds Premium on bond proceeds	(2,300,000) (92,033)
The payment to escrow agent is reported as an other financing use in governmental funds	2,351,675
Issuance costs on bonds are reported as expenditures in governmental funds but are capitalized and amortized on the statement of activities	40,358
Capital contributions by developers are reported as revenue in the statement of activities	3,270,451
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 Other postemployment benefit Bonds payable Change in interest	(60,195) 30,471 (731) (13,553) 1,060,000 22,763
The amortization of bond issuance costs and unamortized discount are recorded as interest expense on the statement of activities	(20,612)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,316,485</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

April 30, 2012

	Business-Type Activities		
	Water and Sewer	Garbage	Total
CURRENT ASSETS			
Cash and investments	\$ 4,924,292	\$ 326,168	\$ 5,250,460
Accounts receivable	703,988	414,193	1,118,181
Restricted cash and investments			
Cash with paying agent	461,250	-	461,250
IEPA restriction	654,000	-	654,000
Prepaid expenses	16,096	-	16,096
Due from fiduciary funds	1,098	-	1,098
Total current assets	6,760,724	740,361	7,501,085
NONCURRENT ASSETS			
Capital assets			
Capital assets, net of depreciation			
Nondepreciable assets	1,093,817	-	1,093,817
Depreciable buildings, property and infrastructure	71,994,557	-	71,994,557
Accumulated depreciation	(15,483,454)	-	(15,483,454)
Total capital assets	57,604,920	-	57,604,920
Deferred charges	107,607	-	107,607
Total noncurrent assets	57,712,527	-	57,712,527
Total assets	64,473,251	740,361	65,213,612

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS (Continued)
 PROPRIETARY FUNDS

April 30, 2012

	Business-Type Activities		
	Water and Sewer	Garbage	Total
CURRENT LIABILITIES			
Accounts payable	\$ 400,163	\$ 192,326	\$ 592,489
Accrued payroll	22,627	-	22,627
Retainage payable	8,695	-	8,695
Compensated absences	786	-	786
Unearned revenue	125,000	-	125,000
Interest payable	259,260	-	259,260
IEPA loans payable	117,408	-	117,408
Bonds payable	1,110,000	-	1,110,000
Total current liabilities	2,043,939	192,326	2,236,265
LONG-TERM LIABILITIES			
Unamortized bond premium	75,452	-	75,452
Unamortized bond discount	(47,274)	-	(47,274)
Unamortized loss on refunding	(280,960)	-	(280,960)
Compensated absences	12,266	-	12,266
Other post employment benefits	2,747	-	2,747
IEPA loans payable	1,127,310	-	1,127,310
Bonds payable	14,740,000	-	14,740,000
Total long-term liabilities	15,629,541	-	15,629,541
Total liabilities	17,673,480	192,326	17,865,806
NET ASSETS			
Invested in capital assets, net of related debt	40,762,984	-	40,762,984
Restricted for radium removal	654,000	-	654,000
Unrestricted	5,382,787	548,035	5,930,822
TOTAL NET ASSETS	\$ 46,799,771	\$ 548,035	\$ 47,347,806

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, 2012

	Business-Type Activities		
	Water and Sewer Fund	Garbage Fund	Total
OPERATING REVENUES			
Charges for services	\$ 5,022,115	\$ 2,267,599	\$ 7,289,714
OPERATING EXPENSES			
Production	3,173,278	2,272,694	5,445,972
Total operating expenses	3,173,278	2,272,694	5,445,972
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	1,848,837	(5,095)	1,843,742
DEPRECIATION	1,622,496	-	1,622,496
OPERATING INCOME (LOSS)	226,341	(5,095)	221,246
NONOPERATING REVENUES (EXPENSES)			
Connection fees	1,239,859	-	1,239,859
Grant revenue	111,935	-	111,935
Miscellaneous income	14,345	-	14,345
Investment income	42,125	2,224	44,349
Interest expense	(777,704)	-	(777,704)
Total nonoperating revenues (expenses)	630,560	2,224	632,784
Net income (loss) before contributions and transfers	856,901	(2,871)	854,030
TRANSFERS IN (OUT)			
Transfers in (out)	(325,470)	-	(325,470)
CONTRIBUTIONS			
Capital contributions	62,390	-	62,390
CHANGE IN NET ASSETS	593,821	(2,871)	590,950
NET ASSETS, MAY 1	46,205,950	550,906	46,756,856
NET ASSETS, APRIL 30	\$ 46,799,771	\$ 548,035	\$ 47,347,806

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Business-Type Activities		
	Water and Sewer Fund	Garbage Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 5,117,970	\$ 2,284,981	\$ 7,402,951
Payments to suppliers	(2,270,645)	(2,430,740)	(4,701,385)
Payments to employees	(920,025)	-	(920,025)
Miscellaneous income	14,345	-	14,345
Net cash from operating activities	1,941,645	(145,759)	1,795,886
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payment to other funds	(326,730)	-	(326,730)
Net cash from noncapital financing activities	(326,730)	-	(326,730)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(83,956)	-	(83,956)
Connection fees	1,239,859	-	1,239,859
Grant revenue	236,935	-	236,935
Bond principal payments	(1,050,000)	-	(1,050,000)
IEPA loan principal payments	(114,325)	-	(114,325)
Interest paid	(803,579)	-	(803,579)
Net cash from capital and related financing activities	(575,066)	-	(575,066)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	43,666	2,224	45,890
Net cash from investing activities	43,666	2,224	45,890
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,083,515	(143,535)	939,980
CASH AND CASH EQUIVALENTS, MAY 1	4,956,027	469,703	5,425,730
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 6,039,542	\$ 326,168	\$ 6,365,710

(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, 2012

	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)	\$ 226,341	\$ (5,095)	\$ 221,246
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,622,496	-	1,622,496
Miscellaneous income	14,345	-	14,345
Changes in assets and liabilities			
Accounts receivable	95,855	17,382	113,237
Prepaid expenses	12,411	-	12,411
Accounts payable	(31,703)	(158,046)	(189,749)
Accrued payroll	3,811	-	3,811
Compensated absences	(2,840)	-	(2,840)
Other postemployment benefits	929	-	929
NET CASH FROM OPERATING ACTIVITIES	\$ 1,941,645	\$ (145,759)	\$ 1,795,886
CASH AND CASH EQUIVALENTS			
Unrestricted cash and cash equivalents	\$ 4,924,292	\$ 326,168	\$ 5,250,460
Restricted cash and cash equivalents			
Cash with paying agent	461,250	-	461,250
IEPA restriction	654,000	-	654,000
TOTAL CASH AND CASH EQUIVALENTS	\$ 6,039,542	\$ 326,168	\$ 6,365,710
NONCASH TRANSACTIONS			
Capital contributions	\$ 62,390	-	\$ 62,390

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS

April 30, 2012

	Pension Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 72,557	\$ 383,440
Investments, at fair value		
U.S. Government securities	6,331,431	-
Municipal bonds	89,235	
Insurance contracts	2,979,892	-
Equity mutual funds	5,135,983	-
Accounts receivable	-	2,325
Accrued interest receivable	32,901	-
	<u>14,641,999</u>	<u>\$ 385,765</u>
LIABILITIES		
Accounts payable	3,938	\$ 6,760
Due to others	-	377,644
Due to other funds	343	1,361
	<u>4,281</u>	<u>\$ 385,765</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u><u>\$ 14,637,718</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, 2012

ADDITIONS	
Contributions	
Employer	\$ 1,015,000
Employee	<u>414,257</u>
Total contributions	<u>1,429,257</u>
Investment income	
Net appreciation in fair value of investments	391,568
Interest	<u>268,036</u>
Total investment income	659,604
Less investment expense	<u>(33,320)</u>
Net investment income	<u>626,284</u>
Total additions	<u>2,055,541</u>
DEDUCTIONS	
Benefits and refunds	428,991
Administration	<u>16,470</u>
Total deductions	<u>445,461</u>
NET INCREASE	1,610,080
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
May 1	<u>13,027,638</u>
April 30	<u><u>\$ 14,637,718</u></u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

April 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

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

The Village has defined its reporting entity in accordance with GASB Statement No. 14. 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. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

The Debt Service Fund is used to account for the repayment of the Series 2004A, 2006A, 2007B, a portion of the 2009 general obligation bonds that are being repaid with property and sales tax, and a portion of the 2011 general obligation refunding bonds.

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, except for sales taxes and telecommunication taxes which use a 90-day period and income taxes which uses a 120-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports deferred/unearned 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 non-interest-bearing checking accounts and cash with paying agent.

f. Investments

Investments of the Village consist of money market accounts, certificates of deposit with various local financial institutions, various marketable securities, pooled investments and insurance company annuity contracts. Investments 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 using the consumption method.

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, and refunding gains/losses 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 nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board has the authority to assign fund balance. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. In the Capital Projects Fund, the restriction 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Assets (Continued)

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

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.

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 (investment grade 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 (not to exceed 10% of the portfolio), mutual funds and common and preferred stocks (limited to 50% and 55% of the Police Pension Fund's net present assets effective July 1, 2011 and 2012, respectively).

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 OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

Village Deposits with Financial Institutions

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

Village Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2012:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-2	3-5	Greater than 5
U.S. Treasury obligations	\$ 683,947	\$ 195,334	\$ 319,568	\$ 169,045	\$ -
U.S. agency obligations	196,865	-	-	45,339	151,526
TOTAL	\$ 880,812	\$ 195,334	\$ 319,568	\$ 214,384	\$ 151,526

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 U.S. Government or securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. 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.

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

2. CASH AND INVESTMENTS (Continued)

Village Investments (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

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

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 in excess of federal depository insurance or guarantee limits must be collateralized.

Police Pension Fund Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2012:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,011,306	\$ 100,827	\$ 916,319	\$ 994,160	\$ -
U.S. agency obligations	4,320,125	-	1,336,938	1,935,418	1,047,769
Municipal bonds	89,235	-	-	30,921	58,314
TOTAL	\$ 6,420,666	\$ 100,827	\$ 2,253,257	\$ 2,960,499	\$ 1,106,083

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.

2. CASH AND INVESTMENTS (Continued)

Police Pension Fund Investments (Continued)

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 U.S. Government or securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. Government. The U.S. agency securities are rated AAA by Moody's or Standard and Poor's or are small issues that are unrated. The money market mutual funds are rated AAA.

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

Concentration of credit risk - The Police Pension Fund's investment policy establishes the following limits of investments of the portfolio:

Investment Type	Normal Allocation	Range of Allocation
U.S. Treasury bills/notes/bonds	30%	0-100%
U.S. Government agency securities (non-MBS)	35%	0-70%
U.S. Government agency securities (callable)	20%	0-30%
U.S. Government agency securities (MBS)	5%	0-10%
Taxable municipal securities	10%	0-20%
Certificates of deposit	0%	0-20%
Investment grade corporate bonds	0%	0-30%
U.S. large company stocks	70%	40-100%
U.S. small company stocks	20%	0-40%
International stocks	10%	0-20%

At April 30, 2012, the Village had two mutual funds and two separate annuity contracts that were each valued at greater than 5.00% of the total plan net assets for the Police Pension Fund.

2. CASH AND INVESTMENTS (Continued)

Police Pension Fund Investments (Continued)

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 2011 attach as an enforceable lien on January 1, 2011, 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, 2012, and are payable in two installments, on or about June 1, 2012 and September 1, 2012. The County collects such taxes and remits them periodically. Because the 2011 levy is intended to finance the fiscal year ending April 30, 2013, it has been offset by deferred revenue at April 30, 2012. The 2012 tax levy, which attached as an enforceable lien on property as of January 1, 2012, has not been recorded as a receivable as of April 30, 2012, as the tax has not yet been levied by the Village and will not be levied until December 2012 and, therefore, the levy is not measurable at April 30, 2012.

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, 2012:

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, 2012 was \$141,089.

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, 2012 was \$39,577.

During the fiscal year 2012, the Village entered into a installment note with the Firehouse Pizza & Pub, LLC in the amount of \$130,000. The note is payable in monthly installments of \$1,260 through February 2022, which includes 3.0% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2012 was \$128,119.

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
2013	\$ 56,834
2014	56,834
2015	56,834
2016	56,834
2017	33,660
2018	22,072
2019	16,859
2020	15,120
2021	15,120
2022	11,600
Total principal and interest	341,767
Interest	(32,982)
TOTAL PRINCIPAL	\$ 308,785

5. DUE FROM OTHER GOVERNMENTS

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

GOVERNMENTAL ACTIVITIES		
Sales tax		\$ 1,334,629
Home rule tax		455,885
Use tax		107,883
Income tax		905,413
Telecommunications tax		526,517
Motor fuel tax		58,931
Grants		5,960
TOTAL GOVERNMENTAL ACTIVITIES		\$ 3,395,218

6. INDIVIDUAL FUND DISCLOSURES

a. Interfund receivable/payables at April 30, 2012 are as follows:

Receivable Fund	Payable Fund	Amount
Water and Sewer	Fiduciary	\$ 1,098
General	Fiduciary	606
TOTAL		\$ 1,704

All amounts will be repaid within one year.

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

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers between funds at April 30, 2012 consist of the following:

	Transfers In	Transfers Out
General	\$ -	\$ 1,555,117
Capital Projects	325,470	-
Debt Service	1,817,617	-
Nonmajor Governmental		
Motor Fuel Tax	-	262,500
Water and Sewer Fund	-	325,470
TOTAL	\$ 2,143,087	\$ 2,143,087

Significant interfund transfers are as follows:

- \$1,555,117 transferred from the General Fund to the Debt Service Fund is for the repayment of principal and interest of the Series 2004A, 2007B and 2009 bonds.
- \$325,470 transferred from the Water and Sewer Fund to the Capital Projects Fund is remaining bond proceeds.
- \$262,500 transferred from the Motor Fuel Tax Fund to Debt Service Fund is for the repayment of principal and interest of the Series 2007B bonds.

None of the transfers will be repaid.

7. CAPITAL ASSETS

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

	Beginning Balances (Restated)	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,312,153	\$ -	\$ -	\$ 1,312,153
Right of way	100,027,285	925,044	-	100,952,329
Total capital assets not being depreciated	101,339,438	925,044	-	102,264,482
Capital assets being depreciated				
Land improvements	848,229	-	-	848,229
Buildings	9,515,388	-	-	9,515,388
Equipment	1,104,296	76,720	-	1,181,016
Vehicles	1,098,463	124,018	104,056	1,118,425
Infrastructure	225,854,157	2,345,407	7,293	228,192,271
Total capital assets being depreciated	238,420,533	2,546,145	111,349	240,855,329

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

7. CAPITAL ASSETS (Continued)

a. (Continued)

	Beginning Balances (Restated)	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Land improvements	\$ 45,945	\$ 42,411	\$ -	\$ 88,356
Buildings	1,547,045	237,838	-	1,784,883
Equipment	993,768	39,557	-	1,033,325
Vehicles	1,039,191	60,289	104,056	995,424
Infrastructure	44,731,976	4,561,748	292	49,293,432
Total accumulated depreciated	48,357,925	4,941,843	104,348	53,195,420
Total capital assets being depreciated, net	190,062,608	(2,395,698)	-	187,659,909
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET				
	\$ 291,402,046	\$ (1,470,654)	\$ 7,001	\$ 289,924,391
	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 897,871	\$ -	\$ -	\$ 897,871
Construction in progress	61,160	134,786	-	195,946
Total capital assets not being depreciated	959,031	134,786	-	1,093,817
Capital assets being depreciated				
Buildings	6,618,082	-	-	6,618,082
Equipment	130,418	-	-	130,418
Vehicles	1,367,745	-	-	1,367,745
Infrastructure	63,815,922	62,390	-	63,878,312
Total capital assets being depreciated	71,932,167	62,390	-	71,994,557
Less accumulated depreciation for				
Buildings	933,870	169,223	-	1,103,093
Equipment	76,231	14,916	-	91,147
Vehicles	826,379	166,361	-	992,740
Infrastructure	12,024,478	1,271,996	-	13,296,474
Total accumulated depreciation	13,860,958	1,622,496	-	15,483,454
Total capital assets being depreciated, net	58,071,209	(1,560,106)	-	56,511,103
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET				
	\$ 59,030,240	\$ (1,425,320)	\$ -	\$ 57,604,920

The beginning balance of governmental activities has been restated to correctly report infrastructure assets with a reduction of \$1,276,669.

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

7. CAPITAL ASSETS

a. (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 234,361
Public safety	115,658
Public works	<u>4,591,824</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 4,941,843</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
Route 71 Water Main Relocation	<u>\$ 198,000</u>	<u>\$ 190,080</u>	<u>\$ 7,920</u>
TOTAL	<u>\$ 198,000</u>	<u>\$ 190,080</u>	<u>\$ 7,920</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	\$ 2,550,000	\$ -	\$ 2,400,000	\$ 150,000	\$ 150,000
\$9,970,000 General Obligation Alternate Revenue Source Bonds, Series 2006A, dated May 15, 2006, due in annual installments of \$375,000 to \$700,000 through December 15, 2025, interest at 4.125% to 4.50% payable each June 15 and December 15 from sales tax revenues	Debt Service	New Village Hall Facility and Town Center Renovation Project	8,400,000	-	425,000	7,975,000	450,000
\$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	5,350,000	-	225,000	5,125,000	240,000

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$9,015,000 Taxable General Obligation Bonds, Series 2009, dated September 2, 2009, due in annual installments of \$240,000 to \$620,000 through December 15, 2029, interest at 2.125% to 5.500% payable each June 15 and December 15 from sales tax and motor fuel revenues*	Debt Service	Douglas Road Reconstruct	\$ 2,045,000	\$ -	\$ 270,000	\$ 1,775,000	\$ 280,000
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2023, interest at 2.000% to 3.500% payable each June 15 and December 15 from sales tax revenues**	Debt Service	Refund 2004A & 2004 B Bonds	-	2,300,000	-	2,300,000	10,000
TOTAL GOVERNMENTAL ACTIVITIES			\$18,345,000	\$ 2,300,000	\$ 3,320,000	\$17,325,000	\$ 1,130,000

* The portion of the Series 2009 bonds allocated to governmental activities was \$2,285,000. Pursuant to the American Recovery and Reinvestment Act, the Village is eligible to receive a rebate of 35% of the interest paid each year from the U.S. Treasury Department. The net interest rate for these Build America Bonds, after rebate, is 1.38% to 3.58%.

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

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
<p>\$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</p>	<p>Water and Sewer</p>	<p>Improve Water and Sewerage System</p>	<p>\$ 875,000</p>	<p>\$ -</p>	<p>\$ 425,000</p>	<p>\$ 450,000</p>	<p>\$ 450,000</p>
<p>\$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</p>	<p>Water and Sewer</p>	<p>Refund portion of 1999 bonds</p>	<p>3,020,000</p>	<p>-</p>	<p>290,000</p>	<p>2,730,000</p>	<p>300,000</p>
<p>\$2,500,000 General Obligation Alternate Revenue Source Bonds, Series 2004B, dated September 1, 2004, due in annual installments of \$85,000 to \$175,000 through December 15, 2024, interest at 3.000% to 4.550% payable each June 15 and December 15 from water and sewer fund revenues</p>	<p>Water and Sewer</p>	<p>Town Center Renovation Project</p>	<p>1,935,000</p>	<p>-</p>	<p>1,825,000</p>	<p>110,000</p>	<p>110,000</p>

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>\$ 1,185,000</p>	<p>\$ -</p>	<p>\$ 100,000</p>	<p>\$ 1,085,000</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 \$125,000 to \$245,000 through December 15, 2027, 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>3,125,000</p>	<p>-</p>	<p>135,000</p>	<p>2,990,000</p>	<p>140,000</p>
<p>\$9,015,000 Taxable General Obligation Bonds, Series 2009, dated September 2, 2009, due in annual installments of \$240,000 to \$620,000 through December 15, 2029, interest at 2.125% to 5.500% payable each June 15 and December 15 from water and sewer fund revenues***</p>	<p>Water and Sewer</p>	<p>Improve Water and Sewerage System</p>	<p>6,730,000</p>	<p>-</p>	<p>-</p>	<p>6,730,000</p>	<p>-</p>

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
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2023, interest at 2.000% to 3.500% payable each June 15 and December 15 from sales tax revenues****	Water and Sewer	Refund 2004A & 2004 B Bonds	\$ -	\$ 1,755,000	\$ -	\$ 1,755,000	\$ 10,000
TOTAL BUSINESS-TYPE ACTIVITIES			\$ 16,870,000	\$ 1,755,000	\$ 2,775,000	\$ 15,850,000	\$ 1,110,000

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

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

b. IEPA Loans

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

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$907,735 loan agreement with the IEPA, IEPA-SRF Loan No. 17-0783, dated November 1, 1999, due semiannually on April 27 and October 27 through April 27, 2017, with interest at 2.89%	Water and Sewer	Convert sewage treatment facility to a pump station	\$ 340,200	\$ -	\$ 52,712	\$ 287,488	\$ 54,246

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

8. LONG-TERM DEBT (Continued)

b. IEPA Loans (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$1,346,766 loan agreement with the IEPA, IEPA-SRF Loan No. 17-1445, issued April 1, 2004, due semiannually on January 15 and July 15 through January 15, 2025, with interest at 2.50%	Water and Sewer	Installation of radium removal equipment at five existing well sites	\$ 1,018,842	\$ -	\$ 61,612	\$ 957,230	\$ 63,162
TOTAL IEPA LOANS			\$ 1,359,042	\$ -	\$ 114,324	\$ 1,244,718	\$ 117,408

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds		Business-Type Activities General Obligation Bonds		Business-Type Activities IEPA Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 1,130,000	\$ 691,882	\$ 1,110,000	\$ 664,714	\$ 117,408	\$ 31,457
2014	1,145,000	651,307	950,000	629,715	120,576	28,289
2015	1,180,000	610,118	990,000	597,504	123,830	25,036
2016	1,245,000	566,794	1,020,000	562,870	127,172	21,693
2017	1,275,000	518,630	1,060,000	524,760	130,606	18,260
2018	1,275,000	468,618	1,090,000	484,036	71,516	15,184
2019	1,030,000	416,775	1,145,000	440,262	73,316	13,384
2020	1,075,000	375,312	1,180,000	394,076	75,161	11,539
2021	1,125,000	330,963	840,000	345,148	77,051	9,649
2022	1,160,000	284,562	730,000	309,234	78,989	7,711
2023	1,220,000	236,713	765,000	277,744	80,977	5,723
2024	1,255,000	186,088	800,000	244,119	83,014	3,686
2025	1,295,000	133,950	840,000	208,506	85,102	1,601
2026	1,090,000	80,100	695,000	171,026	-	-
2027	400,000	33,000	730,000	137,656	-	-
2028	425,000	17,000	765,000	101,062	-	-
2029	-	-	555,000	62,700	-	-
2030	-	-	585,000	32,174	-	-
TOTAL	\$ 17,325,000	\$ 5,601,812	\$ 15,850,000	\$ 6,187,306	\$ 1,244,718	\$ 193,212

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

8. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

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

	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
General obligation bonds payable	\$ 18,345,000	\$ 2,300,000	\$ 3,320,000	\$ 17,325,000	\$ 1,130,000
Unamortized premium					
On bonds payable	-	92,033	-	92,033	-
Unamortized (discount)					
on bonds payable	(63,253)	-	(22,087)	(41,166)	-
Loss on refunding	-	(121,284)	-	(121,284)	-
Compensated absences payable	379,509	439,704	379,509	439,704	208,185
Retiree termination benefit payable	123,575	-	30,471	93,104	29,126
Net pension obligation	677,555	731	-	678,286	-
Other postemployment benefit	26,530	13,553	-	40,083	-
TOTAL	\$ 19,488,916	\$ 2,724,737	\$ 3,707,893	\$ 18,505,760	\$ 1,367,311

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

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	\$ 16,870,000	\$ 1,755,000	\$ 2,775,000	\$ 15,850,000	\$ 1,110,000
Unamortized discount on					
bonds payable	(65,935)	-	(18,661)	(47,274)	-
Unamortized premium on					
bonds payable	6,366	69,723	637	75,452	-
Unamortized loss on refunding	(216,263)	(91,730)	(27,033)	(280,960)	-
IEPA loans payable	1,359,042	-	114,324	1,244,718	117,408
Compensated absences payable	10,827	13,052	10,827	13,052	786
Other postemployment benefit	1,818	929	-	2,747	-
TOTAL	\$ 17,965,855	\$ 1,746,974	\$ 2,855,094	\$ 16,857,735	\$ 1,228,194

8. LONG-TERM DEBT (Continued)

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.

f. Refunding

On December 20, 2011, the Village issued \$4,055,000 General Obligation Refunding Bonds, Series 2011, to advance refund, through an in-substance defeasance, \$2,260,000 of the Series 2004A General Obligation Bonds and \$1,725,000 of Series 2004B Bonds. \$150,000 of Series 2004A General Obligation Bonds and \$110,000 of Series 2004B Bonds remain outstanding as of April 30, 2012. Through the refunding, the Village reduced its debt service by \$234,422 and achieved an economic gain of \$194,342.

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 was a member of the Illinois Municipal League Risk Management Agency (IMLRMA) through December 31, 2010. 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 \$51,841 and \$97,292 of additional premiums due for 2009 and 2010, respectively, based on the claims runout. In addition, the Village provides all insurance coverages beginning December 31, 2010, through third party indemnity policies. 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, 2012, five agreements have been executed for stores that have opened. The agreements require the Village to rebate to the companies different amounts of additional sales tax generated by the facilities. 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 a maximum of \$850,000 to be repaid with no time limit. The amount paid/accrued for the fiscal year ended April 30, 2012 was \$918,500. The total expenditures incurred to date (reported as a reduction of sales tax revenue) in rebates as of April 30, 2012 is \$8,160,408.

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.

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. EMPLOYEE RETIREMENT SYSTEMS

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.

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

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

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 IMRF as specified by statute. The employer contribution for the calendar years 2012 and 2011 was 11.24% and 10.76% of covered payroll, respectively.

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, 2012, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	8
Terminated employees entitled to benefits but not yet receiving them	-
Current employees	
Vested	30
Nonvested	19
	<hr/>
TOTAL	<u>57</u>

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fully fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 25.62% of covered payroll.

11. EMPLOYEE RETIREMENT SYSTEMS (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, 2012, the Police Pension Plan had two separate annuity contracts and two mutual funds that were valued at 6.56%, 6.45%, 5.72% and 5.20% of the total plan net assets. Information for IMRF is not available.

c. Annual Pension Costs

The annual pension costs (APC) and the net pension obligation (asset) (NPO) as of April 30, 2012 were derived from the actuarial valuations performed as of the dates and using the assumptions noted below:

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2011	April 30, 2011
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	30 Years, Open	22 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. EMPLOYEE RETIREMENT SYSTEMS (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.

	Fiscal Year	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2010	\$ 334,997	\$ 903,449
	2011	327,250	1,003,100
	2012	329,695	1,015,731
Actual contribution	2010	334,997	890,070
	2011	327,250	990,650
	2012	329,695	1,015,000
Percentage of APC contributed	2010	100.00%	98.5%
	2011	100.00%	98.8%
	2012	100.00%	99.9%
NPO (asset)	2010	\$ -	\$ 665,105
	2011	-	677,555
	2012	-	678,286

The NPO (asset) has been calculated as follows as of April 30, 2012:

	<u>Police Pension</u>
Annual required contribution	\$ 1,003,047
Interest on net pension obligation	47,429
Adjustment to annual required contribution	<u>(34,745)</u>
Annual pension cost	1,015,731
Contributions made	<u>1,015,000</u>
Increase in net pension obligation	731
Net pension obligation, May 1	<u>677,555</u>
NET PENSION OBLIGATION, APRIL 30	<u><u>\$ 678,286</u></u>

11. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Funded Status

The funded status of the plans as of April 30, 2012, based on actuarial valuations performed as of December 31, 2011 and April 30, 2012, 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 annual pension costs of the plans as disclosed in Note 11-c.

	Illinois Municipal Retirement	Police Pension
Actuarial accrued liability (AAL)	\$ 6,749,795	\$ 22,066,568
Actuarial value of plan assets	5,117,962	14,638,061
Unfunded actuarial accrued liability (UAAL)	1,631,833	7,428,507
Funded ratio (actuarial value of plan assets/AAL)	75.82%	66.3%
Covered payroll (active plan members)	\$ 3,064,080	\$ 3,962,251
UAAL as a percentage of covered payroll	53.26%	187.5%

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. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits Provided

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

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

Membership

At April 30, 2010, membership consisted of:

Retirees and beneficiaries currently receiving benefits	5
Terminated employees entitled to benefits but not yet receiving them	-
Active plan members - vested	62
Active plan members - nonvested	<u>61</u>
TOTAL	<u><u>128</u></u>
 Participating employers	 <u><u>1</u></u>

Funding Policy

The Village provides the contribution percentages between the Village and employees through the union contracts and personnel policy. All retirees contribute 100% of the premium to the plan to cover the cost of providing the benefits to the retirees via the plan (pay as you go) which results in an implicit subsidy to the Village as defined by the GASB Statement No. 45. For the fiscal year ended April 30, 2012, the Village contributed \$18,197. The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

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

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Costs and Net OPEB Obligation

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

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 32,300	\$ 18,197	56.3%	\$ 14,103
April 30, 2011	32,442	18,197	56.1%	28,348
April 30, 2012	32,679	18,197	55.7%	42,830

The net OPEB obligation (NOPEBO) as of April 30, 2012 was calculated as follows:

Annual required contribution	\$ 32,207
Interest on net OPEB obligation	1417
Adjustment to annual required contribution	<u>(945)</u>
Annual OPEB cost	32,679
Contributions made	<u>18,197</u>
Increase in net OPEB obligation	14,482
Net OPEB obligation, beginning of year	<u>28,348</u>
NET OPEB OBLIGATION, END OF YEAR	<u><u>\$ 42,830</u></u>

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2010 was as follows:

Actuarial accrued liability (AAL)	\$ 361,933
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	361,933
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	\$ 6,659,050
UAAL as a percentage of covered payroll	5.4%

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2010 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 5.00% investment rate of return (net of administrative expenses), 5.0% salary increase and an initial annual healthcare cost trend rate of 8.00% with an ultimate rate of 6.00%, which include a 3.00% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2010 was 30 years.

13. PRIOR PERIOD RESTATEMENT

The beginning balance of governmental activities has been restated by \$(1,276,669) to correct the infrastructure capital assets.

14. SUBSEQUENT EVENT

On September 18, 2012, the Village sold \$2,325,000 General Obligation Refunding Bonds, Series 2012 with the closing dated October 11, 2012. The bonds mature annually on December 30, beginning December 30, 2013 through December 30, 2019, with maturities ranging from \$300,000 to \$365,000. Interest is due semi-annually on June 30 and December 30, commencing June 30, 2013, with rates ranging from 2.00% to 3.00%. The bonds are issued to refund \$2,430,000 of the Village's General Obligation Refunding Bonds, Series 2004.

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, 2012
(with comparative actual)

	2012		Actual	2011
	Original Budget	Final Budget		Actual
REVENUES				
Taxes	\$ 10,750,602	\$ 10,750,602	\$ 11,434,714	\$ 10,572,142
Licenses and permits	783,100	783,100	807,046	741,030
Intergovernmental	60,000	60,000	83,602	69,672
Charges for services	1,335,250	1,335,250	1,651,653	1,349,356
Fines and forfeits	458,520	458,520	458,830	498,430
Investment income	30,000	30,000	26,881	29,554
Miscellaneous	502,381	502,381	535,941	567,417
Total revenues	13,919,853	13,919,853	14,998,667	13,827,601
EXPENDITURES				
Current				
General government	1,783,734	1,964,328	1,969,231	2,120,219
Building and zoning	612,135	612,135	602,123	573,687
Community development	365,963	521,507	467,525	353,320
Public works	1,281,320	1,281,320	1,176,395	980,614
Public safety	8,035,593	8,035,593	7,753,773	7,454,940
Total expenditures	12,078,745	12,414,883	11,969,047	11,482,780
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,841,108	1,504,970	3,029,620	2,344,821
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,551,585)	(1,551,585)	(1,555,117)	(3,442,196)
Proceeds from the sale of capital assets	-	-	106	2,702
Total other financing sources (uses)	(1,551,585)	(1,551,585)	(1,555,011)	(3,439,494)
NET CHANGE IN FUND BALANCE	\$ 289,523	\$ (46,615)	1,474,609	(1,094,673)
FUND BALANCE, MAY 1			4,526,873	5,621,546
FUND BALANCE, APRIL 30			\$ 6,001,482	\$ 4,526,873

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

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)
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%
2009	4,398,752	5,902,682	74.52%	1,503,930	3,545,482	42.42%
2010	4,940,793	6,624,843	74.58%	1,684,050	3,256,272	51.72%
2011	5,117,962	6,749,795	75.82%	1,631,833	3,064,080	53.26%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND

April 30, 2012

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)
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%
2010	10,528,232	17,828,835	59.05%	7,300,603	3,717,257	196.40%
2011	13,027,639	20,096,454	64.83%	7,068,815	3,815,936	185.24%
2012	14,638,061	22,066,568	66.34%	7,428,507	3,962,251	187.48%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2012

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)
2010	\$ -	\$ 361,933	0.00%	\$ 361,933	\$ 6,659,050	5.44%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010. Information for prior years is not available.

N/A - Not available

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Contribution Made</u>	<u>Percentage Contributed</u>
2007	\$ 296,227	\$ 296,227	100.00%
2008	317,619	317,619	100.00%
2009	335,255	335,255	100.00%
2010	334,997	334,997	100.00%
2011	327,250	327,250	100.00%
2012	329,892	329,892	100.00%

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2012

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Contribution Made</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
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
2010	890,070	890,070	100.00%	665,105
2011	990,649	990,650	100.00%	677,555
2012	1,003,047	1,015,000	101.19%	678,286

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2012

<u>Fiscal Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Contribution Made</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2010	\$ 32,300	\$ 18,197	56.34%	\$ 14,103
2011	32,207	18,197	56.50%	28,348
2012	32,207	18,197	56.50%	42,830

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010.
Information for prior years is not available.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2012

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 and Public Service Funds). All annual appropriations lapse at fiscal year end.

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

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

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

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

DEBT SERVICE FUNDS

Debt Service Fund - the debt service fund is used to account for the repayment of the Series 2004A, 2006A, 2007B and a portion of the 2009 general obligation bonds that are being repaid with property and sales taxes.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GENERAL FUND

April 30, 2012
(with comparative prior year)

	2012	2011
ASSETS		
Cash and investments	\$ 3,339,008	\$ 2,685,733
Receivables		
Property taxes	1,216,073	1,306,077
Accounts	158,726	186,825
Intergovernmental	3,336,287	2,531,597
Utility tax	61,989	77,793
Accrued interest	-	84
Prepaid items	88,206	154,338
Due from fiduciary funds	606	820
TOTAL ASSETS	\$ 8,200,895	\$ 6,943,267
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 782,767	\$ 913,405
Accrued payroll	196,001	193,459
Deferred revenue	1,220,645	1,309,530
Total liabilities	2,199,413	2,416,394
FUND BALANCES		
Nonspendable - prepaid items	88,206	154,338
Unrestricted		
Assigned - Fiscal Sustainability	5,021,748	-
Unassigned	891,528	4,372,535
Total fund balances	6,001,482	4,526,873
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,200,895	\$ 6,943,267

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property	\$ 1,452,077	\$ 1,452,077	\$ 1,454,079	\$ 1,449,154
Sales	6,355,000	6,355,000	6,957,846	6,263,349
Less sales tax rebate	(775,000)	(775,000)	(918,500)	(913,861)
Income	2,300,000	2,300,000	2,460,342	2,261,969
Replacement	8,200	8,200	9,627	10,666
Other	1,410,325	1,410,325	1,471,320	1,500,865
Total taxes	10,750,602	10,750,602	11,434,714	10,572,142
LICENSES AND PERMITS				
Licenses and permits	603,100	603,100	610,729	539,705
Transition fees	180,000	180,000	196,317	201,325
Total licenses and permits	783,100	783,100	807,046	741,030
INTERGOVERNMENTAL				
Grants	60,000	60,000	83,602	69,672
Total intergovernmental	60,000	60,000	83,602	69,672
CHARGES FOR SERVICES				
Telecommunication surcharge	1,000,000	1,000,000	1,304,003	1,022,272
Other charges for services	335,250	335,250	347,650	327,084
Total charges for services	1,335,250	1,335,250	1,651,653	1,349,356
FINES AND FORFEITS				
Fines and fees	458,520	458,520	458,830	498,430
Total fines and forfeits	458,520	458,520	458,830	498,430
INVESTMENT INCOME				
	30,000	30,000	26,881	29,554
MISCELLANEOUS				
Contributions	132,381	132,381	121,221	130,473
Miscellaneous	370,000	370,000	414,720	436,944
Total miscellaneous	502,381	502,381	535,941	567,417
TOTAL REVENUES	\$ 13,919,853	\$ 13,919,853	\$ 14,998,667	\$ 13,827,601

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012
(with comparative actual)

	2012		Actual	2011
	Original Budget	Final Budget		Actual
CURRENT				
General government				
Administration				
Salaries/personnel services	\$ 498,068	\$ 498,068	\$ 315,622	\$ 986,481
Insurance and benefits	155,582	155,582	114,819	158,518
Professional services	402,645	402,645	556,407	678,451
Contractual services	96,760	96,760	170,519	236,519
Communication	19,500	19,500	20,892	19,535
Professional development	25,590	25,590	28,637	7,665
Operating supplies	5,500	5,500	6,548	20,083
Capital outlay	10,000	10,000	10,506	12,967
Total administration	1,213,645	1,213,645	1,223,950	2,120,219
Community relations				
Salaries/personnel services	-	80,346	78,144	-
Insurance and benefits	4,324	17,247	17,842	-
Professional services	-	48,500	54,871	-
Contractual services	26,100	26,100	22,112	-
Communication	-	33,625	21,647	-
Professional development	-	1,350	2,140	-
Operating supplies	500	4,350	1,767	-
Capital outlay	-	-	-	-
Total community relations	30,924	211,518	198,523	-
Finance				
Salaries/personnel services	280,790	280,790	286,618	-
Insurance and benefits	98,115	98,115	103,815	-
Professional services	84,370	84,370	77,309	-
Contractual services	63,150	63,150	71,556	-
Communication	4,500	4,500	2,268	-
Professional development	4,490	4,490	3,346	-
Operating supplies	3,750	3,750	1,151	-
Capital outlay	-	-	695	-
Total finance	539,165	539,165	546,758	-
Total general government	1,783,734	1,964,328	1,969,231	2,120,219

(This schedule is continued on the following pages.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2012
(with comparative actual)

	2012		Actual	2011
	Original Budget	Final Budget		Actual
CURRENT (Continued)				
Building and zoning				
Salaries/personnel services	\$ 397,929	\$ 397,929	\$ 397,942	\$ 433,760
Insurance and benefits	173,878	173,878	165,462	96,351
Professional services	1,000	1,000	4,825	3,150
Contractual services	18,428	18,428	17,649	25,355
Communication	7,800	7,800	6,541	6,597
Professional development	4,800	4,800	1,857	1,305
Operating supplies	8,300	8,300	7,847	7,169
Total building and zoning	612,135	612,135	602,123	573,687
Community development				
Community development				
Salaries and personnel services	240,562	240,562	246,563	268,658
Insurance and benefits	86,932	86,932	98,363	43,277
Professional services	9,500	9,500	5,768	9,453
Contractual services	11,444	11,444	11,502	15,950
Communication	6,900	6,900	5,095	4,641
Professional development	3,800	3,800	2,995	2,028
Operating supplies	2,625	2,625	1,202	1,553
Capital outlay	4,200	4,200	-	7,760
Total community development	365,963	365,963	371,488	353,320
Economic development				
Salaries and personnel services	-	84,855	49,218	-
Insurance and benefits	-	26,139	17,925	-
Professional services	-	-	21,898	-
Contractual services	-	2,700	1,017	-
Communication	-	26,650	2,238	-
Professional development	-	11,450	3,615	-
Operating supplies	-	1,250	126	-
Capital outlay	-	2,500	-	-
Total economic development	-	155,544	96,037	-
Total community development	365,963	521,507	467,525	353,320

(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, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Public works				
Salaries/personnel services	\$ 349,659	\$ 349,659	\$ 334,011	\$ 372,305
Insurance and benefits	135,180	135,180	138,502	84,200
Professional services	35,000	35,000	20,148	24,619
Contractual services	565,111	565,111	469,020	430,323
Communication	11,000	11,000	5,253	7,060
Professional development	-	-	1,005	-
Operating supplies	109,000	109,000	72,974	45,754
Capital outlay	76,370	76,370	135,482	16,353
Total public works	1,281,320	1,281,320	1,176,395	980,614
Public safety - police				
Salaries/personnel services	4,752,945	4,752,945	4,600,571	4,848,834
Insurance and benefits	1,303,808	1,303,808	1,252,355	839,135
Professional services	45,315	45,315	37,686	40,475
Contractual services	400,115	400,115	395,085	433,797
Communication	57,440	57,440	48,272	54,155
Professional development	55,195	55,195	49,320	30,183
Operating supplies	159,195	159,195	160,660	161,867
Capital outlay	246,580	246,580	194,824	55,844
Contribution to Police Pension Fund	1,015,000	1,015,000	1,015,000	990,650
Total public safety - police	8,035,593	8,035,593	7,753,773	7,454,940
TOTAL EXPENDITURES	\$ 12,078,745	\$ 12,414,883	\$ 11,969,047	\$ 11,482,780

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
CAPITAL PROJECTS FUND

April 30, 2012
(with comparative prior year)

	2012	2011
ASSETS		
Cash and investments	\$ 3,403,133	\$ 2,959,642
TOTAL ASSETS	\$ 3,403,133	\$ 2,959,642
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 2,298,285	\$ 2,287,032
Retainage payable	24,295	24,295
Deferred revenue	250,000	-
Total liabilities	2,572,580	2,311,327
FUND BALANCES		
Restricted for road fees	75,503	400,056
Unrestricted - assigned Capital Projects Fund	755,050	248,259
Total fund balances	830,553	648,315
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,403,133	\$ 2,959,642

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental	\$ 40,000	\$ 40,000	\$ (3,364)	\$ 250,917
Investment income	21,000	21,000	35,557	34,775
Developer contributions	60,000	60,000	46,926	59,168
Total revenues	121,000	121,000	79,119	344,860
EXPENDITURES				
Capital outlay	240,000	240,000	222,351	243,714
Total expenditures	240,000	240,000	222,351	243,714
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(119,000)	(119,000)	(143,232)	101,146
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	325,470	-
Total other financing sources (uses)	-	-	325,470	-
NET CHANGE IN FUND BALANCE	<u>\$ (119,000)</u>	<u>\$ (119,000)</u>	182,238	101,146
FUND BALANCE, MAY 1			648,315	547,169
FUND BALANCE, APRIL 30			<u>\$ 830,553</u>	<u>\$ 648,315</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
DEBT SERVICE FUND

April 30, 2012
(with comparative prior year)

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and investments	\$ 15,590	\$ 14,501
TOTAL ASSETS	<u>\$ 15,590</u>	<u>\$ 14,501</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
None	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
FUND BALANCES		
Restricted for debt service	<u>15,590</u>	<u>14,501</u>
Total fund balances	<u>15,590</u>	<u>14,501</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,590</u>	<u>\$ 14,501</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, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	\$ 1,500	\$ 1,500	\$ 631	\$ 1,422
Miscellaneous	-	-	1,078	-
Total revenues	1,500	1,500	1,709	1,422
EXPENDITURES				
Debt service				
Principal retirement	1,060,000	1,060,000	1,060,000	1,010,000
Interest and fiscal charges	755,285	796,285	798,595	813,379
Total expenditures	1,815,285	1,856,285	1,858,595	1,823,379
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,813,785)	(1,854,785)	(1,856,886)	(1,821,957)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,817,617	1,814,085	1,817,617	1,821,696
Bonds issued, at par	-	2,300,000	2,300,000	-
Premium on bonds issued	-	93,000	92,033	-
Payment to escrow agent	-	(2,352,000)	(2,351,675)	-
Total other financing sources (uses)	1,817,617	1,855,085	1,857,975	1,821,696
NET CHANGE IN FUND BALANCE	<u>\$ 3,832</u>	<u>\$ 300</u>	1,089	(261)
FUND BALANCE, MAY 1			14,501	14,762
FUND BALANCE, APRIL 30			<u>\$ 15,590</u>	<u>\$ 14,501</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

VILLAGE OF OSWEGO, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2012

	Special Revenue				
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	Total
ASSETS					
Cash and investments	\$ 669,268	\$ 1,300,548	\$ 95,724	\$ 446,254	\$ 2,511,794
Receivables					
Accounts	-	-	-	552	552
Intergovernmental	58,931	-	-	-	58,931
Prepaid items	-	-	-	4,873	4,873
Notes	-	-	308,785	-	308,785
TOTAL ASSETS	\$ 728,199	\$ 1,300,548	\$ 404,509	\$ 451,679	\$ 2,884,935
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 2,655	\$ 2,655
Escrow deposits	-	397,485	-	4,093	401,578
Deferred revenue	-	-	-	4,633	4,633
Total liabilities	-	397,485	-	11,381	408,866
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	4,873	4,873
Notes	-	-	308,785	-	308,785
Restricted					
Highways and streets	728,199	-	-	-	728,199
Special projects	-	903,063	-	435,425	1,338,488
Economic development	-	-	95,724	-	95,724
Total fund balances	728,199	903,063	404,509	440,298	2,476,069
TOTAL LIABILITIES AND FUND BALANCES	\$ 728,199	\$ 1,300,548	\$ 404,509	\$ 451,679	\$ 2,884,935

(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, 2012

	Special Revenue				Total
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	
REVENUES					
Intergovernmental	\$ 1,006,541	\$ -	\$ -	\$ 11,443	\$ 1,017,984
Fines and forfeits	-	-	-	19,448	19,448
Investment income	6,852	13,901	8,741	-	29,494
Donations and contributions	-	90,715	-	115,847	206,562
Total revenues	1,013,393	104,616	8,741	146,738	1,273,488
EXPENDITURES					
Current					
General government	-	-	-	114,386	114,386
Public safety	-	-	-	5,654	5,654
Public works	769,708	3,179	-	-	772,887
Total expenditures	769,708	3,179	-	120,040	892,927
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	243,685	101,437	8,741	26,698	380,561
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(262,500)	-	-	-	(262,500)
Total other financing sources (uses)	(262,500)	-	-	-	(262,500)
NET CHANGE IN FUND BALANCES	(18,815)	101,437	8,741	26,698	118,061
FUND BALANCES, MAY 1	747,014	801,626	395,768	413,600	2,358,008
FUND BALANCES, APRIL 30	\$ 728,199	\$ 903,063	\$ 404,509	\$ 440,298	\$ 2,476,069

(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, 2012
(with comparative actual)

	2012		2011	
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental				
Motor fuel tax	\$ 700,000	\$ 700,000	\$ 933,627	\$ 906,539
Reimbursements	-	-	72,914	-
Investment income	5,000	5,000	6,852	5,448
Total revenues	705,000	705,000	1,013,393	911,987
EXPENDITURES				
Current				
Public works/transportation	440,000	770,000	769,708	473,404
Total expenditures	440,000	770,000	769,708	473,404
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	265,000	(65,000)	243,685	438,583
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(262,500)	(262,500)	(262,500)	(262,500)
Total other financing sources (uses)	(262,500)	(262,500)	(262,500)	(262,500)
NET CHANGE IN FUND BALANCE	<u>\$ 2,500</u>	<u>\$ (327,500)</u>	(18,815)	176,083
FUND BALANCE, MAY 1			747,014	570,931
FUND BALANCE, APRIL 30			<u>\$ 728,199</u>	<u>\$ 747,014</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

STATEMENT OF NET ASSETS
WATER AND SEWER FUND

April 30, 2012
(with comparative prior year)

	2012	2011
CURRENT ASSETS		
Cash and investments	\$ 4,924,292	\$ 3,855,152
Accounts receivable	703,988	799,843
Restricted cash and investments		
Cash with paying agent	461,250	446,875
IEPA restriction	654,000	654,000
Accrued interest receivable	-	1,541
Prepaid expenses	16,096	28,507
Due from fiduciary funds	1,098	162
Total current assets	6,760,724	5,786,080
NONCURRENT ASSETS		
Capital assets		
Capital assets, net of depreciation		
Nondepreciable assets	1,093,817	959,031
Depreciable buildings, property and infrastructure	71,994,557	71,932,168
Accumulated depreciation	(15,483,454)	(13,860,959)
Total capital assets	57,604,920	59,030,240
Deferred charges	107,607	99,997
Total noncurrent assets	57,712,527	59,130,237
Total assets	64,473,251	64,916,317

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS (Continued)
WATER AND SEWER FUND

April 30, 2012
(with comparative prior year)

	2012	2011
CURRENT LIABILITIES		
Accounts payable	\$ 400,163	\$ 431,866
Accrued payroll	22,627	18,816
Retainage payable	8,695	8,695
Compensated absences	786	3,626
Unearned revenue	125,000	-
Interest payable	259,260	285,135
IEPA loans payable	117,408	114,325
Bonds payable	1,110,000	1,050,000
Total current liabilities	2,043,939	1,912,463
LONG-TERM LIABILITIES		
Unamortized bond premium	75,452	6,366
Unamortized bond discount	(47,274)	(65,935)
Unamortized loss on refunding	(280,960)	(216,263)
Compensated absences	12,266	7,201
Other postemployment benefits	2,747	1,818
IEPA loans payable	1,127,310	1,244,717
Bonds payable	14,740,000	15,820,000
Total long-term liabilities	15,629,541	16,797,904
Total liabilities	17,673,480	18,710,367
NET ASSETS		
Invested in capital assets, net of related debt	40,762,984	41,398,648
Restricted for radium removal	654,000	654,000
Unrestricted	5,382,787	4,153,302
TOTAL NET ASSETS	\$ 46,799,771	\$ 46,205,950

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS
GARBAGE FUND

April 30, 2012
(with comparative prior year)

	<u>2012</u>	<u>2011</u>
CURRENT ASSETS		
Cash and investments	\$ 326,168	\$ 469,703
Accounts receivable	414,193	431,575
Total current assets	<u>740,361</u>	<u>901,278</u>
NONCURRENT ASSETS		
None	<u>-</u>	<u>-</u>
Total assets	<u>740,361</u>	<u>901,278</u>
CURRENT LIABILITIES		
Accounts payable	<u>192,326</u>	<u>350,372</u>
Total current liabilities	<u>192,326</u>	<u>350,372</u>
LONG-TERM LIABILITIES		
None	<u>-</u>	<u>-</u>
Total liabilities	<u>192,326</u>	<u>350,372</u>
NET ASSETS		
Unrestricted	<u>548,035</u>	<u>550,906</u>
TOTAL NET ASSETS	<u>\$ 548,035</u>	<u>\$ 550,906</u>

(See independent auditor's report.)

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, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 4,941,368	\$ 4,941,368	\$ 5,022,115	\$ 4,884,386
Total operating revenues	4,941,368	4,941,368	5,022,115	4,884,386
OPERATING EXPENSES				
Salaries/personnel services	985,015	985,015	921,925	1,001,571
Insurance and benefits	402,676	402,676	376,581	384,688
Professional services	75,000	75,000	57,310	59,616
Contractual services	1,553,025	1,553,025	1,569,884	1,557,277
Communication	64,000	64,000	56,044	55,053
Professional development	8,500	8,500	5,070	4,269
Operating supplies	327,000	327,000	184,351	225,316
Capital maintenance	155,000	155,000	2,113	120,900
Total operating expenses	3,570,216	3,570,216	3,173,278	3,408,690
OPERATING INCOME BEFORE DEPRECIATION	1,371,152	1,371,152	1,848,837	1,475,696
DEPRECIATION	-	-	1,622,496	1,644,053
OPERATING INCOME (LOSS)	1,371,152	1,371,152	226,341	(168,357)
NONOPERATING REVENUES (EXPENSES)				
Connection fees	460,000	460,000	1,239,859	612,755
Grant revenue	114,000	114,000	111,935	145,756
Investment income	28,000	28,000	42,125	30,676
Interest expense and amortization	(886,644)	(886,644)	(777,704)	(862,726)
Miscellaneous income	55,000	55,000	14,345	164,442
Total nonoperating revenues (expenses)	(229,644)	(229,644)	630,560	90,903
NET INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	1,141,508	1,141,508	856,901	(77,454)
TRANSFERS IN (OUT)				
General Fund	-	-	(325,470)	1,883,000
CONTRIBUTIONS				
Capital contributions	-	-	62,390	3,300
CHANGE IN NET ASSETS	\$ 1,141,508	\$ 1,141,508	593,821	1,808,846
NET ASSETS, MAY 1			46,205,950	44,397,104
NET ASSETS, APRIL 30			\$ 46,799,771	\$ 46,205,950

(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, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 2,276,200	\$ 2,276,200	\$ 2,267,599	\$ 2,172,351
Total operating revenues	2,276,200	2,276,200	2,267,599	2,172,351
OPERATING EXPENSES				
Disposal services	2,200,000	2,273,000	2,272,589	2,088,471
Professional services	-	-	105	-
Total operating expenses	2,200,000	2,273,000	2,272,694	2,088,471
OPERATING INCOME (LOSS)	76,200	3,200	(5,095)	83,880
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,500	1,500	2,224	2,019
Total nonoperating revenues (expenses)	1,500	1,500	2,224	2,019
CHANGE IN NET ASSETS	\$ 77,700	\$ 4,700	(2,871)	85,899
NET ASSETS, MAY 1			550,906	465,007
NET ASSETS, APRIL 30			\$ 548,035	\$ 550,906

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUND

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

AGENCY FUNDS

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

Subdivision Escrow Fund - to account for developer deposits.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET ASSETS
POLICE PENSION FUND

April 30, 2012
(with comparative prior year)

	2012	2011
ASSETS		
Cash and cash equivalents	\$ 72,557	\$ 261,032
Investments, at fair value		
U.S. Government securities	6,331,431	5,686,746
Municipal bonds	89,235	-
Insurance contracts	2,979,892	2,894,071
Equity mutual funds	5,135,983	4,167,684
Accrued interest receivable	32,901	24,484
Total assets	14,641,999	13,034,017
LIABILITIES		
Accounts payable	3,938	6,379
Due to General Fund	343	-
Total liabilities	4,281	6,379
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 14,637,718	\$ 13,027,638

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS -
BUDGET AND ACTUAL - PENSION TRUST FUND

For the Year Ended April 30, 2012
(with comparative actual)

	2012			2011
	Original Budget	Final Budget	Actual	Actual
ADDITIONS				
Contributions				
Employer	\$ 1,015,000	\$ 1,015,000	\$ 1,015,000	\$ 990,650
Employee	365,000	365,000	414,257	417,540
Total contributions	<u>1,380,000</u>	<u>1,380,000</u>	<u>1,429,257</u>	<u>1,408,190</u>
Investment income				
Net appreciation in fair value of investments	-	-	391,568	1,236,433
Interest	250,000	250,000	268,036	224,161
Total investment income	<u>250,000</u>	<u>250,000</u>	<u>659,604</u>	<u>1,460,594</u>
Less investment expense	<u>(50,000)</u>	<u>(50,000)</u>	<u>(33,320)</u>	<u>-</u>
Net investment income	<u>200,000</u>	<u>200,000</u>	<u>626,284</u>	<u>1,460,594</u>
Total additions	<u>1,580,000</u>	<u>1,580,000</u>	<u>2,055,541</u>	<u>2,868,784</u>
DEDUCTIONS				
Benefits and refunds	275,000	275,000	428,991	323,624
Administration	12,000	12,000	16,470	45,754
Total deductions	<u>287,000</u>	<u>287,000</u>	<u>445,461</u>	<u>369,378</u>
NET INCREASE	<u>\$ 1,293,000</u>	<u>\$ 1,293,000</u>	1,610,080	2,499,406
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS				
May 1			<u>13,027,638</u>	<u>10,528,232</u>
April 30			<u>\$ 14,637,718</u>	<u>\$ 13,027,638</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended April 30, 2012

	Balances May 1	Additions	Deductions	Balances April 30
ALL FUNDS				
ASSETS				
Cash and investments	\$ 331,898	\$ 51,542	\$ -	\$ 383,440
Accounts receivable	131,545	-	129,220	2,325
TOTAL ASSETS	\$ 463,443	\$ 51,542	\$ 129,220	\$ 385,765
LIABILITIES				
Accounts payable	\$ 23,609	\$ -	\$ 16,849	\$ 6,760
Due to others	438,852	50,606	111,814	377,644
Due to other funds	982	936	557	1,361
TOTAL LIABILITIES	\$ 463,443	\$ 51,542	\$ 129,220	\$ 385,765
AGENCY FUND				
ASSETS				
Cash and investments	\$ 79,393	\$ -	\$ -	\$ 79,393
TOTAL ASSETS	\$ 79,393	\$ -	\$ -	\$ 79,393
LIABILITIES				
Due to others	\$ 79,393	\$ -	\$ -	\$ 79,393
TOTAL LIABILITIES	\$ 79,393	\$ -	\$ -	\$ 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, 2012

	Balances			Balances
	May 1	Additions	Deductions	April 30
SUBDIVISION ESCROW FUND				
ASSETS				
Cash and investments	\$ 252,505	\$ 51,542	\$ -	\$ 304,047
Accounts receivable	131,545	-	129,220	2,325
TOTAL ASSETS	\$ 384,050	\$ 51,542	\$ 129,220	\$ 306,372
LIABILITIES				
Accounts payable	\$ 23,609	\$ -	\$ 16,849	\$ 6,760
Due to others	359,459	50,606	111,814	298,251
Due to other funds	982	936	557	1,361
TOTAL LIABILITIES	\$ 384,050	\$ 51,542	\$ 129,220	\$ 306,372

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 1997B

April 30, 2012

Date of Issue	July 1, 1997
Date of Maturity	May 1, 2012
Authorized Issue	\$ 7,850,000
Actual Issue	\$ 4,400,000
Denomination of Bonds	1 - 880 - \$5,000
Interest Rates	Bonds
	623 - 703 5.0%
	704 - 789 5.0%
	790 - 880 5.0%
Principal Maturity Date	May 1
Interest Dates	November 1 and May 1
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	November 1	Amount	May 1	Amount
2010	790-880	\$ 450,000	\$ 22,500	\$ 472,500	2011	\$ 11,250	2012	\$ 11,250
		<u>\$ 450,000</u>	<u>\$ 22,500</u>	<u>\$ 472,500</u>		<u>\$ 11,250</u>		<u>\$ 11,250</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION REFUNDING ALTERNATE REVENUE SOURCE
BOND SERIES OF 2004

April 30, 2012

Date of Issue	May 4, 2004
Date of Maturity	December 30, 2019
Authorized Issue	\$ 4,950,000
Actual Issue	\$ 4,045,000
Denomination of Bonds	1 - 809 - \$5,000
Interest Rates	Bonds
	140 - 196 3.00%
	197 - 379 3.50%
	380 - 444 3.60%
	445 - 511 3.70%
	512 - 581 3.80%
	582 - 809 4.00%
Principal Maturity Date	December 30
Interest Dates	December 30 and June 30
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 30	Amount	December 30	Amount
2011	256-316	\$ 300,000	\$ 103,190	\$ 403,190	2012	\$ 51,595	2012	\$ 51,595
2012	317-379	310,000	92,690	402,690	2013	46,345	2013	46,345
2013	380-444	320,000	81,840	401,840	2014	40,920	2014	40,920
2014	445-511	330,000	70,320	400,320	2015	35,160	2015	35,160
2015	512-581	345,000	58,110	403,110	2016	29,055	2016	29,055
2016	582-654	360,000	45,000	405,000	2017	22,500	2017	22,500
2017	655-730	375,000	30,600	405,600	2018	15,300	2018	15,300
2018	731-809	390,000	15,600	405,600	2019	7,800	2019	7,800
		<u>\$ 2,730,000</u>	<u>\$ 497,350</u>	<u>\$ 3,227,350</u>		<u>\$ 248,675</u>		<u>\$ 248,675</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2004A

April 30, 2012

Date of Issue	September 1, 2004
Date of Maturity	December 15, 2024
Authorized Issue	\$ 4,250,000
Actual Issue	\$ 3,300,000
Denomination of Bonds	1 - 660 - \$5,000
Interest Rates	Bonds
	124 - 268 3.55%
	269 - 335 3.85%
	336 - 405 4.05%
	406 - 483 4.20%
	484 - 570 4.38%
	571 - 615 4.45%
	616 - 660 4.50%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal*	Interest	Totals	June 15	Amount	December 15	Amount
2011	179-208	\$ 150,000	\$ 98,596	\$ 248,596	2012	\$ 49,298	2012	\$ 49,298
		<u>\$ 150,000</u>	<u>\$ 98,596</u>	<u>\$ 248,596</u>		<u>\$ 49,298</u>		<u>\$ 49,298</u>

*These bonds were refunded during the fiscal year ending April 30, 2012; the remaining principal will be paid from escrow.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2004B

April 30, 2012

Date of Issue	September 1, 2004
Date of Maturity	December 15, 2024
Authorized Issue	\$ 2,500,000
Actual Issue	\$ 2,500,000
Denomination of Bonds	1 - 500 - \$5,000
Interest Rates	Bonds
	94 - 203 3.60%
	204 - 253 3.85%
	254 - 306 4.05%
	307 - 366 4.25%
	367 - 430 4.40%
	431 - 500 4.55%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal*	Interest	Totals	June 15	Amount	December 15	Amount
2011	134-155	\$ 110,000	\$ 75,713	\$ 185,713	2012	\$ 37,857	2012	\$ 37,857
		<u>\$ 110,000</u>	<u>\$ 75,713</u>	<u>\$ 185,713</u>		<u>\$ 37,857</u>		<u>\$ 37,857</u>

*These bonds were partially refunded during the fiscal year ended April 30, 2012; the remaining principal will be paid from escrow.

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2006A

April 30, 2012

Date of Issue	May 15, 2006
Date of Maturity	December 15, 2025
Authorized Issue	\$ 9,970,000
Actual Issue	\$ 9,970,000
Denomination of Bonds	1 - 1994 - \$5,000
Interest Rates	Bonds
	233 - 314 4.25%
	315 - 979 4.30%
	980 - 1089 4.38%
	1090 - 1449 4.40%
	1450 - 1854 4.45%
	1855 - 1994 4.50%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	400-489	\$ 450,000	\$ 349,575	\$ 799,575	2012	\$ 174,788	2012	\$ 174,788
2012	490-579	450,000	330,225	780,225	2013	165,113	2013	165,113
2013	580-674	475,000	310,875	785,875	2014	155,438	2014	155,438
2014	675-774	500,000	290,450	790,450	2015	145,225	2015	145,225
2015	775-874	500,000	268,950	768,950	2016	134,475	2016	134,475
2016	875-979	525,000	247,450	772,450	2017	123,725	2017	123,725
2017	980-1089	550,000	224,875	774,875	2018	112,438	2018	112,438
2018	1090-1204	575,000	200,813	775,813	2019	100,407	2019	100,407
2019	1205-1324	600,000	175,513	775,513	2020	87,757	2020	87,757
2020	1325-1449	625,000	149,113	774,113	2021	74,557	2021	74,557
2021	1450-1579	650,000	121,613	771,613	2022	60,807	2022	60,807
2022	1580-1714	675,000	92,688	767,688	2023	46,344	2023	46,344
2023	1715-1854	700,000	62,650	762,650	2024	31,325	2024	31,325
2024	1855-1994	700,000	31,500	731,500	2025	15,750	2025	15,750
		<u>\$ 7,975,000</u>	<u>\$ 2,856,290</u>	<u>\$ 10,831,288</u>		<u>\$ 1,428,149</u>		<u>\$ 1,428,149</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2006B

April 30, 2012

Date of Issue	May 15, 2006
Date of Maturity	December 15, 2020
Authorized Issue	\$ 1,585,000
Actual Issue	\$ 1,585,000
Denomination of Bonds	1 - 317 - \$5,000
Interest Rates	Bonds
	61 - 263 4.25%
	264 - 263 4.30%
	264 - 288 4.35%
	289 - 317 4.38%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	101-120	\$ 100,000	\$ 46,481	\$ 146,481	2012	\$ 23,241	2012	\$ 23,241
2012	121-140	100,000	42,231	142,231	2013	21,116	2013	21,116
2013	141-163	115,000	37,981	152,981	2014	18,991	2014	18,991
2014	164-188	125,000	33,094	158,094	2015	16,547	2015	16,547
2015	189-213	125,000	27,781	152,781	2016	13,891	2016	13,891
2016	214-238	125,000	22,469	147,469	2017	11,235	2017	11,235
2017	239-263	125,000	17,156	142,156	2018	8,578	2018	8,578
2018	264-288	125,000	11,781	136,781	2019	5,891	2019	5,891
2019	289-317	145,000	6,344	151,344	2020	3,172	2020	3,172
		<u>\$ 1,085,000</u>	<u>\$ 245,318</u>	<u>\$ 1,330,319</u>		<u>\$ 122,662</u>		<u>\$ 122,662</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2007A

April 30, 2012

Date of Issue	December 15, 2007
Date of Maturity	December 15, 2027
Authorized Issue	\$ 3,500,000
Actual Issue	\$ 3,500,000
Denomination of Bonds	1 - 700 - \$5,000
Interest Rates	Bonds
	1 - 472 4.000%
	473 - 651 4.125%
	652 - 700 4.250%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	103-130	\$ 140,000	\$ 121,875	\$ 261,875	2012	\$ 60,938	2012	\$ 60,938
2012	131-160	150,000	116,275	266,275	2013	58,138	2013	58,138
2013	161-190	150,000	110,275	260,275	2014	55,138	2014	55,138
2014	191-220	150,000	104,275	254,275	2015	52,138	2015	52,138
2015	221-252	160,000	98,275	258,275	2016	49,138	2016	49,138
2016	253-285	165,000	91,875	256,875	2017	45,938	2017	45,938
2017	286-320	175,000	85,275	260,275	2018	42,638	2018	42,638
2018	321-355	175,000	78,275	253,275	2019	39,138	2019	39,138
2019	356-392	185,000	71,275	256,275	2020	35,638	2020	35,638
2020	393-432	200,000	63,875	263,875	2021	31,938	2021	31,938
2021	433-472	200,000	55,875	255,875	2022	27,938	2022	27,938
2022	473-514	210,000	47,625	257,625	2023	23,813	2023	23,813
2023	515-559	225,000	38,963	263,963	2024	19,482	2024	19,482
2024	560-604	225,000	29,681	254,681	2025	14,841	2025	14,841
2025	605-651	235,000	20,400	255,400	2026	10,200	2026	10,200
2026	652-700	245,000	10,413	255,413	2027	5,207	2027	5,207
		<u>\$ 2,990,000</u>	<u>\$ 1,144,507</u>	<u>\$ 4,134,506</u>	<u>\$ 572,261</u>		<u>\$ 572,261</u>	

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
BOND SERIES OF 2007B

April 30, 2012

Date of Issue	December 15, 2007
Date of Maturity	December 15, 2027
Authorized Issue	\$ 6,000,000
Actual Issue	\$ 6,000,000
Denomination of Bonds	1 - 1200 - \$5,000
Interest Rates	Bonds
	1 - 488 3.750%
	489 - 1200 4.000%
Principal Maturity Date	December 15
Interest Dates	December 15 and June 15
Payable at	BNY Mellon

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	176-223	\$ 240,000	\$ 201,800	\$ 441,800	2012	\$ 100,900	2012	\$ 100,900
2012	224-273	250,000	192,800	442,800	2013	96,400	2013	96,400
2013	274-323	250,000	183,425	433,425	2014	91,713	2014	91,713
2014	324-376	265,000	174,050	439,050	2015	87,025	2015	87,025
2015	377-431	275,000	164,113	439,113	2016	82,057	2016	82,057
2016	432-488	285,000	153,800	438,800	2017	76,900	2017	76,900
2017	489-548	300,000	142,400	442,400	2018	71,200	2018	71,200
2018	549-610	310,000	130,400	440,400	2019	65,200	2019	65,200
2019	611-675	325,000	118,000	443,000	2020	59,000	2020	59,000
2020	676-740	325,000	105,000	430,000	2021	52,500	2021	52,500
2021	741-810	350,000	92,000	442,000	2022	46,000	2022	46,000
2022	811-882	360,000	78,000	438,000	2023	39,000	2023	39,000
2023	883-957	375,000	63,600	438,600	2024	31,800	2024	31,800
2024	958-1035	390,000	48,600	438,600	2025	24,300	2025	24,300
2025	1036-1115	400,000	33,000	433,000	2026	16,500	2026	16,500
2026	1116-1200	425,000	17,000	442,000	2027	8,500	2027	8,500
		<u>\$ 5,125,000</u>	<u>\$ 1,897,988</u>	<u>\$ 7,022,988</u>		<u>\$ 948,995</u>		<u>\$ 948,995</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION
BOND SERIES OF 2009

April 30, 2012

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

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2011	103-158	\$ 280,000	\$ 388,125	\$ 668,125	2012	\$ 194,063	2012	\$ 194,063
2012	159-268	550,000	380,425	930,425	2013	190,213	2013	190,213
2013	269-382	570,000	362,550	932,550	2014	181,275	2014	181,275
2014	383-501	595,000	342,600	937,600	2015	171,300	2015	171,300
2015	502-625	620,000	320,288	940,288	2016	160,144	2016	160,144
2016	626-744	595,000	295,488	890,488	2017	147,744	2017	147,744
2017	745-809	325,000	269,456	594,456	2018	134,728	2018	134,728
2018	810-877	340,000	254,994	594,994	2019	127,497	2019	127,497
2019	878-949	360,000	239,354	599,354	2020	119,677	2020	119,677
2020	950-1025	380,000	222,434	602,434	2021	111,217	2021	111,217
2021	1026-1105	400,000	204,194	604,194	2022	102,097	2022	102,097
2022	1106-1189	420,000	184,594	604,594	2023	92,297	2023	92,297
2023	1190-1278	445,000	163,594	608,594	2024	81,797	2024	81,797
2024	1279-1372	470,000	141,344	611,344	2025	70,672	2025	70,672
2025	1373-1471	495,000	117,256	612,256	2026	58,628	2026	58,628
2026	1472-1575	520,000	90,650	610,650	2027	45,325	2027	45,325
2027	1576-1686	555,000	62,700	617,700	2028	31,350	2028	31,350
2028	1687-1803	585,000	32,175	617,175	2029	16,088	2029	16,088
		<u>\$8,505,000</u>	<u>\$ 4,072,221</u>	<u>\$ 12,577,219</u>			<u>\$ 2,036,112</u>	<u>\$ 2,036,112</u>

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

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
IEPA LOAN NO. 17-0783

April 30, 2012

Date of Loan	November 1, 1999
Date of Maturity	April 27, 2017
Authorized Loan	\$ 907,735
Actual Loan	\$ 907,735
Interest Rate	2.890%
Principal Maturity Date	April 27 and October 27
Interest Dates	April 27 and October 27

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	October 27	Amount	April 27	Amount
2013	\$ 54,246	\$ 7,919	\$ 62,165	2012	\$ 4,154	2013	\$ 3,765
2014	55,825	6,340	62,165	2013	3,370	2014	2,970
2015	57,450	4,716	62,166	2014	2,564	2015	2,152
2016	59,122	3,043	62,165	2015	1,734	2016	1,309
2017	60,845	1,322	62,167	2016	879	2017	443
	<u>\$ 287,488</u>	<u>\$ 23,340</u>	<u>\$ 310,828</u>		<u>\$ 12,701</u>		<u>\$ 10,639</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2012

Date of Loan	April 1, 2004
Date of Maturity	January 15, 2025
Authorized Loan	\$ 1,772,543
Actual Loan	\$ 1,346,766
Interest Rate	2.500%
Principal Maturity Date	January 15 and July 15
Interest Dates	January 15 and July 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Totals	July 15	Amount	January 15	Amount
2013	\$ 63,162	\$ 23,538	\$ 86,700	2012	\$ 11,965	2013	\$ 11,573
2014	64,751	21,949	86,700	2013	11,176	2014	10,773
2015	66,380	20,320	86,700	2014	10,366	2015	9,954
2016	68,050	18,650	86,700	2015	9,537	2016	9,113
2017	69,762	16,938	86,700	2016	8,686	2017	8,252
2018	71,516	15,184	86,700	2017	7,814	2018	7,370
2019	73,316	13,384	86,700	2018	6,920	2019	6,464
2020	75,161	11,539	86,700	2019	6,004	2020	5,535
2021	77,051	9,649	86,700	2020	5,064	2021	4,585
2022	78,989	7,711	86,700	2021	4,101	2022	3,610
2023	80,977	5,723	86,700	2022	3,114	2023	2,609
2024	83,014	3,686	86,700	2023	2,101	2024	1,585
2025	85,101	1,601	86,702	2024	1,064	2025	537
	<u>\$ 957,230</u>	<u>\$ 169,872</u>	<u>\$ 1,127,102</u>		<u>\$ 87,912</u>		<u>\$ 81,960</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village 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.	91-98
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	99-106
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.	107-111
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.	112-113
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.	114-116

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village implemented GASB Statement No. 34 in 2005; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF OSWEGO, ILLINOIS

NET ASSETS BY COMPONENT

Last Eight Fiscal Years

	2005	2006*	2007	2008	2009	2010	2011	2012
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	\$ 275,314,514	\$ 274,396,968	\$ 272,998,786
Restricted	2,988,094	1,469,306	2,833,472	2,271,727	2,603,394	2,599,700	2,772,565	2,486,786
Unrestricted	2,742,804	5,867,096	4,676,344	6,193,562	4,893,607	4,420,252	3,419,680	5,143,457
TOTAL GOVERNMENTAL ACTIVITIES	\$ 7,977,104	\$ 219,351,834	\$ 283,320,364	\$ 284,356,285	\$ 286,689,632	\$ 282,334,466	\$ 280,589,213	\$ 280,629,029
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	\$ 42,523,985	\$ 41,398,648	\$ 40,762,984
Restricted	3,151,950	899,500	899,500	899,500	899,500	654,000	654,000	654,000
Unrestricted	6,559,112	1,091,886	4,265,995	2,043,619	1,736,338	1,684,126	4,704,208	5,930,822
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 34,564,589	\$ 39,815,316	\$ 43,485,989	\$ 44,584,037	\$ 43,397,901	\$ 44,862,111	\$ 46,756,856	\$ 47,347,806
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	\$ 317,838,499	\$ 315,795,616	\$ 313,761,770
Restricted	6,140,044	2,368,806	3,732,972	3,171,227	3,502,894	3,253,700	3,426,565	3,140,786
Unrestricted	9,301,916	6,958,982	8,942,339	8,237,181	6,629,945	6,104,378	8,123,888	11,074,279
TOTAL PRIMARY GOVERNMENT	\$ 42,541,693	\$ 259,167,150	\$ 326,806,353	\$ 328,940,322	\$ 330,087,533	\$ 327,196,577	\$ 327,346,069	\$ 327,976,835

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 Eight Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012
EXPENSES								
Governmental activities								
General government	\$ 1,654,530	\$ 1,275,745	\$ 1,556,726	\$ 1,757,232	\$ 2,550,510	\$ 2,786,451	\$ 2,574,508	\$ 2,551,465
Building and zoning	716,031	720,110	834,696	1,001,493	782,406	688,512	574,252	603,708
Community development	335,868	324,322	371,006	447,050	567,010	413,592	355,570	469,946
Public safety	4,367,226	5,648,230	6,165,019	7,264,710	7,281,633	7,495,117	7,771,351	7,785,066
Public works	1,329,419	5,215,219	6,750,620	6,454,882	6,321,596	6,465,291	6,443,722	6,466,254
Retirement	460,219	-	-	-	-	-	-	-
Interest	153,467	87,901	551,346	652,516	774,560	798,077	810,467	756,086
Total governmental activities expenses	9,016,760	13,271,527	16,229,413	17,577,883	18,277,715	18,647,040	18,529,870	18,632,525
Business-type activities								
Water and sewer	3,790,286	4,750,871	5,672,233	6,866,834	6,441,779	6,444,545	5,915,469	5,573,478
Garbage	1,025,226	1,197,131	1,350,403	1,675,620	1,982,933	1,995,198	2,088,471	2,272,694
Total business-type activities expenses	4,815,512	5,948,002	7,022,636	8,542,454	8,424,712	8,439,743	8,003,940	7,846,172
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 13,832,272	\$ 19,219,529	\$ 23,252,049	\$ 26,120,337	\$ 26,702,427	\$ 27,086,783	\$ 26,533,810	\$ 26,478,697

	2005	2006	2007	2008	2009	2010	2011	2012
PROGRAM REVENUES								
Governmental activities								
Charges for services								
General government	\$ 42,921	\$ 22,572	\$ 40,357	\$ 59,324	\$ 71,824	\$ 132,928	\$ 34,291	\$ 22,668
Building and zoning	81,812	1,806,043	2,111,691	1,190,633	544,440	513,399	438,255	530,892
Community development	1,164,757	164,422	179,377	200,517	168,897	162,819	169,080	146,390
Public safety	317,633	398,781	490,922	523,519	486,881	722,428	708,635	682,086
Operating grants and contributions	743,489	1,516,159	1,635,808	1,353,159	1,230,557	1,380,242	1,218,753	1,207,396
Capital grants and contributions	-	54,754,974	67,207,177	4,638,376	7,447,372	598,992	3,681,288	3,495,236
Total governmental activities program revenues	2,350,612	58,662,951	71,665,332	7,965,528	9,949,971	3,510,808	6,250,302	6,084,668
Business-type activities								
Charges for services								
Water and sewer	3,501,031	3,955,995	7,143,385	6,563,342	5,348,323	5,308,250	5,497,141	6,261,974
Garbage	1,069,999	1,237,470	1,399,455	1,736,868	2,052,072	2,084,353	2,172,351	2,267,599
Operating Grants and Contributions	-	-	-	-	-	-	-	111,935
Capital grants and contributions	950,200	3,414,625	2,575,410	1,474,988	166,998	-	149,056	62,390
Total business-type activities program revenues	5,521,230	8,608,090	11,118,250	9,775,198	7,567,393	7,392,603	7,818,548	8,703,898
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 7,871,842	\$ 67,271,041	\$ 82,783,582	\$ 17,740,726	\$ 17,517,364	\$ 10,903,411	\$ 14,068,850	\$ 14,788,566
NET REVENUE (EXPENSE)								
Governmental activities	\$ (6,666,148)	\$ 45,391,424	\$ 55,435,919	\$ (9,612,355)	\$ (8,327,744)	\$ (15,136,232)	\$ (12,279,568)	\$ (12,547,857)
Business-type activities	705,718	2,660,088	4,095,614	1,232,744	(857,319)	(1,047,140)	(185,392)	857,726
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (5,960,430)	\$ 48,051,512	\$ 59,531,533	\$ (8,379,611)	\$ (9,185,063)	\$ (16,183,372)	\$ (12,464,960)	\$ (11,690,131)

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Eight Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012
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	\$ 1,395,165	\$ 1,449,154	\$ 1,454,079
Sales	2,179,804	2,514,830	2,925,295	3,595,313	3,444,187	4,072,717	5,349,488	6,039,345
Telecommunication	867,423	937,474	899,885	1,020,222	1,067,075	1,073,121	1,022,272	1,304,003
Personal property replacement	8,077	9,135	9,926	11,864	10,366	9,175	10,666	9,627
Developer contributions	1,286,994	-	-	-	-	-	-	-
Utility	-	837,414	824,833	972,764	957,052	886,998	1,010,223	959,959
Income	1,426,886	1,525,240	1,681,961	1,837,415	2,175,465	2,304,243	2,261,969	2,460,342
Other	874,764	253,381	266,240	293,303	387,339	354,165	490,642	511,361
Investment income	110,685	282,254	736,926	516,202	229,198	74,953	100,039	92,563
Miscellaneous	529,556	782,579	548,958	785,556	707,915	610,529	722,862	707,593
Transfers in (out)	-	313,646	337,048	382,146	424,217	-	(1,883,000)	325,470
Total governmental activities	8,159,762	8,413,635	9,239,672	10,564,393	10,661,091	10,781,066	10,534,315	13,864,342
Business-type activities								
Developer contributions	4,883,135	-	-	-	-	-	-	-
Connection fees	2,934,498	2,724,191	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	107,450	164,442	14,345
Investment income	46,939	122,081	212,107	228,086	95,400	55,376	32,695	44,349
Transfers in (out)	-	(313,646)	(337,048)	(382,146)	(424,217)	-	1,883,000	(325,470)
Total business-type activities	7,864,572	2,532,626	(124,941)	(154,060)	(328,817)	162,826	2,080,137	(266,776)
TOTAL PRIMARY GOVERNMENT	\$ 16,024,334	\$ 10,946,261	\$ 9,114,731	\$ 10,410,333	\$ 10,332,274	\$ 10,943,892	\$ 12,614,452	\$ 13,597,566

	2005	2006	2007	2008	2009	2010	2011	2012
CHANGE IN NET ASSETS								
Governmental activities	\$ 1,493,614	\$ 53,805,059	\$ 64,675,591	\$ 952,038	\$ 2,333,347	\$ (4,355,166)	\$ (1,745,253)	\$ 1,316,485
Business-type activities	8,570,290	5,192,714	3,970,673	1,078,684	(1,186,136)	(884,314)	1,894,745	590,950
TOTAL PRIMARY GOVERNMENT CHANGE IN NET ASSETS	\$ 10,063,904	\$ 58,997,773	\$ 68,646,264	\$ 2,030,722	\$ 1,147,211	\$ (5,239,480)	\$ 149,492	\$ 1,907,435

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
GENERAL FUND										
Reserved	\$ 66,953	\$ 83,574	\$ 257,274	\$ 96,976	\$ 97,538	\$ 222,328	\$ 138,934	\$ 160,365	\$ 154,338	\$ -
Unreserved - undesignated	1,936,870	3,279,070	4,726,667	4,636,113	4,905,726	5,039,694	4,799,544	5,461,181	4,372,535	-
Nonspendable	-	-	-	-	-	-	-	-	-	88,206
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted										
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	5,021,748
Unassigned	-	-	-	-	-	-	-	-	-	891,528
TOTAL GENERAL FUND	\$ 2,003,823	\$ 3,362,644	\$ 4,983,941	\$ 4,733,089	\$ 5,003,264	\$ 5,262,022	\$ 4,938,478	\$ 5,621,546	\$ 4,526,873	\$ 6,001,482
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 19,080	\$ 18,397	\$ -	\$ 1,455,526	\$ 2,955,549	\$ 2,271,727	\$ 2,603,394	\$ 2,599,700	\$ 2,828,917	\$ -
Unreserved, reported in										
Special Revenue Funds	1,006,151	295,731	1,044,710	501,978	401,022	1,208,681	739,078	(242)	-	-
Debt Service Funds	-	-	19,091	-	-	-	-	-	-	-
Capital Project Funds	-	-	2,969,003	601,901	6,573,870	6,154,477	991,902	263,626	349,405	-
Nonspendable	-	-	-	-	-	-	-	-	-	313,658
Restricted	-	-	-	-	-	-	-	-	-	2,253,504
Unrestricted										
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	755,050
Unassigned	-	-	-	-	-	-	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 1,025,231	\$ 314,128	\$ 4,032,804	\$ 2,559,405	\$ 9,930,441	\$ 9,634,885	\$ 4,334,374	\$ 2,863,084	\$ 3,178,322	\$ 3,322,212

Data Source

Audited Financial Statements

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

VILLAGE OF OSWEGO, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REVENUES										
Taxes	\$ 3,414,524	\$ 3,696,295	\$ 5,344,666	\$ 6,072,842	\$ 6,706,275	\$ 7,773,135	\$ 8,256,051	\$ 9,022,463	\$ 10,572,142	\$ 11,434,714
Telecommunication surcharge	538,374	778,023	853,278	-	-	-	-	-	-	-
Licenses and permits	833,646	1,130,675	1,273,831	2,553,194	2,626,747	1,762,818	944,023	759,162	741,030	807,046
Intergovernmental	1,226,574	1,231,392	743,489	734,111	750,636	738,370	958,310	1,616,552	1,392,705	1,098,222
Charges for services	411,639	303,544	344,262	1,406,122	1,439,999	1,603,959	1,507,759	1,594,789	1,349,356	1,651,653
Fines and forfeits	106,341	115,091	127,642	209,438	269,025	255,339	259,635	466,995	508,506	478,278
Transition fees	-	-	1,076,448	-	-	-	-	-	-	-
Franchise fees	767,792	1,237,877	-	-	-	-	-	-	-	-
Reimbursements	316,913	87,590	-	-	-	-	-	-	-	-
Contributions	64,852	22,465	210,546	-	372,236	136,582	66,208	66,394	59,168	46,926
Rents	-	-	-	-	-	-	-	-	-	-
Investment income	50,662	43,962	110,685	282,255	736,926	516,202	229,198	74,953	100,039	92,563
Miscellaneous	125,890	6,097	390,944	689,341	706,084	779,490	745,738	674,537	798,293	743,581
Total revenues	7,857,207	8,653,011	10,475,791	11,947,303	13,607,928	13,565,895	12,966,922	14,275,845	15,521,239	16,352,983
EXPENDITURES										
General government	2,182,490	2,359,252	1,510,602	1,361,693	1,573,828	1,946,204	2,337,350	2,570,171	2,368,944	2,083,617
Building and zoning	-	-	712,483	693,129	800,393	1,000,940	783,117	692,072	573,687	602,123
Community development	-	-	335,868	313,529	357,065	464,973	564,967	417,585	353,320	467,525
Public safety	2,989,907	3,422,036	3,945,254	5,272,127	5,920,557	7,120,633	7,144,164	7,281,450	7,555,771	7,759,427
Public works	1,999,593	1,930,223	1,253,272	2,484,197	1,982,817	1,613,678	1,845,856	2,114,545	1,659,059	1,949,282
Retirement	-	-	460,219	539,628	633,103	-	-	-	-	-
Capital outlay	77,298	494,661	924,712	2,440,790	4,530,533	6,831,068	4,880,950	3,274,945	243,714	222,351
Debt service										
Principal	280,000	270,000	280,000	405,000	125,000	500,000	720,000	740,000	1,010,000	1,060,000
Interest	35,823	23,370	55,506	138,441	378,275	555,028	761,851	741,672	811,754	796,970
Other charges	2,935	2,400	1,385	1,200	1,100	1,625	1,625	1,625	1,625	1,625
Total expenditures	7,568,046	8,501,942	9,479,301	13,649,734	16,302,671	20,034,149	19,039,880	17,834,065	14,577,874	14,942,920
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	289,161	151,069	996,490	(1,702,431)	(2,694,743)	(6,468,254)	(6,072,958)	(3,558,220)	943,365	1,410,063

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
OTHER FINANCING SOURCES (USES)										
Transfers in	\$ 570,450	\$ 426,168	\$ 515,631	\$ 1,600,276	\$ 1,137,048	\$ 1,606,398	\$ 2,070,351	\$ 1,888,737	\$ 1,821,696	\$ 2,143,087
Transfers (out)	(188,046)	-	(14,624)	(1,286,630)	(800,000)	(1,224,252)	(1,646,134)	(1,888,737)	(3,704,696)	(1,817,617)
Bonds issued at par	-	-	3,389,991	-	9,970,000	6,000,000	-	2,285,000	-	2,300,000
Premium on bonds issued	-	-	-	-	-	-	-	-	-	92,033
Payment to escrow agent	-	-	-	-	-	-	-	-	-	(2,351,675)
Discount on bonds issued	-	-	(29,657)	-	-	(48,000)	-	-	-	-
Proceeds from sale of capital assets	-	-	-	70,366	28,906	13,427	24,676	8,091	2,702	106
Total other financing sources (uses)	382,404	426,168	3,861,341	384,012	10,335,954	6,347,573	448,893	2,293,091	(1,880,298)	365,934
NET CHANGE IN FUND BALANCES	\$ 671,565	\$ 577,237	\$ 4,857,831	\$ (1,318,419)	\$ 7,641,211	\$ (120,681)	\$ (5,624,065)	\$ (1,265,129)	\$ (936,933)	\$ 1,775,997
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.22%	3.66%	392.00%	4.85%	4.28%	7.84%	10.43%	10.17%	12.53%	12.60%

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
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%
2009	2010	1,011,885	790,703,227	132,681,817	8,887,396	3,000	27,693	933,315,018	0.1400	2,802,747,802	33.300%
2010	2011	874,234	748,097,856	132,123,809	8,779,509	3,015	27,693	889,906,116	0.1468	2,672,390,739	33.300%
2011	2012	916,416	700,657,817	126,530,094	8,573,857	3,015	27,693	836,708,892	0.1453	2,512,639,315	33.300%

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					Overlapping Rates			
		Corporate	Bonds and Interest	IMRF	Police Pension	Audit	Total Direct Tax Rate	Kendall County	Kendall County Mental Health	Kendall County Health
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	-	-
2009	2010	0.0079	-	0.0259	0.1062	-	0.1400	0.5734	-	-
2010	2011	0.0081	-	0.0246	0.1141	-	0.1468	0.6396	-	-
2011	2012	-	-	0.0228	0.1225	-	0.1453	0.6998	-	-

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

Data Source

Kendall County Clerk

Overlapping Rates									
Oswego Township	Kendall County Forest Preserve	Oswego School CU-308	Waubonsie JC #516	Oswego Fire Protection District	Oswego Library District	Oswego Park District	Oswego Road District	Total Overlapping Rates	Total Direct and Overlapping Rates
\$ 0.2899	\$ 0.0219	\$ 4.9562	\$ 0.4043	\$ 0.5261	\$ 0.1852	\$ 0.4974	\$ -	\$ 7.5730	\$ 7.7697
0.2717	0.0403	4.8013	0.4105	0.5505	0.1755	0.4586	-	7.3565	7.5397
0.2621	0.0369	4.9969	0.4104	0.5944	0.1702	0.4586	-	7.5489	7.7171
0.2534	0.0335	5.0605	0.3968	0.6247	0.1659	0.4353	-	7.5857	7.7296
0.0766	0.0299	5.0600	0.4005	0.6029	0.2118	0.4122	0.1757	7.5621	7.7025
0.0734	0.1292	5.0600	0.3924	0.5772	0.2012	0.3896	0.1687	7.5512	7.6846
0.0745	0.0966	5.0600	0.3990	0.5821	0.2031	0.3880	0.1711	7.5468	7.6861
0.0729	0.0944	5.0600	0.4037	0.5731	0.2012	0.3594	0.1675	7.5056	7.6456
0.0790	0.1041	5.8377	0.4115	0.6286	0.2206	0.3830	0.1804	8.4845	8.6313
0.0800	0.1204	6.6572	0.4702	0.6713	0.2449	0.4116	0.1870	9.5424	9.6877

VILLAGE OF OSWEGO, ILLINOIS

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

Last Ten Levy Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Village of Oswego	\$ 0.1967	\$ 0.1832	\$ 0.1682	\$ 0.1439	\$ 0.1404	\$ 0.1335	\$ 0.1393	\$ 0.1400	\$ 0.1468	\$ 0.1453
Kendall County	0.6069	0.5796	0.5578	0.5559	0.5925	0.5595	0.5724	0.5734	0.6396	0.6998
Kendall County Mental Health	0.0427	0.0341	0.0311	0.0317	-	-	-	-	-	-
Kendall County Health	0.0424	0.0344	0.0305	0.0280	-	-	-	-	-	-
Oswego Township	0.2899	0.2717	0.2621	0.2534	0.0766	0.0734	0.0745	0.0729	0.0790	0.0800
Kendall County Forest Preserve	0.0219	0.0403	0.0369	0.0335	0.0299	0.1292	0.0966	0.0944	0.1041	0.1204
Oswego School CU-308	4.9562	4.8013	4.9969	5.0605	5.0600	5.0600	5.0600	5.0600	5.8377	6.6570
Waubonsie JC #516	0.4043	0.4105	0.4104	0.3968	0.4005	0.3924	0.3990	0.4037	0.4115	0.4702
Oswego Fire Protection District	0.5261	0.5505	0.5944	0.6247	0.6029	0.5772	0.5821	0.5731	0.6286	0.6713
Oswego Library District	0.1852	0.1755	0.1702	0.1659	0.2118	0.2012	0.2031	0.2012	0.2206	0.2449
Oswego Park District	0.4974	0.4586	0.4586	0.4353	0.4122	0.3896	0.3880	0.3594	0.3830	0.4116
Oswego Road District	-	-	-	-	0.1757	0.1687	0.1711	0.1675	0.1804	0.1870
TOTAL	\$ 7.7697	\$ 7.5397	\$ 7.7171	\$ 7.7296	\$ 7.7025	\$ 7.6847	\$ 7.6861	\$ 7.6456	\$ 8.6313	\$ 9.6875

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

*Levy Year finances the subsequent fiscal year (i.e. Levy Year 2002 finances Fiscal Year 2003)

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS
PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2011 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	\$ 6,546,728	1	0.73%	\$ -	n/a	0.00%
Farmington Lakes, LLC	4,626,585	2	0.52%	-	n/a	0.00%
VS Oswego LLC	4,116,930	3	0.46%	-	n/a	0.00%
Meijer Stores LTD Partnership	4,089,884	4	0.46%	-	n/a	0.00%
Inland Western Oswego Gerry Centennial, LLC	3,814,105	5	0.42%	-	n/a	0.00%
Wal-Mart Real Estate Business Trust	3,771,956	6	0.42%	-	na/	0.00%
Lowes Home Centers	3,220,862	7	0.36%	-	n/a	0.00%
Target Corporation	2,593,935	8	0.29%	2,389,883	2	0.67%
Home Depot USA	2,462,707	9	0.27%	-	n/a	0.00%
Jewel Food Stores, Inc	2,284,799	10	0.25%	-	n/a	0.00%
Home Depot USA	-	n/a	0.00%	2,919,288	1	0.82%
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>\$ 37,528,491</u>		<u>4.18%</u>	<u>\$ 14,506,138</u>		<u>4.08%</u>

Data Source

Office of the County Clerk

VILLAGE OF OSWEGO, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date**	
		Amount*	Percentage of Levy		Amount*	Percentage of Levy
2002	\$ 703,656	\$ 703,740	100.01%	\$ -	\$ 703,740	100.01%
2003	769,051	768,041	99.87%	-	768,041	99.87%
2004	841,319	841,620	100.04%	-	841,620	100.04%
2005	885,020	874,217	98.78%	-	874,217	98.78%
2006	1,004,275	1,006,551	100.23%	-	1,006,551	100.23%
2007	1,116,935	1,117,007	100.01%	-	1,117,007	100.01%
2008	1,249,762	1,249,136	99.95%	-	1,249,136	99.95%
2009	1,306,268	1,303,051	99.75%	-	1,303,051	99.75%
2010	1,306,204	1,306,002	99.99%	-	1,306,038	99.99%
2011	1,216,073	-	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.

** 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
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%
2010	1.00%	0.25%	1.00%	5.00%	7.25%
2011	1.00%	0.25%	1.00%	5.00%	7.25%
2012	1.00%	0.25%	1.00%	5.00%	7.25%

Data Source

Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

SALES TAXES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General merchandise ¹	\$ 229,993	\$ 334,458	\$ 386,487	\$ 427,467	\$ 543,782	\$ 835,823	\$ 1,026,304	\$ 1,017,002	\$ 1,044,682	\$ 897,868
Food	478,411	590,685	655,955	687,128	687,390	626,897	469,987	608,638	561,369	520,995
Drinking and eating places	143,073	201,563	242,078	281,626	366,868	388,960	418,317	543,990	538,906	566,591
Apparel	16,397	34,111	33,842	42,128	53,429	182,697	203,385	200,655	228,374	379,146
Furniture & H.H. & Radio ¹	13,501	23,854	35,603	36,501	49,469	251,549	310,674	260,491	267,536	266,894
Lumber, building hardware	490,310	486,284	550,776	555,657	407,660	433,350	366,169	302,034	313,492	281,290
Automobile and filling stations	488,387	496,944	520,992	569,694	591,150	869,332	1,033,223	1,004,753	1,113,413	1,309,894
Drugs and miscellaneous retail	198,390	232,518	319,011	356,124	403,803	469,358	489,005	501,300	550,689	578,602
Agriculture and all others	167,467	150,116	200,887	246,646	264,769	305,607	258,909	184,054	132,674	186,966
Manufacturers ¹	13,094	14,556	13,025	12,687	15,849	20,973	24,764	76,516	74,224	23,368
TOTAL¹	\$ 2,239,024	\$ 2,565,089	\$ 2,958,656	\$ 3,215,658	\$ 3,384,169	\$ 4,384,546	\$ 4,600,736	\$ 4,699,433	\$ 4,825,359	\$ 5,011,615
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 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 Alternate Revenue Bonds	Installment Contract	IEPA Loans Payable	General Obligation Alternate Revenue Bonds	Other Governmental Loans Payable			
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	2.88%	785
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	3.94%	1,073
2010	-	19,355,000	-	1,470,363	17,875,000	-	38,700,363	3.91%	1,275
2011	-	18,345,000	-	1,359,041	16,870,000	-	36,574,041	3.85%	1,188
2012	-	17,325,000	-	1,244,716	15,850,000	-	34,419,716	3.40%	1,119

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 112 for personal income and population.

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2012

Governmental Unit	Gross Bonded Debt	Percentage Debt Applicable to the Village of Oswego*	Village of Oswego Share of Debt
Village of Oswego	\$ 17,325,000	100.00%	\$ 17,325,000
Oswego Community Unit School District #308	403,961,022	55.78%	225,329,458
Kendall County	41,583,762	28.05%	11,664,245
Kendall County Forest Preserve	46,614,000	28.05%	13,075,227
Waubonsee Community College #516	84,625,063	32.20%	27,249,270
Oswegoland Park District	6,475,000	63.51%	4,112,273
Oswego Public Library District	<u>8,350,000</u>	57.42%	<u>4,794,570</u>
Total overlapping debt	<u>591,608,847</u>		<u>286,225,043</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 608,933,847</u>		<u>\$ 303,550,043</u>
Per capita overlapping debt			<u>\$ 9,871.55</u>

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

Data Source

Kendall County Clerk

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

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 30,854,258	\$ 36,206,570	\$ 43,141,534	\$ 53,045,912	\$ 61,694,176	\$ 72,053,583	*	*	*	*
Total net debt applicable to limit	840,000	570,000	3,590,000	3,185,000	13,030,000	18,530,000	*	*	*	*
Legal debt margin	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	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	
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
2010	4,072,717	4,072,717	740,000	743,297	2.75
2011	5,349,488	5,349,488	1,010,000	813,379	2.93
2012	6,039,346	6,039,346	1,060,000	798,595	3.25

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	
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
2010	5,363,112	3,577,194	1,785,918	970,000	703,325	108,397	40,029	0.98
2011	5,527,817	3,408,690	2,119,127	1,005,000	825,637	111,322	37,089	1.07
2012	6,304,099	1,550,782	4,753,317	1,050,000	743,619	114,325	34,085	2.45

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
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 *	29,364	798,818,256	27,204	5.2%
2010 **	30,355	954,543,330	31,446	8.5%
2011 ***	30,780	950,763,420	30,889	8.7%
2012	30,750	1,013,058,750	32,945	8.0%

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

** Per capita personal income stated in 2008 inflation-adjusted dollars.

*** Per capita personal income stated in 2009 inflation-adjusted dollars.

Data Source

U.S. Census Bureau Fact Sheet

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2012				2003			
Employer	Rank	Number	% of Total Village Population	Employer	Rank	Number	% of Total Village Population
Oswego Comm. Unit School Dist. No. 308	1	1,631	5.3%	Oswego Comm. Unit School Dist. No. 308	1	468	5.1%
Wal-Mart Stores, Inc.	2	450	1.5%	Home Depot USA	2	250	2.7%
Jewel/Osco	3	425	1.4%	Jewel/Osco	3	245	2.7%
Meijer Corporation	3	425	1.4%	Radiac Abrasives	4	200	2.2%
Dominick's Fresh Foods, Inc.	5	250	0.8%	Avtec Industries, Inc	5	125	1.4%
Target Corporation	5	250	0.8%	The Tillers	6	125	1.4%
Home Depot USA	5	250	0.8%	Custom Food Products	7	80	0.9%
Kohl's	8	225	0.7%	Alley Drywall	8	70	0.8%
Coldwell Banker	9	100	0.3%	Great Western Flooring	9	70	0.8%
GMRI - Olive Garden	9	100	0.3%	Blocker Grading Construction	10	65	0.7%

Note

2012 information is estimated at April 30, 2012. Actual data not available at time of issuance.

Data Source

Oswego Economic Development Corporation

VILLAGE OF OSWEGO, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2003	2004*	2005*	2006*	2007*	2008*	2009*	2010*	2011*	2012*
GENERAL GOVERNMENT										
Administration	4.00	5.00	7.50	8.00	8.50	8.50	8.50	7.00	4.50	3.50
Finance	3.00	3.00	3.00	3.00	3.50	3.50	4.00	4.00	6.00	6.00
Village Clerk	1.00	2.00	2.00	2.00	2.50	2.50	3.00	3.00	2.50	2.50
Building and Zoning	8.00	9.00	9.50	11.00	12.00	12.50	12.00	6.00	7.00	7.00
Community Development	3.00	5.00	5.00	6.00	6.00	6.00	6.50	4.00	4.00	4.00
Community Relation										1.50
Economic Development										1.00
PUBLIC SAFETY										
Police										
Officers	37.00	40.00	42.00	45.00	50.00	53.00	53.00	49.00	49.00	49.00
Civilians	3.00	3.00	7.00	9.00	13.50	15.00	15.00	13.00	13.50	13.50
PUBLIC WORKS										
Road and Bridge/Water and Sewer	18.50	22.50	27.00	28.00	29.00	33.00	32.00	24.00	23.50	23.50
TOTAL	77.50	89.50	103.00	112.00	125.00	134.00	134.00	110.00	110.00	111.50

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

Data Source

Village budget office

VILLAGE OF OSWEGO, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Building and Zoning										
Permits issued	420	759	1,080	1,754	2,098	1,642	1,123	1,492	982	1,285
Community Development										
Total year-end requested projects	n/a	n/a	57	64	84	40	46	45	47	38
Total year-end projects approved	67	57	83	88	109	39	45	45	46	27
Public Safety										
Police										
Physical arrests	n/a	677	798	1,302	1,326	1,382	1,371	1,140	1,201	1,174
Parking violations	n/a	291	387	882	1,600	1,174	758	1,137	505	604
Traffic violations	n/a	8,088	10,639	18,663	20,136	6,172	4,565	5,033	5,246	11,622
Criminal reports	n/a	3,630	3,998	4,948	5,096	2,335	2,185	1,770	1,862	4,339
Calls for service	n/a	20,629	30,847	44,385	50,837	51,918	46,378	47,813	25,128	22,607
Road and Bridge										
Pothole repairs (tons)	19	29	45	47	33	99	94	65	109	0
Parkway tree replacement	104	117	60	17	1	48	57	0	1	0
Water										
Number of accounts	6,185	7,229	7,810	8,965	9,624	10,061	10,350	10,344	10,597	10,733
Total annual consumption	651,291,035	640,361,110	762,958,040	886,948,175	878,522,150	930,759,000	898,847,000	895,657,000	868,978,000	909,085,000
Average daily consumption	1,784,359	1,754,414	2,090,296	2,429,995	2,406,910	2,550,025	2,462,595	2,453,855	2,380,762	2,490,644
Peak daily consumption	4,043,000	3,650,000	3,631,000	5,071,000	5,289,000	5,692,000	5,951,000	4,588,000	4,146,000	4,723,000
Water main breaks	10	5	12	8	4	9	13	7	9	0
Water service repairs	7	2	3	3	3	7	8	11	69	0
Main line valve repairs	3	-	-	5	-	1	0	0	5	0
Fire hydrant replacements	1	1	-	-	2	3	1	0	4	0

n/a = not available

Data Source

Various Village Departments

VILLAGE OF OSWEGO, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	27	28	32	30	34	34	38	37	34	34
PUBLIC WORKS										
Miles of streets	80	80	97	115	125	125	128	128	128	148
Streetlights	1,408	1,408	1,770	2,000	2,094	2,094	2,120	2,126	2,133	2,145
Traffic signals	15	15	16	16	20	20	20	20	20	20
WATER										
Water mains (miles)	n/a	87	110	119	159	159	161	161	161	161
Fire hydrants	1,408	1,408	2,099	2,400	2,400	2,400	2,517	2,511	2,503	2,543
Storage capacity (gallons)	2,000,000	2,000,000	3,500,000	3,500,000	3,500,000	3,500,000	3,800,000	3,800,000	5,300,000	5,300,000

n/a = not available

Data Source

Various village departments