



NOTICE AND AGENDA

**NOTICE IS HEREBY GIVEN
THAT A COMMITTEE OF THE WHOLE MEETING**

WILL BE HELD ON

October 15, 2019

6:00 PM

Location: Oswego Village Hall

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. CONSIDERATION OF AND POSSIBLE ACTIONS ON ANY REQUESTS FOR ELECTRONIC PARTICIPATION IN MEETING**
- D. PUBLIC FORUM**
- E. OLD BUSINESS**
- F. NEW BUSINESS**

F.1. Sikich LLP Fiscal Year 2019 Financial Audit Presentation

[Audit presentation October 2019.docx](#)
[19 VO Oswego CAFR.pdf](#)

Posted: _____
Date: _____
Time: _____
Place: _____
Initials: _____

Tina Touchette
Village Clerk

F.2. Discuss the Calendar Year 2019 Village Tax Levy with the Village Board

[Property tax memo 2019 tax levyDDSRev.docx](#)

G. CLOSED SESSION

- G.1. a. Pending and Probable Litigation [5 ILCS 120/2(c)(11)]
- b. Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Personnel [5 ILCS 120/2(c)(1)]
- c. Collective Bargaining, Collective Negotiating Matters, Deliberations Concerning Salary Schedules [5 ILCS 120/2(c)(2)]
- d. Sale, Lease, and/or Acquisition of Property [5 ILCS 120/2(c)(5) & (6)]
- e. Security Procedures and the Use of Personnel and Equipment to Respond to an Actual, Threatened, or a Reasonably Potential Danger to the Safety of Employees, Staff, the Public, or Public Property [5 ILCS 120/2(c)(8)]

H. ADJOURNMENT



AGENDA ITEM

MEETING TYPE: Committee of the Whole

MEETING DATE: October 15, 2019

SUBJECT: Sikich, LLP presents Fiscal Year 2019 Audit Report

ACTION REQUESTED:

Receive the report

BOARD/COMMISSION REVIEW:

None

ACTION PREVIOUSLY TAKEN:

Date of Action	Meeting Type	Action Taken
N/A	N/A	N/A

DEPARTMENT: Finance

SUBMITTED BY: Mark G. Horton, CPFO, Finance Director

FISCAL IMPACT: N/A

BACKGROUND:

The Village of Oswego contracts annually with an outside auditing firm to complete a fiscal year audit of the financial records. The final audit report ((Comprehensive Annual Financial Report (CAFR)), is reviewed with the Village Board at a public meeting.

DISCUSSION:

The contracted auditing firm, Sikich LLP, will provide a brief overview of the completed audit and answer any questions the Village Board may have regarding the Fiscal Year 2019 CAFR.

RECOMMENDATION:

Accept the report.

ATTACHMENTS:

Fiscal Year Ending April 30, 2019 Audit (CAFR)



Comprehensive Annual Financial Report

for the Fiscal Year Ended
April 30, 2019



VILLAGE OF OSWEGO, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2019

Prepared by:

Village of Oswego Finance Department

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials.....	i
Organizational Chart	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal.....	iv-viii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis	MD&A 1-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities	5-6
Fund Financial Statements	
Governmental Funds	
Balance Sheet	7
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	8
Statement of Revenues, Expenditures and Changes in Fund Balances	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	10

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)	
Basic Financial Statements (Continued)	
Fund Financial Statements (Continued)	
Proprietary Funds	
Statement of Net Position.....	11-12
Statement of Revenues, Expenses and Changes in Net Position	13
Statement of Cash Flows.....	14-15
Fiduciary Funds	
Statement of Fiduciary Net Position	16
Statement of Changes in Fiduciary Net Position	17
Notes to Financial Statements	18-62
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance - Budget and Actual - General Fund.....	63
Notes to Required Supplementary Information.....	64
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund.....	65
Police Pension Fund	66
Schedule of Changes in the Employer’s Net Pension Liability	
and Related Ratios	
Illinois Municipal Retirement Fund.....	67
Police Pension Fund	68
Schedule of Changes in the Employer’s Total OPEB Liability	
and Related Ratios	
Other Postemployment Benefit Plan.....	69
Schedule of Investment Returns	
Police Pension Fund	70

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

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

MAJOR GOVERNMENTAL FUNDS

General Fund	
Balance Sheet	71
Schedule of Revenues - Budget and Actual.....	72
Schedule of Detailed Expenditures - Budget and Actual	73-76
Capital Projects Fund	
Balance Sheet	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	78
Debt Service Fund	
Balance Sheet	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	80
Tax Increment Financing Fund	
Balance Sheet	81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	82

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund	85
Public Service Fund.....	86

MAJOR ENTERPRISE FUNDS

Water and Sewer Fund Accounts	
Statement of Net Position.....	87-88
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual.....	89
Schedule of Cash Flows	90-91

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)	
MAJOR ENTERPRISE FUNDS (Continued)	
Water and Sewer Operating Subfund	
Statement of Net Position.....	92-93
Schedule of Revenues, Expenses and Changes in	
Net Position - Budget and Actual.....	94-95
Water and Sewer Capital Subfund	
Statement of Net Position.....	96
Schedule of Revenues, Expenses and Changes in	
Net Position - Budget and Actual.....	97
Garbage Fund	
Statement of Net Position.....	98
Schedule of Revenues, Expenses and Changes in	
Net Position - Budget and Actual.....	99
INTERNAL SERVICE FUND	
Vehicle Replacement Fund	
Statement of Net Position	100
Schedule of Revenues, Expenses and Changes in	
Net Position - Budget and Actual	101
Statement of Cash Flows	102-103
FIDUCIARY FUNDS	
Police Pension Fund	
Statement of Net Position.....	104
Schedule of Changes in Fiduciary Net Position -	
Budget and Actual	105
Agency Funds	
Combining Statement of Changes in Assets and Liabilities	106-107

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

SUPPLEMENTAL DATA

Long-Term Debt Requirements

General Obligation Refunding Bond Series of 2011 - Total	108
General Obligation Refunding Bond Series of 2011 - Governmental Activities	109
General Obligation Refunding Bond Series of 2011 - Business-Type Activities ...	110
General Obligation Refunding Bond Series of 2012.....	111
General Obligation Refunding Bond Series of 2013 - Total.....	112
General Obligation Refunding Bond Series of 2013 - Governmental Activities	113
General Obligation Refunding Bond Series of 2013 - Business-Type Activities ...	114
General Obligation Refunding Bond Series of 2014 - Total.....	115
General Obligation Refunding Bond Series of 2014 - Governmental Activities	116
General Obligation Refunding Bond Series of 2014 - Business-Type Activities ...	117
General Obligation Bond Series of 2016.....	118
General Obligation Bond Series of 2017.....	119
IEPA Loan No. 17-1445.....	120
Consolidated Year End Financial Report.....	121

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

122-123

STATISTICAL SECTION

Financial Trends

Net Position by Component	124-125
Change in Net Position.....	126-129
Fund Balances of Governmental Funds	130-131
Changes in Fund Balances of Governmental Funds	132-133

Revenue Capacity

Assessed Value and Estimated Actual Value of Taxable Property.....	134
Direct and Overlapping Property Tax Rates	135-136
Property Tax Rates - Per \$100 of Assessed Valuation -	
Direct and Overlapping Governments.....	137
Principal Property Taxpayers	138
Property Tax Levies and Collections	138
Direct and Overlapping Sales Tax Rates.....	140
General Sales Tax by Category	141
Home Rule Sales Tax by Category	142

VILLAGE OF OSWEGO, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION (Continued)	
Debt Capacity	
Ratios of Outstanding Debt by Type	143
Direct and Overlapping Governmental Activities Bonded Debt.....	144
Legal Debt Margin Information	145
Pledged-Revenue Coverage	
Governmental Activities.....	146
Business-Type Activities.....	147
Demographic and Economic Information	
Demographic and Economic Information	148
Principal Employers	149
Operating Information	
Full-Time Equivalent Employees.....	150
Operating Indicators	151
Capital Asset Statistics.....	152

Principal Officials

VILLAGE PRESIDENT

Gail Johnson

(Term Expires April 2019)

VILLAGE TRUSTEES

Pam Parr

(Term Expires April 2021)

Luis Perez

(Term Expires April 2021)

Judy Sollinger

(Term Expires April 2021)

Ryan Kauffman

(Term Expires April 2019)

Karin McCarthy-Lange

(Term Expires April 2019)

Joe West

(Term Expires April 2019)

MANAGEMENT STAFF

Dan Di Santo

Village Administrator

Rod Zenner

Community Development Director

Christina Burns

Assistant Village Administrator/
Human Resource Director

Corinna Cole

Economic Development Director

Tina Touchette

Village Clerk

Jennifer Hughes

Public Works Director

Mark Horton

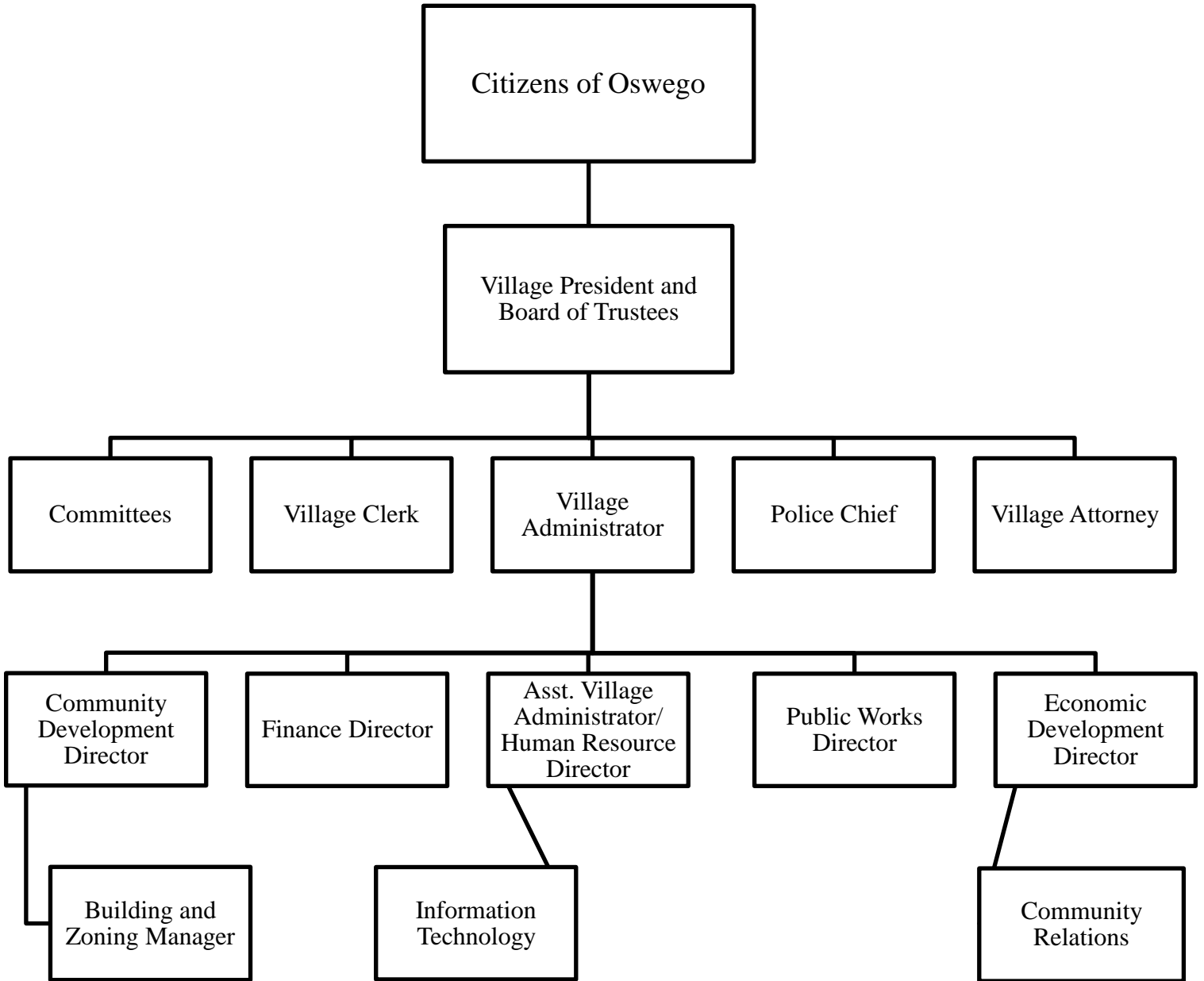
Finance Director/Village Treasurer

Jeff Burgner

Police Chief

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

VILLAGE OF OSWEGO ORGANIZATIONAL CHART



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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Oswego
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2018

Christopher P. Morill

Executive Director/CEO



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

October 4, 2019

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

The Comprehensive Annual Financial Report of the Village of Oswego, Illinois, for the fiscal year ended April 30, 2019 is hereby presented in compliance with State Statutes. State Statutes require local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). These financial statements must also be audited in accordance with accepted auditing standards by a firm of licensed certified public accountants.

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

The Village of Oswego retained the services of an independent accounting firm, Sikich LLP, Naperville, Illinois, to conduct the April 30, 2019 audit. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village of Oswego financial statements for the fiscal year ended April 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

GOVERNMENT PROFILE

Oswego was first settled in 1833 and formally incorporated in 1852. It is a home rule community as defined by the Illinois Constitution and as such is empowered to levy a property tax, at the rate it deems appropriate on all property located within its boundaries. The Village of Oswego is located in the northeastern section of the State of Illinois, approximately 40 miles southwest of Chicago in the northeast corner of Kendall County and northwest corner of Will County. The special census completed in 2016, increased the Village population to 33,078. The current population estimate is 35,237. The Village operates under the Trustee/Village Administrator form of government, as defined in Illinois state statutes. A Village President and six trustees are elected at large to overlapping 4-year terms. The Board appointed full-time Village Administrator acts as the Chief Operating Officer of the Village, managing the day-to-day activities of the Village.

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

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

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

ECONOMIC CONDITION AND OUTLOOK

Local Economy/Development

You have heard the phrase; What a difference a year makes! Fiscal year 2019 has been a banner year for the local economy and local development. Strong revenue growth coupled with increased development has the Village optimistic for the future. Local unemployment at 3.4%, sales tax revenue showing growth the past two years, new business openings and low overall commercial vacancy rates influenced the increases in the

FY 2020 revenue budgets. Building of new residential homes exploded in FY 2019 with an increase of 439 new permits issued including a 280-unit apartment complex generating more than \$6.0 million in permit and impact fees. Building related revenue budgets were increased compared to the FY 2019 budget due to all the new development. In February 2019, the Village and a developer began construction on the development project in the downtown known as “The Reserve at Hudson Crossing”. This \$69 million mixed use residential/commercial/public parking deck project will serve as the catalyst for more downtown development. A craft beer brewery opened in May 2018 in the downtown and several more development sites will be getting underway in FY 2020.

Long-Term Financial Planning

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

Relevant Financial Policies

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

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

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

General Fund Balance Policy: The policy is currently 30% of the estimated subsequent year’s annual operating expenditures, excluding capital improvements. The Village also strives to maintain a minimum cash reserve balance equal to 25% of the estimated subsequent year’s annual operating expenditures.

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

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

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

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

Major Initiatives

Many items were accomplished during the fiscal year including;

- Completion of the new Police Headquarters facility
- Project kickoff for the Reserve at Hudson Crossing occurred in February 2019. The \$69 million mixed use residential/commercial/public parking deck development in the downtown will include two six story buildings, two parking decks, retail and street improvements on a long-standing vacant lot in the Village's downtown.
- Information technology improvements included complete server upgrades and migrations to Office 365, total computer workstation refresh across all departments, implementation of the entire computer infrastructure in the new Police Headquarters facility and installation of new Mobile Device Terminals for the police squad fleet.
- Environmental Phase I engineering is nearing completion for the Wolfs Crossing Road improvements. This two-lane rural roadway will be reconstructed to a 5 lane fully improved roadway.
- Water meter replacement program began. This will be a four-year program to replace all existing meters throughout the Village, replacing approximately 2,500 meters in FY 2019

Initiatives for fiscal year 2020 include;

- ❖ Annual road program paid from Motor Fuel Tax revenue
- ❖ Continuation of the implementation of MUNIS, a new enterprise-wide software solution
- ❖ Continuation of our water meter/remote reader replacement program
- ❖ Roadway improvements completed by Illinois Department of Transportation requiring Village participation
- ❖ Installation of video surveillance systems for Village Hall and Public Works facilities
- ❖ Planning for a future water source
- ❖ Vehicle replacements to improve the police and public works fleets
- ❖ Wolfs Crossing Road phase II engineering

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Oswego for its comprehensive annual financial report for the fiscal year ended April 30, 2018. This was the 16th 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 2019 Annual Budget document. This was the 15th consecutive year the Village has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government must

publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The Village received the Popular Annual Financial Report (PAFR) Award for Fiscal Year 2018. This was the second consecutive year the Village has received this award. This award is given by the GFOA for local governments that make the information in their annual financial report more accessible and understandable for the public. This report provides a brief analysis of where the Village's revenues come from and how those dollars are spent, as well as trends in the local economy. The 2018 Popular Annual Financial Report (PAFR), can be viewed on the Village's website under Financial Reports.

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

Respectfully submitted,



Dan Di Santo
Village Administrator



Mark G. Horton
Finance Director/Village Treasurer

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois (the Village) as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois, as of April 30, 2019, 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.

Change in Accounting Principle

The Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses and modified certain disclosures in the notes to financial statements, and the required supplementary information as discussed in Note 14 to the basic financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data, introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic

financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections listed in the table of contents were not audited by us and, accordingly, we express no opinion thereon.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village as of and for the year ended April 30, 2018, and we expressed unmodified opinions on those basic financial statements. That audit was conducted for purposes of forming an opinion on the basic financial statements as a whole. The 2018 comparative information included on certain combining and individual financial statements and schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated October 4, 2019 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
October 4, 2019

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2019

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, 2019. Since Management’s Discussion and Analysis (“MD&A”) is designed to focus on the current year’s activities, resulting changes and currently known facts, it should be read in conjunction with the Letter of Transmittal on pages iv through vii and the financial statements beginning on page 4.

Overview of the Financial Statements

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

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

Financial Highlights

- The Village’s total assets and deferred outflows increased \$4.3 million from \$390.5 million to \$394.8. The \$5.3 million decrease in cash & investments offset by the \$7.6 million increase in capital assets and \$2.0 million increase in Deferred Outflows of Resources accounted for the overall increase in total assets.
- The Village’s total liabilities and deferred inflows increased \$0.05 million compared to Fiscal Year 2018. Current liabilities increased \$1.4 million while long term liabilities decreased \$3.6 million. The construction of the police headquarters facility and the change in the outstanding amount of debt service caused the changes in liabilities. The Deferred Inflow of Resources increased \$2.2 million.
- The Village’s total net position increased \$4.3 million as total assets increased more than total liabilities increased.
- Total revenues increased \$5.8 million during the fiscal year. Tax revenue increased \$1.9 million because of the implementation of two new taxes during fiscal year 2018. Fiscal Year 2019 was the first full year of these taxes. The Village also saw a \$2.3 million increase in charges for services from a rate increase in our business activities.
- Total expenses decreased \$0.5 million compared to the previous fiscal year. Community development decreased \$1.5 million which was offset by an increase of \$0.9 in Public Safety.
- The net change in the General Fund’s Fund balance was an increase of \$2.5 million in FY 19. This increase was due to the \$1.0 million increase in tax revenue and monitoring of expenditures during the fiscal year.

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019

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

The *statement of activities* presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the Village that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including administration, building and zoning, community development, public works and public safety. Sales taxes, shared state taxes and permit fees finance many of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation. The water/sewer operations and the garbage collection operations are the two business-type activities within the village. The government-wide financial statements can be found beginning on page 4 of this report.

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

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

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019

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

Proprietary Funds maintained by the Village are of only one type; enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sanitary sewer operations and its contractually hired garbage collections. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund, both of which are major funds of the Village. The basic proprietary fund financial statements can be found beginning on page 11 of this report.

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

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

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

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. Table 1 presents a condensed Statement of Net Position as of April 30, 2019 compared to the prior year ending April 30, 2018.

**Table 1
Village of Oswego
Statement of Net Position
As of April 30, 2019**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
Assets:						
Current & other assets	\$28,900,887	\$22,112,826	\$11,910,201	\$13,411,913	\$40,811,088	\$35,524,739
Capital assets	292,139,021	299,764,645	54,793,567	54,770,255	346,932,588	354,534,900
Total assets	321,039,908	321,877,471	66,703,768	68,182,168	387,743,676	390,059,639
Deferred outflows	2,267,802	4,020,372	488,720	779,842	2,756,522	4,800,214
Total assets & deferred outflows	323,307,710	325,897,843	67,192,488	68,962,010	390,500,198	394,859,853
Liabilities:						
Current liabilities	4,966,350	5,222,356	3,028,833	4,236,469	7,995,183	9,458,825
Long-term liabilities	55,246,310	53,439,695	10,735,910	8,919,486	65,982,220	62,359,181
Total liabilities	60,212,660	58,662,051	13,764,743	13,155,955	73,977,403	71,818,006
Deferred inflows	2,589,604	5,084,126	419,940	131,696	3,009,544	5,215,822
Total liabilities & deferred inflows	62,802,264	63,746,177	14,184,683	13,287,651	76,986,947	77,033,828
Net Position:						
Net invested in capital assets	263,761,350	260,716,741	44,660,699	45,849,401	308,422,049	306,566,142
Restricted	2,141,559	2,808,180	654,000	829,180	2,795,559	3,637,360
Unrestricted	(5,397,463)	(1,373,255)	7,693,106	8,995,778	2,295,643	7,622,523
Total Net Position	\$260,505,446	\$262,151,666	\$53,007,805	\$55,674,359	\$313,513,251	\$317,826,025

A useful indicator of the Village's financial position may be ascertained by comparing the total Net Position from year to year. The total Net Position increased \$4.3 million from fiscal year end 2018 due to the increase in the net investment of capital assets. This portion of the Village of Oswego's net position reflects its investment in capital assets (e.g. land, buildings, machinery & equipment and infrastructure), less any related outstanding debt used to acquire or construct those assets. The Village of Oswego uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019

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

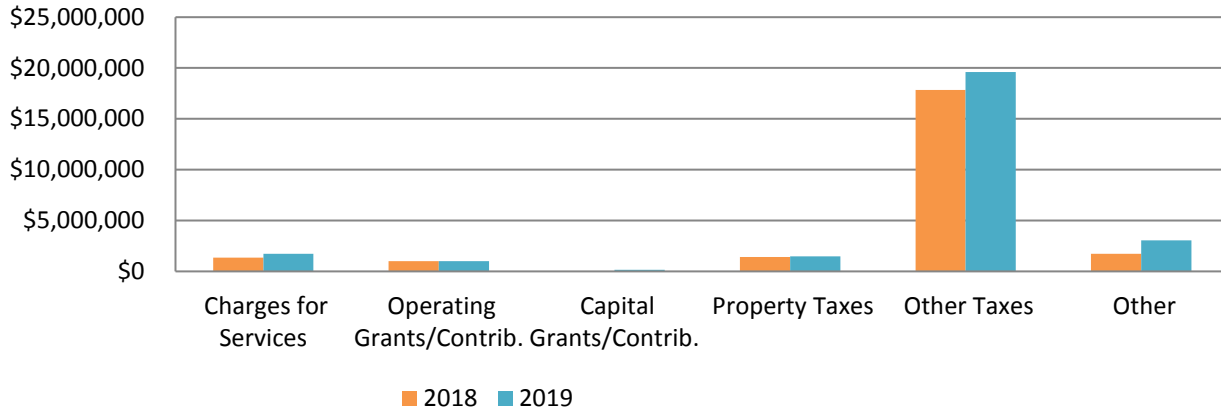
Table 2
Village of Oswego
Changes in Net Position
For the Fiscal Year Ended April 30, 2019

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
REVENUES						
Program Revenues:						
Charges for Services	1,346,388	1,734,102	8,543,257	10,542,948	9,889,645	12,277,050
Operating Grants/Contrib.	1,013,662	1,017,585	92,370	70,861	1,106,032	1,088,446
Capital Grants/Contrib.	-	171,470			-	171,470
General Revenues:						-
Property Taxes	1,404,345	1,478,624			1,404,345	1,478,624
Other Taxes	17,847,218	19,619,233			17,847,218	19,619,233
Other	1,730,872	3,058,010	62,336	178,225	1,793,208	3,236,235
Total Revenues	23,342,485	27,079,024	8,697,963	10,792,034	32,040,448	37,871,058
EXPENSES						
General Government	3,317,100	3,572,027			3,317,100	3,572,027
Building and Zoning	680,972	716,259			680,972	716,259
Community Development	2,516,524	970,084			2,516,524	970,084
Public Safety	9,438,787	10,387,606			9,438,787	10,387,606
Public Works	7,592,397	7,267,320			7,592,397	7,267,320
Interest on Debt	1,344,600	1,322,272			1,344,600	1,322,272
Water and Sewer			5,512,167	5,546,872	5,512,167	5,546,872
Garbage			2,408,455	2,465,007	2,408,455	2,465,007
Total Expenses	24,890,380	24,235,568	7,920,622	8,011,879	32,811,002	32,247,447
Change in Net Position	(1,547,895)	2,843,456	777,341	2,780,155	(770,554)	5,623,611
Net Position, Beginning of the Year	262,053,340	260,505,445	52,230,464	53,007,805	314,283,804	313,513,250
Change in Accounting Principle		(1,197,235)		(113,601)	-	(1,310,836)
Net Position, Beginning of Year Restated	264,822,022	259,308,210	52,270,922	52,894,204	314,283,804	312,202,414
Net Position, End of the Year	260,505,445	262,151,666	53,007,805	55,674,359	313,513,250	317,826,025

- **Change in Net Position in the Governmental Activities.** Total revenues for governmental activities increased \$3.7 million compared to fiscal year 2018. The Other taxes category increased \$1.7 million primarily from the first full year of two taxes enacted in October 2017. Other income also had an increase of \$1.4 million due to an increase in the volume of direct impact fees the Village received. Charges for services, Operating grants/contributions and Property taxes categories all had moderate changes contributing to the overall revenue increase.

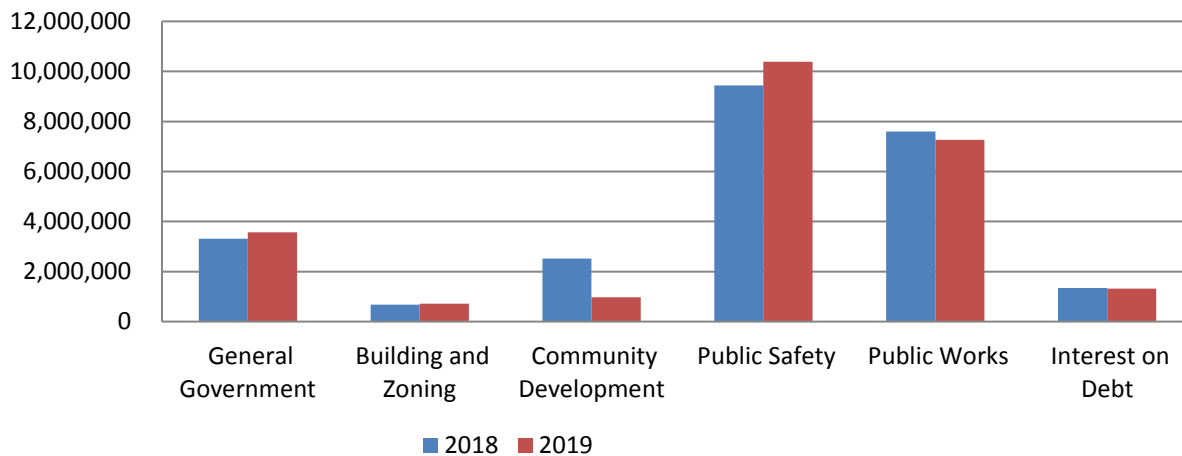
**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

Governmental Activities Revenues



While many functions had slight increases in expenses, Police Safety had the largest increase of just under \$1.0 million. Because Community Development’s decrease was \$1.5 million, there was an overall decrease in governmental expenses of \$0.6 million.

Governmental Activities Expenses



The resulting total change in Net Position was an increase of \$1.6 million leaving an ending Net Position balance of \$262.1 million at April 30, 2019.

Change in Net Position in Business-Type Activities. The total change in Net Position for business-type activities is an increase of \$2.1 million from fiscal year 2018. Total revenues increased \$2.1 million due to a water rate increase implemented at the beginning of the year.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

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, 2019, the governmental funds reported combined ending fund balances of \$17.6 million, a decrease of \$5.4 million compared to the ending fund balances at April 30, 2018. Capital Outlay expenses were \$12.5 million for the fiscal year accounting for the large decline in fund balances.

The General Fund is the primary operating fund of the Village of Oswego. The total fund balance of the General Fund increased \$2.5 million creating an ending balance at April 30, 2019 of \$11.3 million. As a measure of liquidity, it is useful to compare unrestricted fund balance to total expenditures. Unrestricted fund balance is 47% of total 2019 General Fund expenditures. This is greater than the Village's General Fund balance policy of 30%.

The Capital Projects Fund had expenditures of \$12.2 million mostly related to the annual road program and the new Police Headquarters construction. The Village issued bonds to fund the design and construction of the new building which opened in October 2018.

The Debt Service Fund had expenditures of \$2.8 million for principal and interest payments during the fiscal year. Transfers from the General Fund, Motor Fuel Tax Fund and Capital Projects Fund supported the expenditures.

The Downtown TIF Fund was created in fiscal year 2017. \$0.5 million in expenses were incurred in the fiscal year. Development agreements have been approved for a couple of sites within the TIF District. These projects are slated to begin during fiscal year 2020.

The non-major governmental funds consist of the Motor Fuel Tax Fund, the Public Works Escrow Fund, the Economic Development Fund, and the Public Service Fund. Total fund balance for all funds increased \$0.7 million compared to last fiscal year. This increase was solely from the Motor Fuel Tax Fund. The Village reduced the annual spend for the road program in Fiscal Year 2019 to accommodate for a larger program in Fiscal Year 2020.

Proprietary Funds. The Village's proprietary fund statements provide the same type of information found in the government-wide statements but in greater detail. *Water and Sewer Fund* total assets and deferred outflows increased \$2.0 million due to the increase in water rates. Water and Sewer Fund total liabilities decreased \$0.7 million due to payments on outstanding debt service. The overall effect caused the Water and Sewer Fund Net Position to increase \$2.7 million compared to Fiscal Year 2018.

The Garbage Fund Net Position remained at \$0.5 million as of April 30, 2019 which was the same balance as last fiscal year end. The Garbage Fund contracts with a commercial waste hauler passing the entire costs of the service to the users.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

The Vehicle Replacement Fund Net Position remained the same for fiscal year 2019. The funding sources for the fund are transfers in from the Capital Improvement Fund and Water & Sewer Capital Fund. Its total net position at April 30, 2019 was \$1.3 million.

General Fund Budgetary Highlights

Overall, the total General Fund Revenues were \$2.0 million or 11% greater than budget. Taxes exceeded the budget by \$0.9 million due to higher than expected revenues. General Fund Expenditures were 3% under budget. All departments were under budget for the fiscal year with the exception of Public Works. Fund balance increased \$2.5 million from fiscal year end 2018.

**Table 3
Village of Oswego
General Fund Budgetary Highlights
For the Fiscal Year Ended April 30, 2019**

	Original Budget	Final Budget	Actual	Over(under) Budget
REVENUES				
Taxes	\$12,220,408	\$12,220,408	\$13,131,805	\$911,397
Intergovernmental	\$3,216,372	\$3,216,372	\$3,242,256	\$25,884
Charges for Services	\$1,001,050	\$1,001,050	1,474,245	\$473,195
Other	\$1,469,985	\$1,469,985	2,054,129	584,144
Total revenues	<u>17,907,815</u>	<u>17,907,815</u>	19,902,435	1,994,620
EXPENDITURES				
General Government	3,184,407	3,184,407	2,984,176	(200,231)
Building and Zoning	751,331	751,331	702,296	(49,035)
Community Development	681,271	681,271	635,235	(46,036)
Public Works	2,412,825	2,412,825	2,542,082	129,257
Public Safety	9,689,608	9,689,608	9,357,496	(332,112)
Total expenditures	<u>16,719,442</u>	<u>16,719,442</u>	16,221,285	(498,157)
OTHER FINANCING SOURCES (USES)				
Transfer In (Out)	(1,139,900)	(1,139,900)	(1,139,050)	(850)
Sale of capital assets			825	217
Total other financing sources (uses)	<u>(1,139,900)</u>	<u>(1,139,900)</u>	(1,138,225)	(633)
Net Change in Fund Balance	<u>\$48,473</u>	<u>\$48,473</u>	2,542,925	<u>2,492,144</u>
Fund Balance, May 1			<u>8,718,389</u>	
Fund Balance, April 30			<u>\$11,261,314</u>	

Capital Asset and Debt Administration. The Village of Oswego's investment in capital assets increased \$7.6 million (net of accumulated depreciation) as compared to fiscal year 2018. This investment in capital assets includes property and improvements, equipment, facilities, vehicles and infrastructure (roadway improvements, water supply lines and sanitary sewer lines). The following table details the Villages changes in capital assets for governmental activities and business-type activities.

Governmental activities increased with additions to the Construction In Progress (CIP) account for the Police Headquarters facility in the amount of \$11.8 million and \$0.2 million for the enterprise resource planning system. These additions were offset by depreciation cost of \$5.3 million.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

Business-type activities total capital assets remained constant to last fiscal year due to the amount of depreciation expense equaling the increase in new capital assets.

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

**Table 4
Village of Oswego
Capital Assets
As of April 30, 2019**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
Non-Depreciable Assets:						
Land	3,073,555	3,073,555	3,348,121	3,348,121	6,421,676	6,421,676
Right of Way	104,284,273	104,457,153	-	-	104,284,273	104,457,153
CIP	18,009,816	30,014,353	-	1,408,684	18,009,816	31,423,037
Depreciable Assets						
Land improvements	848,229	848,229	-	-	848,229	848,229
Buildings	9,495,393	9,385,526	6,618,082	6,618,082	16,113,475	16,003,608
Equipment	2,022,999	2,264,334	904,454	904,454	2,927,453	3,168,788
Vehicles	3,166,673	3,322,569	-	-	3,166,673	3,322,569
Infrastructure	236,770,474	237,219,477	67,416,541	67,619,724	304,187,015	304,839,201
Accumulated Depreciation	(85,532,391)	(90,820,551)	(23,493,631)	(25,128,810)	(109,026,022)	(115,949,361)
Total	292,139,021	299,764,645	54,793,567	54,770,255	346,932,588	354,534,900

Long-Term Debt

At April 30, 2019 the Village had total debt outstanding of \$65.4 million. General Obligation Bonds and an IEPA note account for 75% of the Village's total outstanding indebtedness. Sales tax, MFT tax and water/sewer revenues are currently pledged to pay the annual debt service on the bonds and note.

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

**Table 5
Village of Oswego
Bonded and Other Indebtedness
As of April 30, 2019**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
General obligation bonds	37,480,000	36,195,000	9,420,000	8,275,000	46,900,000	44,470,000
Unamortized premium (discount)	3,858,018	3,536,440	-	-	3,858,018	3,536,440
Unamortized loss on refunding	-	-	479,094	399,916	479,094	399,916
IEPA notes	-	-	553,609	480,292	553,609	480,292
Compensated absences	555,729	801,696	86,436	110,865	642,165	912,561
Retiree termination benefits	158,028	143,615	-	-	158,028	143,615
Net pension obligation-Police Pension	12,573,228	11,067,640	-	-	12,573,228	11,067,640
Net pension obligation-IMRF	431,053	2,029,707	172,653	812,978	603,706	2,842,685
Other post employment benefits	1,387,489	1,478,165	137,719	145,175	1,525,208	1,623,340
Total	56,443,545	55,252,263	10,849,511	10,224,226	67,293,056	65,476,489

As an Illinois home-rule community, the Village is not subject to any debt limitation. The Village's debt policy is to limit the amount of outstanding general obligation bonded debt to 5% of the equalized assessed valuation (EAV) of the Village. The latest EAV is \$925,404,344 which results in a gross debt to EAV ratio of 4.81% as of April 30, 2019 and a gross debt per capita of \$1,262 using the most recent estimation of the Village population of 35,237. 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 2019 financial results were better than expected when comparing final actual numbers with final budget numbers. The Village's net position increased during the fiscal year, downtown revitalization, new retail development, and an increase in residential home building provides optimism for the Village in the coming years.

The Village remained vigilant in preparing the Fiscal Year 2020 Budget. Expenditures were reduced wherever possible and revenues estimated conservatively to adopt a balanced budget. Department heads continue to spend only what is necessary attempting to maintain current service levels over the fiscal year.

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

**VILLAGE OF OSWEGO, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2019**

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 15,624,364	\$ 11,050,273	\$ 26,674,637
Restricted cash and investments	-	829,180	829,180
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	1,490,942	-	1,490,942
Accounts	485,660	1,509,178	1,994,838
Accrued interest	3,219	9,361	12,580
Intergovernmental	3,334,633	-	3,334,633
Utility taxes	69,908	-	69,908
Notes	233,698	-	233,698
Insurance	365,208	-	365,208
Prepaid expenses	505,194	13,921	519,115
Capital assets not being depreciated	137,545,061	4,756,805	142,301,866
Capital assets being depreciated (net of accumulated depreciation)	162,219,584	50,013,450	212,233,034
Total assets	321,877,471	68,182,168	390,059,639
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	683,536	234,355	917,891
Pension items - Police Pension	1,952,647	-	1,952,647
Pension items - IMRF	1,354,568	542,578	1,897,146
OPEB items	29,621	2,909	32,530
Total deferred outflows of resources	4,020,372	779,842	4,800,214
Total assets and deferred outflows of resources	325,897,843	68,962,010	394,859,853
LIABILITIES			
Accounts payable	1,149,128	321,666	1,470,794
Retainage payable	708,244	-	708,244
Accrued payroll	466,678	58,189	524,867
Escrow deposits	484,953	-	484,953
Unearned revenue	38,210	2,450,250	2,488,460
Interest payable	562,575	101,624	664,199
Long-term liabilities			
Due within one year	1,812,568	1,304,740	3,117,308
Due in more than one year	53,439,695	8,919,486	62,359,181
Total liabilities	58,662,051	13,155,955	71,818,006
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	1,490,942	-	1,490,942
Pension items - Police Pension	3,264,351	-	3,264,351
Pension items - IMRF	328,833	131,696	460,529
Total deferred inflows of resources	5,084,126	131,696	5,215,822
Total liabilities and deferred inflows of resources	63,746,177	13,287,651	77,033,828
NET POSITION			
Net investment in capital assets	260,716,741	45,849,401	306,566,142
Restricted for			
Highways and streets	1,437,024	-	1,437,024
Special projects	902,548	-	902,548
Economic development	468,608	-	468,608
Radium removal	-	829,180	829,180
Unrestricted	(1,373,255)	8,995,778	7,622,523
TOTAL NET POSITION	\$ 262,151,666	\$ 55,674,359	\$ 317,826,025

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 3,572,027	\$ 23,140	\$ -	\$ -
Building and zoning	716,259	979,021	49,429	-
Community development	970,084	181,347	-	171,470
Public safety	10,387,606	550,594	24,665	-
Public works	7,267,320	-	943,491	-
Interest	1,322,272	-	-	-
Total governmental activities	24,235,568	1,734,102	1,017,585	171,470
Business-Type Activities				
Water and sewer	5,546,872	8,063,690	-	70,861
Garbage	2,465,007	2,479,258	-	-
Total business-type activities	8,011,879	10,542,948	-	70,861
TOTAL PRIMARY GOVERNMENT	\$ 32,247,447	\$ 12,277,050	\$ 1,017,585	\$ 242,331

Net (Expense) Revenue and Change in Net Position			
Primary Government			
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (3,548,887)	\$ -	\$ (3,548,887)
	312,191	-	312,191
	(617,267)	-	(617,267)
	(9,812,347)	-	(9,812,347)
	(6,323,829)	-	(6,323,829)
	(1,322,272)	-	(1,322,272)
	(21,312,411)	-	(21,312,411)
	-	2,587,679	2,587,679
	-	14,251	14,251
	-	2,601,930	2,601,930
	(21,312,411)	2,601,930	(18,710,481)
General Revenues			
Taxes			
Property	1,478,624	-	1,478,624
Sales	11,498,419	-	11,498,419
Telecommunication	663,361	-	663,361
Utility	1,115,826	-	1,115,826
Other	3,119,911	-	3,119,911
Intergovernmental - unrestricted			
Income tax	3,211,509	-	3,211,509
Personal property replacement tax	10,207	-	10,207
Investment income	382,044	173,406	555,450
Miscellaneous	2,675,966	4,819	2,680,785
Total	24,155,867	178,225	24,334,092
CHANGE IN NET POSITION	2,843,456	2,780,155	5,623,611
NET POSITION, MAY 1	260,505,445	53,007,805	313,513,250
Change in accounting principle	(1,197,235)	(113,601)	(1,310,836)
NET POSITION, MAY 1 (RESTATED)	259,308,210	52,894,204	312,202,414
NET POSITION, APRIL 30	\$ 262,151,666	\$ 55,674,359	\$ 317,826,025

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2019

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 6,391,190	\$ 5,839,347	\$ 69,469	\$ 231,228	\$ 2,966,998	\$ 15,498,232
Receivables						
Property taxes	1,424,720	-	-	66,222	-	1,490,942
Accounts	397,119	65,460	-	-	1,131	463,710
Accrued interest	-	3,219	-	-	-	3,219
Intergovernmental	2,512,112	746,763	-	-	75,758	3,334,633
Utility tax	69,908	-	-	-	-	69,908
Notes	-	-	-	-	233,698	233,698
Insurance	365,208	-	-	-	-	365,208
Prepaid items	473,035	-	-	-	32,159	505,194
Advances to other funds	2,000,000	184,591	-	-	-	2,184,591
TOTAL ASSETS	\$ 13,633,292	\$ 6,839,380	\$ 69,469	\$ 297,450	\$ 3,309,744	\$ 24,149,335
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 455,300	\$ 383,352	\$ -	\$ 300,467	\$ 3,681	\$ 1,142,800
Retainage payable	-	708,244	-	-	-	708,244
Accrued payroll	466,678	-	-	-	-	466,678
Escrow deposits	-	-	-	-	484,953	484,953
Advance from other funds	-	-	-	2,184,591	-	2,184,591
Unearned revenue	25,280	-	-	-	12,930	38,210
Total liabilities	947,258	1,091,596	-	2,485,058	501,564	5,025,476
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,424,720	-	-	66,222	-	1,490,942
Total deferred inflows of resources	1,424,720	-	-	66,222	-	1,490,942
Totals liabilities and deferred inflows of resources	2,371,978	1,091,596	-	2,551,280	501,564	6,516,418
FUND BALANCES						
Nonspendable						
Prepaid items	473,035	184,591	-	-	32,159	689,785
Advances	2,000,000	-	-	-	-	2,000,000
Restricted						
Highways and streets	-	-	-	-	1,437,024	1,437,024
Special projects	-	-	-	-	870,389	870,389
Economic development	-	-	-	-	468,608	468,608
Unrestricted						
Assigned						
Debt service	-	-	69,469	-	-	69,469
Working cash	5,665,068	-	-	-	-	5,665,068
Capital improvements	-	5,563,193	-	-	-	5,563,193
Unassigned (deficit)	3,123,211	-	-	(2,253,830)	-	869,381
Total fund balances (deficit)	11,261,314	5,747,784	69,469	(2,253,830)	2,808,180	17,632,917
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,633,292	\$ 6,839,380	\$ 69,469	\$ 297,450	\$ 3,309,744	\$ 24,149,335

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 17,632,917
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	298,625,707
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The loss on refunding of bonds is deferred and amortized on the statement of net position	683,536
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	1,025,735
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(1,311,704)
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	29,621
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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 position

Bonds payable	\$ (36,195,000)	
Unamortized premium on bonds payable	(3,536,440)	
Compensated absences payable	(801,696)	
Retiree termination benefit payable	(143,615)	
Net pension liability - Police Pension	(11,067,640)	
Net pension liability - IMRF	(2,029,707)	
Total other postemployment benefit	(1,478,165)	
Interest payable	(562,575)	(55,814,838)

The net position of the internal service fund is included in the governmental activities on the statement of net position	1,280,692
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NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 262,151,666
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VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	General	Capital Projects	Debt Service	Downtown TIF	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 13,131,805	\$ 3,211,992	\$ -	\$ 32,683	\$ -	\$ 16,376,480
Licenses and permits	957,909	-	-	-	-	957,909
Intergovernmental	3,242,256	969,112	-	-	947,616	5,158,984
Charges for services	1,474,245	-	-	-	66,324	1,540,569
Fines and forfeits	176,958	-	-	-	21,750	198,708
Investment income	103,436	237,279	403	3,956	36,296	381,370
Miscellaneous	815,826	1,426,041	-	-	190,340	2,432,207
Total revenues	19,902,435	5,844,424	403	36,639	1,262,326	27,046,227
EXPENDITURES						
Current						
General government	2,984,176	35,000	-	-	224,991	3,244,167
Building and zoning	702,296	-	-	-	-	702,296
Community development	635,235	-	-	196,666	-	831,901
Public safety	9,425,117	-	-	-	50,345	9,475,462
Public works	2,474,461	-	-	-	57,869	2,532,330
Capital outlay	-	12,172,131	-	333,740	-	12,505,871
Debt service						
Principal retirement	-	-	1,285,000	-	-	1,285,000
Interest and fiscal charges	-	-	1,539,197	-	-	1,539,197
Total expenditures	16,221,285	12,207,131	2,824,197	530,406	333,205	32,116,224
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,681,150	(6,362,707)	(2,823,794)	(493,767)	929,121	(5,069,997)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	2,824,200	-	-	2,824,200
Transfers (out)	(1,139,050)	(1,753,150)	-	-	(262,500)	(3,154,700)
Proceeds from the sale of capital assets	825	-	-	-	-	825
Total other financing sources (uses)	(1,138,225)	(1,753,150)	2,824,200	-	(262,500)	(329,675)
NET CHANGE IN FUND BALANCES	2,542,925	(8,115,857)	406	(493,767)	666,621	(5,399,672)
FUND BALANCES (DEFICIT), MAY 1	8,718,389	13,863,641	69,063	(1,760,063)	2,141,559	23,032,589
FUND BALANCES (DEFICIT), APRIL 30	\$ 11,261,314	\$ 5,747,784	\$ 69,469	\$ (2,253,830)	\$ 2,808,180	\$ 17,632,917

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, 2019

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ (5,399,672)
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	12,868,977
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(5,150,169)
Loss on disposal of capital assets	(59,467)
The change in the net pension liability is reported only in the statement of activities	
Police Pension	1,505,588
IMRF	(1,598,654)
The changes in deferred outflows of resources and deferred inflows of resources is reported only in the statement of activities	
Police Pension	(2,190,947)
IMRF	1,652,528
OPEB	29,621
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	(245,967)
Retiree benefit payable	14,413
Other postemployment benefit	(90,676)
Bonds payable	1,285,000
Change in interest payable	14,287
Amortization is recorded as interest expense on the statement of activities including unamortized discount, unamortized premium and unamortized loss on refunding	
	202,638
Internal service funds are reported separately in the fund financial statements	
	5,956
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 2,843,456

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

April 30, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
CURRENT ASSETS				
Cash and investments	\$ 10,938,734	\$ 111,539	\$ 11,050,273	\$ 126,132
Accounts receivable	1,074,494	434,684	1,509,178	21,950
Accrued interest receivable	9,361	-	9,361	-
Restricted cash and investments				
IEPA restriction	829,180	-	829,180	-
Prepaid expenses	13,921	-	13,921	-
Total current assets	12,865,690	546,223	13,411,913	148,082
NONCURRENT ASSETS				
Capital assets				
Capital assets, net of depreciation				
Nondepreciable assets	4,756,805	-	4,756,805	-
Depreciable buildings, property and infrastructure	75,142,260	-	75,142,260	4,310,695
Accumulated depreciation	(25,128,810)	-	(25,128,810)	(3,171,757)
Total capital assets	54,770,255	-	54,770,255	1,138,938
Total noncurrent assets	54,770,255	-	54,770,255	1,138,938
Total assets	67,635,945	546,223	68,182,168	1,287,020
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	234,355	-	234,355	-
Pension items - IMRF	542,578	-	542,578	-
OPEB items	2,909	-	2,909	-
Total deferred outflows of resources	779,842	-	779,842	-
Total assets and deferred outflows of resources	68,415,787	546,223	68,962,010	1,287,020

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

April 30, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
CURRENT LIABILITIES				
Accounts payable	\$ 321,666	\$ -	\$ 321,666	\$ 6,328
Accrued payroll	58,189	-	58,189	-
Compensated absences	55,433	-	55,433	-
Other postemployment benefits	19,146	-	19,146	-
Interest payable	101,624	-	101,624	-
IEPA loans payable	75,161	-	75,161	-
Bonds payable	1,155,000	-	1,155,000	-
Unearned revenue	2,450,250	-	2,450,250	-
Total current liabilities	4,236,469	-	4,236,469	6,328
LONG-TERM LIABILITIES				
Compensated absences	55,432	-	55,432	-
Other postemployment benefits	126,029	-	126,029	-
Net pension liability	812,978	-	812,978	-
IEPA loans payable	405,131	-	405,131	-
Bonds payable, net	7,519,916	-	7,519,916	-
Total long-term liabilities	8,919,486	-	8,919,486	-
Total liabilities	13,155,955	-	13,155,955	6,328
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	131,696	-	131,696	-
Total deferred inflows of resources	131,696	-	131,696	-
Total liabilities and deferred inflows of resources	13,287,651	-	13,287,651	6,328
NET POSITION				
Net investment in capital assets	45,849,401	-	45,849,401	1,138,938
Restricted for radium removal	829,180	-	829,180	-
Unrestricted	8,449,555	546,223	8,995,778	141,754
TOTAL NET POSITION	\$ 55,128,136	\$ 546,223	\$ 55,674,359	\$ 1,280,692

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	Business-Type Activities			Governmental Activities
	Water and Sewer	Garbage	Total	Internal Service Fund
OPERATING REVENUES				
Charges for services	\$ 7,095,740	\$ 2,479,258	\$ 9,574,998	\$ -
OPERATING EXPENSES				
Production	3,609,878	2,465,007	6,074,885	4,291
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	3,485,862	14,251	3,500,113	(4,291)
Depreciation	1,635,179	-	1,635,179	352,225
OPERATING INCOME (LOSS)	1,850,683	14,251	1,864,934	(356,516)
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	967,950	-	967,950	-
Investment income	173,233	173	173,406	672
Interest expense and amortization	(301,815)	-	(301,815)	-
Gain on sale of capital assets	-	-	-	31,300
Miscellaneous income	4,819	-	4,819	-
Total non-operating revenues (expenses)	844,187	173	844,360	31,972
NET INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	2,694,870	14,424	2,709,294	(324,544)
TRANSFERS				
Transfers in	-	-	-	330,500
Transfers (out)	-	-	-	-
Total transfers	-	-	-	330,500
CONTRIBUTIONS	70,861	-	70,861	-
CHANGE IN NET POSITION	2,765,731	14,424	2,780,155	5,956
NET POSITION, MAY 1	52,476,006	531,799	53,007,805	1,274,736
Change in accounting principle	(113,601)	-	(113,601)	-
NET POSITION, MAY 1 (RESTATED)	52,362,405	531,799	52,894,204	1,274,736
NET POSITION, APRIL 30	\$ 55,128,136	\$ 546,223	\$ 55,674,359	\$ 1,280,692

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 7,010,774	\$ 2,480,603	\$ 9,491,377	\$ -
Payments to suppliers	(2,366,168)	(2,665,491)	(5,031,659)	(4,291)
Payments to employees	(1,120,371)	-	(1,120,371)	-
Miscellaneous income	4,819	-	4,819	-
Net cash from operating activities	3,529,054	(184,888)	3,344,166	(4,291)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payment (to) from other funds	-	-	-	330,500
Connection fees	967,950	-	967,950	-
Grant revenue	-	-	-	-
Net cash from noncapital financing activities	967,950	-	967,950	330,500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(1,541,006)	-	(1,541,006)	(312,180)
Sale of capital assets	-	-	-	9,350
Bond principal payments	(1,145,000)	-	(1,145,000)	-
IEPA loan principal payments	(73,317)	-	(73,317)	-
Interest paid	(307,209)	-	(307,209)	-
Net cash from capital and related financing activities	(3,066,532)	-	(3,066,532)	(302,830)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	173,388	173	173,561	672
Net cash from investing activities	173,388	173	173,561	672
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,603,860	(184,715)	1,419,145	24,051
CASH AND CASH EQUIVALENTS, MAY 1	10,164,054	296,254	10,460,308	102,081
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 11,767,914	\$ 111,539	\$ 11,879,453	\$ 126,132

(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, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Garbage	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,850,683	\$ 14,251	\$ 1,864,934	\$ (356,516)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,635,179	-	1,635,179	352,225
Capital outlay	-	-	-	-
Miscellaneous income	4,819	-	4,819	-
Changes in assets and liabilities				
Accounts receivable	(84,966)	1,345	(83,621)	-
Prepaid expenses	899	-	899	-
Accounts payable	61,961	(200,484)	(138,523)	-
Accrued payroll	53,116	-	53,116	-
Compensated absences	24,429	-	24,429	-
Other postemployment benefits	4,547	-	4,547	-
IMRF items	(21,613)	-	(21,613)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 3,529,054	\$ (184,888)	\$ 3,344,166	\$ (4,291)
CASH AND CASH EQUIVALENTS				
Unrestricted cash and cash equivalents	\$ 10,938,734	\$ 111,539	\$ 11,050,273	\$ 126,132
Restricted cash and cash equivalents IEPA restriction	829,180	-	829,180	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 11,767,914	\$ 111,539	\$ 11,879,453	\$ 126,132
NONCASH TRANSACTIONS				
Capital contributions	\$ 70,861	\$ -	\$ 70,861	\$ -
TOTAL NONCASH TRANSACTIONS	\$ 70,861	\$ -	\$ 70,861	\$ -

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

	Pension Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 92,154	\$ 272,016
Investments, at fair value		
U.S. Government and U.S. agency securities	11,983,145	-
Municipal bonds	1,512,146	-
Corporate bonds	199,201	-
Equity mutual funds	18,070,941	-
Accounts receivable	-	117,251
Due from other funds	-	-
Accrued interest receivable	95,922	-
Prepaid items	5,084	-
	<u>31,958,593</u>	<u>\$ 389,267</u>
LIABILITIES		
Accounts payable	9,178	\$ 20,652
Due to others	-	368,615
	<u>9,178</u>	<u>\$ 389,267</u>
NET POSITION RESTRICTED FOR PENSIONS		
	<u>\$ 31,949,415</u>	

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

ADDITIONS

Contributions	
Employer	\$ 1,400,000
Employee	<u>488,585</u>
Total contributions	<u>1,888,585</u>
Investment income	
Net appreciation in fair value of investments	791,799
Interest and dividends	<u>1,274,223</u>
Total investment income	2,066,022
Less investment expense	<u>(91,995)</u>
Net investment income	<u>1,974,027</u>
Total additions	<u>3,862,612</u>

DEDUCTIONS

Benefits and refunds	1,005,185
Administration	<u>28,589</u>
Total deductions	<u>1,033,774</u>

NET INCREASE 2,828,838

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>29,120,577</u>
April 30	<u>\$ 31,949,415</u>

See accompanying notes to financial statements.

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING

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

a. Reporting Entity

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

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

b. Fund Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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

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

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

e. Cash and Cash Equivalents

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

f. Investments

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

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

g. Interfund Receivables/Payables

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

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

i. Deferred Outflows/Inflows of Resources

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

j. Capital Assets

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Compensated Absences

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

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses.

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

m. Fund Balances/Net Position

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balances/Net Position (Continued)

balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has the authority to assign fund balance. The General Fund reports assigned fund balance "Assigned - Working Cash" of 30% of annual budgeted expenditures. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

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

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

n. Interfund Transactions

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

o. Accounting Estimates

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

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

2. CASH AND INVESTMENTS

The Village’s investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds.

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

Village Deposits with Financial Institutions

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

Village Investments

The following table presents the investments and maturities of the Village’s debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	5-10	Greater than 10
U.S. agency obligations	\$ 247,975	\$ 247,975	\$ -	\$ -	\$ -
Negotiable CDs	2,970,382	1,732,245	1,238,137	-	-
TOTAL	\$ 3,218,357	\$ 1,980,220	\$ 1,238,137	\$ -	\$ -

The Village has the following recurring fair value measurements as of April 30, 2019: the U.S. agency obligations and certificates of deposit are valued using a multi-dimensional relational model (Level 2 inputs).

2. CASH AND INVESTMENTS (Continued)

Village Investments (Continued)

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

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

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

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

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

3. RECEIVABLE - TAXES

Property taxes for 2018 attach as an enforceable lien on January 1, 2018, 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, 2019, and are payable in two installments, on or about June 1, 2019 and September 1, 2019. The County collects such taxes and remits them periodically. Because the 2018 levy is intended to finance the fiscal year ending April 30, 2020, it has been offset by unavailable/deferred revenue at April 30, 2019. The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of April 30, 2019, as the tax has not yet been levied by the Village and will not be levied until December 2019 and, therefore, the levy is not measurable at April 30, 2019.

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, 2019:

During fiscal year 2013, the Village entered into an installment note with the Firehouse Pizza & Pub, LLC in the amount of \$130,000. The note is payable in monthly installments of \$1,260 through February 2022, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2019 was \$51,513.

During fiscal years 2016 and 2017, the Village entered into installment notes with the AHB 345 Enterprises, LLC in the total amount of \$200,000. The note is payable in monthly installments of \$2,000 through August 2025, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2019 was \$141,362.

During fiscal years 2016 and 2017, the Village entered into installment notes with the Sage's Meat Market in the total amount of \$75,000. The note is payable in monthly installments of \$1,350 through December 2021, which includes 3% interest on the unpaid balance. The outstanding balance of this note as of April 30, 2019 was \$40,823.

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
2020	\$ 66,882
2021	55,320
2022	50,722
2023	24,000
2024	24,000
2025	24,000
2026	<u>7,743</u>
Total principal and interest	252,667
Interest	<u>(18,969)</u>
TOTAL PRINCIPAL	<u>\$ 233,698</u>

5. DUE FROM OTHER GOVERNMENTS

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

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 1,532,749
Home rule tax	1,244,604
Use tax	256,663
Telecommunications tax	224,859
Motor fuel tax	<u>75,758</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 3,334,633</u>

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

6. INDIVIDUAL FUND DISCLOSURES

a. Interfund Advances

Interfund advances at April 30, 2019 are as follows:

Receivable Fund	Payable Fund	Amount
General	Tax Increment Financing	\$ 2,000,000
Capital Projects	Tax Increment Financing	184,591
TOTAL		\$ 2,184,591

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

b. Transfers In/Out

Transfers between funds at April 30, 2019 consist of the following:

	Transfers In	Transfers Out
General	\$ -	\$ 1,139,050
Capital Projects	-	1,753,150
Debt Service	2,824,200	-
Nonmajor Governmental Motor Fuel Tax	-	262,500
Vehicle Replacement	330,500	-
TOTAL	\$ 3,154,700	\$ 3,154,700

Significant interfund transfers are as follows:

- \$1,139,050 transferred from the General Fund to the Debt Service Fund is for the repayment of principal and interest of the Series 2011, 2013, 2014 and 2016 Bonds.
- \$262,500 transferred from the Motor Fuel Tax Fund to Debt Service Fund is for the repayment of principal and interest for the Series 2014 Bonds.
- \$1,422,650 transferred from the Capital Improvement Fund to Debt Service Fund is for the repayment of principal and interest for the Series 2016 Bonds.

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

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers In/Out (Continued)

- \$330,500 transferred to Vehicle Replacement Fund from the Capital Improvement Fund for the purchase of capital assets.

None of the transfers will be repaid.

7. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,073,555	\$ -	\$ -	\$ 3,073,555
Right of way	104,284,273	172,880	-	104,457,153
Construction in progress	18,009,816	12,004,537	-	30,014,353
Total capital assets not being depreciated	<u>125,367,644</u>	<u>12,177,417</u>	<u>-</u>	<u>137,545,061</u>
Capital assets being depreciated				
Land improvements	848,229	-	-	848,229
Buildings	9,495,393	-	109,867	9,385,526
Equipment	1,033,651	242,557	-	1,276,208
Equipment - internal service fund	989,348	19,550	20,772	988,126
Vehicles - internal service fund	3,166,673	298,958	143,062	3,322,569
Infrastructure	236,770,474	449,003	-	237,219,477
Total capital assets being depreciated	<u>252,303,768</u>	<u>1,010,068</u>	<u>273,701</u>	<u>253,040,135</u>
Less accumulated depreciation for				
Land improvements	342,824	42,411	-	385,235
Buildings	3,191,916	237,838	50,400	3,379,354
Equipment	436,857	154,096	-	590,953
Equipment - internal service fund	568,702	65,263	20,772	613,193
Vehicles - internal service fund	2,414,664	286,962	143,062	2,558,564
Infrastructure	78,577,428	4,715,824	-	83,293,252
Total accumulated depreciated	<u>85,532,391</u>	<u>5,502,394</u>	<u>214,234</u>	<u>90,820,551</u>
Total capital assets being depreciated, net	<u>166,771,377</u>	<u>(4,492,326)</u>	<u>59,467</u>	<u>162,219,584</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 292,139,021</u>	<u>\$ 7,685,091</u>	<u>\$ 59,467</u>	<u>\$ 299,764,645</u>

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

7. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,348,121	\$ -	\$ -	\$ 3,348,121
Construction in progress	-	1,408,684	-	1,408,684
Total capital assets not being depreciated	<u>3,348,121</u>	<u>1,408,684</u>	<u>-</u>	<u>4,756,805</u>
Capital assets being depreciated				
Buildings	6,618,082	-	-	6,618,082
Equipment	904,454	-	-	904,454
Infrastructure	67,416,541	203,183	-	67,619,724
Total capital assets being depreciated	<u>74,939,077</u>	<u>203,183</u>	<u>-</u>	<u>75,142,260</u>
Less accumulated depreciation for				
Buildings	2,093,559	164,195	-	2,257,754
Equipment	152,893	112,198	-	265,091
Infrastructure	21,247,179	1,358,786	-	22,605,965
Total accumulated depreciation	<u>23,493,631</u>	<u>1,635,179</u>	<u>-</u>	<u>25,128,810</u>
Total capital assets being depreciated, net	<u>51,445,446</u>	<u>(1,431,996)</u>	<u>-</u>	<u>50,013,450</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 54,793,567</u>	<u>\$ (23,312)</u>	<u>\$ -</u>	<u>\$ 54,770,255</u>

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

GOVERNMENTAL ACTIVITIES

General government	\$ 352,448
Community development	13,057
Public safety	223,422
Public works	<u>4,913,467</u>

**TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL
ACTIVITIES**

\$ 5,502,394

8. LONG-TERM DEBT

a. General Obligation Bonds

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

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

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

Governmental Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2024, interest at 2.00% to 3.50% payable each June 15 and December 15 from sales tax revenues*	Debt Service	Refund 2004A and 2004B Bonds	\$ 1,440,000	\$ -	\$ 180,000	\$ 1,260,000	\$ 190,000
\$8,595,000 General Obligation Refunding Bonds, Series 2013, dated May 17, 2013, due in annual installments of \$45,000 to \$1,095,000 through December 15, 2028, interest at 2% to 3% payable each June 15 and December 15**	Debt Service	Refund 2006A and 2007B Bonds	6,590,000	-	45,000	6,545,000	55,000
\$4,040,000 General Obligation Refunding Bonds, Series 2014, dated November 20, 2014, due in annual installments of \$20,000 to \$1,165,000 through December 15, 2020, interest at 2% to 3% payable each June 15 and December 15***	Debt Service	Refund 2006A and 2007B Bonds	2,345,000	-	860,000	1,485,000	885,000

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/Refundings	Balances April 30	Current Portion
\$27,105,000 General Obligation Bonds, Series 2016, dated June 8, 2016, due in annual installments of \$200,000 to \$2,740,000 through December 15, 2037, interest at 3% to 5% payable each June 15 and December 15***	Debt Service	New Police Station	\$ 27,105,000	\$ -	\$ 200,000	\$ 26,905,000	\$ 195,000
TOTAL GOVERNMENTAL ACTIVITIES			\$ 37,480,000	\$ -	\$ 1,285,000	\$ 36,195,000	\$ 1,325,000

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

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

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

Business-Type Activities

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements /Refundings	Balances April 30	Current Portion
\$4,055,000 General Obligation Refunding Bonds, Series 2011, dated December 20, 2011, due in annual installments of \$20,000 to \$390,000 through December 15, 2024, interest at 2.00% to 3.50% payable each June 15 and December 15 from sales tax revenues*	Water and Sewer	Refund 2004A and 2004B Bonds	\$ 1,100,000	\$ -	\$ 145,000	\$ 955,000	\$ 150,000

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$2,325,000 General Obligation Refunding Bonds, Series 2012, dated October 11, 2012, due in annual installments of \$300,000 to \$365,000 through December 30, 2019, interest at 2% to 3% payable each June 30 and December 30 from sales tax revenues	Water and Sewer	Refund 2004 Bonds	\$ 720,000	\$ -	\$ 355,000	\$ 365,000	\$ 365,000
\$8,595,000 General Obligation Refunding Bonds, Series 2013, dated May 17, 2013, due in annual installments of \$45,000 to \$1,095,000 through December 15, 2028, interest at 2% to 3% payable each June 15 and December 15**	Water and Sewer	Refund 2007A Bonds	1,785,000	-	10,000	1,775,000	10,000
\$4,040,000 General Obligation Refunding Bonds, Series 2014, dated November 20, 2014, due in annual installments of \$20,000 to \$1,165,000 through December 15, 2020, interest at 2% to 3% payable each June 15 and December 15***	Water and Sewer	Refund 2006A and 2007B Bonds	745,000	-	305,000	440,000	295,000

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

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities (Continued)

Issue	Fund Debt Retired by	Purpose	Balances May 1	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
\$5,070,000 General Obligation Refunding Bonds, Series 2017, dated July 25, 2017, due in annual installments of \$330,000 to \$1,090,000 through December 15, 2027, interest at 2% to 4% payable each June 15 and December 15	Water and Sewer	Refund 2009 Bonds	\$ 5,070,000	\$ -	\$ 330,000	\$ 4,740,000	\$ 335,000
TOTAL BUSINESS-TYPE ACTIVITIES			\$ 9,420,000	\$ -	\$ 1,145,000	\$ 8,275,000	\$ 1,155,000

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

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

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

b. IEPA Loans

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

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	\$ 553,609	\$ -	\$ 73,316	\$ 480,293	\$ 75,161
TOTAL IEPA LOANS			\$ 553,609	\$ -	\$ 73,316	\$ 480,293	\$ 75,161

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Year	Governmental Activities		Business-Type Activities		Total	
	General Obligation Bonds		General Obligation Bonds		IEPA Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,325,000	\$ 1,500,200	\$ 1,155,000	\$ 262,875	\$ 75,161	\$ 11,539
2021	1,365,000	1,460,050	840,000	230,925	77,051	9,649
2022	1,410,000	1,416,250	725,000	208,475	78,989	7,711
2023	1,455,000	1,370,900	755,000	189,625	80,977	5,723
2024	1,500,000	1,324,200	785,000	166,150	83,014	3,686
2025	1,550,000	1,278,100	820,000	141,750	85,101	1,599
2026	1,595,000	1,228,100	675,000	116,300	-	-
2027	1,650,000	1,175,250	700,000	96,050	-	-
2028	1,725,000	1,100,750	730,000	70,400	-	-
2029	1,805,000	1,022,900	530,000	43,600	-	-
2030	1,895,000	932,650	560,000	22,400	-	-
2031	1,990,000	837,900	-	-	-	-
2032	2,085,000	738,400	-	-	-	-
2033	2,190,000	634,150	-	-	-	-
2034	2,300,000	524,650	-	-	-	-
2035	2,415,000	409,650	-	-	-	-
2036	2,535,000	288,900	-	-	-	-
2037	2,665,000	162,150	-	-	-	-
2038	2,740,000	82,200	-	-	-	-
TOTAL	\$ 36,195,000	\$ 17,487,350	\$ 8,275,000	\$ 1,548,550	\$ 480,293	\$ 39,907

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 Restated	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 37,480,000	\$ -	\$ 1,285,000	\$ 36,195,000	\$ 1,325,000
Unamortized premium on bonds payable	3,858,018	-	321,578	3,536,440	-
Compensated absences payable	555,729	634,978	389,011	801,696	400,848
Retiree termination benefit payable	158,028	42,157	56,570	143,615	58,000
Net pension liability - Police Pension	12,573,228	-	1,505,588	11,067,640	-
Net pension liability - IMRF	431,053	1,598,654	-	2,029,707	-
Other postemployment benefit liability	1,387,489	90,676	-	1,478,165	28,720
TOTAL	\$ 56,443,545	\$ 2,366,465	\$ 3,557,747	\$ 55,252,263	\$ 1,812,568

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

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

	Balances May 1 Restated	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 9,420,000	\$ -	\$ 1,145,000	\$ 8,275,000	\$ 1,155,000
Unamortized premium on bonds payable	479,094	-	79,178	399,916	-
IEPA loans payable	553,609	-	73,317	480,292	75,161
Compensated absences payable	86,436	68,743	44,314	110,865	55,433
Net pension liability - IMRF	172,653	640,325	-	812,978	-
Other postemployment benefit liability	137,719	7,456	-	145,175	19,146
TOTAL	\$ 10,849,511	\$ 716,524	\$ 1,341,809	\$ 10,224,226	\$ 1,304,740

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. Pledged Revenues

The Village has pledged a portion of future sales tax revenues, motor fuel tax revenues and water and sewer fund revenues to repay the principal and interest on the General Obligation Refunding Bonds Series 2011, 2013, 2014 and 2016 and General Obligation Bonds, Series 2016. Proceeds from the bonds provided financing for certain capital improvements in the Village. For the current year, principal and interest paid totaled \$3,885,525, while total sales tax was \$11,498,419, total motor fuel tax was \$943,491 and total water and sewer operating revenues were \$7,095,740. The total pledge remaining for all bonds is \$57,665,050.

9. RISK MANAGEMENT

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

For its health insurance coverages, the Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative

9. RISK MANAGEMENT (Continued)

from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

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

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

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

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

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

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

9. RISK MANAGEMENT (Continued)

The Village, along with IMIC's other members, have a contractual obligation to fund any deficit of IMIC attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is not aware of any additional amounts owed to IMIC for the 2018 claims year as of April 30, 2019.

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

Members' cost is proportional, based on contributions developed by payroll audits. Rates and any discounts approved by the Board of Trustees are used to determine standard premiums for each member. Each member's experience modifications are used. Members also participate in policyholder dividends based on the Fund's and individual member's experience. Members can also be assessed if the assets of the Fund are less than the reserves required to be maintained. The Village is not aware of any additional amounts due to the Fund at April 30, 2019.

10. COMMITMENTS AND CONTINGENCIES

a. Litigation

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

b. Grants

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

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

11. TAX ABATEMENTS

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

As of April 30, 2019, three agreements are active for stores that have opened. The agreements require the Village to rebate to the companies different amounts of additional sales tax generated by the facilities. These agreements are approved by the Board of Trustees, in accordance with Illinois Compiled Statutes.

The first agreement requires \$3,789,640 to be repaid through fiscal year 2027, whichever comes first. The second agreement requires a maximum of \$850,000 to be repaid with no time limit. For the third agreement, the Village will repay 25% of the sales tax generated for 20 years. The amount paid/accrued for the fiscal year ended April 30, 2019 was \$302,527. The total expenditures incurred to date (reported as a reduction of sales tax revenue) related to these rebates as of April 30, 2019 was \$4,430,137.

12. DEFINED BENEFIT PENSION PLANS

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

The table below is a summary for all pension plans as of and for the year ended April 30, 2019:

	IMRF	Police Pension	Total
Net pension liability	\$ 2,842,685	\$ 11,067,638	\$ 13,910,323
Deferred outflows of resources	1,897,146	1,952,647	3,849,793
Deferred inflows of resources	460,529	3,264,351	3,724,880
Pension expense	480,735	2,085,359	2,566,094

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

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

Plan Membership

At December 31, 2018, IMRF membership consisted of:

Inactive plan members currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	46
Active plan members	<u>62</u>
 TOTAL	 <u><u>148</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years of service), 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 (average of the highest 48 consecutive months' earnings during the last 10 years of service), for each year of credited service up to 15 years, and 2% for each year thereafter. These benefit provisions and all other requirements are established by state statute.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2018 was 9.64% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Market value

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The long-term expected rate of investment return on pension plan investments at December 31, 2018 was 7.25%. The long-term expected rate of investment return on pension plan investments at December 31, 2017 was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 13,670,821	\$ 13,067,115	\$ 603,706
Changes for the period			
Service cost	405,478	-	405,478
Interest	1,023,894	-	1,023,894
Difference between expected and actual experience	532,454	-	532,454
Changes in assumptions	515,616	-	515,616
Employer contributions	-	419,280	(419,280)
Employee contributions	-	215,016	(215,016)
Net investment income	-	(622,168)	622,168
Benefit payments and refunds	(443,279)	(443,279)	-
Other (net transfer)	-	226,335	(226,335)
Net changes	2,034,163	(204,816)	2,238,979
BALANCES AT DECEMBER 31, 2018	\$ 15,704,984	\$ 12,862,299	\$ 2,842,685

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2019, the Village recognized pension expense of \$480,735. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 512,788	\$ 205,741
Changes in assumption	408,146	254,788
Net difference between projected and actual earnings on pension plan investments	861,626	-
Contributions made subsequent to the measurement date	114,586	-
TOTAL	\$ 1,897,146	\$ 460,529

\$114,586 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2020	\$ 340,691
2021	219,750
2022	298,724
2023	462,866
2024	-
Thereafter	-
TOTAL	\$ 1,322,031

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 5,190,006	\$ 2,842,685	\$ 925,415

Police Pension Plan

Plan Administration

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

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2019, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	13
Inactive plan members entitled to benefits but not yet receiving them	2
Active plan members	49
 TOTAL	 64

Benefits Provided

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fully fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended April 30, 2019, the Village's contribution was 30.67% of covered payroll.

Investment Policy

The Police Pension Fund's investment policy authorizes the Police Pension Fund to make deposits in/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds, and The Illinois Funds. The Police Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions,

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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

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

Investment Type	Range of Allocation	Current Target	Long-Term Expected Real Rate of Return*
Equity			
Large Cap Domestic Equity	40%-100%	38.50%	6.60%
Small Cap Domestic Equity	0%-40%	11.00%	8.40%
International Equity	0%-20%	5.50%	6.40%
Fixed Income	40%-50%	45.00%	1.60%

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

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

The long-term expected rate of return on the Police Pension Fund’s investments was determined using an asset allocation study conducted by the Police Pension Fund’s investment manager in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund’s target asset allocation as of April 30, 2019 are listed in the table above.

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Concentrations

Significant investments are defined as investments in any one organization that represent 5% or more of plan net position for the Police Pension Plan (other than United States Government guaranteed obligations). At April 30, 2019, the Police Pension Plan had four mutual funds that were valued at 6.19%, 6.22%, 12.70% and 13.22% of the total fiduciary net position.

Investment Rate of Return

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.62%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

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

Interest Rate Risk

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,683,047	\$ 447,922	\$ 748,625	\$ 486,500	\$ -
U.S. agency obligations	10,300,098	383,753	2,830,767	6,623,236	462,342
Municipal bonds	1,512,146	149,943	800,306	561,897	-
Corporate bonds	199,201	-	-	199,201	-
TOTAL	\$ 13,694,492	\$ 981,618	\$ 4,379,698	\$ 7,870,834	\$ 462,342

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

The Police Pension Fund has the following recurring fair value measurements as of April 30, 2019. The U.S. Treasury obligations and equity mutual funds are valued using quoted prices (Level 1 inputs). The U.S. agency obligations, state and local obligations, and corporate bonds are valued using evaluated pricing (Level 2 inputs).

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

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The agency securities are rated at least Aa+ by Moody's or are small issues that are unrated. The municipal bonds are rated between Aaa and A1 by Moody's. The money market mutual funds are rated AAA.

Custodial Credit Risk

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2018	\$ 41,693,805	\$ 29,120,577	\$ 12,573,228
Changes for the period			
Service cost	1,255,639	-	1,255,639
Interest	2,677,429	-	2,677,429
Difference between expected and actual experience	(2,714,726)	-	(2,714,726)
Changes in assumptions	1,110,093	-	1,110,093
Employer contributions	-	1,400,000	(1,400,000)
Employee contributions	-	447,805	(447,805)
Other contributions	-	40,780	(40,780)
Net investment income	-	1,974,027	(1,974,027)
Benefit payments and refunds	(1,005,185)	(1,005,185)	-
Administrative expense	-	(28,589)	28,589
Net changes	1,323,250	2,828,838	(1,505,588)
BALANCES AT APRIL 30, 2019	\$ 43,017,055	\$ 31,949,415	\$ 11,067,640

Changes in assumptions related to projected salary increases were made since the prior measurement date.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2019 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 9.82%
Investment rate of return	6.50%
Discount rate	6.50%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates were based on the RP-2014 Mortality Table (BCHA) projected to 2017 using improvement scale MP-2016. The actuarial assumptions used in the April 30, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 19,311,811	\$ 11,067,640	\$ 4,571,322

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

For the year ended April 30, 2019, the Village recognized police pension expense of \$2,085,359. At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,637	\$ 2,598,789
Changes in assumption	1,940,010	665,169
Net difference between projected and actual earnings on pension plan investments	-	393
TOTAL	\$ 1,952,647	\$ 3,264,351

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

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

Year Ending April 30,	
2020	\$ 230,309
2021	(117,202)
2022	(98,293)
2023	(274,138)
2024	(263,458)
Thereafter	<u>(788,922)</u>
TOTAL	<u>\$ (1,311,704)</u>

13. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

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

All health care benefits are provided through the Village's insured 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 is discontinued upon eligibility for federally sponsored health care benefits. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

c. Membership

At April 30, 2019, membership consisted of:

Active employees	109
Retirees and beneficiaries currently receiving benefits	12
Terminated employee entitled to benefits but not yet receiving them	-
	<hr/>
TOTAL	121
	<hr/>
Participating employers	1
	<hr/> <hr/>

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of May 1, 2018, using the following actuarial methods and assumptions:

Actuarial valuation date	May 1, 2018
Measurement date	April 30, 2019
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	3.79%
Healthcare cost trend rates	Ranging from 5.90% (PPO) or 1.30% (HMO) to an ultimate trend rate of 5.00%
Asset valuation method	N/A
Mortality rates	RP - 2014 with Blue Collar Adjustment, improved generationally using MP-2016 Improvement Rates

e. Discount Rate

The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax-exempt general obligation municipal bonds rated AA or better at April 30, 2019.

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2018	<u>\$ 1,525,208</u>
Changes for the period	
Service cost	50,323
Interest	59,601
Changes in assumptions	36,074
Difference between expected and actual experience	-
Implicit benefit payments	<u>(47,866)</u>
Net changes	<u>98,132</u>
BALANCES AT APRIL 30, 2019	<u><u>\$ 1,623,340</u></u>

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.79% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.79%) or 1 percentage point higher (4.79%) than the current rate:

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
	<hr/>		
Total OPEB liability	\$ 1,848,931	\$ 1,623,340	\$ 1,437,678

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 1.30% to 5.90% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (.30% to 4.90%) or 1 percentage point higher (2.30% to 6.90%) than the current rate:

	1% Decrease (.30% to 4.90%)	Current Healthcare Rate (1.30% to 5.90)	1% Increase (2.30% to 6.90%)
Total OPEB liability	\$ 1,395,877	\$ 1,623,340	\$ 1,908,478

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2019, the Village recognized OPEB expense of \$65,602. At April 30, 2019, the Village reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 32,530
Changes in assumption	-
TOTAL	\$ 32,530

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

13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Fiscal Year Ending <u>December 31,</u>	
2020	\$ 3,544
2021	3,544
2022	3,544
2023	3,544
2024	3,544
Thereafter	<u>14,810</u>
 TOTAL	 <u>\$ 32,530</u>

14. CHANGE IN ACCOUNTING PRINCIPLE

The Village adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended April 30, 2019. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements and to the required supplementary information. The beginning net position reported in the government-wide financial statements has been restated to reflect the new guidance as follows:

GOVERNMENTAL ACTIVITIES

CHANGE IN ACCOUNTING PRINCIPLE

To write-off the net OPEB obligation	\$ 190,254
To record the Village total OPEB liability	<u>(1,387,489)</u>

TOTAL CHANGE IN ACCOUNTING PRINCIPLE	<u>\$ (1,197,235)</u>
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VILLAGE OF OSWEGO, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

BUSINESS-TYPE ACTIVITIES

	Water and Sewer Fund	Total Business-Type Activities
CHANGE IN ACCOUNTING PRINCIPLE		
To write-off the net OPEB obligation	\$ 24,118	\$ 24,118
To record the total OPEB liability	(137,719)	(137,719)
TOTAL CHANGE IN ACCOUNTING PRINCIPLE	\$ (113,601)	\$ (113,601)

With the implementation of GASB Statement No. 75, the Village is required to retroactively record the total OPEB liability.

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, 2019
(with comparative actual)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 12,220,408	\$ 12,220,408	\$ 13,131,805	\$ 12,031,634
Licenses and permits	436,800	436,800	957,909	560,000
Intergovernmental	3,216,372	3,216,372	3,242,256	3,042,503
Charges for services	1,001,050	1,001,050	1,474,245	1,157,386
Fines and forfeits	197,000	197,000	176,958	213,116
Investment income	15,000	15,000	103,436	31,385
Miscellaneous	821,185	821,185	815,826	788,973
Total revenues	17,907,815	17,907,815	19,902,435	17,824,997
EXPENDITURES				
Current				
General government	3,184,407	3,184,407	2,984,176	2,973,404
Building and zoning	751,331	751,331	702,296	692,144
Community development	681,271	681,271	635,235	634,269
Public works	2,406,475	2,406,475	2,474,461	1,877,226
Public safety	9,695,958	9,695,958	9,425,117	9,152,163
Total expenditures	16,719,442	16,719,442	16,221,285	15,329,206
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,188,373	1,188,373	3,681,150	2,495,791
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,139,900)	(1,139,900)	(1,139,050)	(1,438,316)
Proceeds from the sale of capital assets	-	-	825	300
Total other financing sources (uses)	(1,139,900)	(1,139,900)	(1,138,225)	(1,438,016)
NET CHANGE IN FUND BALANCE	\$ 48,473	\$ 48,473	2,542,925	1,057,775
FUND BALANCE, MAY 1			8,718,389	7,660,614
FUND BALANCE, APRIL 30			\$ 11,261,314	\$ 8,718,389

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2019

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 and Economic Development Funds). All annual appropriations lapse at fiscal year end.

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

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

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

The following funds had expenditures greater than the budget excluding depreciation for the year ended April 30, 2019:

Fund	Actual Expenditures	Budget
Capital Projects Fund	\$ 12,207,131	\$ 11,073,000

VILLAGE OF OSWEGO, ILLINOIS

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

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019
Actuarially determined contribution	\$ 415,960	\$ 416,117	\$ 424,813	\$ 405,249
Contributions in relation to the actuarially determined contribution	415,960	416,117	424,813	405,249
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,767,125	\$ 3,784,455	\$ 4,160,284	\$ 4,426,203
Contributions as a percentage of covered payroll	11.04%	11.00%	10.21%	9.16%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 890,070	\$ 990,649	\$ 1,003,047	\$ 1,007,990	\$ 1,056,065	\$ 1,150,866	\$ 1,182,911	\$ 1,465,094	\$ 1,392,423	\$ 1,342,897
Contribution in relation to the actuarially determined contribution	890,070	990,650	1,015,000	1,025,000	1,075,000	1,185,000	1,250,000	1,550,011	1,430,544	1,400,000
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ (1)	\$ (11,953)	\$ (17,010)	\$ (18,935)	\$ (34,134)	\$ (67,089)	\$ (84,917)	\$ (38,121)	\$ (57,103)
Covered payroll	\$ 3,717,257	\$ 3,815,936	\$ 3,962,251	\$ 4,062,393	\$ 4,169,421	\$ 4,249,406	\$ 4,442,354	\$ 4,482,794	\$ 4,482,053	\$ 4,565,425
Contributions as a percentage of covered payroll	23.94%	25.96%	25.62%	25.23%	25.78%	27.89%	28.14%	34.58%	31.92%	30.67%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7% annually, projected salary increase assumption of 5.50% compounded annually and postretirement benefit increases of 3% compounded annually.

VILLAGE OF OSWEGO, ILLINOIS

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

Last Four Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
TOTAL PENSION LIABILITY				
Service cost	\$ 395,781	\$ 416,010	\$ 415,213	\$ 405,478
Interest	860,423	922,833	967,433	1,023,894
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(151,576)	(415,197)	162,336	532,454
Changes of assumptions	18,102	(37,107)	(406,230)	515,616
Benefit payments, including refunds of member contributions	(236,327)	(329,911)	(318,855)	(443,279)
Net change in total pension liability	886,403	556,628	819,897	2,034,163
Total pension liability - beginning	11,407,893	12,294,296	12,850,924	13,670,821
TOTAL PENSION LIABILITY - ENDING	\$ 12,294,296	\$ 12,850,924	\$ 13,670,821	\$ 15,704,984
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 428,224	\$ 418,182	\$ 422,831	\$ 419,280
Contributions - member	170,585	180,746	191,754	215,016
Net investment income	50,655	689,647	1,845,091	(622,168)
Benefit payments, including refunds of member contributions	(236,327)	(329,911)	(318,855)	(443,279)
Administrative expense	(235,094)	10,178	(170,289)	226,335
Net change in plan fiduciary net position	178,043	968,842	1,970,532	(204,816)
Plan fiduciary net position - beginning	9,949,698	10,127,741	11,096,583	13,067,115
PLAN FIDUCIARY NET POSITION - ENDING	\$ 10,127,741	\$ 11,096,583	\$ 13,067,115	\$ 12,862,299
EMPLOYER'S NET PENSION LIABILITY	\$ 2,166,555	\$ 1,754,341	\$ 603,706	\$ 2,842,685
Plan fiduciary net position as a percentage of the total pension liability	86.35%	86.35%	95.58%	81.90%
Covered payroll	\$ 3,767,125	\$ 3,784,455	\$ 4,057,885	\$ 4,349,369
Employer's net pension liability as a percentage of covered payroll	46.36%	46.36%	14.88%	65.36%

In 2018, there was a change in assumptions related to the discount rate.

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

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

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

Last Four Fiscal Years

MEASUREMENT DATE APRIL 30,	2016	2017	2018	2019
TOTAL PENSION LIABILITY				
Service cost	\$ 1,214,800	\$ 1,222,188	\$ 1,197,748	\$ 1,255,639
Interest	2,201,835	2,475,711	2,618,869	2,677,429
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(142,752)	19,177	(164,439)	(2,714,726)
Changes of assumptions	1,207,154	(1,009,224)	982,418	1,110,093
Benefit payments, including refunds of member contributions	(517,978)	(619,053)	(706,417)	(1,005,185)
Net change in total pension liability	3,963,059	2,088,799	3,928,179	1,323,250
Total pension liability - beginning	31,713,768	35,676,827	37,765,626	41,693,805
TOTAL PENSION LIABILITY - ENDING	\$ 35,676,827	\$ 37,765,626	\$ 41,693,805	\$ 43,017,055
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 1,250,000	\$ 1,550,011	\$ 1,430,544	\$ 1,400,000
Contributions - member	425,332	423,439	437,086	488,585
Net investment income	171,901	2,290,173	1,810,762	1,974,027
Benefit payments, including refunds of member contributions	(517,978)	(619,053)	(706,417)	(1,005,185)
Administrative expense	(20,659)	(21,897)	(27,697)	(28,589)
Net change in plan fiduciary net position	1,308,596	3,622,673	2,944,278	2,828,838
Plan fiduciary net position - beginning	21,245,030	22,553,626	26,176,299	29,120,577
PLAN FIDUCIARY NET POSITION - ENDING	\$ 22,553,626	\$ 26,176,299	\$ 29,120,577	\$ 31,949,415
EMPLOYER'S NET PENSION LIABILITY	\$ 13,123,201	\$ 11,589,327	\$ 12,573,228	\$ 11,067,640
Plan fiduciary net position as a percentage of the total pension liability	63.22%	69.31%	69.84%	74.27%
Covered payroll	\$ 4,442,354	\$ 4,482,794	\$ 4,482,053	\$ 4,565,425
Employer's net pension liability as a percentage of covered payroll	295.41%	258.53%	280.52%	242.42%

In 2019, changes in assumptions related to the projected salary increases were made since the prior measurement date.

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

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

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2019

MEASUREMENT DATE APRIL 30,	2019
TOTAL OPEB LIABILITY	
Service cost	\$ 50,323
Interest	59,601
Difference between expected and actual experience	-
Changes in assumptions	36,074
Benefit payments	(47,866)
Other changes	-
	<hr/>
Net change in total OPEB liability	98,132
Total OPEB liability - beginning	<hr/> 1,525,208
TOTAL OPEB LIABILITY - ENDING	<hr/><hr/>\$ 1,623,340
Covered payroll	\$ 8,927,390
Employer's total OPEB liability as a percentage of covered payroll	18.18%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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

VILLAGE OF OSWEGO, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	0.78%	9.78%	6.73%	6.62%

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

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

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

CAPITAL PROJECTS FUND

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

DEBT SERVICE FUND

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

TAX INCREMENT FINANCING FUND

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

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
GENERAL FUND

April 30, 2019
(with comparative prior year)

	2019	2018
ASSETS		
Cash and investments	\$ 6,391,190	\$ 4,124,653
Receivables		
Property taxes	1,424,720	1,344,048
Accounts	397,119	348,523
Accrued interest	-	-
Intergovernmental	2,512,112	2,334,354
Utility tax	69,908	132,620
Insurance	365,208	337,453
Prepaid items	473,035	288,351
Advances to other funds	2,000,000	2,000,000
Due from fiduciary funds	-	-
	\$ 13,633,292	\$ 10,910,002
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 455,300	\$ 411,317
Accrued payroll	466,678	425,295
Due to fiduciary funds	-	-
Unearned revenue	25,280	10,952
	947,258	847,564
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	1,424,720	1,344,048
	1,424,720	1,344,048
	2,371,978	2,191,612
FUND BALANCE		
Nonspendable		
Prepaid items	473,035	288,351
Advances	2,000,000	2,000,000
Unrestricted		
Assigned - working cash	5,665,068	5,357,803
Unassigned	3,123,211	1,072,236
	11,261,314	8,718,390
	\$ 13,633,292	\$ 10,910,002

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property	\$ 1,454,457	\$ 1,454,457	\$ 1,445,941	\$ 1,384,741
Sales	8,261,000	8,261,000	8,588,954	8,296,487
Less sales tax rebate	(300,000)	(300,000)	(302,527)	(330,309)
Other	2,804,951	2,804,951	3,399,437	2,680,715
Total taxes	12,220,408	12,220,408	13,131,805	12,031,634
LICENSES AND PERMITS				
Licenses and permits	436,800	436,800	908,480	529,000
Transition fees	-	-	49,429	31,000
Total licenses and permits	436,800	436,800	957,909	560,000
INTERGOVERNMENTAL				
Grants	40,000	40,000	20,540	32,845
Income	3,168,872	3,168,872	3,211,509	2,999,575
Replacement	7,500	7,500	10,207	10,083
Total intergovernmental	3,216,372	3,216,372	3,242,256	3,042,503
CHARGES FOR SERVICES				
Telecommunication surcharge	500,000	500,000	663,361	632,625
Other charges for services	501,050	501,050	810,884	524,761
Total charges for services	1,001,050	1,001,050	1,474,245	1,157,386
FINES AND FORFEITS				
Fines and fees	197,000	197,000	176,958	213,116
Total fines and forfeits	197,000	197,000	176,958	213,116
INVESTMENT INCOME				
	15,000	15,000	103,436	31,385
MISCELLANEOUS				
Contributions	210,223	210,223	191,636	169,180
Miscellaneous	610,962	610,962	624,190	619,793
Total miscellaneous	821,185	821,185	815,826	788,973
TOTAL REVENUES	\$ 17,907,815	\$ 17,907,815	\$ 19,902,435	\$ 17,824,997

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
CURRENT				
General government				
Administration				
Salaries/personnel services	\$ 700,360	\$ 700,360	\$ 689,752	\$ 676,877
Insurance and benefits	199,800	199,800	188,522	177,334
Professional services	377,230	377,230	343,612	216,896
Contractual services	55,492	55,492	37,071	97,334
Communication	33,452	33,452	12,803	14,496
Professional development	50,946	50,946	41,639	48,843
Operating supplies	8,600	8,600	3,800	123,277
Total administration	1,425,880	1,425,880	1,317,199	1,355,057
Community relations				
Salaries/personnel services	131,040	131,040	131,779	96,394
Insurance and benefits	29,221	29,221	36,173	26,746
Professional services	128,850	128,850	88,676	110,259
Contractual services	32,616	32,616	33,654	26,394
Communication	31,027	31,027	11,660	26,305
Professional development	4,500	4,500	460	409
Operating supplies	1,930	1,930	2,160	1,261
Total community relations	359,184	359,184	304,562	287,768
Finance				
Salaries/personnel services	319,467	319,467	326,099	312,329
Insurance and benefits	103,385	103,385	98,254	100,103
Professional services	72,677	72,677	71,419	77,713
Contractual services	27,675	27,675	27,568	28,712
Communication	6,882	6,882	5,670	5,167
Professional development	12,775	12,775	10,493	4,583
Operating supplies	1,500	1,500	1,329	2,504
Total finance	544,361	544,361	540,832	531,111
Information technology				
Salaries/personnel services	83,742	83,742	87,161	82,126
Insurance and benefits	32,271	32,271	31,653	31,214
Professional services	210,002	210,002	212,083	203,186
Contractual services	496,382	496,382	470,452	457,661
Communication	2,200	2,200	4,604	1,402
Professional development	5,635	5,635	5,501	96
Operating supplies	24,750	24,750	10,129	23,783
Total information technology	854,982	854,982	821,583	799,468
Total general government	3,184,407	3,184,407	2,984,176	2,973,404

(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, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Building and zoning				
Salaries/personnel services	\$ 484,894	\$ 484,894	\$ 475,876	\$ 457,279
Insurance and benefits	187,655	187,655	158,860	178,014
Professional services	15,500	15,500	11,929	4,024
Contractual services	38,818	38,818	37,020	37,453
Communication	7,664	7,664	9,261	6,634
Professional development	7,800	7,800	3,664	4,028
Operating supplies	9,000	9,000	5,686	4,712
Total building and zoning	751,331	751,331	702,296	692,144
Community development				
Community development				
Salaries and personnel services	314,044	314,044	311,223	311,668
Insurance and benefits	113,823	113,823	104,031	101,709
Professional services	8,100	8,100	3,549	7,995
Contractual services	19,583	19,583	18,833	21,705
Communication	4,772	4,772	5,732	5,685
Professional development	4,800	4,800	3,010	4,239
Operating supplies	9,500	9,500	5,529	2,974
Total community development	474,622	474,622	451,907	455,975
Economic development				
Salaries and personnel services	115,380	115,380	118,460	117,851
Insurance and benefits	20,079	20,079	20,644	21,007
Professional services	49,400	49,400	26,215	25,000
Contractual services	4,616	4,616	4,615	4,630
Communication	7,054	7,054	3,341	2,534
Professional development	9,370	9,370	9,906	6,795
Operating supplies	750	750	147	477
Total economic development	206,649	206,649	183,328	178,294
Total community development	681,271	681,271	635,235	634,269
Public works				
Administration				
Salaries/personnel services	152,222	152,222	149,503	485,551
Insurance and benefits	76,469	76,469	58,634	158,969
Professional services	3,260	3,260	8,838	5,393
Contractual services	196,292	196,292	159,714	423,577
Communication	6,566	6,566	3,296	5,475
Professional development	8,400	8,400	5,565	7,044
Operating supplies	23,600	23,600	18,249	70,339
Total administration	466,809	466,809	403,799	1,156,348

(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, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Public works (Continued)				
Engineering				
Salaries/personnel services	\$ 26,777	\$ 26,777	\$ 27,778	\$ -
Insurance and benefits	6,595	6,595	6,364	-
Professional services	10,000	10,000	12,678	8,355
Contractual services	268	268	-	139
Professional development	400	400	1,558	685
Total engineering	44,040	44,040	48,378	9,179
Roads				
Salaries/personnel services	151,316	151,316	110,645	-
Insurance and benefits	56,181	56,181	47,435	-
Professional services	6,000	6,000	3,582	1,361
Contractual services	330,976	330,976	630,913	279,437
Communication	-	-	1,040	121
Professional development	50	50	1,635	745
Operating supplies	341,130	341,130	260,100	197,876
Total roads	885,653	885,653	1,055,350	479,540
Forestry				
Salaries/personnel services	131,283	131,283	138,829	-
Insurance and benefits	61,284	61,284	54,685	-
Professional services	5,000	5,000	827	-
Contractual services	196,562	196,562	161,020	52,515
Communication	-	-	-	171
Professional development	2,300	2,300	2,377	1,153
Operating supplies	101,000	101,000	100,396	89,593
Total forestry	497,429	497,429	458,134	143,432
Fleet				
Salaries/personnel services	58,620	58,620	68,694	-
Insurance and benefits	14,956	14,956	26,595	-
Contractual services	61,308	61,308	79,532	33,097
Communication	1,128	1,128	352	-
Professional development	-	-	210	73
Operating supplies	26,000	26,000	31,041	28,559
Total fleet	162,012	162,012	206,424	61,729

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
CURRENT (Continued)				
Public works (Continued)				
Facilities				
Salaries/personnel services	\$ 118,227	\$ 118,227	\$ 126,683	\$ -
Insurance and benefits	54,581	54,581	31,326	-
Contractual services	176,702	176,702	144,077	25,408
Communication	522	522	-	-
Professional development	200	200	106	54
Operating supplies	300	300	184	1,536
Total facilities	350,532	350,532	302,376	26,998
Total public works	2,406,475	2,406,475	2,474,461	1,877,226
Public safety - police				
Support services				
Salaries/personnel services	2,345,435	2,345,435	2,334,700	5,394,599
Insurance and benefits	842,975	842,975	789,625	1,474,748
Professional services	94,123	94,123	86,759	60,251
Contractual services	494,550	494,550	431,037	502,564
Communication	67,955	67,955	66,231	49,349
Professional development	61,027	61,027	46,515	47,965
Operating supplies	51,320	51,320	53,646	74,982
Contribution to Police Pension Fund	1,400,000	1,400,000	1,400,000	1,430,544
Total support services	5,357,385	5,357,385	5,208,513	9,035,002
Field operations				
Salaries/personnel services	3,335,067	3,335,067	3,228,009	-
Insurance and benefits	822,930	822,930	780,046	-
Professional services	1,700	1,700	1,752	1,542
Contractual services	41,750	41,750	93,229	16,203
Communication	8,426	8,426	183	897
Operating supplies	128,700	128,700	113,385	98,519
Total field operations	4,338,573	4,338,573	4,216,604	117,161
Total public safety - police	9,695,958	9,695,958	9,425,117	9,152,163
TOTAL EXPENDITURES	\$ 16,719,442	\$ 16,719,442	\$ 16,221,285	\$ 15,329,206

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
CAPITAL PROJECTS FUND

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and investments	\$ 5,839,347	\$ 16,019,024
Receivables		
Accounts	65,460	137,533
Interest	3,219	8,509
Intergovernmental	746,763	718,930
Advances from other funds	184,591	-
	<hr/>	<hr/>
TOTAL ASSETS	\$ 6,839,380	\$ 16,883,996
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 383,352	\$ 1,477,515
Retainage payable	708,244	1,542,840
	<hr/>	<hr/>
Total liabilities	1,091,596	3,020,355
	<hr/>	<hr/>
FUND BALANCE		
Nonspendable		
Advances	184,591	-
Assigned for capital improvements	5,563,193	13,863,641
	<hr/>	<hr/>
Total fund balance	5,747,784	13,863,641
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,839,380	\$ 16,883,996
	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Sales	\$ 3,100,000	\$ 3,100,000	\$ 3,211,992	\$ 3,071,475
Intergovernmental	720,000	720,000	969,112	474,933
Contributions	85,000	85,000	1,426,041	177,838
Investment income	15,000	15,000	237,279	283,471
Miscellaneous	33,000	33,000	-	63,900
	<hr/>			
Total revenues	3,953,000	3,953,000	5,844,424	4,071,617
	<hr/>			
EXPENDITURES				
Current				
Professional services	-	-	35,000	-
Capital outlay	8,973,000	11,073,000	12,172,131	19,199,402
	<hr/>			
Total expenditures	8,973,000	11,073,000	12,207,131	19,199,402
	<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,020,000)	(7,120,000)	(6,362,707)	(15,127,785)
	<hr/>			
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	100,000
Transfers (out)	(2,906,992)	(2,906,992)	(1,753,150)	(1,272,200)
	<hr/>			
Total other financing sources (uses)	(2,906,992)	(2,906,992)	(1,753,150)	(1,172,200)
	<hr/>			
NET CHANGE IN FUND BALANCE	\$ (7,926,992)	\$ (10,026,992)	(8,115,857)	(16,299,985)
	<hr/>			
FUND BALANCE, MAY 1			13,863,641	30,163,626
	<hr/>			
FUND BALANCE, APRIL 30			\$ 5,747,784	\$ 13,863,641
	<hr/>			

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
DEBT SERVICE FUND

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and investments	\$ 69,469	\$ 69,063
TOTAL ASSETS	<u>\$ 69,469</u>	<u>\$ 69,063</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
None	\$ -	\$ -
Total liabilities	-	-
FUND BALANCE		
Assigned for debt service	69,469	69,063
Total fund balance	69,469	69,063
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 69,469</u>	<u>\$ 69,063</u>

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, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	\$ 150	\$ 150	\$ 403	\$ 201
Total revenues	150	150	403	201
EXPENDITURES				
Debt service				
Principal retirement	1,285,000	1,285,000	1,285,000	1,335,000
Interest and fiscal charges	1,539,550	1,539,550	1,539,197	1,587,195
Total expenditures	2,824,550	2,824,550	2,824,197	2,922,195
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,824,400)	(2,824,400)	(2,823,794)	(2,921,994)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,825,050	2,825,050	2,824,200	2,923,016
Total other financing sources (uses)	2,825,050	2,825,050	2,824,200	2,923,016
NET CHANGE IN FUND BALANCE	\$ 650	\$ 650	406	1,022
FUND BALANCE, MAY 1			69,063	68,041
FUND BALANCE, APRIL 30			\$ 69,469	\$ 69,063

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

BALANCE SHEET
TAX INCREMENT FINANCING FUND

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and investments	\$ 231,228	\$ 260,505
Receivables		
Property taxes	<u>66,222</u>	<u>32,680</u>
TOTAL ASSETS	<u><u>\$ 297,450</u></u>	<u><u>\$ 293,185</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 300,467	\$ 20,568
Advance from other funds	<u>2,184,591</u>	<u>2,000,000</u>
Total liabilities	<u>2,485,058</u>	<u>2,020,568</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	<u>66,222</u>	<u>32,680</u>
Total deferred inflows of resources	<u>66,222</u>	<u>32,680</u>
Total liabilities and deferred inflows of resources	<u>2,551,280</u>	<u>2,053,248</u>
FUND BALANCE		
Unassigned (deficit)	<u>(2,253,830)</u>	<u>(1,760,063)</u>
Total fund balance (deficit)	<u>(2,253,830)</u>	<u>(1,760,063)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 297,450</u></u>	<u><u>\$ 293,185</u></u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Property taxes	\$ 39,000	\$ 39,000	\$ 32,683	\$ 19,604
Investment income	1,500	1,500	3,956	3,792
Total revenues	40,500	40,500	36,639	23,396
EXPENDITURES				
Current				
Professional services	65,500	65,500	196,666	128,268
Capital outlay	1,444,607	1,444,607	333,740	47,000
Total expenditures	1,510,107	1,510,107	530,406	175,268
NET CHANGE IN FUND BALANCE	<u>\$ (1,469,607)</u>	<u>\$ (1,469,607)</u>	(493,767)	(151,872)
FUND BALANCE (DEFICIT), MAY 1			<u>(1,760,063)</u>	<u>(1,608,191)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (2,253,830)</u>	<u>\$ (1,760,063)</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, 2019

	Special Revenue				
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	Total
ASSETS					
Cash and investments	\$ 1,361,266	\$ 554,371	\$ 234,910	\$ 816,451	\$ 2,966,998
Receivables					
Accounts	-	-	-	1,131	1,131
Intergovernmental	75,758	-	-	-	75,758
Notes	-	-	233,698	-	233,698
Prepaid items	-	-	-	32,159	32,159
TOTAL ASSETS	\$ 1,437,024	\$ 554,371	\$ 468,608	\$ 849,741	\$ 3,309,744
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 3,681	\$ 3,681
Escrow deposits	-	484,953	-	-	484,953
Unearned revenue	-	-	-	12,930	12,930
Total liabilities	-	484,953	-	16,611	501,564
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	32,159	32,159
Restricted					
Highways and streets	1,437,024	-	-	-	1,437,024
Special projects	-	69,418	-	800,971	870,389
Economic development	-	-	468,608	-	468,608
Total fund balances	1,437,024	69,418	468,608	833,130	2,808,180
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,437,024	\$ 554,371	\$ 468,608	\$ 849,741	\$ 3,309,744

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	Special Revenue				Total
	Motor Fuel Tax	Public Works Escrow	Economic Development	Public Service	
REVENUES					
Intergovernmental	\$ 943,491	\$ -	\$ -	\$ 4,125	\$ 947,616
Charges for services	-	-	-	66,324	66,324
Fines and forfeits	-	-	-	21,750	21,750
Investment income	24,400	2,240	9,656	-	36,296
Donations and contributions	-	-	-	190,340	190,340
Total revenues	967,891	2,240	9,656	282,539	1,262,326
EXPENDITURES					
Current					
General government	-	-	-	224,991	224,991
Public safety	-	-	-	50,345	50,345
Public works	57,869	-	-	-	57,869
Total expenditures	57,869	-	-	275,336	333,205
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	910,022	2,240	9,656	7,203	929,121
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(262,500)	-	-	-	(262,500)
Total other financing sources (uses)	(262,500)	-	-	-	(262,500)
NET CHANGE IN FUND BALANCES	647,522	2,240	9,656	7,203	666,621
FUND BALANCES, MAY 1	789,502	67,178	458,952	825,927	2,141,559
FUND BALANCES, APRIL 30	\$ 1,437,024	\$ 69,418	\$ 468,608	\$ 833,130	\$ 2,808,180

(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, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental				
Motor fuel tax	\$ 851,758	\$ 851,758	\$ 943,491	\$ 949,817
Investment income	4,000	4,000	24,400	6,351
Total revenues	<u>855,758</u>	<u>855,758</u>	<u>967,891</u>	<u>956,168</u>
EXPENDITURES				
Current				
Public works/transportation	75,000	75,000	57,869	826,628
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>57,869</u>	<u>826,628</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>780,758</u>	<u>780,758</u>	<u>910,022</u>	<u>129,540</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(327,500)	(327,500)	(262,500)	(262,500)
Total other financing sources (uses)	<u>(327,500)</u>	<u>(327,500)</u>	<u>(262,500)</u>	<u>(262,500)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 453,258</u>	<u>\$ 453,258</u>	647,522	(132,960)
FUND BALANCE, MAY 1			<u>789,502</u>	<u>922,462</u>
FUND BALANCE, APRIL 30			<u>\$ 1,437,024</u>	<u>\$ 789,502</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019		Actual	2018
	Original Budget	Final Budget		Actual
REVENUES				
Intergovernmental				
Grants	\$ -	\$ -	\$ 4,125	\$ -
Charges for services	-	-	66,324	9,336
Fines and forfeits	-	-	21,750	194,732
Donations and contributions	-	-	190,340	177,930
Total revenues	-	-	282,539	381,998
EXPENDITURES				
Current				
General government	650,000	-	224,991	230,333
Public safety	-	-	50,345	51,089
Total expenditures	650,000	-	275,336	281,422
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(650,000)	-	7,203	100,576
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	-	(100,000)
Total other financing sources (uses)	-	-	-	(100,000)
NET CHANGE IN FUND BALANCE	\$ (650,000)	\$ -	7,203	576
FUND BALANCE, MAY 1			825,927	825,351
FUND BALANCE, APRIL 30			\$ 833,130	\$ 825,927

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

WATER AND SEWER FUND

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

GARBAGE FUND

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

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION
WATER AND SEWER FUND ACCOUNTS

April 30, 2019

	Water and Sewer Operating	Water and Sewer Capital	Total
CURRENT ASSETS			
Cash and investments	\$ 4,428,066	\$ 6,510,668	\$ 10,938,734
Accounts receivable	1,074,494	-	1,074,494
Accrued interest receivable	22	9,339	9,361
Restricted cash and investments			
IEPA restriction	829,180	-	829,180
Prepaid expenses	13,921	-	13,921
	6,345,683	6,520,007	12,865,690
NONCURRENT ASSETS			
Capital assets			
Capital assets, net of depreciation			
Nondepreciable assets	4,756,805	-	4,756,805
Depreciable buildings, property and infrastructure	75,142,260	-	75,142,260
Accumulated depreciation	(25,128,810)	-	(25,128,810)
	54,770,255	-	54,770,255
	61,115,938	6,520,007	67,635,945
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	234,355	-	234,355
Pension items - IMRF	542,578	-	542,578
OPEB items	2,909	-	2,909
	779,842	-	779,842
	61,895,780	6,520,007	68,415,787

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

	Water and Sewer Operating	Water and Sewer Capital	Total
CURRENT LIABILITIES			
Accounts payable	\$ 144,550	\$ 177,116	\$ 321,666
Accrued payroll	58,189	-	58,189
Compensated absences	55,433	-	55,433
Other postemployment benefits	19,146	-	19,146
Interest payable	101,624	-	101,624
IEPA loans payable	75,161	-	75,161
Bonds payable	1,155,000	-	1,155,000
Unearned revenue	2,450,250	-	2,450,250
Total current liabilities	4,059,353	177,116	4,236,469
LONG-TERM LIABILITIES			
Compensated absences	55,432	-	55,432
Other postemployment benefits	126,029	-	126,029
Net pension liability	812,978	-	812,978
IEPA loans payable	405,131	-	405,131
Bonds payable, net	7,519,916	-	7,519,916
Total long-term liabilities	8,919,486	-	8,919,486
Total liabilities	12,978,839	177,116	13,155,955
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	131,696	-	131,696
Total deferred inflows of resources	131,696	-	131,696
Total liabilities and deferred inflows of resources	13,110,535	177,116	13,287,651
NET POSITION			
Net investment in capital assets	45,849,401	-	45,849,401
Restricted for radium removal	829,180	-	829,180
Unrestricted	2,106,664	6,342,891	8,449,555
TOTAL NET POSITION	\$ 48,785,245	\$ 6,342,891	\$ 55,128,136

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	Water and Sewer Operating	Water and Sewer Capital	Eliminations	Total
OPERATING REVENUES				
Charges for services	\$ 6,983,346	\$ 112,394	\$ -	\$ 7,095,740
Total operating revenues	6,983,346	112,394	-	7,095,740
OPERATING EXPENSES				
Production	3,446,709	163,169	-	3,609,878
Total operating expenses	3,446,709	163,169	-	3,609,878
OPERATING INCOME (LOSS) BEFORE DEPRECIATION				
	3,536,637	(50,775)	-	3,485,862
Depreciation	1,635,179	-	-	1,635,179
OPERATING INCOME (LOSS)	1,901,458	(50,775)	-	1,850,683
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	-	967,950	-	967,950
Investment income	69,219	104,014	-	173,233
Interest expense and amortization	(301,815)	-	-	(301,815)
Miscellaneous income	4,019	800	-	4,819
Total non-operating revenues (expenses)	(228,577)	1,072,764	-	844,187
NET INCOME BEFORE TRANSFERS AND CONTRIBUTIONS				
	1,672,881	1,021,989	-	2,694,870
TRANSFERS				
Transfers in	1,541,006	1,300,000	(2,841,006)	-
Transfers (out)	(1,300,000)	(1,541,006)	2,841,006	-
Total transfers	241,006	(241,006)	-	-
CONTRIBUTIONS				
	70,861	-	-	70,861
CHANGE IN NET POSITION				
	1,984,748	780,983	-	2,765,731
NET POSITION, MAY 1				
	46,914,098	5,561,908	-	52,476,006
Change in accounting principle	(113,601)	-	-	(113,601)
NET POSITION, MAY 1 (RESTATED)				
	46,800,497	5,561,908	-	52,362,405
NET POSITION, APRIL 30				
	\$ 48,785,245	\$ 6,342,891	\$ -	\$ 55,128,136

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS
SCHEDULE OF CASH FLOWS
WATER AND SEWER FUND ACCOUNTS

For the Year Ended April 30, 2019

	Water and Sewer Operating	Water and Sewer Capital	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 6,898,380	\$ 112,394	\$ 7,010,774
Payments to suppliers	(2,345,136)	(21,032)	(2,366,168)
Payments to employees	(1,120,371)	-	(1,120,371)
Miscellaneous income	4,019	800	4,819
Net cash from operating activities	<u>3,436,892</u>	<u>92,162</u>	<u>3,529,054</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payment from (to) other funds	241,006	(241,006)	-
Connection fees	-	967,950	967,950
Grant revenue	-	-	-
Net cash from noncapital financing activities	<u>241,006</u>	<u>726,944</u>	<u>967,950</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(1,541,006)	-	(1,541,006)
Bond principal payments	(1,145,000)	-	(1,145,000)
IEPA loan principal payments	(73,317)	-	(73,317)
Interest paid	(307,209)	-	(307,209)
Net cash from capital and related financing activities	<u>(3,066,532)</u>	<u>-</u>	<u>(3,066,532)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	71,154	102,234	173,388
Net cash from investing activities	<u>71,154</u>	<u>102,234</u>	<u>173,388</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	682,520	921,340	1,603,860
CASH AND CASH EQUIVALENTS, MAY 1	<u>4,574,726</u>	<u>5,589,328</u>	<u>10,164,054</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 5,257,246</u>	<u>\$ 6,510,668</u>	<u>\$ 11,767,914</u>

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	Water and Sewer Operating	Water and Sewer Capital	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 1,901,458	\$ (50,775)	\$ 1,850,683
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	1,635,179	-	1,635,179
Miscellaneous income	4,019	800	4,819
Changes in assets and liabilities			
Accounts receivable	(84,966)	-	(84,966)
Prepaid expenses	899	-	899
Accounts payable	(80,176)	142,137	61,961
Accrued payroll	53,116	-	53,116
Compensated absences	24,429	-	24,429
Other postemployment benefits	4,547	-	4,547
IMRF items	(21,613)	-	(21,613)
NET CASH FROM OPERATING ACTIVITIES	\$ 3,436,892	\$ 92,162	\$ 3,529,054
CASH AND CASH EQUIVALENTS			
Unrestricted cash and cash equivalents	\$ 4,428,066	\$ 6,510,668	\$ 10,938,734
Restricted cash and cash equivalents			
IEPA restriction	829,180	-	829,180
TOTAL CASH AND CASH EQUIVALENTS	\$ 5,257,246	\$ 6,510,668	\$ 11,767,914
NONCASH TRANSACTIONS			
Capital contributions	\$ 70,861	\$ -	\$ 70,861

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and investments	\$ 4,428,066	\$ 4,574,726
Accounts receivable	1,074,494	989,528
Accrued interest receivable	22	1,957
Restricted cash and investments		
IEPA restriction	829,180	-
Prepaid expenses	13,921	14,820
	<hr/>	<hr/>
Total current assets	6,345,683	5,581,031
NONCURRENT ASSETS		
Capital assets		
Capital assets, net of depreciation		
Nondepreciable assets	4,756,805	3,348,121
Depreciable buildings, property and infrastructure	75,142,260	74,939,077
Accumulated depreciation	(25,128,810)	(23,493,631)
	<hr/>	<hr/>
Total capital assets	54,770,255	54,793,567
	<hr/>	<hr/>
Total assets	61,115,938	60,374,598
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	234,355	319,835
Pension items - IMRF	542,578	168,885
OPEB items	2,909	-
	<hr/>	<hr/>
Total deferred outflows of resources	779,842	488,720
	<hr/>	<hr/>
Total assets and deferred outflows of resources	61,895,780	60,863,318

(This statement is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019
(with comparative prior year)

	2019	2018
CURRENT LIABILITIES		
Accounts payable	\$ 144,550	\$ 224,726
Accrued payroll	58,189	5,073
Compensated absences	55,433	44,314
Other postemployment benefits	19,146	-
Interest payable	101,624	113,321
IEPA loans payable	75,161	73,316
Bonds payable	1,155,000	145,000
Unearned revenue	2,450,250	2,450,250
Total current liabilities	4,059,353	3,056,000
LONG-TERM LIABILITIES		
Compensated absences	55,432	42,122
Other postemployment benefits	126,029	24,118
Net pension liability	812,978	172,654
IEPA loans payable	405,131	480,292
Bonds payable, net	7,519,916	9,754,094
Total long-term liabilities	8,919,486	10,473,280
Total liabilities	12,978,839	13,529,280
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	131,696	419,940
Total deferred inflows of resources	131,696	419,940
Total liabilities and deferred inflows of resources	13,110,535	13,949,220
NET POSITION		
Net investment in capital assets	45,849,401	44,660,699
Restricted for radium removal	829,180	654,000
Unrestricted	2,106,664	1,599,399
TOTAL NET POSITION	\$ 48,785,245	\$ 46,914,098

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019		Actual	2018
	Original Budget	Final Budget		Actual
OPERATING REVENUES				
Charges for services	\$ 6,345,450	\$ 6,345,450	\$ 6,983,346	\$ 5,908,071
Total operating revenues	6,345,450	6,345,450	6,983,346	5,908,071
OPERATING EXPENSES				
Salaries/personnel services	1,128,909	1,128,909	1,197,915	1,175,331
Insurance and benefits	435,580	435,580	426,598	466,136
Pension expense	-	-	(17,065)	(26,408)
Professional services	102,100	102,100	135,664	240,838
Contractual services	1,613,217	1,613,217	1,507,839	1,346,280
Communication	46,210	46,210	43,561	41,156
Professional development	50,560	50,560	39,587	39,258
Operating supplies	75,088	75,088	112,610	52,068
Capital maintenance	-	-	1,611,867	64,295
Total operating expenses	3,451,664	3,451,664	5,058,576	3,398,954
OPERATING INCOME	2,893,786	2,893,786	1,924,770	2,509,117
NON-OPERATING REVENUES (EXPENSES)				
Grant revenue	-	-	-	92,370
Investment income	25,000	25,000	69,219	33,800
Interest expense and amortization	(307,190)	(307,190)	(301,815)	(440,424)
Principal retirement	(1,218,316)	(1,218,316)	(1,224,178)	(1,156,516)
Miscellaneous income	18,670	18,670	4,019	21,338
Total non-operating revenues (expenses)	(1,481,836)	(1,481,836)	(1,452,755)	(1,449,432)
NET INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	1,411,950	1,411,950	472,015	1,059,685
TRANSFERS				
Transfers in	-	-	1,541,006	64,295
Transfers (out)	(1,300,000)	(1,300,000)	(1,300,000)	(35,000)
Total transfers	(1,300,000)	(1,300,000)	241,006	29,295
CONTRIBUTIONS	-	-	70,861	-

(This schedule is continued on the following page.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
ADJUSTMENTS TO GAAP BASIS				
Principal retirement	\$ 1,218,316	\$ 1,218,316	\$ 1,224,178	\$ 1,156,516
Depreciation	-	-	(1,635,179)	(1,621,523)
Capital assets capitalized	-	-	1,611,867	64,295
Total adjustments to GAAP basis	1,218,316	1,218,316	1,200,866	(400,712)
CHANGE IN NET POSITION	\$ 1,330,266	\$ 1,330,266	1,984,748	688,268
NET POSITION, MAY 1			46,914,098	46,225,830
Change in accounting principle			(113,601)	-
NET POSITION, MAY 1 (RESTATED)			46,800,497	46,225,830
NET POSITION, APRIL 30			\$ 48,785,245	\$ 46,914,098

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and investments	\$ 6,510,668	\$ 5,589,328
Accrued interest receivable	9,339	7,559
Total current assets	<u>6,520,007</u>	<u>5,596,887</u>
NONCURRENT ASSETS		
None	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>
Total assets	<u>6,520,007</u>	<u>5,596,887</u>
DEFERRED OUTFLOWS OF RESOURCES		
None	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>6,520,007</u>	<u>5,596,887</u>
CURRENT LIABILITIES		
Accounts payable	<u>177,116</u>	<u>34,979</u>
Total current liabilities	<u>177,116</u>	<u>34,979</u>
LONG-TERM LIABILITIES		
None	-	-
Total long-term liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>177,116</u>	<u>34,979</u>
NET POSITION		
Unrestricted	<u>6,342,891</u>	<u>5,561,908</u>
TOTAL NET POSITION	<u>\$ 6,342,891</u>	<u>\$ 5,561,908</u>

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative actual)

	2019			2018 Actual
	Original Budget	Final Budget	Actual	
OPERATING REVENUES				
Charges for services	\$ 25,000	\$ 25,000	\$ 112,394	\$ 38,116
Total operating revenues	25,000	25,000	112,394	38,116
OPERATING EXPENSES				
Operating supplies	30,000	30,000	64,315	-
Capital maintenance	2,416,350	2,416,350	98,854	115,561
Total operating expenses	2,446,350	2,446,350	163,169	115,561
OPERATING INCOME (LOSS)	(2,421,350)	(2,421,350)	(50,775)	(77,445)
NON-OPERATING REVENUES (EXPENSES)				
Connection fees	80,000	80,000	967,950	162,800
Investment income	25,000	25,000	104,014	40,903
Miscellaneous income	-	-	800	800
Total non-operating revenues (expenses)	105,000	105,000	1,072,764	204,503
NET INCOME (LOSS) BEFORE TRANSFERS	(2,316,350)	(2,316,350)	1,021,989	127,058
TRANSFERS				
Transfers in	1,300,000	1,300,000	1,300,000	-
Transfers (out)	(225,765)	(225,765)	(1,541,006)	(64,295)
Total transfers	1,074,235	1,074,235	(241,006)	(64,295)
CHANGE IN NET POSITION	\$ (1,242,115)	\$ (1,242,115)	780,983	62,763
NET POSITION, MAY 1			5,561,908	5,499,145
NET POSITION, APRIL 30			\$ 6,342,891	\$ 5,561,908

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
GARBAGE FUND**

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and investments	\$ 111,539	\$ 296,254
Accounts receivable	434,684	436,029
	<hr/>	
Total current assets	546,223	732,283
NONCURRENT ASSETS		
None	-	-
	<hr/>	
Total assets	546,223	732,283
	<hr/>	
CURRENT LIABILITIES		
Accounts payable	-	200,484
	<hr/>	
Total current liabilities	-	200,484
LONG-TERM LIABILITIES		
None	-	-
	<hr/>	
Total liabilities	-	200,484
	<hr/>	
NET POSITION		
Unrestricted	546,223	531,799
	<hr/>	
TOTAL NET POSITION	\$ 546,223	\$ 531,799
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VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative prior year)

	2019			2018
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	\$ 2,473,200	\$ 2,473,200	\$ 2,479,258	\$ 2,434,270
Total operating revenues	<u>2,473,200</u>	<u>2,473,200</u>	<u>2,479,258</u>	<u>2,434,270</u>
OPERATING EXPENSES				
Disposal services	2,481,070	2,481,070	2,463,284	2,408,455
Supplies	-	-	1,723	-
Total operating expenses	<u>2,481,070</u>	<u>2,481,070</u>	<u>2,465,007</u>	<u>2,408,455</u>
OPERATING INCOME (LOSS)	<u>(7,870)</u>	<u>(7,870)</u>	14,251	25,815
NON-OPERATING REVENUES (EXPENSES)				
Investment income	200	200	173	495
Total non-operating revenues (expenses)	<u>200</u>	<u>200</u>	<u>173</u>	<u>495</u>
CHANGE IN NET POSITION	<u>\$ (7,670)</u>	<u>\$ (7,670)</u>	14,424	26,310
NET POSITION, MAY 1			<u>531,799</u>	<u>505,489</u>
NET POSITION, APRIL 30			<u>\$ 546,223</u>	<u>\$ 531,799</u>

(See independent auditor's report.)

INTERNAL SERVICE FUND

VEHICLE REPLACEMENT FUND

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

VILLAGE OF OSWEGO, ILLINOIS

**STATEMENT OF NET POSITION
VEHICLE REPLACEMENT FUND**

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and investments	\$ 126,132	\$ 102,081
Accounts receivable	21,950	-
	<hr/>	<hr/>
Total current assets	148,082	102,081
	<hr/>	<hr/>
NONCURRENT ASSETS		
Capital assets		
Capital assets, net of depreciation		
Depreciable buildings, property and infrastructure	4,310,695	4,156,021
Accumulated depreciation	(3,171,757)	(2,983,366)
	<hr/>	<hr/>
Total capital assets	1,138,938	1,172,655
	<hr/>	<hr/>
Total assets	1,287,020	1,274,736
	<hr/>	<hr/>
CURRENT LIABILITIES		
Accounts payable	6,328	-
	<hr/>	<hr/>
Total current liabilities	6,328	-
	<hr/>	<hr/>
LONG-TERM LIABILITIES		
None	-	-
	<hr/>	<hr/>
Total liabilities	6,328	-
	<hr/>	<hr/>
NET POSITION		
Net investment in capital assets	1,138,938	1,172,655
Unrestricted	141,754	102,081
	<hr/>	<hr/>
TOTAL NET POSITION	<u>\$ 1,280,692</u>	<u>\$ 1,274,736</u>

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	2019		Actual	2018
	Original Budget	Final Budget		Actual
OPERATING REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total operating revenues	-	-	-	-
OPERATING EXPENSES				
Capital outlay	330,500	330,500	322,799	83,082
Total operating expenses	330,500	330,500	322,799	83,082
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(330,500)	(330,500)	(322,799)	(83,082)
Depreciation	-	-	352,225	372,895
OPERATING INCOME (LOSS)	(330,500)	(330,500)	(675,024)	(455,977)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	-	-	672	334
Sale of fixed assets	40,000	40,000	31,300	38,618
Total non-operating revenues (expenses)	40,000	40,000	31,972	38,952
NET INCOME (LOSS) BEFORE TRANSFERS	(290,500)	(290,500)	(643,052)	(417,025)
TRANSFERS				
Transfers in	330,500	330,500	330,500	85,000
Total transfers	330,500	330,500	330,500	85,000
ADJUSTMENTS TO GAAP BASIS				
Capital assets capitalized	-	-	318,508	83,082
Total adjustments to GAAP basis	-	-	318,508	83,082
CHANGE IN NET POSITION	\$ 40,000	\$ 40,000	5,956	(248,943)
NET POSITION, MAY 1			1,274,736	1,523,679
NET POSITION, APRIL 30			\$ 1,280,692	\$ 1,274,736

(See independent auditor's report.)

VILLAGE OF OSWEGO, ILLINOIS

SCHEDULE OF CASH FLOWS
VEHICLE REPLACEMENT FUND

For the Year Ended April 30, 2019

	<u>Vehicle Replacement</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ -
Payments to suppliers	<u>(4,291)</u>
Net cash from operating activities	<u>(4,291)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payment from (to) other funds	<u>330,500</u>
Net cash from noncapital financing activities	<u>330,500</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(312,180)
Sale of capital assets	<u>9,350</u>
Net cash from capital and related financing activities	<u>(302,830)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>672</u>
Net cash from investing activities	<u>672</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,051
CASH AND CASH EQUIVALENTS, MAY 1	<u>102,081</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 126,132</u></u>

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	<u>Vehicle Replacement</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (356,516)
Depreciation	352,225
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Changes in assets and liabilities	
None	-
	<hr/>
NET CASH FROM OPERATING ACTIVITIES	\$ (4,291)
	<hr/> <hr/>
CASH AND CASH EQUIVALENTS	
Unrestricted cash and cash equivalents	\$ 126,132
	<hr/>
TOTAL CASH AND CASH EQUIVALENTS	\$ 126,132
	<hr/> <hr/>
NONCASH TRANSACTIONS	
None	\$ -
	<hr/> <hr/>

FIDUCIARY FUNDS

PENSION TRUST FUND

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

AGENCY FUNDS

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

Subdivision Escrow Fund - to account for developer deposits.

VILLAGE OF OSWEGO, ILLINOIS

STATEMENT OF NET POSITION
POLICE PENSION FUND

April 30, 2019
(with comparative prior year)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 92,154	\$ 178,846
Investments, at fair value		
U.S. Government and U.S. agency securities	11,983,145	11,095,118
Municipal bonds	1,512,146	1,508,322
Corporate bonds	199,201	-
Equity mutual funds	18,070,941	16,257,382
Accrued interest receivable	95,922	88,463
Prepaid items	5,084	1,044
	<hr/>	<hr/>
Total assets	31,958,593	29,129,175
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	9,178	8,598
	<hr/>	<hr/>
Total liabilities	9,178	8,598
	<hr/>	<hr/>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 31,949,415</u>	<u>\$ 29,120,577</u>

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019
(with comparative actual)

	2019		Actual	2018
	Original Budget	Final Budget		Actual
ADDITIONS				
Contributions				
Employer	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,430,544
Employee	465,000	465,000	488,585	437,086
Total contributions	<u>1,865,000</u>	<u>1,865,000</u>	<u>1,888,585</u>	<u>1,867,630</u>
Investment income				
Net appreciation in fair value of investments	-	-	791,799	665,473
Interest and dividends	400,000	400,000	1,274,223	1,231,390
Total investment income	400,000	400,000	2,066,022	1,896,863
Less investment expense	<u>(95,000)</u>	<u>(95,000)</u>	<u>(91,995)</u>	<u>(86,101)</u>
Net investment income	<u>305,000</u>	<u>305,000</u>	<u>1,974,027</u>	<u>1,810,762</u>
Total additions	<u>2,170,000</u>	<u>2,170,000</u>	<u>3,862,612</u>	<u>3,678,392</u>
DEDUCTIONS				
Benefits and refunds	862,823	1,005,600	1,005,185	706,417
Administration	31,500	31,500	28,589	27,697
Total deductions	<u>894,323</u>	<u>1,037,100</u>	<u>1,033,774</u>	<u>734,114</u>
NET INCREASE	<u>\$ 1,275,677</u>	<u>\$ 1,132,900</u>	2,828,838	2,944,278
NET POSITION RESTRICTED FOR PENSIONS				
May 1			<u>29,120,577</u>	<u>26,176,299</u>
April 30			<u>\$ 31,949,415</u>	<u>\$ 29,120,577</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, 2019

	Balances				Balances
	May 1	Additions	Deductions		April 30
Total All Agency Funds					
ASSETS					
Cash and investments	\$ 295,300	\$ 63,610	\$ 86,894	\$	\$ 272,016
Accounts receivable	49,774	67,477	-		117,251
TOTAL ASSETS	\$ 345,074	\$ 131,087	\$ 86,894	\$	\$ 389,267
LIABILITIES					
Accounts payable	\$ 161,219	\$ 17,125	\$ 157,692	\$	\$ 20,652
Due to others	183,855	189,880	5,120		368,615
TOTAL LIABILITIES	\$ 345,074	\$ 207,005	\$ 162,812	\$	\$ 389,267
1. Agency Fund					
ASSETS					
Cash and investments	\$ 238,972	\$ -	\$ 86,894	\$	\$ 152,078
TOTAL ASSETS	\$ 238,972	\$ -	\$ 86,894	\$	\$ 152,078
LIABILITIES					
Accounts payable	\$ 157,692	\$ -	\$ 157,692	\$	\$ -
Due to others	81,280	70,798	-		152,078
TOTAL LIABILITIES	\$ 238,972	\$ 70,798	\$ 157,692	\$	\$ 152,078

VILLAGE OF OSWEGO, ILLINOIS

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

For the Year Ended April 30, 2019

	Balances			Balances
	May 1	Additions	Deductions	April 30
2. Subdivision Escrow Fund				
ASSETS				
Cash and investments	\$ 56,328	\$ 63,610	\$ -	\$ 119,938
Accounts receivable	49,774	67,477	-	117,251
TOTAL ASSETS	\$ 106,102	\$ 131,087	\$ -	\$ 237,189
LIABILITIES				
Accounts payable	\$ 3,527	\$ 17,125	\$ -	\$ 20,652
Due to others	102,575	119,082	5,120	216,537
TOTAL LIABILITIES	\$ 106,102	\$ 136,207	\$ 5,120	\$ 237,189

SUPPLEMENTAL DATA

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	370-437	\$ 340,000	\$ 77,525	\$ 417,525	2019	\$ 38,763	2019	\$ 38,762
2019	438-507	350,000	65,625	415,625	2020	32,813	2020	32,812
2020	508-579	360,000	53,375	413,375	2021	26,688	2021	26,687
2021	580-656	385,000	40,775	425,775	2022	20,388	2022	20,387
2022	657-734	390,000	27,300	417,300	2023	13,650	2023	13,650
2023	735-811	390,000	13,650	403,650	2024	6,825	2024	6,825
		<u>\$ 2,215,000</u>	<u>\$ 278,250</u>	<u>\$ 2,493,250</u>			<u>\$ 139,127</u>	<u>\$ 139,123</u>

VILLAGE OF OSWEGO, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2011 - GOVERNMENTAL ACTIVITIES

April 30, 2019

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

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on				
		Principal	Interest	Total	June 15	Amount	December 15	Amount	
2018	370-437	\$ 190,000	\$ 44,100	\$ 234,100	2019	\$ 22,050	2019	\$ 22,050	
2019	438-507	200,000	37,450	237,450	2020	18,725	2020	18,725	
2020	508-579	210,000	30,450	240,450	2021	15,225	2021	15,225	
2021	580-656	220,000	23,100	243,100	2022	11,550	2022	11,550	
2022	657-734	220,000	15,400	235,400	2023	7,700	2023	7,700	
2023	735-811	220,000	7,700	227,700	2024	3,850	2024	3,850	
		<u>\$ 1,260,000</u>	<u>\$ 158,200</u>	<u>\$ 1,418,200</u>		<u>\$ 79,100</u>		<u>\$ 79,100</u>	

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	370-437	\$ 150,000	\$ 33,425	\$ 183,425	2019	\$ 16,713	2019	\$ 16,713
2019	438-507	150,000	28,175	178,175	2020	14,088	2020	14,088
2020	508-579	150,000	22,925	172,925	2021	11,463	2021	11,463
2021	580-656	165,000	17,675	182,675	2022	8,838	2022	8,838
2022	657-734	170,000	11,900	181,900	2023	5,950	2023	5,950
2023	735-811	170,000	5,950	175,950	2024	2,975	2024	2,975
		<u>\$ 955,000</u>	<u>\$ 120,050</u>	<u>\$ 1,075,050</u>	<u>\$ 60,027</u>		<u>\$ 60,027</u>	

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

Bonds		
1-187	2%	
188-465	3%	

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 30	Amount	December 30	Amount
2018	305-369	\$ 365,000	\$ 10,950	\$ 375,950	2019	\$ 5,475	2019	\$ 5,475
		\$ 365,000	\$ 10,950	\$ 375,950		\$ 5,475		\$ 5,475

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	56-68	\$ 65,000	\$ 248,950	\$ 313,950	2019	\$ 124,475	2019	\$ 124,475
2019	69-183	575,000	247,650	822,650	2020	123,825	2020	123,825
2020	184-425	1,210,000	230,400	1,440,400	2021	115,200	2021	115,200
2021	426-675	1,250,000	194,100	1,444,100	2022	97,050	2022	97,050
2022	676-931	1,280,000	156,600	1,436,600	2023	78,300	2023	78,300
2023	932-1195	1,320,000	118,200	1,438,200	2024	59,100	2024	59,100
2024	1196-1460	1,325,000	78,600	1,403,600	2025	39,300	2025	39,300
2025	1461-1587	635,000	38,850	673,850	2026	19,425	2026	19,425
2026	1588-1719	660,000	19,800	679,800	2027	9,900	2027	9,900
		<u>\$ 8,320,000</u>	<u>\$ 1,333,150</u>	<u>\$ 9,653,150</u>		<u>\$ 666,575</u>		<u>\$ 666,575</u>

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

April 30, 2019

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	56-68	\$ 55,000	\$ 195,800	\$ 250,800	2019	\$ 97,900	2019	\$ 97,900
2019	69-183	380,000	194,700	574,700	2020	97,350	2020	97,350
2020	184-425	1,000,000	183,300	1,183,300	2021	91,650	2021	91,650
2021	426-675	1,040,000	153,300	1,193,300	2022	76,650	2022	76,650
2022	676-931	1,065,000	122,100	1,187,100	2023	61,050	2023	61,050
2023	932-1195	1,090,000	90,150	1,180,150	2024	45,075	2024	45,075
2024	1196-1460	1,095,000	57,450	1,152,450	2025	28,725	2025	28,725
2025	1461-1587	400,000	24,600	424,600	2026	12,300	2026	12,300
2026	1588-1719	420,000	12,600	432,600	2027	6,300	2027	6,300
		<u>\$ 6,545,000</u>	<u>\$ 1,034,000</u>	<u>\$ 7,579,000</u>			<u>\$ 517,000</u>	<u>\$ 517,000</u>

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

April 30, 2019

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	56-68	\$ 10,000	\$ 53,150	\$ 63,150	2019	\$ 26,575	2019	\$ 26,575
2019	69-183	195,000	52,950	247,950	2020	26,475	2020	26,475
2020	184-425	210,000	47,100	257,100	2021	23,550	2021	23,550
2021	426-675	210,000	40,800	250,800	2022	20,400	2022	20,400
2022	676-931	215,000	34,500	249,500	2023	17,250	2023	17,250
2023	932-1195	230,000	28,050	258,050	2024	14,025	2024	14,025
2024	1196-1460	230,000	21,150	251,150	2025	10,575	2025	10,575
2025	1461-1587	235,000	14,250	249,250	2026	7,125	2026	7,125
2026	1588-1719	240,000	7,200	247,200	2027	3,600	2027	3,600
		<u>\$ 1,775,000</u>	<u>\$ 299,150</u>	<u>\$ 2,074,150</u>			<u>\$ 149,575</u>	<u>\$ 149,575</u>

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	424-659	\$ 1,180,000	\$ 57,750	\$ 1,237,750	2019	\$ 28,875	2019	\$ 28,875
2019	660-808	745,000	22,350	767,350	2020	11,175	2020	11,175
		<u>\$ 1,925,000</u>	<u>\$ 80,100</u>	<u>\$ 2,005,100</u>		<u>\$ 40,050</u>		<u>\$ 40,050</u>

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

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	424-659	\$ 885,000	\$ 44,550	\$ 929,550	2019	\$ 22,275	2019	\$ 22,275
2019	660-808	600,000	18,000	618,000	2020	9,000	2020	9,000
		<u>\$ 1,485,000</u>	<u>\$ 62,550</u>	<u>\$ 1,547,550</u>		<u>\$ 31,275</u>		<u>\$ 31,275</u>

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

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	424-659	\$ 295,000	\$ 13,200	\$ 308,200	2019	\$ 6,600	2019	\$ 6,600
2019	660-808	145,000	4,350	149,350	2020	2,175	2020	2,175
		<u>\$ 440,000</u>	<u>\$ 17,550</u>	<u>\$ 457,550</u>		<u>\$ 8,775</u>		<u>\$ 8,775</u>

VILLAGE OF OSWEGO, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION
BOND SERIES 2016

April 30, 2019

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

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Total	June 15	Amount	December 15	Amount
2018	41-79	\$ 195,000	\$ 1,215,750	\$ 1,410,750	2019	\$ 607,875	2019	\$ 607,875
2019	80-116	185,000	1,209,900	1,394,900	2020	604,950	2020	604,950
2020	117-156	200,000	1,202,500	1,402,500	2021	601,250	2021	601,250
2021	157-195	195,000	1,194,500	1,389,500	2022	597,250	2022	597,250
2022	196-238	215,000	1,186,700	1,401,700	2023	593,350	2023	593,350
2023	239-286	240,000	1,180,250	1,420,250	2024	590,125	2024	590,125
2024	287-386	500,000	1,170,650	1,670,650	2025	585,325	2025	585,325
2025	387-636	1,250,000	1,150,650	2,400,650	2026	575,325	2026	575,325
2026	637-897	1,305,000	1,088,150	2,393,150	2027	544,075	2027	544,075
2027	898-1258	1,805,000	1,022,900	2,827,900	2028	511,450	2028	511,450
2028	1259-1637	1,895,000	932,650	2,827,650	2029	466,325	2029	466,325
2029	1638-2035	1,990,000	837,900	2,827,900	2030	418,950	2030	418,950
2030	2036-2452	2,085,000	738,400	2,823,400	2031	369,200	2031	369,200
2031	2453-2890	2,190,000	634,150	2,824,150	2032	317,075	2032	317,075
2032	2891-3350	2,300,000	524,650	2,824,650	2033	262,325	2033	262,325
2033	3351-3833	2,415,000	409,650	2,824,650	2034	204,825	2034	204,825
2034	3834-4340	2,535,000	288,900	2,823,900	2035	144,450	2035	144,450
2035	4341-4873	2,665,000	162,150	2,827,150	2036	81,075	2036	81,075
2036	4874-5421	2,740,000	82,200	2,822,200	2037	41,100	2037	41,100
		<u>\$ 26,905,000</u>	<u>\$ 16,232,600</u>	<u>\$ 43,137,600</u>			<u>\$ 8,116,300</u>	<u>\$ 8,116,300</u>

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Tax Levy			Interest Due on			
		Principal	Interest	Totals	June 15	Amount	December 15	Amount
2018	67-133	\$ 335,000	\$ 152,150	\$ 487,150	2019	\$ 76,075	2019	\$ 76,075
2019	134-204	350,000	145,450	495,450	2020	72,725	2020	72,725
2020	205-277	365,000	138,450	503,450	2021	69,225	2021	69,225
2021	278-353	380,000	131,150	511,150	2022	65,575	2022	65,575
2022	354-433	400,000	119,750	519,750	2023	59,875	2023	59,875
2023	434-517	420,000	107,750	527,750	2024	53,875	2024	53,875
2024	518-606	445,000	95,150	540,150	2025	47,575	2025	47,575
2025	607-699	465,000	81,800	546,800	2026	40,900	2026	40,900
2026	700-797	490,000	63,200	553,200	2027	31,600	2027	31,600
2027	798-903	530,000	43,600	573,600	2028	21,800	2028	21,800
2028	904-1015	560,000	22,400	582,400	2029	11,200	2029	11,200
		<u>\$ 4,740,000</u>	<u>\$ 1,100,850</u>	<u>\$ 5,840,850</u>	<u>\$ 550,425</u>		<u>\$ 550,425</u>	

VILLAGE OF OSWEGO, ILLINOIS

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

April 30, 2019

Date of Loan	April 1, 2004
Date of Maturity	January 15, 2025
Authorized Loan	\$ 1,772,543
Actual Loan	\$ 1,346,766
Interest Rate	2.50%
Principal Maturity Date	January 15 and July 15
Interest Dates	January 15 and July 15

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year				Interest Due on			
	Principal	Interest	Total	July 15	Amount	January 15	Amount
2020	\$ 75,161	\$ 11,539	\$ 86,700	2019	\$ 6,004	2020	\$ 5,535
2021	77,051	9,649	86,700	2020	5,064	2021	4,585
2022	78,989	7,711	86,700	2021	4,101	2022	3,610
2023	80,977	5,723	86,700	2022	3,114	2023	2,609
2024	83,014	3,686	86,700	2023	2,101	2024	1,585
2025	85,101	1,599	86,700	2024	1,064	2025	535
	<u>\$ 480,293</u>	<u>\$ 39,907</u>	<u>\$ 520,200</u>		<u>\$ 21,448</u>		<u>\$ 18,459</u>

VILLAGE OF OSWEGO, ILLINOIS

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended April 30, 2019

CSFA Number	Program Name	State	Federal	Other	Total
444-26-1565	Tobacco Enforcement Program	\$ 80	\$ -	\$ -	\$ 80
494-00-0958	Truck Access Route Program	-	-	-	-
494-00-0967	High-Growth Cities Program	-	-	-	-
494-00-1003	Congestion Mitigation and Air Quality Improvement Program	-	-	-	-
494-00-1488	Motor Fuel Tax Program	320,369	-	-	320,369
494-10-0343	State and Community Highway Safety/National Priority Safety Program	80,396	-	-	80,396
494-42-0495	Local Surface Transportation Program	-	-	-	-
	Other grant programs and activities	-	73,996	111,002	184,998
	All other costs not allocated	-	-	31,661,604	31,661,604
	TOTALS	<u>\$ 400,845</u>	<u>\$ 73,996</u>	<u>\$ 31,772,606</u>	<u>\$ 32,247,447</u>

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Naperville, IL 60563
630.566.8400

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Oswego, Illinois (the Village), as of and for the year ended April 30, 2019, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated October 4, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Sikich LLP

Naperville, Illinois
October 4, 2019

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	124-133
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	134-142
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.	143-147
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.	148-149
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.	150-152

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

VILLAGE OF OSWEGO, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 275,314,514	\$ 274,396,968	\$ 272,998,786	\$ 271,570,611
Restricted	2,599,700	2,772,565	2,273,073	2,888,976
Unrestricted	4,420,252	3,419,680	5,357,170	4,826,113
TOTAL GOVERNMENTAL ACTIVITIES	\$ 282,334,466	\$ 280,589,213	\$ 280,629,029	\$ 279,285,700
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 42,523,985	\$ 41,398,648	\$ 40,762,984	\$ 41,995,957
Restricted	654,000	654,000	654,000	654,000
Unrestricted	1,684,126	4,704,208	5,217,977	8,501,995
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 44,862,111	\$ 46,756,856	\$ 46,634,961	\$ 51,151,952
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 317,838,499	\$ 315,795,616	\$ 313,761,770	\$ 313,566,568
Restricted	3,253,700	3,426,565	2,927,073	3,542,976
Unrestricted	6,104,378	8,123,888	10,575,147	13,328,108
TOTAL PRIMARY GOVERNMENT	\$ 327,196,577	\$ 327,346,069	\$ 327,263,990	\$ 330,437,652

The Village implemented GASB Statement No. 68 during 2016.

The Village implemented GASB Statement No. 75 during 2019.

Data Source

Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ 269,462,285	\$ 267,114,160	\$ 269,710,313	\$ 266,143,880	\$ 263,761,350	\$ 260,716,741
3,136,556	2,726,245	3,025,632	2,262,586	2,141,559	2,808,180
6,621,863	5,757,774	(5,136,241)	(6,353,126)	(5,397,463)	(1,373,255)
<u>\$ 279,220,704</u>	<u>\$ 275,598,179</u>	<u>\$ 267,599,704</u>	<u>\$ 262,053,340</u>	<u>\$ 260,505,446</u>	<u>\$ 262,151,666</u>
\$ 42,143,249	\$ 42,852,341	\$ 45,499,004	\$ 43,955,344	\$ 44,660,699	\$ 45,849,401
654,000	654,000	654,000	654,000	654,000	829,180
9,243,426	9,141,100	6,397,870	7,621,120	7,693,106	8,995,778
<u>\$ 52,040,675</u>	<u>\$ 52,647,441</u>	<u>\$ 52,550,874</u>	<u>\$ 52,230,464</u>	<u>\$ 53,007,805</u>	<u>\$ 55,674,359</u>
\$ 311,605,534	\$ 309,966,501	\$ 315,209,317	\$ 310,099,224	\$ 308,422,049	\$ 306,566,142
3,790,556	3,380,245	3,679,632	2,916,586	2,795,559	3,637,360
15,865,289	14,898,874	1,261,629	1,267,994	2,295,643	7,622,523
<u>\$ 331,261,379</u>	<u>\$ 328,245,620</u>	<u>\$ 320,150,578</u>	<u>\$ 314,283,804</u>	<u>\$ 313,513,251</u>	<u>\$ 317,826,025</u>

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2010	2011	2012	2013
EXPENSES				
Governmental activities				
General government	\$ 2,786,451	\$ 2,574,508	\$ 2,551,465	\$ 2,504,327
Building and zoning	688,512	574,252	603,708	627,008
Community development	413,592	355,570	469,946	507,828
Public safety	7,495,117	7,771,351	7,785,066	7,854,804
Public works	6,465,291	6,443,722	6,466,254	7,560,190
Interest	798,077	810,467	756,086	827,319
Total governmental activities expenses	18,647,040	18,529,870	18,632,525	19,881,476
Business-type activities				
Water and sewer	6,444,545	5,915,469	5,573,478	5,171,212
Garbage	1,995,198	2,088,471	2,272,694	2,069,201
Total business-type activities expenses	8,439,743	8,003,940	7,846,172	7,240,413
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 27,086,783	\$ 26,533,810	\$ 26,478,697	\$ 27,121,889
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 132,928	\$ 34,291	\$ 22,668	\$ 19,489
Building and zoning	513,399	438,255	530,892	546,995
Community development	162,819	169,080	146,390	135,718
Public safety	722,428	708,635	682,086	603,156
Operating grants and contributions	1,380,242	1,218,753	1,207,396	1,561,809
Capital grants and contributions	598,992	3,681,288	3,495,236	3,614,701
Total governmental activities program revenues	3,510,808	6,250,302	6,084,668	6,481,868
Business-type activities				
Charges for services				
Water and sewer	5,308,250	5,497,141	6,261,974	6,695,627
Garbage	2,084,353	2,172,351	2,267,599	2,032,054
Operating grants and contributions	-	-	111,935	636,669
Capital grants and contributions	-	149,056	62,390	-
Total business-type activities program revenues	7,392,603	7,818,548	8,703,898	9,364,350
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 10,903,411	\$ 14,068,850	\$ 14,788,566	\$ 15,846,218
NET REVENUE (EXPENSE)				
Governmental activities	\$ (15,136,232)	\$ (12,279,568)	\$ (12,547,857)	\$ (13,399,608)
Business-type activities	(1,047,140)	(185,392)	857,726	2,123,937
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (16,183,372)	\$ (12,464,960)	\$ (11,690,131)	\$ (11,275,671)

	2014	2015	2016	2017	2018	2019
\$	2,568,401	\$ 2,901,044	\$ 2,901,661	\$ 1,779,446	\$ 3,317,100	\$ 3,572,027
	638,618	656,478	747,864	724,871	680,972	716,259
	707,665	753,815	811,923	2,132,879	2,575,165	970,084
	8,374,812	8,871,896	9,225,417	12,103,554	9,438,787	10,387,606
	7,119,256	8,034,011	9,626,504	9,376,444	7,533,756	7,267,320
	580,528	566,382	477,036	1,415,148	1,344,600	1,322,272
	19,989,280	21,783,626	23,790,405	27,532,342	24,890,380	24,235,568
	5,475,321	5,553,577	5,310,304	5,388,643	5,512,167	5,546,872
	2,105,583	2,257,770	2,415,909	2,346,478	2,408,455	2,465,007
	7,580,904	7,811,347	7,726,213	7,735,121	7,920,622	8,011,879
\$	27,570,184	\$ 29,594,973	\$ 31,516,618	\$ 35,267,463	\$ 32,811,002	\$ 32,247,447
\$	79,360	\$ 17,659	\$ 17,708	\$ 35,305	\$ 30,426	\$ 23,140
	745,449	667,232	556,063	561,658	456,685	979,021
	167,520	177,315	179,470	167,993	176,865	181,347
	631,669	591,515	567,905	499,131	682,412	550,594
	1,148,407	1,142,991	1,117,999	979,002	1,013,662	1,017,585
	2,525,807	270,519	7,305,199	127,631	-	171,470
	5,298,212	2,867,231	9,744,344	2,370,720	2,360,050	2,923,157
	6,223,868	6,024,616	5,375,079	5,325,191	6,108,987	8,063,690
	2,097,286	2,248,211	2,406,951	2,338,068	2,434,270	2,479,258
	99,265	95,321	90,270	84,572	92,370	-
	-	-	-	-	-	70,861
	8,420,419	8,368,148	7,872,300	7,747,831	8,635,627	10,613,809
\$	13,718,631	\$ 11,235,379	\$ 17,616,644	\$ 10,118,551	\$ 10,995,677	\$ 13,536,966
\$	(14,691,068)	\$ (18,916,395)	\$ (14,046,061)	\$ (25,161,622)	\$ (22,530,330)	\$ (21,312,411)
	839,515	556,801	146,087	12,710	715,005	2,601,930
\$	(13,851,553)	\$ (18,359,594)	\$ (13,899,974)	\$ (25,148,912)	\$ (21,815,325)	\$ (18,710,481)

VILLAGE OF OSWEGO, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2010	2011	2012	2013
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 1,395,165	\$ 1,449,154	\$ 1,454,079	\$ 1,344,929
Sales	4,072,717	5,349,488	6,039,345	6,129,126
Telecommunication	1,073,121	1,022,272	1,304,003	959,986
Utility	886,998	1,010,223	959,959	1,009,180
Other	354,165	490,642	511,361	555,475
Intergovernmental - unrestricted				
Income tax	2,304,243	2,261,969	2,460,342	2,735,608
Personal property replacement tax	9,175	10,666	9,627	9,480
Investment income	74,953	100,039	92,563	57,097
Miscellaneous	610,529	722,862	707,593	876,398
Transfers in (out)	-	(1,883,000)	325,470	(1,621,000)
Total governmental activities	10,781,066	10,534,315	13,864,342	12,056,279
Business-type activities				
Miscellaneous	107,450	164,442	14,345	30,761
Investment income	55,376	32,695	44,349	28,448
Transfers in (out)	-	1,883,000	(325,470)	1,621,000
Total business-type activities	162,826	2,080,137	(266,776)	1,680,209
TOTAL PRIMARY GOVERNMENT	\$ 10,943,892	\$ 12,614,452	\$ 13,597,566	\$ 13,736,488
CHANGE IN NET POSITION				
Governmental activities	\$ (1,498,502)	\$ (2,013,542)	\$ 464,734	\$ (1,343,329)
Business-type activities	(22,566)	2,937,863	1,857,161	3,804,146
TOTAL PRIMARY GOVERNMENT	\$ (1,521,068)	\$ 924,321	\$ 2,321,895	\$ 2,460,817

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	1,326,712	\$ 1,327,139	\$ 1,326,196	\$ 1,326,027	\$ 1,404,345	\$ 1,478,624
	6,401,637	7,208,332	8,475,664	10,672,951	11,037,654	11,498,419
	934,655	837,796	751,196	674,036	632,625	663,361
	1,136,668	1,083,899	968,086	1,038,028	1,037,640	1,115,826
	612,825	748,254	856,431	977,856	2,129,642	3,119,911
	2,957,978	2,972,805	3,235,006	2,991,771	2,999,575	3,211,509
	10,923	10,647	9,582	11,539	10,083	10,207
	35,528	35,673	38,718	187,213	336,891	382,044
	1,046,968	1,069,325	1,162,864	1,381,112	1,358,981	2,675,966
	-	-	-	354,725	35,000	-
	14,463,894	15,293,870	16,823,743	19,615,258	20,982,436	24,155,867
	19,657	26,201	43,435	12,783	22,138	4,819
	29,551	23,764	90,430	8,822	75,198	173,406
	-	-	-	(354,725)	(35,000)	-
	49,208	49,965	133,865	(333,120)	62,336	178,225
\$	14,513,102	\$ 15,343,835	\$ 16,957,608	\$ 19,282,138	\$ 21,044,772	\$ 24,334,092
\$	(227,174)	\$ 1,247,809	\$ (8,337,879)	\$ (5,546,364)	\$ (1,547,894)	\$ 2,843,456
	888,723	196,052	146,575	(320,410)	777,341	2,780,155
\$	661,549	\$ 1,443,861	\$ (8,191,304)	\$ (5,866,774)	\$ (770,553)	\$ 5,623,611

VILLAGE OF OSWEGO, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2010	2011	2012*	2013
GENERAL FUND				
Reserved	\$ 160,365	\$ 154,338	\$ -	\$ -
Unreserved - undesignated	5,461,181	4,372,535	-	-
Nonspendable	-	-	88,206	128,249
Unrestricted				
Assigned	-	-	5,021,748	5,021,748
Unassigned	-	-	891,528	606,285
TOTAL GENERAL FUND	\$ 5,621,546	\$ 4,526,873	\$ 6,001,482	\$ 5,756,282
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 2,599,700	\$ 2,828,917	\$ -	\$ -
Unreserved, reported in				
Special Revenue Funds	(242)	-	-	-
Debt Service Funds	-	-	-	-
Capital Project Funds	263,626	349,405	-	-
Nonspendable	-	-	313,658	260,251
Restricted	-	-	2,253,504	2,628,725
Unrestricted				
Assigned	-	-	755,050	697,473
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 2,863,084	\$ 3,178,322	\$ 3,322,212	\$ 3,586,449

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

Data Source

Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
158,983	228,305	327,754	2,255,381	2,288,351	2,473,035
5,358,071	6,119,151	6,071,095	5,405,233	5,357,803	5,665,068
1,180,021	796,189	327,612	-	1,072,236	3,123,211
<u>\$ 6,697,075</u>	<u>\$ 6,697,075</u>	<u>\$ 6,726,461</u>	<u>\$ 7,660,614</u>	<u>\$ 8,718,390</u>	<u>\$ 11,261,314</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
226,679	14,308	5,389	216,934	18,984	216,750
2,909,877	2,711,937	3,020,243	32,209,278	15,986,216	2,776,021
584,001	257,558	865,417	68,041	69,063	5,632,662
-	-	-	(1,608,191)	(1,760,063)	(2,253,830)
<u>\$ 3,720,557</u>	<u>\$ 3,720,557</u>	<u>\$ 3,891,049</u>	<u>\$ 30,886,062</u>	<u>\$ 14,314,200</u>	<u>\$ 6,371,603</u>

VILLAGE OF OSWEGO, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2010	2011	2012	2013
REVENUES				
Taxes	\$ 7,509,857	\$ 8,078,942	\$ 9,289,911	\$ 9,038,711
Licenses and permits	759,162	741,030	807,046	917,933
Intergovernmental	3,129,158	3,885,905	3,243,025	5,176,372
Charges for services	1,594,789	1,349,356	1,651,653	1,353,105
Fines and forfeits	466,995	508,506	478,278	386,811
Contributions	66,394	59,168	46,926	-
Investment income	74,953	100,039	92,563	57,097
Miscellaneous	674,537	798,293	743,581	830,654
Total revenues	14,275,845	15,521,239	16,352,983	17,760,683
EXPENDITURES				
General government	2,570,171	2,368,944	2,083,617	2,159,799
Building and zoning	692,072	573,687	602,123	616,216
Community development	417,585	353,320	467,525	489,809
Public safety	7,281,450	7,555,771	7,759,427	7,926,878
Public works	2,114,545	1,659,059	1,949,282	1,974,580
Capital outlay	3,274,945	243,714	222,351	1,156,074
Debt service				
Principal	740,000	1,010,000	1,060,000	1,130,000
Interest	741,672	811,754	796,970	691,422
Other charges	1,625	1,625	1,625	1,625
Total expenditures	17,834,065	14,577,874	14,942,920	16,146,403
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,558,220)	943,365	1,410,063	1,614,280
OTHER FINANCING SOURCES (USES)				
Transfers in	1,888,737	1,821,696	2,143,087	1,901,294
Transfers (out)	(1,888,737)	(3,704,696)	(1,817,617)	(3,522,294)
Bonds issued at par	2,285,000	-	2,300,000	-
Premium on bonds issued	-	-	92,033	-
Payment to escrow agent	-	-	(2,351,675)	-
Proceeds from sale of capital assets	8,091	2,702	106	25,757
Total other financing sources (uses)	2,293,091	(1,880,298)	365,934	(1,595,243)
NET CHANGE IN FUND BALANCES	\$ (1,265,129)	\$ (936,933)	\$ 1,775,997	\$ 19,037
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.17%	0.00%	12.53%	11.60%

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	9,476,192	\$ 10,364,622	\$ 11,622,629	\$ 14,010,912	\$ 15,122,713	\$ 16,376,480
	1,048,980	991,724	823,358	640,310	560,000	957,909
	4,032,226	4,155,089	4,200,784	4,038,211	4,467,253	5,158,984
	1,438,488	1,300,758	1,262,366	1,196,028	1,166,722	1,540,569
	409,699	428,127	350,808	308,930	407,848	198,708
	-	-	-	-	-	-
	35,528	35,673	38,718	186,019	336,557	381,370
	1,004,152	883,905	980,528	1,231,937	1,208,641	2,432,207
	17,445,265	17,445,265	19,279,191	21,612,347	23,269,734	27,046,227
	2,292,962	2,393,196	2,626,290	2,974,460	3,203,737	3,244,167
	637,964	654,696	713,458	686,781	692,144	702,296
	698,354	750,705	790,683	628,891	762,537	831,901
	8,526,113	8,816,774	8,969,361	9,159,034	9,203,251	9,475,462
	2,426,556	3,644,432	3,601,144	2,348,681	2,703,854	2,532,330
	187,303	421,149	345,037	5,986,153	19,246,402	12,505,871
	1,145,000	1,225,000	1,305,000	1,340,000	1,335,000	1,285,000
	619,817	542,425	465,476	1,046,381	1,585,570	1,537,572
	1,625	1,625	1,625	1,625	1,625	1,625
	16,535,694	16,535,694	18,818,074	24,172,006	38,734,120	32,116,224
	909,571	909,571	461,117	(2,559,659)	(15,464,386)	(5,069,997)
	1,779,063	1,807,607	1,780,387	3,362,608	3,023,016	2,824,200
	(1,779,063)	(1,807,607)	(1,780,387)	(3,862,608)	(3,073,016)	(3,154,700)
	6,770,000	2,955,000	-	27,105,000	-	-
	387,715	176,385	-	3,883,608	-	-
	(7,170,687)	(3,132,668)	-	-	-	-
	16,124	1,203	28,945	217	300	825
	3,152	3,152	28,945	30,488,825	(49,700)	(329,675)
\$	912,723	\$ 912,723	\$ 490,062	\$ 27,929,166	\$ (15,514,086)	\$ (5,399,672)
	10.96%	10.96%	9.83%	11.17%	12.94%	14.66%

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
2009	2010	\$ 1,011,885	\$ 790,703,227	\$ 132,681,817	\$ 8,887,396	\$ 3,000	\$ 27,693	\$ 933,315,018	0.1400	\$ 2,802,747,802	33.30%
2010	2011	874,234	748,097,856	132,123,809	8,779,509	3,015	27,693	933,315,018	0.1453	2,802,747,802	33.30%
2011	2012	916,416	700,657,817	126,530,094	8,573,857	3,015	27,693	836,708,892	0.1453	2,512,639,315	33.30%
2012	2013	959,934	645,685,646	124,345,342	8,468,446	3,015	27,723	779,490,106	0.1560	2,340,811,129	33.30%
2013	2014	1,038,430	615,982,517	119,791,336	8,090,629	-	27,693	744,930,605	0.1633	2,237,028,844	33.30%
2014	2015	1,264,871	618,500,657	118,659,688	8,068,396	-	27,693	746,521,305	0.1634	2,241,805,721	33.30%
2015	2016	1,448,288	654,818,991	119,120,630	7,426,266	-	27,693	782,841,868	0.1558	2,350,876,480	33.30%
2016	2017	1,517,689	702,215,302	119,846,365	7,426,266	-	27,693	831,033,315	0.1541	2,495,595,541	33.30%
2017	2018	1,588,286	743,170,473	120,811,248	7,426,266	-	27,693	873,023,966	0.1539	2,621,693,592	33.30%
2018	2019	1,662,077	795,067,146	121,152,574	7,426,266	-	96,281	925,404,344	0.1540	2,778,992,024	33.30%

Note: Property in the Village is reassessed each year. Property is assessed at 33.30% 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	Will County	Kendall County
2009	2010	\$ 0.0079	\$ -	\$ 0.0259	\$ 0.1062	\$ -	\$ 0.1400	\$ -	\$ 0.5734
2010	2011	0.0081	-	0.0246	0.1141	-	0.1468	-	0.6396
2011	2012	-	-	0.0228	0.1225	-	0.1453	-	0.6998
2012	2013	-	-	0.0205	0.1355	-	0.1560	-	0.7446
2013	2014	-	-	0.0042	0.1591	-	0.1633	-	0.8009
2014	2015	-	-	0.0049	0.1585	-	0.1634	0.1634	0.8085
2015	2016	-	-	-	0.1558	-	0.1558	0.1586	0.7909
2016	2017	0.0001	-	0.0001	0.1539	-	0.1541	0.1540	0.7477
2017	2018	0.00001	-	0.00001	0.1539	-	0.1539	0.1532	0.7088
2018	2019	0.00272	-	0.00002	0.1513	-	0.1540	0.1540	0.6728

Note: the levy year is the year of filing and the fiscal year is the year of collections.

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	
\$ 0.0729	\$ 0.0944	\$ 5.0600	\$ 0.4037	\$ 0.5731	\$ 0.2012	\$ 0.3594	\$ 0.1675	\$ 7.5056	\$ 7.6456	
0.0790	0.1041	5.8377	0.4115	0.6286	0.2206	0.3830	0.1804	8.4845	8.6313	
0.0800	0.1204	6.6572	0.4702	0.6713	0.2449	0.4116	0.1870	9.5424	9.6877	
0.0845	0.1495	7.3488	0.5306	0.7216	0.2721	0.4203	0.1963	10.4683	10.6243	
0.0920	0.1640	7.8596	0.5690	0.7806	0.2961	0.4872	0.2059	11.2553	11.4186	
0.0947	0.1826	7.8803	0.5973	0.8045	0.3058	0.5103	0.2124	11.5598	11.7232	
0.0904	0.1787	7.3176	0.5885	0.7871	0.2996	0.4973	0.2027	10.9114	11.0672	
0.0855	0.1755	6.9712	0.5601	0.7524	0.2864	0.4764	0.1917	10.4009	10.5550	
0.0814	0.1752	6.9131	0.5514	0.7377	0.2808	0.4668	0.1824	10.2508	10.4047	
0.0763	0.1503	6.7944	0.5413	0.7133	0.2721	0.4502	0.1711	9.9958	10.1498	

VILLAGE OF OSWEGO, ILLINOIS

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

Last Ten Levy Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Village of Oswego	\$ 0.1400	\$ 0.1468	\$ 0.1453	\$ 0.1560	\$ 0.1633	\$ 0.1634	\$ 0.1558	\$ 0.1541	\$ 0.1539	\$ 0.1540
Will County	-	-	-	-	-	0.1634	0.1586	0.1540	0.1532	0.1540
Kendall County	0.5734	0.6396	0.6998	0.7446	0.8009	0.8085	0.7909	0.7477	0.7088	0.6728
Oswego Township	0.0729	0.0790	0.0800	0.0845	0.0920	0.0947	0.0904	0.0855	0.0814	0.0763
Kendall County Forest Preserve	0.0944	0.1041	0.1204	0.1495	0.1640	0.1826	0.1787	0.1755	0.1752	0.1503
Oswego School CU-308	5.0600	5.8377	6.6572	7.3488	7.8596	7.8803	7.3176	6.9712	6.9131	6.7944
Waubonsie JC #516	0.4037	0.4115	0.4702	0.5306	0.5690	0.5973	0.5885	0.5601	0.5514	0.5413
Oswego Fire Protection District	0.5731	0.6286	0.6713	0.7216	0.7806	0.8045	0.7871	0.7524	0.7377	0.7133
Oswego Library District	0.2012	0.2206	0.2449	0.2721	0.2961	0.3058	0.2996	0.2864	0.2808	0.2721
Oswego Park District	0.3594	0.3830	0.4116	0.4203	0.4872	0.5103	0.4973	0.4764	0.4668	0.4502
Oswego Road District	0.1675	0.1804	0.1870	0.1963	0.2059	0.2124	0.2027	0.1917	0.1824	0.1711
TOTAL	\$ 7.6456	\$ 8.6313	\$ 9.6877	\$ 10.6243	\$ 11.4186	\$ 11.7232	\$ 11.0672	\$ 10.5550	\$ 10.4047	\$ 10.1498

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

Levy year finances the subsequent fiscal year (i.e., Levy Year 2017 finances Fiscal Year 2019).

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018 Levy			2009 Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
RPAI Oswego Douglas LLC	\$ 5,523,701	1	0.60%			
Farmington Lakes, LLC	5,232,066	2	0.57%	5,751,642	2	0.62%
Richport Property Prairie Market, LLC	4,566,626	3	0.49%			
Meijer Stores LTD Partnership	4,037,374	4	0.44%	4,075,208	5	0.44%
Oswego Gerry Centennial, LLC	3,946,450	5	0.43%	3,814,105	6	0.41%
Wal-Mart Real Estate Business Trust	3,733,483	6	0.40%	3,753,190	7	0.40%
SVAP III Praririe Market LLC	3,523,259	7	0.38%			
Oswego Partners, LLC	2,738,331	8	0.30%			
Target Corporation	2,098,468	9	0.23%	2,819,421	10	0.30%
Home Depot USA	1,766,595	10	0.19%	2,977,568	9	0.32%
Inland Western Oswego Douglass				6,646,042	1	0.71%
KDR Limited Partnership				4,180,168	3	0.45%
KDR-Oswego Associates LLC				4,098,757	4	0.44%
Jewel Food Stores				3,224,917	8	0.35%
	<u>\$ 37,166,353</u>		<u>4.03%</u>	<u>\$ 41,341,018</u>		<u>4.44%</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
2009	\$ 1,306,268	\$ 1,303,787	99.81%	\$ (736)	\$ 1,303,051	99.75%
2010	1,306,204	1,304,363	99.86%	1,639	1,306,002	99.98%
2011	1,216,073	1,215,196	99.93%	(466)	1,214,730	99.89%
2012	1,216,083	1,214,638	99.88%	(258)	1,214,380	99.86%
2013	1,216,099	1,214,768	99.89%	(776)	1,213,992	99.83%
2014	1,219,666	1,218,564	99.91%	-	1,218,564	99.91%
2015	1,219,659	1,218,341	99.89%	(340)	1,218,001	99.86%
2016	1,280,500	1,279,300	99.91%	(126)	1,279,174	99.90%
2017	1,343,522	1,342,562	99.93%	(338)	1,342,224	99.90%
2018	1,424,095	-	0.00%	-	-	0.00%

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

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

Data Source

Office of the County Clerk

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

Calendar Year	Village Direct Rate	County Rate	County Public Safety Rate	State Rate	Total
2010	1.00%	0.25%	1.00%	5.00%	7.25%
2011	1.00%	0.25%	1.00%	5.00%	7.25%
2012	1.00%	0.25%	1.00%	5.00%	7.25%
2013	1.50%	0.25%	1.00%	5.00%	7.75%
2014	1.50%	0.25%	1.00%	5.00%	7.75%
2015	1.50%	0.25%	1.00%	5.00%	7.75%
2016	2.25%	0.25%	1.00%	5.00%	8.50%
2017	2.25%	0.25%	1.00%	5.00%	8.50%
2018	2.25%	0.25%	1.00%	5.00%	8.50%
2019	2.25%	0.25%	1.00%	5.00%	8.50%

Data Source

Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

GENERAL SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General merchandise	\$ 1,017,002	\$ 1,044,682	\$ 897,868	\$ 1,052,030	\$ 1,032,790	\$ 1,772,784	\$ 2,289,392	\$ 1,739,752	\$ 1,722,784	\$ 1,757,995
Food	608,638	561,369	520,995	465,110	477,393	448,860	736,908	569,734	618,676	674,222
Drinking and eating places	543,990	538,906	566,591	598,064	639,448	714,404	1,193,258	844,653	896,932	934,789
Apparel	200,655	228,374	379,146	252,180	263,034	267,752	414,947	287,756	296,426	323,051
Furniture, H.H. and Radio	260,491	267,536	266,894	246,453	229,101	226,135	365,219	226,675	187,436	197,172
Lumber, building hardware	302,034	313,492	281,290	215,643	249,375	268,823	418,433	292,939	304,910	313,645
Automobile and filling stations	1,004,753	1,113,413	1,309,894	1,467,995	1,497,855	941,139	1,108,625	979,398	1,022,267	1,107,645
Drugs and miscellaneous retail	501,300	550,689	578,602	665,416	693,093	740,026	800,399	749,123	757,550	746,246
Agriculture and all others	184,054	132,674	186,966	369,659	324,119	329,249	563,734	301,602	289,574	330,647
Manufacturers	76,516	74,224	23,368	23,555	23,724	25,620	53,463	49,030	41,374	48,753
TOTAL	\$ 4,699,433	\$ 4,825,359	\$ 5,011,615	\$ 5,356,105	\$ 5,429,931	\$ 5,734,792	\$ 7,944,378	\$ 6,040,662	\$ 6,137,929	\$ 6,434,165
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%

Note: Data available for calendar year only.

Data Source

Illinois Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General merchandise	\$ -	\$ 200,098	\$ 317,148	\$ 358,345	\$ 355,684	\$ 524,363	\$ 519,197	\$ 1,291,982	\$ 1,288,092	\$ 1,327,313
Food	-	61,378	109,599	79,882	82,826	76,165	136,196	317,198	348,693	394,376
Drinking and eating places	-	132,401	279,711	294,925	317,169	354,581	395,760	1,044,375	1,107,532	1,149,490
Apparel	-	59,752	155,532	126,033	131,438	133,754	138,204	354,666	369,862	403,123
Furniture, H.H. and Radio	-	74,095	131,635	121,668	113,174	112,355	120,653	281,364	233,614	246,510
Lumber, building hardware	-	74,964	140,120	107,447	124,058	134,167	139,352	361,767	380,543	391,808
Automobile and filling stations	-	128,593	292,333	315,667	284,747	185,903	156,009	386,040	437,955	493,765
Drugs and miscellaneous retail	-	90,094	189,861	229,725	233,106	249,264	219,204	562,918	571,499	584,103
Agriculture and all others	-	26,246	79,016	176,477	153,561	156,634	138,599	353,244	344,593	365,367
Manufacturers	-	16,907	9,130	9,547	9,736	9,904	16,448	56,253	46,427	55,536
TOTAL	\$ -	\$ -	\$ -	\$ 1,819,716	\$ 1,805,500	\$ 1,937,090	\$ 1,979,622	\$ 5,009,807	\$ 5,128,810	\$ 5,411,391
VILLAGE HOME RULE TAX RATE	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	1.25%	1.25%	1.25%

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

Data Source

Illinois Department of Revenue

VILLAGE OF OSWEGO, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Alternate Revenue Bonds	IEPA Loans Payable	General Obligation Alternate Revenue Bonds			
2010	\$ -	\$ 19,355,000	\$ 1,470,363	\$ 17,875,000	\$ 38,700,363	4.69%	\$ 1,275
2011	-	18,345,000	1,359,041	16,870,000	36,574,041	3.78%	1,188
2012	-	17,325,000	1,244,716	15,850,000	34,419,716	3.62%	1,119
2013	-	16,195,000	1,127,309	14,635,000	31,957,309	3.20%	1,039
2014	-	15,970,483	1,006,733	14,001,417	30,978,633	3.03%	1,007
2015	-	14,951,903	882,903	13,045,195	28,880,001	2.61%	873
2016	-	13,050,000	756,148	11,790,000	25,596,148	2.39%	778
2017	-	38,815,000	625,125	10,730,000	50,170,125	4.67%	1,517
2018	-	37,480,000	533,609	9,420,000	47,433,609	4.29%	1,395
2019	-	36,195,000	480,292	8,275,000	44,950,292	3.50%	1,276

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

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

Data Source

Village Finance Department

VILLAGE OF OSWEGO, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES BONDED DEBT

April 30, 2019

Governmental Unit	Gross Bonded Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Village of Oswego	\$ 36,195,000	100.00%	\$ 36,195,000
Oswego Community Unit School District #308	290,728,062	56.59%	163,537,271
Yorkville Community Unit School District #115	79,733,737	1.92%	1,530,888
Kendall County	26,020,000	28.82%	7,470,469
Kendall County Forest Preserve	35,860,000	28.82%	10,295,581
Waubensee Community College #516	52,510,000	9.52%	4,998,952
Oswegoland Park District	8,985,000	64.59%	5,778,403
Oswego Public Library District	5,780,000	58.52%	3,375,519
Will County	<u>365,555,885</u>	0.00%	<u>1,975</u>
Total Overlapping Debt	<u>865,172,684</u>		<u>196,989,058</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 901,367,684</u></u>		<u><u>\$ 233,184,058</u></u>
Per capita overlapping debt			<u><u>\$ 7,085.29</u></u>

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

Data Source

Kendall County Clerk

VILLAGE OF OSWEGO, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	*	*	*	*	*	*	*	*	*	*
Total net debt applicable to limit	*	*	*	*	*	*	*	*	*	*
LEGAL DEBT MARGIN	*	*	*	*	*	*	*	*	*	*
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	*	*	*	*	*	*	*	*	*	*

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

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

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

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

VILLAGE OF OSWEGO, ILLINOIS

**PLEDGED-REVENUE COVERAGE
GOVERNMENTAL ACTIVITIES**

Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue	Net Available Revenue	General Obligation Bonds Debt Service		Coverage
			Principal	Interest	
2010	\$ 4,072,717	\$ 4,072,717	\$ 740,000	\$ 743,297	2.75
2011	5,349,488	5,349,488	1,010,000	813,379	2.93
2012	6,039,346	6,039,346	1,060,000	798,595	3.25
2013	6,129,126	6,129,126	1,130,000	693,047	3.36
2014	6,401,537	6,401,537	1,145,000	621,442	3.62
2015	7,208,331	7,208,331	1,225,000	544,050	4.07
2016	7,589,959	7,589,959	1,305,000	467,101	4.28
2017	10,672,951	10,672,951	1,340,000	1,048,006	4.47
2018	11,025,546	11,025,546	1,285,000	1,538,300	3.91
2019	11,498,419	11,498,419	1,325,000	1,500,200	4.07

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	
2010	\$ 5,363,112	\$ 3,577,194	\$ 1,785,918	\$ 970,000	\$ 703,325	\$ 108,397	\$ 40,029	0.98
2011	5,527,817	3,408,690	2,119,127	1,005,000	825,637	111,322	37,089	1.07
2012	6,304,099	3,173,278	3,130,821	1,050,000	743,619	114,325	34,085	1.61
2013	6,722,980	2,766,698	3,956,282	1,110,000	746,247	117,409	31,457	1.97
2014	6,252,863	3,326,221	2,926,642	940,000	573,524	120,576	27,925	1.76
2015	6,047,998	3,400,092	2,647,906	995,000	531,418	123,830	24,538	1.58
2016	5,464,827	3,187,991	2,276,836	1,025,000	510,043	126,755	21,693	1.35
2017	5,333,551	3,330,660	2,002,891	1,085,000	441,106	71,517	15,184	1.24
2018	6,183,690	3,450,220	2,733,470	1,145,000	293,825	73,316	13,385	1.79
2019	8,241,742	3,609,878	4,631,864	1,155,000	262,875	75,161	11,539	3.08

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
2010	30,355	\$ 954,543,330	\$ 31,446	8.50%
2011	30,780	950,763,420	30,889	8.70%
2012	30,750	1,013,058,750	32,945	8.00%
2013	30,750	1,033,384,500	33,606	8.30%
2014	30,750	1,027,234,500	33,406	7.00%
2015	33,100	1,075,352,800	32,488	5.00%
2016	32,901	1,089,483,714	33,114	5.20%
2017	33,078	1,098,454,224	33,208	3.40%
2018	34,000	1,213,154,000	35,681	2.70%
2019	35,237	1,285,163,864	36,472	2.50%

Data Source

U.S. Census Bureau Fact Sheet

VILLAGE OF OSWEGO, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2019				2010			
Employer	Rank	Number	% of Total Village Population	Employer	Rank	Number	% of Total Village Population
Oswego Comm. Unit School Dist. No. 308	1	1,893	5.4%	Oswego Comm. Unit School Dist. No. 308	1	1,631	4.4%
Jewel/Osco - 2 locations	2	362	1.0%	Jewel/Osco	2	475	1.5%
Meijer Corporation	3	300	0.9%	Wal-Mart Stores, Inc.	3	450	1.4%
Wal-Mart Stores	4	283	0.8%	Meijer Corporation	4	425	1.3%
Radiac Abrasives, Inc.	5	250	0.7%	Dominick's Fresh Foods, Inc.	5	275	0.9%
Coldwell Banker Honig-Bell	6	225	0.6%	Lowe's Home Improvement, Inc.	6	250	0.8%
Target Corporation	7	136	0.4%	Target Corporation	7	250	0.8%
Village of Oswego	8	119	0.3%	Home Depot USA	8	250	0.8%
Home Depot USA	9	115	0.3%	Kohl's	9	225	0.7%
UPS Freight	10	100	0.3%	Anfinsen Assembly, Inc.	10	150	0.5%

Data Source

Village of Oswego

VILLAGE OF OSWEGO, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2010*	2011*	2012*	2013*	2014*	2015*	2016*	2017*	2018*	2019*
GENERAL GOVERNMENT										
Administration	10.00	7.00	6.00	6.00	6.75	6.75	6.75	7.75	7.50	7.50
Community Relations	-	-	1.50	2.00	2.00	2.00	2.00	2.00	2.25	2.25
Building and Zoning	6.00	7.00	7.00	7.30	7.30	7.30	7.30	7.30	7.50	7.50
Community Development	4.00	4.00	4.00	5.00	5.00	5.00	6.00	5.00	4.00	4.00
Economic Development	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Finance	4.00	6.00	6.00	6.00	6.00	7.00	6.00	6.00	6.00	6.00
Information Technology	-	-	-	-	-	-	-	1.00	1.25	1.00
PUBLIC SAFETY										
Police										
Officers	49.00	49.00	49.00	49.00	49.00	49.00	49.00	50.00	50.00	49.00
Civilians	13.00	13.50	13.50	13.50	14.00	15.00	15.00	15.00	15.00	16.00
PUBLIC WORKS										
Road and Bridge/Water and Sewer	24.00	23.50	23.50	21.50	21.00	23.50	22.00	23.00	24.50	24.50
TOTAL	110.00	110.00	111.50	111.30	112.05	116.55	115.05	118.05	119.00	118.75

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

Data Source

Village budget office

VILLAGE OF OSWEGO, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
BUILDING AND ZONING										
Permits issued	1,123	1,492	982	1,285	1,191	1,585	1,530	1,624	2,115	1,833
COMMUNITY DEVELOPMENT										
Total year end requested projects	46	45	47	38	34	48	41	27	50	51
Total year end projects approved	45	45	46	27	32	45	34	23	19	28
PUBLIC SAFETY										
Police										
Physical arrests	1,371	1,140	1,201	1,174	997	748	741	688	518	518
Parking violations	758	1,137	505	604	1,225	1,297	547	997	1,608	2,553
Traffic violations	4,565	5,033	5,246	11,622	12,548	10,841	11,017	12,391	10,679	10,190
Criminal reports	2,185	1,770	1,862	4,339	3,982	1,436	1,048	1,332	1,162	1,178
Calls for service	46,378	47,813	25,128	22,607	23,568	22,885	19,317	24,946	24,321	24,231
ROAD AND BRIDGE										
Pothole repairs (tons)	94	65	109	31	37	80	30	25	28	20
Parkway tree replacement	57	-	1	214	586	546	733	604	591	602
WATER										
Number of accounts	10,350	10,344	10,597	10,733	10,829	10,873	11,083	11,177	11,289	11,361
Total annual consumption	898,847,000	895,657,000	868,978,000	909,085,000	971,176,000	934,131,000	915,941,000	847,515,000	842,397,000	800,823,000
Average daily consumption	2,462,595	2,453,855	2,380,762	2,490,644	2,660,756	2,559,263	2,509,427	2,321,958	2,307,936	2,194,036
Peak daily consumption	5,951,000	4,588,000	4,146,000	4,723,000	4,943,000	4,683,000	4,175,000	3,964,000	3,964,000	3,964,000
Water main breaks	13	7	9	10	9	3	13	7	11	12
Water service repairs	8	11	69	4	74	153	73	63	147	117
Main line valve repairs	-	-	5	-	1	-	4	1	1	27
Fire hydrant replacements	1	-	4	4	2	4	7	4	2	2

Data Source

Various village departments

VILLAGE OF OSWEGO, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	37	34	34	32	34	33	33	32	32	32
PUBLIC WORKS										
Miles of streets	128	128	128	128	129	139	156	156	156	156
Streetlights	2,126	2,133	2,145	2,149	2,149	2,149	2,153	2,153	2,160	2,160
Traffic signals	20	20	20	20	24	24	24	24	24	24
WATER										
Water mains (miles)	161	161	161	162	162	162	163	163	165	165
Fire hydrants	2,511	2,503	2,543	2,544	2,543	2,543	2,559	2,559	2,760	2,760
Storage capacity (gallons)	3,800,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000

Data Source

Various village departments

AGENDA ITEM

MEETING TYPE: Village Board

MEETING DATE: October 15, 2019

SUBJECT: Calendar Year 2019 Village of Oswego Property Tax Levy

ACTION REQUESTED:

Staff requests Village Board direction on preparation of the 2019 Property Tax Levy

BOARD/COMMISSION REVIEW:

N/A

ACTION PREVIOUSLY TAKEN:

Date of Action	Meeting Type	Action Taken
N/A	N/A	

DEPARTMENT: Finance

SUBMITTED BY: Mark G. Horton, CPFO, Finance Director

FISCAL IMPACT:

The amount of property tax levied for calendar year 2019 will provide revenues to support financing the expenditures of Fiscal Year 2021, May 1, 2020 – April 30, 2021.

BACKGROUND:

Each year, staff discusses increasing, decreasing or maintaining the property tax levy rate with the Village Board prior to preparing the Ordinances for Village Board approval.

DISCUSSION:

The Village tax levy must be adopted by the Village Board and filed with the County Clerk’s office by the last Thursday in December. Three scenarios for the Levy of property taxes for calendar year 2019 are being presented for consideration based on an estimated 5% equalized assessed value (EAV) increase provided by the Kendall County Supervisor of Assessments.

- Levy the dollars necessary to support 100% of the Village contribution to the Police Pension Fund; levy amount of \$1,542,957.

- Maintain the property tax levy at the same tax rate as the 2018 tax levy; \$0.1540 per \$100 of equalized assessed valuation; levy amount of \$1,498,392
- Lower the 2018 tax rate by 1%; levy amount of \$1,483,450

2019 Tax Levy Options						
Description	Levy Amount	Increase in \$ of levy	% increase in levy	Tax rate	% increase/decrease in tax rate	Estimated tax increase for property with assessed value of \$250,000
Calendar 2018 tax levy	\$1,423,956			0.154		
Funding for Police pension only	\$1,542,957	\$119,001	8%	0.15856	3%	\$10.45
Tax rate equal to tax rate last year	\$1,498,392	\$74,436	5%	0.15398	0%	\$6.71
Decrease tax rate 1%	\$1,483,450	\$59,494	4%	0.1524	-1%	\$5.45
Estimated EAV increase of 5.23%						

The first scenario would levy \$1,542,957 to be collected and remitted to the Police Pension Fund to satisfy the actuarially determined minimum annual Village contribution to the Police Pension Fund. The annual contribution is increasing by \$147,171 due to several factors. Assumption changes from updates to the Mortality tables, retirement rates, disability rates and termination rates increased the annual contribution by \$96,342. Reducing the remaining years of amortizing the actuarial unfunded liability for the pension fund from 22 years to 20 years to align with best practices increased the Village contribution by \$50,829.

Scenario two would be to levy the dollars which would maintain the tax rate at the same level as the 2018 tax rate of \$0.1540 per \$100 of assessed value. This will generate approximately \$74,436 in additional property tax revenue because of the increase in the EAV and new growth in the tax base.

The third scenario would levy an amount which would decrease the 2018 tax rate by 1%. This would result in the Village receiving \$59,494 in additional property tax revenue because of the increase in the EAV and reduce the tax rate to approximately \$0.1524.

The resulting impact to the annual property tax burden on residents under each of the scenarios can be seen in the table. For properties assessed at \$250,000, the Village portion of the bill would increase in the range of \$5.45 to \$10.45. For comparison, a \$250,000 home last year paid approximately \$8,500 in property taxes, with about \$128 going to the Village of Oswego.

Six individual levy abatements for outstanding bond issues will be on the agenda at the Village Board meeting on November 5th. These levies are automatically extended by the county clerk unless abated (not levied) by the Village Board. The total amount abated for calendar 2019 is \$3,895,975.

Two special service area levies will also be on the November 5th Village Board agenda for adoption. These two levies are for the Fox Chase Estates area for maintenance of the detention pond and landscape berm along Mill Road. The levies generate approximately \$550 to offset some of the cost of the maintenance.

RECOMMENDATION:

Staff is requesting Village Board direction to prepare the tax levy ordinances for consideration at the Village Board meeting on November 5, 2019.

ATTACHMENTS:

N/A