

City of Genoa, Illinois
Comprehensive
Annual Financial Report



For the Fiscal Year Ended
April 30, 2016

CITY OF GENOA, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2016

Prepared By:

City of Genoa, Illinois
Department of Finance

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS

Page(s)

INTRODUCTORY SECTION

| | |
|---|------|
| Letter of Transmittal | i-x |
| Certificate of Achievement for Excellence in Financial Reporting..... | xi |
| Principal Officials | xii |
| Organizational Chart..... | xiii |

FINANCIAL SECTION

| | |
|------------------------------------|-----|
| INDEPENDENT AUDITOR’S REPORT | 1-3 |
|------------------------------------|-----|

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

| | |
|---|-----------|
| Management’s Discussion and Analysis..... | MD&A 1-12 |
|---|-----------|

Basic Financial Statements

Government-Wide Financial Statements

| | |
|---------------------------------|-----|
| Statement of Net Position | 4-5 |
| Statement of Activities | 6-7 |

Fund Financial Statements

Governmental Funds

| | |
|---|----|
| Balance Sheet | 8 |
| Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position | 9 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | 10 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities..... | 11 |

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

| | |
|---|----|
| Statement of Net Position..... | 12 |
| Statement of Revenues, Expenses, and Changes in Net Position..... | 13 |
| Statement of Cash Flows | 14 |

Fiduciary Funds

| | |
|--|----|
| Statement of Fiduciary Net Position | 15 |
| Statement of Changes in Fiduciary Net Position | 16 |

| | |
|-------------------------------------|-------|
| Notes to Financial Statements | 17-50 |
|-------------------------------------|-------|

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

| | |
|---------------------------|----|
| General Fund | 51 |
| Refuse Disposal Fund..... | 52 |
| CDAP Loan Fund | 53 |

Schedule of Employer Contributions

| | |
|--|----|
| Illinois Municipal Retirement Fund | 54 |
| Police Pension Fund | 55 |

Schedule of Changes in the Employer's Net Pension Liability
and Related Ratios

| | |
|--|----|
| Illinois Municipal Retirement Fund | 56 |
| Police Pension Fund | 57 |

Schedule of Investment Returns

| | |
|---------------------------|----|
| Police Pension Fund | 58 |
|---------------------------|----|

| | |
|---|----|
| Notes to Required Supplementary Information | 59 |
|---|----|

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

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

MAJOR GOVERNMENTAL FUNDS

| | |
|---|-------|
| Schedule of Revenues - Budget and Actual - General Fund | 60-61 |
| Schedule of Detailed Expenditures - Budget and Actual - General Fund..... | 62-67 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Utility Tax Fund | 68 |

NONMAJOR GOVERNMENTAL FUNDS

| | |
|--|-------|
| Combining Balance Sheet | 69-70 |
| Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances | 71-72 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual | |
| Road and Bridge Fund..... | 73 |
| Motor Fuel Tax Fund..... | 74 |
| Developers Contributions Fund..... | 75 |
| River Bend Special Service Area (SSA) Fund | 76 |
| Derby Estate Special Service Area (SSA) Fund..... | 77 |
| Oak Creek Estates Special Service Area (SSA) Fund..... | 78 |
| Debt Service Fund | 79 |

MAJOR PROPRIETARY FUNDS

| | |
|--|-------|
| Water and Sewer Fund by Subaccount | |
| Combining Schedule of Net Position | 80 |
| Combining Schedule of Revenues, Expenses, and Changes in Net Position | 81 |
| Combining Schedule of Cash Flows | 82 |
| Water and Sewer Fund | |
| Water and Sewer Operating Subaccount | |
| Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual | 83 |
| Schedule of Operating Expenses - Budget and Actual..... | 84-86 |
| Water Improvement Subaccounts | |
| Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual | 87 |
| Sewer Equipment Replacement Subaccount | |
| Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual | 88 |

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES (Continued)

INTERNAL SERVICE FUND

| | |
|--|----|
| Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual Equipment Replacement Fund | 89 |
|--|----|

FIDUCIARY FUNDS

| | |
|---|----|
| Schedule of Changes in Plan Net Position - Budget and Actual Police Pension Fund | 90 |
| Schedule of Changes in Assets and Liabilities - Escrow Deposit Fund..... | 91 |

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL ACTIVITIES

| | |
|--|----|
| Schedule of General Capital Assets and Accumulated Depreciation..... | 92 |
|--|----|

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

| | |
|--|----|
| Schedule of General Long-Term Debt | 93 |
|--|----|

STATISTICAL SECTION

Financial Trends

| | |
|--|---------|
| Net Position by Component | 94-95 |
| Change in Net Position..... | 96-99 |
| Fund Balances of Governmental Funds | 100-101 |
| Changes in Fund Balances of Governmental Funds | 102-103 |

Revenue Capacity

| | |
|---|-----|
| Assessed Value and Estimated Actual Value of Taxable Property | 104 |
| Property Tax Rates - Direct and Overlapping Governments | 105 |
| Principal Property Taxpayers | 106 |
| Property Tax Levies and Collections | 107 |
| Taxable Revenues..... | 108 |
| Taxable Retail Sales by Category | 109 |

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

| | <u>Page(s)</u> |
|--|----------------|
| STATISTICAL SECTION (Continued) | |
| Debt Capacity | |
| Ratios of Outstanding Debt by Type..... | 110 |
| Ratios of General Bonded Debt Outstanding..... | 111 |
| Direct and Overlapping Governmental Activities Debt..... | 112 |
| Legal Debt Margin Information | 113 |
| Pledged-Revenue Coverage | 114 |
| Demographic and Economic Information | |
| Demographic and Economic Information..... | 115 |
| Principal Employers | 116 |
| Operating Information | |
| City Employees by Function | 117 |
| Operating Indicators | 118 |
| Capital Asset Statistics | 119 |



September 1, 2016

Members of the City Council
Residents of the City of Genoa

The Comprehensive Annual Financial Report of the City of Genoa, Illinois for the fiscal year ended April 30, 2016 is submitted herewith. The report consists of management's representations concerning the finances of the City of Genoa. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Genoa's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework on internal controls had been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The City has implemented GASB Statement No. 34, Basic Financial Statements - and Management Discussion and Analysis - for state and local governments, including infrastructure reporting. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Sikich, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Genoa for the year ended April 30, 2016, are free from material misstatement. 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 their audit that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended April 30, 2016 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require 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 is required to present the financial position of a government and results of operations in a manner similar to that of a business. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

This report includes all funds and activities of the City. Generally accepted accounting principles require that the financial reporting entity include (1) the primary government, (2) organizations for

Police Department

333 East First Street, Genoa, IL 60135
(815) 784-6633 • Fax (815) 784-2951

Municipal Center

333 East First Street, Genoa, IL 60135
(815) 784-2327 • Fax (815) 784-2988

Public Works

333 East First Street, Genoa, IL 60135
(815) 784-2271 • Fax (815) 784-4271

which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these criteria, there are no agencies or entities whose financial data should be combined with and included in the basic financial statements of the City.

Profile of the City of Genoa

The City of Genoa is located in the northeastern part of DeKalb County, 60 miles west of downtown Chicago, and 20 miles southeast of Rockford, the State's third largest city. The State's second largest public university, Northern Illinois University, is located in the City of DeKalb, about 10 miles south of Genoa. The DeKalb County seat, the City of Sycamore, is seven miles south of Genoa.

The City was settled in 1835 by Thomas Madison, a Revolutionary War soldier from Ashtabuhla County, Ohio. He named Genoa after a town of the same name in New York State. Genoa was incorporated as a Village in 1876 and as a City on September 9, 1911. Genoa's Main Street runs on the line of the historic Galena-Chicago trail. One of Genoa's first buildings was the old stagecoach hotel known as the Pacific House, which still stands on Main Street. During its early history, Genoa flourished as a service center for the surrounding agricultural community.

The population of Genoa was 1,690 at the 1950 Census, increasing to 2,318 in 1960 and to 3,003 in 1970. Population was stable in the 1970's and 1980's, increasing slightly to 3,083 at the 1990 Census. The population increased to 4,169 at the 2000 Census (up 35.2%). The results of the regular Census in 2010 indicated a population of 5,193, an increase of 24.6% from 2000.

The City of Genoa operates under the Mayor/Aldermanic form of government with an elected Mayor and eight (8) Aldermen. The City provides a wide range of services including police protection, water supply, sanitary sewer collection and treatment, storm water collection, public works operations, road maintenance, building and inspection services, development planning, and general administrative services. The City's latest Comprehensive Plan was adopted in November 2003.

Local Economy and Finances

The City of Genoa is an established residential community, with 79.6% of the City's tax base classified residential and 20.4% commercial/industrial and other. The City's emphasis on economic development efforts over the past few years has provided an increase of about 50% in the City's non-residential tax base, bolstering the City's commercial and industrial tax base percentage. The City has experienced significant residential development since the mid 1990's and it is expected that with increasing signs of recovery from the recent national economic downturn, the previous interest in residential development will continue in the foreseeable future. In 2002 the City annexed the River Bend subdivision with a total of 496 planned residential units. As of April 30, 2016, 237 building permits have been issued in River Bend and it is expected that the subdivision will be built-out over the next few years. In addition to the River Bend Subdivision, home construction is underway in the Derby Estates Subdivision which eventually will comprise

68 large lot custom home residential units. Also, Oak Creek Estates with 177 residential units has been approved, with homes constructed on some lots. The City also annexed and approved a Preliminary Plat of Subdivision and Preliminary Planned Unit Development for Founder's Pointe East, which would provide 56 large lot single family sites for custom homes.

Despite slower building activity nationally due to difficult economic conditions, the City's construction permitting remained active during the 2015 and 2016 construction seasons, continuing the shift towards remodeling, decks, fences, sheds, pools, residential additions and miscellaneous permits rather than complete new structures. During Fiscal Year 2016, the City issued a total of 181 Building Permits, a significant increase from the 114 permits issued in Fiscal Year 2015. Comparatively, 130 permits were issued in Fiscal Year 2014, 102 in 2013, 134 in 2012, and 105 in 2011 and 94 in 2010, showing that Fiscal Year 2016 reflected positive economic activity. In addition, single family permits continued with 7 new home permits in Fiscal Year 2016, 4 new home permits 2015, 3 new home permits in 2014, 3 new home permits in 2013, 4 permits in 2012, and 4 permits in fiscal year 2011, following one of the stronger levels in the area during 2010 with 12 new housing starts, and issuing 0 new units in fiscal year 2009. As the economy slowed in 2008-09 the City adjusted to anticipated lower activity, first by contracting out a significant portion of the full-time inspector staff time to a private firm, thereby reducing City net expense, and then shifting to a part-time Building Inspector and part-time Plumbing Inspector.

Although primarily residential in nature, the City has placed a significant emphasis on economic development within the City. The addition of a part-time Economic Development Director in 2003 and the later upgrade of that position to full-time status in 2005 greatly enhanced the City's potential for new commercial and industrial development.

Some of the results of the economic development activity have been demonstrated in the new Prairie Ridge Pointe Commercial/Industrial Center on Route 23. This area has experienced the addition in the past few years of a new 33,500 square foot grocery store, a new National Bank and Trust facility, and a new medical office building for Kishwaukee Health Systems. Most recent additions have been a 12,000 square foot ACE Hardware retail facility, and a 17,000 square foot multi-tenant shopping center on Lot 6 in Prairie Ridge Pointe, joining this growing commercial area. Further, a new Bank and second commercial building has been approved for Lot 5. The previous owner of the Shopping Center recently received approval from the Illinois Department of Transportation for an added right-in/right-out access to Route 23. This additional access, and a cross-access road between the Grocery Store property and the Shopping Center across the future Bank lot, were both constructed in late 2012. The Shopping Center was sold in 2015 and buildout of about 5,000 square feet for a gymnastics training school was recently completed as a result of a new owner's planned use. Subsequent to the end of the Fiscal Year, Energym and a Sylvan Learning Center opened in the Center.

Also, just across Route 23 to the east from Prairie Ridge Pointe, the City has annexed, zoned, and approved the Preliminary PUD and Plat of Subdivision for the "Crossroads of Genoa", a 104 acre Industrial and Commercial Park located along the east side of Route 23. This represents the largest industrial/commercial plan in the City's history, and will provide the City a more competitive economic development position by having a Corporate Center type of development with rail access and a variety of approved and readily useable sites.

During the past few years, PetroLiance, the largest independent ExxonMobil fuel distributor in the U. S., moved to Genoa and has continued to provide a significant boost to the City's sales tax base, becoming the City's foremost retail sales tax generator. Additionally, Custom Aluminum Products expanded their operations by acquiring the 290,000 square foot manufacturing facility formerly occupied by AG Communications Systems and began generating sales tax to the City through their opening of a retail showroom for windows, kitchen cabinets, doors, millwork and other building products in Genoa. This past Fiscal Year, Custom Aluminum completed a 37,500 square foot expansion, making it the largest industrial expansion in over two decades. The purpose of the expansion was to allow for a new aluminum extrusion press so that more manufacturing could be completed at the Genoa location without shipping out for services. Custom Aluminum also built two new storage buildings amounting to 8,400 square feet.

As a demonstration of the City's Economic Development efforts, despite the dearth of national economic activity, the first new industrial building in a number of years was constructed recently with the new Service Concepts Building in the Pearson South Centre development. This Company relocated into Genoa from another County, and also provided some additional leasable space in their new building. This project received economic incentive support from **every** local government taxing body, accomplished through the City shepherding the request through the various local governments. Service Concepts also utilized the low interest loan program of the City as part of their project. During the current Fiscal Year, the City assisted Service Concepts in the acquisition of an adjacent lot and plans for a second building to accommodate their growth. During a prior Fiscal Year, a vacant building was acquired and reopened as Walnut Street Daycare with similar economic incentive assistance.

Each of the above businesses adds to the commercial/industrial tax base and, in addition, has contributed to the improvement to the City's sales tax revenues. In the fiscal year ended April 30, 2005, the City's sales tax revenue totaled \$274,436. Although sales tax has declined in many areas due to the national recession, the City's sales tax for Fiscal Year 2015-2016 was \$478,641 still representing a significant growth from 2005 with an overall 100% increase.

The economy of the City of Genoa also benefits from two strengths of DeKalb County: Northern Illinois University and a strong agricultural economy.

Northern Illinois University – Founded as a teachers college in 1885, Northern received university status in 1957. Its enrollment grew quickly, to over 20,130 currently. In addition to its well-established programs in education, business, professional studies, liberal arts and sciences, and visual and performing arts, Northern established a law school in 1978 and an engineering program in 1985. The university confers 24 types of degrees with 56 undergraduate majors, 80 graduate majors, and one professional degree (Juris Doctor). NIU's research library contains nearly 2 million volumes and subscriptions to over 15,000 periodicals. The DeKalb campus includes 60 major buildings on 756 acres. Total employment at the University approximates 3,303 full and part time positions.

Another strength of DeKalb County's economy is its productive agricultural lands. At the 2002 Census of Agriculture, the County had 816 farms with an average size of 440 acres. The quality of

DeKalb County's agricultural base can be seen by comparing the average value of the farm and the average value per acre with farms in other Midwestern states. With an average value of \$1,694,178 per farm and \$3,759 per acre, DeKalb County's farms rank number one in value in the Midwestern states and more than three times the average value of all farms in the U.S.

Long-Term Financial Planning

The City uses a number of financial planning processes which are outlined as follows:

Goals and Objectives - this is an annual process in which the City Council and staff review current year operations and express specific projects to be accomplished in the next budget year. Typically, objectives relate to a specific task or project or to a change in methods or operations designed to achieve the stated objective.

Annual Budget - using the information gathered through the goals and objectives process, roadway maintenance evaluation, and capital improvement needs, the annual line item budget is prepared. The budget is structured according to departments and divisions and sets the spending plan for the coming year.

The annual budget is the primary guiding document for the City's financial planning and control. Budgetary control is maintained through monthly revenue and expenditure/expense vs. budget accounting reports provided to the City Council and department heads. All disbursements receive City Council approval. Total expenditures in any fund are legally restricted to the total amount budgeted, which is not changed without supplemental ordinance approval.

Cash Management Policies and Practices

Cash temporarily idle during the year was invested in the Illinois State Treasurer's pool (Illinois Funds), and Certificates of Deposits. The maturities of the investments range from being immediately accessible to twelve months. The City Council approved an investment policy that details the cash management objectives and guidelines for investing City cash. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. In addition, funds on deposit in excess of FDIC limits must be secured by collateral held in safekeeping by a third party.

Long Range Infrastructure Planning and Improvements

The City is continuing the process of evaluating the capacities and planning for the future needs of the City's water and sewer systems. To that end, the City previously completed a *Water System Master Plan and Hydraulic Computer Model Engineering Report* for the Water System. The Report included a computer model of the City's Water System which allows additions or changes in piping size, new mains, storage towers or tanks, or wells to be evaluated on pressure and flow to the existing system. This provides an important tool to ensure any new development provides necessary water mains and upgrades in the existing system from development impact.

A major benefit recently accomplished was completion of the North Central Interceptor Sewer Project funded under a \$2,165,000 IEPA grant/loan through the Federal ARRA program. The City

received approval from the Illinois EPA for the construction of this major Sanitary Sewer interceptor line through the extremely competitive grant/loan program. This Interceptor line has provided a new large capacity transmission line to the City's Wastewater Treatment Plant. About \$500,000 (25%) is a direct grant, the balance funded as a zero interest loan over 20 years. This has substantially improved the sanitary sewer system capacity in extreme rainfall conditions, and provided capacity for economic development on the east side of the City along Route 72 based on the City's Comprehensive Plan focusing on Commercial and Industrial development for this corridor. In addition, possible funding of improvements for the Wastewater Treatment Plant under the IEPA program has continued to be pursued.

The City also recently completed a Wastewater Treatment Plant upgrade, which included replacement of a blower that failed after 35 years of service, with a new high-efficiency blower and installation of a dissolved oxygen sensor at the aeration tanks. Blowers are used to treat wastewater at the Wastewater Treatment Plant, and blower electrical usage is typically 60% to 70% of total energy usage at the plant. The new blower is more energy efficient and has automatic controls so that electricity usage can be turned down when less aeration is needed. The total project cost was approximately \$160,000, but the improvements are estimated to save the City approximately \$17,500 per year in electrical usage. The City received a grant from the Illinois Clean Energy Community Foundation in the amount of almost \$35,000 to help cover the costs of the project. The City continues to seek out opportunities in the form of grants to offset the cost of the turboblower.

During a recent past Fiscal Year, the City's commitment toward infrastructure master planning continued through a County foundation grant for additional stormwater management planning work.

An Urban Forestry Management Plan update for the City was also completed through a \$5,000 grant from the Illinois Department of Natural Resources Urban and Community Forestry Program. The Plan provides the framework for sustaining the City's urban forest, and is used in identifying the current tree conditions to determine the future forestry program needs.

The City is also currently implementing an Accelerated Street Improvement Program. This Program is a product of careful planning and strategy achieved through the 2008 Special Census providing more State shared Motor Fuel Tax (MFT) revenue and gaining access to Surface Transportation Program – Urban (STP-U) Federal funding for the first time.

As part of this effort the City was able to obtain Federal ARRA funding for resurfacing completed for all of West Main Street/Genoa Road within the City limits, along with adjacent side streets of Oak Street, Spring Street, A Street and B Street. In addition all of East First Street, between Sycamore Street and Eureka, was resurfaced as part of this project with about 75% of the total project cost covered by Federal funds. In addition, a major resurfacing of Main Street between Illinois Route 23 and West Main Street/Genoa Road was accomplished with \$500,000 in 100% State funding.

As part of this major initiative, during a prior fiscal year, through MFT bond financing, engineering design and construction was completed for all of Robinson Street; North Locust, between Main and Railroad; North Stott Street; and all of Stiles Street.

As part of the program, the City had previously completed final engineering and obtained a grant contract with the State of Illinois, and during the prior Fiscal Year, completed construction of the Second Street area street resurfacing project. This project benefitted from a grant of \$300,000 from the State Capital Plan providing resurfacing of Second Street from A to Emmett Streets and included the adjacent North Monroe, Washington, and Adams Streets, all between 1st and 2nd Street.

During a previous Fiscal Year a bid was also awarded for construction of the Washington Street resurfacing project, covering Washington Street from Hill Street to Main Street. Grant funds were anticipated to cover about 80% of the cost for this project.

The City also obtained Federal STP grant funding for resurfacing North Brown Street from Route 72/Main Street to the I.C.E. rail tracks, in which grant funds also are anticipated to cover about 80% of the cost of this project. This project was engineered during a prior Fiscal Year and moved up a year because the City had been proactive and ready to proceed, with construction completed in FY 2013-14.

During a prior Fiscal Year, South Emmett Street, Village Green Drive, and a portion of South Hadsall Street were resurfaced. Engineering design underway for additional streets that will be undergoing future resurfacing include South Genoa Street and South Sycamore Street. During the current Fiscal Year, through Motor Fuel Tax funding, street improvements to Jackson Street from Genoa Street to Jackson Court were completed, which amounted to \$235,000. STP Grant funding has also been approved for Sycamore Street resurfacing with a bid letting scheduled for March of 2017. In addition, the City has contracted with an engineering consultant for an updated Street resurfacing multi-year plan.

Major Initiatives

Despite the downturn in the National economy, and in addition to the economic development initiatives reported earlier in this transmittal letter, the City of Genoa has experienced a number of positive economic developments during the past year. These have included:

- Custom Aluminum completed the largest Industrial Expansion in the City in decades with 37,500 square feet of Industrial expansion, plus 2 storage buildings of 8,400 square feet total.
- Although Genoa Main Street discontinued its operations, the City has continued to retain all 3 tenants with new leases in the former Main Street Incubator at 113 N. Genoa Street, thus maintaining all three sections of the building as occupied.
- In the absence of Genoa Main Street, the City has continued to maintain a strong relationship with the Genoa Area Chamber of Commerce to sustain events in the downtown and work together to increase business in Genoa.

- During the Fiscal year the City worked with J6 Polymers to facilitate their acquisition of the vacant former 84 Lumber site. Shortly after the end of the Fiscal Year, J6 closed on their acquisition of the site.
- As part of a rebranding effort, Piggly Wiggly became Butera Market. Butera has become prominent grocery retailer in the Northern Illinois area.
- The Trading Post, an antique store, opened on Main Street.
- Moscato's Pizza, previously located near the intersection of Route 23 and Route 72, moved to a location in the downtown area. The new location allowed for additional seating and an expanded menu.
- A new Irish pub, Minihans, opened up in the downtown area. This location has been popular with its live music, and offers something new for residents of Genoa.
- During the Fiscal year the City worked with Alan Browne Chevrolet to facilitate their retention and expansion in Genoa. Shortly after the end of the Fiscal Year the City entered into an Economic Incentive Agreement for a 16,000 square foot expansion of the dealership.
- As part of a downtown revitalization and rebranding effort, the City has continued to implement the new logo throughout the community. This past fiscal year this included new banners in the downtown area, accompanied by a speaker system to play music throughout the retail and restaurant area. Additionally, City entrance signs were installed at several entrances throughout the City.
- The City negotiated a contract extension with Waste Management that provides for electronic recycling for residents. This was a significant improvement compared to the previous electronic recycling program that was time consuming and troublesome for staff and no longer allowed for recycling of TVs for residents.
- During the Fiscal year the City worked with Karlsbad Tavern to facilitate their major renovation. Karlsbad plans to increase the amount of seating and create a more family orientated atmosphere.
- Subsequent to the end of the Fiscal Year, Energym and a Sylvan Learning Center opened in the Prairie Ridge Pointe Shopping Center. Both of these businesses offer new services to residents and have seen success since their opening.

- Genoa Motors purchased the property adjacent to their business which allowed for additional retail space and the offering of new services such as auto detailing and tires.

This year the City worked closely with DCEDC and became one of the limited participating municipalities in an intergovernmental agreement to be designated an Enterprise Zone. The City was able to work for inclusion of significant land area for the application, which was filed before the end of the calendar year deadline, to be designated one of a limited number Enterprise Zones in the State.

As a further commitment to emergency preparedness during this past year an emergency backup generator has been installed for the Municipal center to ensure that governmental assistance, particularly Police operations, can continue despite power outages or disasters disrupting electric supply. Also during this past year, City staff continued participation in the “all risks assessment” process at the County level resulting in City inclusion in the County plan.

The City continued implementation of a Federal grant for approximately \$48,000 for open space development in the area between River Bend, Oak Creek and the Russell Woods Forest Preserve. This grant was awarded to the City shortly after the beginning of Fiscal Year 2008/09. Unlike most grants, a local share contribution may not be required and may cover 100% of project goals. This U.S. Department of Agriculture grant is expected to cover the cost over a seven year period for restoration of native landscape in the areas of open space obtained by the City from developer open space donations. These open space areas along the Kishwaukee River, coupled with Citizens/Carroll Park and the adjacent Russell Woods Forest Preserve, provides an opportunity for Genoa residents to enjoy approximately 300 acres of primarily natural open space.

This Fiscal Year construction proceeded on installation of a pedestrian pathway through two grants obtained by the City, one from the DeKalb County Forest Preserve Commission for \$5,000, and the second from Commonwealth Edison for \$10,000 towards installing trails in this large open space area. The ComEd grant was one of just 17 awarded by ComEd and Openlands, in the Inaugural Green Region environmental grant program throughout Northern Illinois. Genoa received the maximum funding level of \$10,000 per project.

The City initiated work on development of a Tax Increment Financing District for the Downtown area. The City engaged Teska & Associates, an eminent and respected development design firm to assist in this process. During the Fiscal Year, the eligibility phase of the report was completed with eligibility established under the more desirable conservation area criteria contained in State Statute.

The City developed its first Economic Development Video promoting the qualities of the community, which was added to the City’s new website.

Significant effort was placed on a complete update to the City’s Personnel Policy, including development of many additional policies for current issues creating a Comprehensive Personnel Policy Manual. The Policy was adopted by the City Council early in the Fiscal Year.

The City continued membership in NIGEC, a governmental electric purchasing Cooperative in which the City was a founding member. This has reduced electrical cost on a continuing basis for the Water and Sewer Operations.

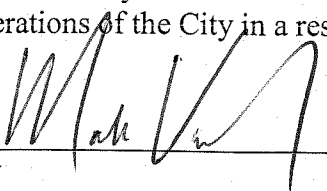
The City successfully passed a referendum in a prior Fiscal Year to help its residents potentially save money on their electric bills. The City Council adopted an ordinance to place a referendum question on the March 20, 2012 General Election ballot regarding *electrical aggregation*. To further potential savings for residents, and as another example of the City's success in intergovernmental relations, the City became a founding member with a group of other local governments in an intergovernmental agreement, NIGEAC – the Northern Illinois Governmental Electric Aggregation Consortium. This resulted in greater efficiency by sharing the implementation efforts with a larger group, and further resulted as intended by providing a large base of customers in an effort to attract favorable pricing with a winning supply bid of 47% below ComEd pricing. NIGEAC indicated that the group's first year rate of 4.169 cents/kWh was lower than just about every other aggregation program in the Commonwealth Edison service territory. Residents and small businesses have saved nearly \$4.0 million in the first year of their program, and because of the outstanding rate achieved for Genoa and the other communities participating in NIGEAC, the average resident and small business participating in our program saved over \$400 in the first year. The results from rebidding for the fourth year rate continued to be a savings compared to the ComEd rate.

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 City of Genoa for its comprehensive annual financial report for the year ended April 30, 2015. This was the tenth straight year that Genoa has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this current report conforms to Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The completion of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the City of Genoa. Special mention should be made of the work of David Jepson, our financial advisor retiring with the completion of this year's audit, who assisted Jan Tures in the preparation of this year's report and all its supporting schedules. We wish to express our appreciation to those persons who have made possible the publication of this report, and to thank the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.



Mark Vicary
Mayor



Government Finance Officers Association

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

Presented to

**City of Genoa
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

CITY OF GENOA, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2016

CITY COUNCIL

Mark Vicary, Mayor

ALDERMEN

Jonathon Brust

Katie Lang

Glennis Carroll

James Stevenson

Chuck Cravatta

JoAnn Watson

Laurie B Curley

Pam Wesner

Dennis B DiGuido, City Clerk

CITY ADMINISTRATION

Joe Misurelli, City Administrative Consultant

Robert Smith, Police Chief

Richard Gentile, Public Works Director

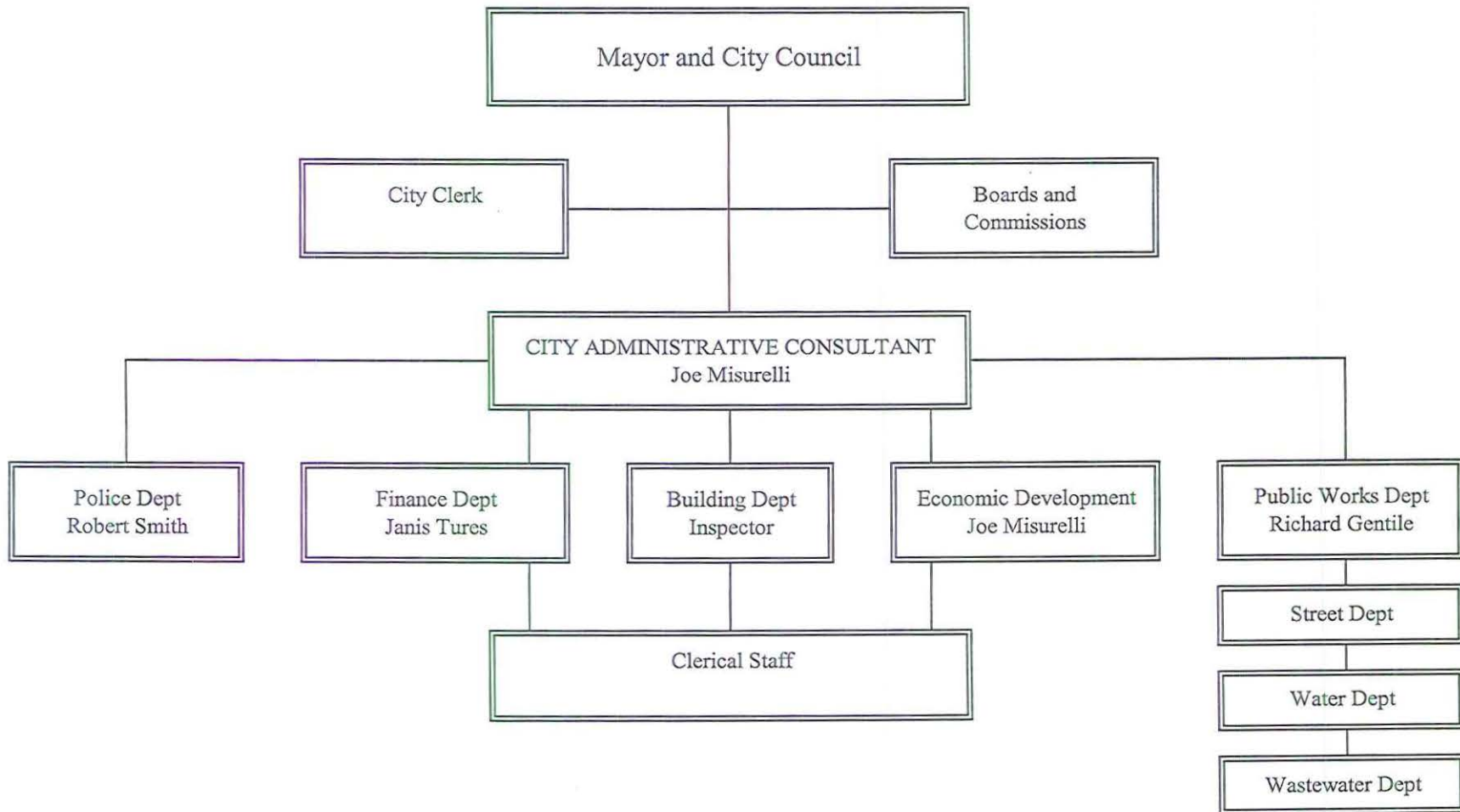
Janis Tures, Finance Office Manager

Janis Tures, Treasurer

CITY OF GENOA, ILLINOIS

Organization Chart

April 30, 2016



INDEPENDENT AUDITOR'S REPORT



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Genoa, 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 City of Genoa, Illinois (the City), as of and for the year ended April 30, 2016, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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 City of Genoa, Illinois as of April 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 12, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses, modified certain disclosures in the notes to the financial statements, and the required supplementary information. 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 City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules 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. Such 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 combining and individual fund statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended April 30, 2015, which are not presented with the accompanying financial statements. In our report dated September 24, 2015, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The 2015 comparative information included in the combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the 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 2015 financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2015 comparative information included on the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Sikich LLP

Naperville, Illinois
September 1, 2016

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF GENOA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2016

The management of the City of Genoa, Illinois (the "City") offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2016. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The focus of the Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources management focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government'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 the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future (e.g., earned but unused compensated absences).

Both of the government-wide financial statements (see pages 4-5) distinguish functions of the City that are principally 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 of the City reflect the City's basic services, including administration, police, community development, and public works. The business-type activities include the operations of the water system and the sewer system.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements to be more familiar. The focus of the presentation is on major funds rather than fund types. 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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental 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

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Refuse Disposal Fund, CDAP Loan Fund and Utility Tax Fund each of which is considered to be a "major" fund. Data from the other eight governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual schedules elsewhere in the report.

The City adopts an annual budget for each of its governmental funds. A budgetary comparison statement has been provided elsewhere in the report to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 8-11 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds: Enterprise and Internal Service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for the operations of its water and sewer system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for the costs of funding vehicle and equipment replacements. Because most of the City's costs for these vehicle and equipment replacements relate to governmental activities, internal service fund activities have been reported as governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Fund, an Enterprise Fund, the Equipment Replacement Fund, and an Internal Service Fund. The Water and Sewer Fund is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 12-14 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting for fiduciary funds is much like that used for proprietary funds, except for agency funds which have no measurement focus. The City maintains two fiduciary funds: the Police Pension Fund, a pension trust fund, and the Escrow Deposit Fund, an agency fund.

The basic fiduciary fund financial statements can be found on pages 15-16 of this report.

Infrastructure Assets

Historically, a government’s largest group of assets (infrastructure assets – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental column of the government-wide statements. Additionally, the government must elect to: (1) depreciate the assets over their useful life; or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity (modified approach). The City has chosen to depreciate assets over the useful life. If a road project is considered maintenance - a recurring cost that does not extend the original useful life or expand its capacity - the cost of the project will be expensed. An “overlay” of a road will be considered maintenance whereas a “rebuild” of a road will be capitalized.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17-50 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI). The RSI includes schedules of revenues, expenditures, and change in fund balance - budget and actual for the General Fund, Refuse Disposal Fund, and the CDAP Loan Fund along with information concerning the City’s progress in funding its pension benefits obligations. Required supplementary information can be found on pages 51-59 of this report.

The combining and individual schedules referred to earlier in connection with non-major governmental funds are presented immediately following the Notes to Required Supplementary Information. Combining and individual fund schedules can be found on pages 60-93 of this report.

Statistical Information

The last section of the report includes 20 schedules that present detailed information as a context for better understanding what the financial statements, note disclosures, required supplementary information, and the combining and individual fund schedules say about the City’s overall financial health. Many of these statistical schedules include ten years of historical data. The statistical schedules may be found on pages 94-119.

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Financial Analysis of the City as a Whole

GOVERNMENT-WIDE STATEMENTS

Net Position

The table below reflects the City's condensed Statement of Net Position:

Table 1
Statement of Net Position
April 30, 2015 and 2016

| | Governmental Activities | | Business-Type Activities | | Primary Government | |
|--|-------------------------|--------------|--------------------------|--------------|--------------------|---------------|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| Current & Other Assets | \$ 4,163,634 | \$ 4,116,231 | \$ 1,540,150 | \$ 1,365,139 | \$ 5,703,784 | \$ 5,481,370 |
| Capital Assets, Net | 6,945,941 | 7,137,519 | 8,179,448 | 8,118,422 | 15,125,389 | 15,255,941 |
| Deferred Outflows | - | 1,421,976 | - | 173,420 | - | 1,595,396 |
| Total Assets and Deferred Outflows | 11,109,575 | 12,675,726 | 9,719,598 | 9,656,981 | 20,829,173 | 22,332,707 |
| Current Liabilities | 550,607 | 724,274 | 132,556 | 34,650 | 683,163 | 758,924 |
| Noncurrent Liabilities | 1,345,067 | 5,548,584 | 1,292,685 | 1,353,317 | 2,637,752 | 6,901,901 |
| Deferred Inflows | 768,363 | 813,567 | - | 53,477 | 768,363 | 867,044 |
| Total Liabilities and Deferred Inflows | 2,664,037 | 7,086,425 | 1,425,241 | 1,441,444 | 4,089,278 | 8,527,869 |
| Net Position: | | | | | | |
| Net Investment In | | | | | | |
| Capital Assets | 5,875,941 | 6,230,519 | 6,885,158 | 6,907,635 | 12,761,099 | 13,138,154 |
| Restricted | 1,390,782 | 1,104,110 | - | - | 1,390,782 | 1,104,110 |
| Unrestricted | 1,178,815 | (1,745,328) | 1,409,199 | 1,307,902 | 2,588,014 | (437,426) |
| Total Net Position | \$ 8,445,538 | \$ 5,589,301 | \$ 8,294,357 | \$ 8,215,537 | \$ 16,739,895 | \$ 13,804,838 |

During the fiscal year ended April 30, 2016, net position of governmental activities decreased \$2,856,237 while business-type assets decreased \$78,820 for an overall net increase of \$2,935,057. Substantially all of this decrease was related to the implementation of GASB Statement No. 68 which requires the reporting of the net pension liability for both the police pension plan and IMRF on the statement of net position.

For more detailed information see the Statement of Net Position (pages 4-5).

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Activities

The table below summarizes the revenue and expenses of the City's activities for the fiscal year ended April 30, 2016.

Table 2
Changes In Net Position
For the Fiscal Year Ended April 30, 2015 and 2016

| | Governmental Activities | | Business-Type Activities | | Primary Government | |
|----------------------------------|-------------------------|--------------|--------------------------|--------------|--------------------|---------------|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| REVENUES | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 628,702 | \$ 647,478 | \$ 1,290,181 | \$ 1,341,482 | \$ 1,918,883 | \$ 1,988,960 |
| Operating Grants | 185,848 | 148,017 | - | - | 185,848 | 148,017 |
| Capital Grants | - | - | - | 34,992 | - | 34,992 |
| General Revenues | | | | | | |
| Property Taxes | 733,629 | 767,242 | - | - | 733,629 | 767,242 |
| Sales Tax | 461,798 | 478,641 | - | - | 461,798 | 478,641 |
| Utility Taxes | 371,420 | 341,817 | - | - | 371,420 | 341,817 |
| State Income Tax | 507,574 | 553,430 | - | - | 507,574 | 553,430 |
| Other Taxes | 164,661 | 181,184 | - | - | 164,661 | 181,184 |
| Investment Income | 12,775 | 13,725 | 837 | 700 | 13,612 | 14,425 |
| Miscellaneous | 4,426 | 18,123 | - | 11,203 | 4,426 | 29,326 |
| Total Revenues | 3,070,833 | 3,149,657 | 1,291,018 | 1,388,377 | 4,361,851 | 4,538,034 |
| EXPENSES | | | | | | |
| General Government | 528,482 | 538,045 | - | - | 528,482 | 538,045 |
| Public Safety | 1,250,472 | 1,541,343 | - | - | 1,250,472 | 1,541,343 |
| Highways and Streets | 707,898 | 749,855 | - | - | 707,898 | 749,855 |
| Sanitation | 386,546 | 404,228 | - | - | 386,546 | 404,228 |
| Interest | 44,609 | 39,328 | - | - | 44,609 | 39,328 |
| Water and Sewer System | - | - | 1,426,774 | 1,574,229 | 1,426,774 | 1,574,229 |
| Total Expenses | 2,918,007 | 3,272,799 | 1,426,774 | 1,574,229 | 4,344,781 | 4,847,028 |
| CHANGE IN NET POSITION | 152,826 | (123,142) | (135,756) | (185,852) | 17,070 | (308,994) |
| NET POSITION, MAY 1 | 8,292,712 | 8,445,538 | 8,430,113 | 8,294,357 | 16,722,825 | 16,739,895 |
| Change in Accounting Principle | - | (2,733,095) | - | 107,032 | - | (2,626,063) |
| NET POSITION, MAY 1, AS RESTATED | 8,292,712 | 5,712,443 | 8,430,113 | 8,401,389 | 16,722,825 | 14,113,832 |
| NET POSITION, APRIL 30 | \$ 8,445,538 | \$ 5,589,301 | \$ 8,294,357 | \$ 8,215,537 | \$ 16,739,895 | \$ 13,804,838 |

NORMAL IMPACTS

There are eight basic impacts on revenues and expenses as reflected below:

Revenues

Economic condition – this can reflect a declining, stable, or growing economic environment and has a significant impact on sales, income, and utility tax revenue as well as on public spending for building permits, elective user fees, and consumption volumes.

Increase/Decrease in City approved rates – while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase or decrease rates (water and sewer rates, permit fees, and certain other local taxes, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring or one-time grants are less predictable and often distort their impact on year-to-year comparisons.

Market impacts on investment income – the City's cash management program is managed using a similar maturity to most other local governments. Market conditions may cause investment income to fluctuate.

Expenses

Introduction of new programs – within functional expense categories, individual programs may be added or deleted in order to meet the changing needs of the City.

Changes in authorized personnel – changes in service demand may cause the City Council to increase or decrease staffing levels. Personnel costs are the City's most significant operating costs.

Salary increases (annual adjustments and merit) – the ability to attract and retain quality personnel requires the City to strive to have competitive salary ranges and pay practices.

Inflation – while overall inflation has been reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels and repair parts. Some functions may experience unusual commodity specific increases.

CURRENT YEAR IMPACTS

Governmental Activities

Revenues

Total revenues for the City's governmental activities for the fiscal year ended April 30, 2016 were \$3,149,657, an increase of \$78,824 from the previous year.

Although the increase in governmental revenues was relatively small, the fact that there was an increase is encouraging in light of the City's somewhat uncertain economic environment. The improvement in revenues can be attributed to increases in property taxes and certain state shared taxes. Sales Tax revenue fluctuations are primarily attributable to a lawsuit filed against the City and the City's greatest contributor to sales tax revenue. The suit is based on a change in interpretation by the Illinois Department of Revenue regarding the jurisdiction where sales taxes should be reported. The effect is that the City has escrowed sales tax receipts from this business since December 1, 2013. Expectations are that the lawsuit will be resolved in favor of the City.

State income taxes and use taxes are important sources of revenue for the City. They have shown steady increases over the last several years, but after a flat fiscal year ending April 30, 2015, the City had an increase for the fiscal year ending April 30, 2016, with a total revenue of \$553,430. One of the serious concerns of Genoa and all Illinois municipalities is the continued dire financial condition of the State of Illinois.

Two other areas of concern are utility taxes and investment income. Utility taxes (5% on natural gas and electric) and a telecommunications tax of 6% contributed \$341,817 to governmental revenues for the year ended April 30, 2016. This amount is \$30,103 lower than the 2015 fiscal year, and they are down about \$100,000 from 2008. Investment income totaled \$13,725, an increase of \$950 from the prior year. While lower interest rates have been helpful for the economic recovery, they have substantially reduced a "supplementary" source of revenue for the City. For example, in the year ended April 30, 2007, the city recorded \$114,035 in investment income in governmental funds compared to the \$13,725 in the current year.

Service charges were up \$18,776 and operating grants were down \$37,831 during the fiscal year ended April 30, 2016. Service charges include permit-type fees, fines, refuse service charges, and payments to the Equipment Replacement Fund, an internal service fund. Operating grants include State shared motor fuel taxes, receipts from a jobs initiative program, and several reimbursement amounts.

Expenses

Total expenses for the City's governmental activities for the fiscal year ended April 30, 2016 were \$3,272,799, an increase of \$354,792 or about 12.2% from the previous year. Expenses for Highways and Streets were up \$41,957 and Public Safety by \$290,871. As required by GASB Statement No. 34, total expenses include depreciation and interest on general governmental debt, but it excludes expenditures for capital assets.

Public safety expenses related to the operations of the Police Department accounted for \$1,541,343, or 47% of total expenses. Highways and streets followed with 24%, general governmental and interest accounted for 18%, and sanitation expenses for refuse pick up and disposal amounted to 12%.

Business-Type Activities

Revenues

Total program revenues for the City's business-type activities for the fiscal year ended April 30, 2016 were \$1,376,474. This amount included \$57,148 from water and sewer tap-on fees and \$34,992 in grant revenue. Revenues for water and sewer services, including tap-on fees, provided about 90% of total related business-type expenses, (operating expenses plus depreciation).

Expenses

Total expenses for the City's business-type activities for the fiscal year ended April 30, 2016 were \$1,574,229. Operating expenses for the City's water and sewer systems were \$1,270,892 with an additional \$303,337 for depreciation. When depreciation expense is included in total expenses, net assets of business-type activities decreased \$185,852 during the year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Genoa uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As of April 30, 2016, the governmental funds (as presented on the balance sheet on page 8) have combined fund balances of \$2,114,572. This represents an overall decrease of \$257,272 from the prior year with the General Fund increasing \$33,933, the Utility Tax Fund decreasing by \$93,677 and other governmental funds decreasing \$197,528.

The increase in the fund balance of the General Fund of \$33,933 follows a decrease last fiscal year of \$14,050 and increases of \$76,359, \$107,885, \$75,080, and \$212,009 in the four previous fiscal years. These increases totaling \$471,433 follow seven years where fund balances declined \$705,757. These results over the last five fiscal years can be attributed to a modest increase in revenues and the impact of a conscious effort to reduce expenditures. Over the past seven years, there has been a reduction of eight full time equivalent positions representing a reduction in personnel costs of over 25%.

For the fiscal year ended April 30, 2016, total revenues in the General Fund were up \$119,269, primarily due to an increase in income, use and property tax revenues. General Fund expenditures increased \$111,286 in the 2016 fiscal year. One of the City's ongoing concerns is sharply increased police pension costs which along with social security and medicare taxes represent about 64% of police base salaries.

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 3 shows the budgeted and the actual revenues and expenditures for the General Fund:

Table 3
General Fund Budgetary Highlights
For the Fiscal Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|--------------------|---------------------|-------------------|-------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | \$ 1,347,810 | \$ 1,347,810 | \$ 1,330,769 | \$ 1,296,918 |
| Licenses and Permits | 33,550 | 33,550 | 46,554 | 37,053 |
| Franchise Fees | 57,500 | 57,500 | 65,296 | 61,364 |
| Intergovernmental Revenues | 595,050 | 595,050 | 712,461 | 647,712 |
| Fines and Forfeits | 43,500 | 43,500 | 38,813 | 46,850 |
| Investment Income | 400 | 400 | 2,013 | 173 |
| Miscellaneous | 90,460 | 90,460 | 100,041 | 86,608 |
| Total Revenue | 2,168,270 | 2,168,270 | 2,295,947 | 2,176,678 |
| EXPENDITURES | | | | |
| General Government | 378,635 | 458,635 | 410,968 | 435,566 |
| Public Safety | 1,288,365 | 1,288,365 | 1,309,049 | 1,202,424 |
| Highways and Streets | 524,185 | 544,185 | 541,997 | 505,260 |
| Capital Outlay | - | - | - | 7,478 |
| Total Expenditures | 2,191,185 | 2,291,185 | 2,262,014 | 2,150,728 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (22,915) | (122,915) | 33,933 | 25,950 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | - | - | - | (40,000) |
| NET CHANGE IN FUND BALANCE | <u>\$ (22,915)</u> | <u>\$ (122,915)</u> | 33,933 | (14,050) |
| FUND BALANCE, MAY 1 | | | <u>931,729</u> | <u>945,779</u> |
| FUND BALANCE, APRIL 30 | | | <u>\$ 965,662</u> | <u>\$ 931,729</u> |

Total General Fund revenues of \$2,295,947 came in \$127,677 higher than the budgeted amount, while expenditures were \$29,171 more than the final amount budgeted. The net result is there was an increase in fund balance of \$33,933.

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The General Fund balance as of April 30, 2016 totaled \$965,662. A fund balance of \$965,662 equals 43% of current year expenditures and indicates a reasonably good financial position.

When appropriate, the City amends the budget during the last six months of the budget year to reflect unanticipated changes during the year. The final budget figures include an amendment increasing the originally approved budget in the General Fund by \$100,000, \$400 in the Derby Estates SSA Fund and \$29,000 in the Water and Sewer Operating Fund. The increase in the General Fund was to provide for increased legal fees and personnel costs and the Water and Sewer Operating fund was for increased personnel costs.

Capital Assets

The following schedule reflects the City's capital asset balances as of April 30, 2016.

Table 4
Capital Assets
As of April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---------------------------|----------------------------|-----------------------------|---------------|---------------|
| | Governmental Activities | Business-Type Activities | Total | Total |
| Land | \$ 576,926 | \$ 200,000 | \$ 776,926 | \$ 776,926 |
| Building and Improvements | 1,700,679 | - | 1,700,679 | 1,674,852 |
| Equipment and Vehicles | 2,129,931 | - | 2,129,931 | 2,141,181 |
| Infrastructure | 5,403,366 | - | 5,403,366 | 5,086,416 |
| Construction In Progress | - | - | - | 19,656 |
| Water and Sewer System | - | 14,456,347 | 14,456,347 | 14,219,910 |
| | 9,810,902 | 14,656,347 | 24,467,249 | 23,918,941 |
| Less: | | | | |
| Accumulated Depreciation | (2,673,383) | (6,537,925) | (9,211,308) | (8,793,552) |
| Total Capital Assets | \$ 7,137,519 | \$ 8,118,422 | \$ 15,255,941 | \$ 15,125,389 |

At year-end, the City's investment in capital assets (net of accumulated depreciation) for both its governmental and business-type activities was \$15,255,941 an increase of \$130,552 during the current year (see note 5 in the Notes to the Financial Statements for further information regarding capital assets). Major capital asset events during the fiscal year ended April 30, 2016 included the following:

- General Government monument signs and equipment \$60,902.
- Police vehicle and equipment \$52,607.
- Public Works vehicle and equipment \$72,060.
- Street Improvements \$316,950.
- Water and sewer system improvements for \$242,311.

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Long-Term Debt

The City of Genoa had total long-term debt of \$6,901,901 outstanding as of April 30, 2016. This total consisted of \$610,000 of 2005 General Obligation Alternate Revenue Bonds, 2010 General Obligation Alternate Revenue Bonds of \$297,000, and \$1,210,787 for an IEPA Installment Loan, along with Compensated Absences of \$227,497 and a Net Pension Obligation for police pensions of \$4,430,927 and IMRF of \$125,690.

The table below summarizes the City's outstanding long-term debt.

Table 5
Long-Term Debt
As of April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | As Restated 5/1/2015 |
|-------------------------|----------------------------|-----------------------------|--------------|-------------------------|
| | Governmental Activities | Business-Type Activities | Total | Total |
| Alternate Revenue Bonds | | | | |
| 2005 Bonds | \$ 610,000 | \$ - | \$ 610,000 | \$ 720,000 |
| 2010 Bonds | 297,000 | - | 297,000 | 350,000 |
| IEPA Installment Loan | - | 1,210,787 | 1,210,787 | 1,294,290 |
| Compensated Absences | 161,638 | 65,859 | 227,497 | 241,369 |
| Net Pension Liability | | | | |
| IMRF | 49,019 | 76,671 | 125,690 | - |
| Police Pension Plan | 4,430,927 | - | 4,430,927 | 2,927,122 |
| Total Long-Term Debt | \$ 5,548,584 | \$ 1,353,317 | \$ 6,901,901 | \$ 5,532,781 |

The City is currently using a portion of the City's share of motor fuel taxes and utility taxes to pay the annual principal and interest for the governmental activities debt and water and sewer revenues to pay the annual debt service for the business-type activities debt. Compensated Absences for governmental activities and the Net Pension Liability for IMRF and police pensions are usually paid by general revenues. See note 7 in the Notes to the Financial Statements for further information regarding long-term debt.

Economic Factors

The economic picture for the City of Genoa, Illinois, over the short-term is still somewhat uncertain, however, the long-term prospects remain relatively strong. The condition of the national and state economies have had a negative impact on the local economic picture, and the general slow-down in the housing market in the Genoa area has resulted in lower permit and development revenues. However, Genoa is located in a region that has experienced very strong commercial, industrial, and residential growth over the past ten years and it is expected that this activity will resume when general economic conditions improve.

CITY OF GENOA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Although Genoa is primarily a residential community, it has also placed a significant emphasis on commercial/industrial development within the City. Approximately 500 residential home sites are available with the infrastructure in place at the Riverbend, Derby Estates, Oak Creek Estates, and the Founders Pointe East Subdivisions. Commercial/industrial sites are available in the Prairie Ridge Pointe Commercial/Industrial Center on State Route 23, and the Crossroads of Genoa, a 104 acre industrial and commercial park located on the east side of Route 23. The Crossroads of Genoa represents the largest commercial/industrial plan in the City's history and will provide a competitive economic development position by having a corporate center type of development with rail access and a variety of approved and readily useable sites.

The City is continuing the process of planning for the future needs of the City's water and sewer systems. A master plan for the water system was recently completed along with the North Central Interceptor Project. This project has provided a new large capacity transmission line to the City's wastewater treatment plant. The Interceptor Line provides substantially improved sanitary sewer system capacity for economic development along Route 72, on east side of the City.

The City's economic well-being also is positively influenced by the proximity of Northern Illinois University (NIU), the State's second largest public university with 24,000 students and about 9,000 employees. NIU is located about 10 miles South of Genoa in the City of DeKalb, Illinois.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and to demonstrate accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to: Finance Department, City of Genoa, 333 E. First Street, Genoa, Illinois 60135.

CITY OF GENOA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

| | Governmental | Business-Type | |
|---|---------------------|----------------------|--------------|
| | Activities | Activities | Total |
| <hr/> | | | |
| ASSETS | | | |
| Cash | \$ 2,546,029 | \$ 1,265,216 | \$ 3,811,245 |
| Receivables (Net of Allowance, Where Applicable) | | | |
| Property Taxes | 779,377 | - | 779,377 |
| Utility Taxes | 17,632 | - | 17,632 |
| Accounts | 64,572 | 171,875 | 236,447 |
| Other | 318,056 | 44,524 | 362,580 |
| Due From Other Governments | 269,829 | - | 269,829 |
| Internal Balances | 116,476 | (116,476) | - |
| Prepaid Expense | 4,260 | - | 4,260 |
| Capital Assets | | | |
| Nondepreciable | 576,926 | 200,000 | 776,926 |
| Depreciable, Net of Accumulated Depreciation | 6,560,593 | 7,918,422 | 14,479,015 |
| | | | |
| Total Assets | 11,253,750 | 9,483,561 | 20,737,311 |
| <hr/> | | | |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension Items - IMRF | 110,875 | 173,420 | 284,295 |
| Pension Items - Police Pension | 1,311,101 | - | 1,311,101 |
| | | | |
| Total Deferred Outflows of Resources | 1,421,976 | 173,420 | 1,595,396 |
| | | | |
| Total Assets and Deferred Outflows of Resources | 12,675,726 | 9,656,981 | 22,332,707 |
| <hr/> | | | |
| LIABILITIES | | | |
| Accounts Payable | 93,374 | 20,946 | 114,320 |
| Accrued Payroll | 40,169 | 13,704 | 53,873 |
| Accrued Interest Payable | 14,485 | - | 14,485 |
| Other Current Liabilities | 486,136 | - | 486,136 |
| Due to Fiduciary Fund | 76,990 | - | 76,990 |
| Unearned Revenue | 13,120 | - | 13,120 |
| Noncurrent Liabilities | | | |
| Due Within One Year | 180,000 | 93,503 | 273,503 |
| Due in More Than One Year | 5,368,584 | 1,259,814 | 6,628,398 |
| | | | |
| Total Liabilities | 6,272,858 | 1,387,967 | 7,660,825 |
| <hr/> | | | |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Revenue - Property Taxes | 779,377 | - | 779,377 |
| Pension Items - IMRF | 34,190 | 53,477 | 87,667 |
| | | | |
| Total Deferred Inflows of Resources | 813,567 | 53,477 | 867,044 |
| | | | |
| Total Liabilities and Deferred Inflows of Resources | 7,086,425 | 1,441,444 | 8,527,869 |
| <hr/> | | | |

(This statement is continued on the following page.)

CITY OF GENOA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2016

| | Governmental Activities | Business-Type Activities | Total |
|------------------------------------|------------------------------------|-------------------------------------|----------------------|
| NET POSITION | | | |
| Net Investment in Capital Assets | \$ 6,230,519 | \$ 6,907,635 | \$ 13,138,154 |
| Restricted for | | | |
| Economic Development or CDAP Loans | 645,512 | - | 645,512 |
| Highways and Streets | 230,393 | - | 230,393 |
| Capital Improvements | 171,737 | - | 171,737 |
| Special Service Areas | 56,468 | - | 56,468 |
| Unrestricted | (1,745,328) | 1,307,902 | (437,426) |
| TOTAL NET POSITION | \$ 5,589,301 | \$ 8,215,537 | \$ 13,804,838 |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

| FUNCTIONS/PROGRAMS | Program Revenues | | | |
|---------------------------------|-------------------------|-----------------------------|---|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General Government | \$ 538,045 | \$ 191,342 | \$ - | \$ - |
| Public Safety | 1,541,343 | 45,408 | - | - |
| Highways and Streets | 749,855 | 8,291 | 148,017 | - |
| Sanitation | 404,228 | 402,437 | - | - |
| Interest and Fiscal Charges | 39,328 | - | - | - |
| Total Governmental Activities | 3,272,799 | 647,478 | 148,017 | - |
| Business-Type Activities | | | | |
| Water and Sewer Service | 1,574,229 | 1,341,482 | - | 34,992 |
| Total Business-Type Activities | 1,574,229 | 1,341,482 | - | 34,992 |
| TOTAL PRIMARY GOVERNMENT | \$ 4,847,028 | \$ 1,988,960 | \$ 148,017 | \$ 34,992 |

| Net (Expense) Revenue and Change In Net Position | | | |
|---|------------------------------------|-------------------------------------|----------------------|
| Primary Government | | | |
| | Governmental Activities | Business-Type Activities | Total |
| | \$ (346,703) | \$ - | \$ (346,703) |
| | (1,495,935) | - | (1,495,935) |
| | (593,547) | - | (593,547) |
| | (1,791) | - | (1,791) |
| | (39,328) | - | (39,328) |
| | (2,477,304) | - | (2,477,304) |
| | - | (197,755) | (197,755) |
| | - | (197,755) | (197,755) |
| | (2,477,304) | (197,755) | (2,675,059) |
| General Revenues | | | |
| Property Taxes | 767,242 | - | 767,242 |
| Sales Tax | 478,641 | - | 478,641 |
| Utility Taxes | 341,817 | - | 341,817 |
| Video Gaming Tax | 22,153 | - | 22,153 |
| Intergovernmental - Unrestricted | | | |
| State Income Tax | 553,430 | - | 553,430 |
| Personal Property Replacement Tax | 38,661 | - | 38,661 |
| State Gaming Taxes | 862 | - | 862 |
| State Use Tax | 119,508 | - | 119,508 |
| Investment Income | 13,725 | 700 | 14,425 |
| Miscellaneous | 18,123 | 11,203 | 29,326 |
| Total | 2,354,162 | 11,903 | 2,366,065 |
| CHANGE IN NET POSITION | (123,142) | (185,852) | (308,994) |
| NET POSITION, MAY 1 | 8,445,538 | 8,294,357 | 16,739,895 |
| Change in Accounting Principle | (2,733,095) | 107,032 | (2,626,063) |
| NET POSITION, MAY 1, AS RESTATED | 5,712,443 | 8,401,389 | 14,113,832 |
| NET POSITION, APRIL 30 | \$ 5,589,301 | \$ 8,215,537 | \$ 13,804,838 |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2016

| | General Fund | Refuse Disposal Fund | CDAP Loan Fund | Utility Tax Fund | Nonmajor Governmental Funds | Total |
|--|---------------------|----------------------------|----------------------|------------------------|-----------------------------------|---------------------|
| ASSETS | | | | | | |
| Cash | \$ 1,176,276 | \$ 2,410 | \$ 328,885 | \$ 338 | \$ 525,627 | \$ 2,033,536 |
| Receivables (Net of Allowance) | | | | | | |
| Property Taxes | 687,343 | - | - | - | 92,034 | 779,377 |
| Utility Taxes | 8,816 | - | - | 8,816 | - | 17,632 |
| Accounts | 25,023 | 39,549 | - | - | - | 64,572 |
| Other | - | - | 318,056 | - | - | 318,056 |
| Due From Other Governments | 242,648 | - | - | 15,363 | 11,818 | 269,829 |
| Due From Other Funds | 150,905 | - | - | - | 105 | 151,010 |
| Prepaid Items | 4,260 | - | - | - | - | 4,260 |
| Total Assets | \$ 2,295,271 | \$ 41,959 | \$ 646,941 | \$ 24,517 | \$ 629,584 | \$ 3,638,272 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ 25,746 | \$ - | \$ - | \$ 2,967 | \$ 64,661 | \$ 93,374 |
| Accrued Payroll | 40,169 | - | - | - | - | 40,169 |
| Other Current Liabilities | 486,136 | - | - | - | - | 486,136 |
| Unearned Revenue | 13,120 | - | - | - | - | 13,120 |
| Due to Other Funds | 105 | 30,000 | 1,429 | 3,000 | - | 34,534 |
| Due to Fiduciary Funds | 76,990 | - | - | - | - | 76,990 |
| Total Liabilities | 642,266 | 30,000 | 1,429 | 5,967 | 64,661 | 744,323 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue - Property Taxes | 687,343 | - | - | - | 92,034 | 779,377 |
| Total Liabilities and Deferred Inflows of Resources | 1,329,609 | 30,000 | 1,429 | 5,967 | 156,695 | 1,523,700 |
| FUND BALANCES | | | | | | |
| Nonspendable | | | | | | |
| Prepaid Items | 4,260 | - | - | - | - | 4,260 |
| Restricted | | | | | | |
| Economic Development or CDAP Loans | - | - | 645,512 | - | - | 645,512 |
| Highways and Streets | - | - | - | - | 230,393 | 230,393 |
| Capital Improvements | - | - | - | 18,550 | 153,187 | 171,737 |
| Special Service Areas | - | - | - | - | 56,468 | 56,468 |
| Unrestricted | | | | | | |
| Assigned | | | | | | |
| Refuse Disposal | - | 11,959 | - | - | - | 11,959 |
| Debt Service | - | - | - | - | 32,841 | 32,841 |
| Unassigned | 961,402 | - | - | - | - | 961,402 |
| Total Fund Balances | 965,662 | 11,959 | 645,512 | 18,550 | 472,889 | 2,114,572 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 2,295,271 | \$ 41,959 | \$ 646,941 | \$ 24,517 | \$ 629,584 | \$ 3,638,272 |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

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

April 30, 2016

| | |
|---|----------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 2,114,572 |
| 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 | 7,137,519 |
| Interest payable is not due and payable in the current period and, therefore, is not reported in the governmental funds | (14,485) |
| Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| Alternate revenue bonds | (907,000) |
| Compensated absences | (161,638) |
| Illinois Municipal Retirement Fund net pension liability | (49,019) |
| Police Pension Plan net pension liability | (4,430,927) |
| Differences between expected and actual experiences, assumption changes, 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 of resources and deferred inflows of resources on the statement of net position | |
| Deferred outflows of resources | 110,875 |
| Deferred inflows of resources | (34,190) |
| Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings for the Police Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position | |
| Deferred outflows of resources | 1,311,101 |
| The unrestricted net position of the Internal Service Fund is included in the governmental activities in the statement of net position | <u>512,493</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 5,589,301</u> |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016

| | General Fund | Refuse Disposal Fund | CDAP Loan Fund | Utility Tax Fund | Nonmajor Governmental Funds | Total |
|--|-------------------------|-------------------------------------|-------------------------------|---------------------------------|--|---------------------|
| REVENUES | | | | | | |
| Taxes | \$ 1,330,769 | \$ - | \$ - | \$ 190,846 | \$ 88,238 | \$ 1,609,853 |
| Licenses and Permits | 46,554 | - | - | - | - | 46,554 |
| Franchise Fees | 65,296 | - | - | - | - | 65,296 |
| Intergovernmental Revenue | 712,461 | - | - | - | 138,946 | 851,407 |
| Service Charges | - | 402,437 | - | - | - | 402,437 |
| Fines and Forfeitures | 38,813 | - | - | - | - | 38,813 |
| Investment Income | 2,013 | - | 10,240 | - | 742 | 12,995 |
| Miscellaneous | 100,041 | - | - | 9,911 | 11,620 | 121,572 |
| Total Revenues | 2,295,947 | 402,437 | 10,240 | 200,757 | 239,546 | 3,148,927 |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | 410,968 | - | 4,445 | 19,018 | 36,650 | 471,081 |
| Public Safety | 1,309,049 | - | - | 13,313 | - | 1,322,362 |
| Highways and Streets | 541,997 | - | - | 56,669 | 41,419 | 640,085 |
| Sanitation | - | 404,228 | - | - | - | 404,228 |
| Capital Outlay | - | - | - | 70,434 | 293,356 | 363,790 |
| Debt Service | | | | | | |
| Principal | - | - | - | - | 163,000 | 163,000 |
| Interest and Fiscal Charges | - | - | - | - | 41,653 | 41,653 |
| Total Expenditures | 2,262,014 | 404,228 | 4,445 | 159,434 | 576,078 | 3,406,199 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 33,933 | (1,791) | 5,795 | 41,323 | (336,532) | (257,272) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | - | - | 201,660 | 201,660 |
| Transfers (Out) | - | - | - | (135,000) | (66,660) | (201,660) |
| Total Other Financing Sources (Uses) | - | - | - | (135,000) | 135,000 | - |
| NET CHANGE IN FUND BALANCES | 33,933 | (1,791) | 5,795 | (93,677) | (201,532) | (257,272) |
| FUND BALANCES, MAY 1 | 931,729 | 13,750 | 639,717 | 112,227 | 674,421 | 2,371,844 |
| FUND BALANCES, APRIL 30 | \$ 965,662 | \$ 11,959 | \$ 645,512 | \$ 18,550 | \$ 472,889 | \$ 2,114,572 |

See accompanying notes to financial statements.

CITY OF GENOA, 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, 2016

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS

\$ (257,272)

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

Governmental funds report capital outlay as expenditures; however,
they are capitalized and depreciated in the statement of activities 363,790

Governmental funds report principal payments of long-term debt
as expenditures; however, they are reported as a reduction of
long-term debt in the statement of activities 163,000

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

| | |
|---|-------------|
| Depreciation | (216,433) |
| Change in compensated absences | (12,167) |
| Change in Illinois Municipal Retirement Fund net pension liability | (108,673) |
| Change in Illinois Municipal Retirement Fund deferred inflows/ outflows of resources | 67,908 |
| Change in Police Pension Plan net pension liability | (1,503,805) |
| Change in Police Pension plan deferred inflows/outflows of resources | 1,311,101 |
| Change in interest payable | 2,325 |

Internal Service Fund revenues and expenses are included
as governmental activities in the statement of activities

| | |
|---|--------|
| Change in net position of the Internal Service Fund | 67,084 |
|---|--------|

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (123,142)

CITY OF GENOA, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2016

| | Business-Type Activities Water and Sewer | Governmental Activities Internal Service |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | \$ 1,265,216 | \$ 512,493 |
| Receivables | | |
| Water Accounts - Billed and Unbilled | 171,875 | - |
| Other | 44,524 | - |
| Total Current Assets | 1,481,615 | 512,493 |
| NONCURRENT ASSETS | | |
| Capital Assets | | |
| Nondepreciable | 200,000 | - |
| Depreciable, Net of Accumulated Depreciation | 7,918,422 | 771,167 |
| Total Capital Assets | 8,118,422 | 771,167 |
| Total Noncurrent Assets | 8,118,422 | 771,167 |
| Total Assets | 9,600,037 | 1,283,660 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pension Items - IMRF | 173,420 | - |
| Total Assets and Deferred Outflows of Resources | 9,773,457 | 1,283,660 |
| CURRENT LIABILITIES | | |
| Accounts Payable | 20,946 | - |
| Accrued Payroll | 13,704 | - |
| Due to Other Funds | 116,476 | - |
| Compensated Absences Payable | 10,000 | - |
| IEPA Installment Loan Payable | 83,503 | - |
| Total Current Liabilities | 244,629 | - |
| NONCURRENT LIABILITIES | | |
| Compensated Absences Payable (Less Current Portion) | 55,859 | - |
| IEPA Loan Payable | 1,127,284 | - |
| Net Pension Liability - IMRF | 76,671 | - |
| Total Noncurrent Liabilities | 1,259,814 | - |
| Total Liabilities | 1,504,443 | - |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension Items - IMRF | 53,477 | - |
| Total Liabilities and Deferred Inflows of Resources | 1,557,920 | - |
| NET POSITION | | |
| Net Investment in Capital Assets | 6,907,635 | 771,167 |
| Unrestricted | 1,307,902 | 512,493 |
| TOTAL NET POSITION | <u><u>\$ 8,215,537</u></u> | <u><u>\$ 1,283,660</u></u> |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016

| | Business-Type Activities Water and Sewer | Governmental Activities Internal Service |
|--|---|---|
| OPERATING REVENUES | | |
| Charges for Services | \$ 1,284,334 | \$ 146,800 |
| Total Operating Revenues | 1,284,334 | 146,800 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | |
| Water Division | 685,737 | - |
| Sewer Division | 585,155 | - |
| Total Operating Expenses Excluding Depreciation | 1,270,892 | - |
| OPERATING INCOME BEFORE DEPRECIATION | 13,442 | 146,800 |
| Depreciation | 303,337 | 80,446 |
| OPERATING INCOME (LOSS) | (289,895) | 66,354 |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Miscellaneous Non-Operating Income | 11,203 | - |
| Investment Income | 700 | 730 |
| Water and Sewer Tap-On Fees | 57,148 | - |
| Total Non-Operating Revenue (Expenses) | 69,051 | 730 |
| INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS | (220,844) | 67,084 |
| Capital Grants and Contributions | 34,992 | - |
| CHANGE IN NET POSITION | (185,852) | 67,084 |
| NET POSITION, MAY 1 | 8,294,357 | 1,216,576 |
| Change in Accounting Principle | 107,032 | - |
| NET POSITION, MAY 1, RESTATED | 8,401,389 | 1,216,576 |
| NET POSITION, APRIL 30 | \$ 8,215,537 | \$ 1,283,660 |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2016

| | Business-Type Activities Water and Sewer | Governmental Activities Internal Service |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts From Internal Service Transactions | \$ - | \$ 146,800 |
| Receipts From Customers | 1,272,953 | - |
| Payments to Suppliers | (495,140) | (2,222) |
| Payments to Employees | (541,446) | - |
| Payments for Interfund Services | (199,688) | - |
| | <hr/> | <hr/> |
| Net Cash From Operating Activities | 36,679 | 144,578 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Water and Sewer Tap On Fees | 57,148 | - |
| Miscellaneous Non-Operating Income | 1,671 | - |
| Amounts Due To Other Funds | 73,830 | - |
| | <hr/> | <hr/> |
| Net Cash From Non-Capital Financing Activities | 132,649 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchase of Capital Assets | (242,311) | (124,667) |
| Principal Paid on IEPA Loan | (83,503) | - |
| | <hr/> | <hr/> |
| Net Cash From Capital and Related Financing Activities | (325,814) | (124,667) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Received | 700 | 730 |
| | <hr/> | <hr/> |
| Net Cash From Investing Activities | 700 | 730 |
| NET INCREASE (DECREASE) IN CASH | (155,786) | 20,641 |
| CASH, MAY 1 | <hr/> | <hr/> |
| | 1,421,002 | 491,852 |
| CASH, APRIL 30 | <hr/> | <hr/> |
| | \$ 1,265,216 | \$ 512,493 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES | | |
| Operating Income (Loss) | \$ (289,895) | \$ 66,354 |
| Depreciation | 303,337 | 80,446 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities | | |
| Changes in Assets and Liabilities | | |
| Accounts Receivable | (11,381) | - |
| Accounts Payable | (5,603) | (2,222) |
| Accrued Payroll | 2,500 | - |
| Compensated Absences | (26,039) | - |
| Pension Items - IMRF | 63,760 | - |
| | <hr/> | <hr/> |
| NET CASH FROM OPERATING ACTIVITIES | \$ 36,679 | \$ 144,578 |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

April 30, 2016

| | Pension Trust Fund | Agency Fund |
|---|-------------------------------|---------------------------|
| | Police Pension | Escrow Deposit |
| ASSETS | | |
| Cash | \$ 320,588 | \$ 75,966 |
| Investments | | |
| Certificates of Deposit | 1,068,567 | - |
| Mutual Funds | 130,448 | - |
| Receivables | | |
| Accrued Interest | 3,018 | - |
| Due From Other Funds | 1,990 | 75,000 |
| Other | 2,227 | 3,555 |
| | | |
| Total Assets | <u>1,526,838</u> | <u>\$ 154,521</u> |
| LIABILITIES | | |
| Accounts Payable | 58 | \$ - |
| Deposits | - | 154,521 |
| | | |
| Total Liabilities | <u>58</u> | <u>\$ 154,521</u> |
| NET POSITION RESTRICTED FOR PENSIONS | <u>\$ 1,526,780</u> | |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016

ADDITIONS

| | |
|--|----------------|
| Contributions | |
| Employer | \$ 221,541 |
| Participants | <u>41,473</u> |
| Total Contributions | <u>263,014</u> |
| Investment Income | |
| Net Depreciation in Fair Value of Investments | (5,235) |
| Interest Income | <u>30,099</u> |
| Total Investment Income | <u>24,864</u> |
| Total Additions | <u>287,878</u> |

DEDUCTIONS

| | |
|------------------------------|---------------|
| Administration | 5,292 |
| Pension Benefits and Refunds | <u>73,462</u> |
| Total Deductions | <u>78,754</u> |

| | |
|--------------|---------|
| NET INCREASE | 209,124 |
|--------------|---------|

**NET POSITION RESTRICTED
FOR PENSIONS**

| | |
|----------|----------------------------|
| May 1 | <u>1,317,656</u> |
| April 30 | <u><u>\$ 1,526,780</u></u> |

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Genoa, Illinois (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government 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 more significant of the City's accounting policies are described below.

a. Reporting Entity

The City, a non-home rule city, is a municipal corporation and is governed by a mayor/aldermanic form of government. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government. A blended component unit, although legally separate, is in substance, part of the City's operations and so data from this unit is combined with the data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the City. The City does not report any discrete component units.

Pension Trust Fund

The City's financial statements include the Police Pension System (PPS) as a Pension Trust Fund. The City's sworn police employees participate in the PPS. PPS functions for the benefit of those employees and is governed by a five-member Pension Board. Two members appointed by the Mayor, one elected pension beneficiary, and two elected police officers constitute the Pension Board. The City and PPS participants are obligated to fund all PPS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in determination of the contribution levels. PPS is reported as a pension trust fund because of the City's fiduciary responsibility. Separate financial statements are not available for PPS.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

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

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted, committed, or assigned monies (special revenue funds), the funds restricted, committed, or assigned for acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed, or assigned for 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 another 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 to 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 City (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 City. The City utilizes a pension trust fund and an agency fund which are generally used to account for assets that the City holds in a fiduciary 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 City. The effect of material interfund activity has been eliminated from these statements. The cost for interfund services provided/used between funds is not eliminated in the process of consolidation. 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 shared 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 City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Refuse Disposal Fund is a special revenue fund that is used to account for the user fees and expenditures associated with refuse pick-up and disposal.

The CDAP Loan Fund is a special revenue fund that is used to account for the original grant revenue received from the State of Illinois and the related principal and interest payments of loans to provide assistance to businesses in the City. The City has elected to report this fund as a major governmental fund.

The Utility Tax Fund is a capital projects fund used to account for certain activities involved with street maintenance projects and the acquisition and financing of certain general capital assets. Financing is provided by 50% of a utility tax on electric, natural gas, and telecommunications, a portion of the video gaming tax, various state and federal grants, and investment income. The City has elected to report this fund as a major governmental fund.

The City reports the following major proprietary fund:

The Water and Sewer Fund, an enterprise fund, accounts for the provision of water and sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The City reports the Equipment Replacement Fund, an internal service fund, as a proprietary fund. The Equipment Replacement Fund accounts for the City's equipment replacement program to other departments on a cost reimbursement basis.

The Police Pension Fund, a Pension Trust Fund, is reported as a fiduciary fund to account for the resources held to pay police pension benefits to qualified police personnel.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City reports the Escrow Deposit Fund as an agency fund to account for deposits from residents, employees, and developers that the City holds for various purposes. The balance of any deposit will be returned to the depositor upon completion of the event for which the deposit was received.

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 for agency funds which have no measurement focus. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. The City recognizes property taxes when they become both measurable and available in the period the tax is 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 and expenses include all revenues and 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 City 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, unless due the first day of the following fiscal year.

Franchise fees, licenses, charges for services, court fines collected by DeKalb County, and interest income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Local fines permit revenue, and miscellaneous revenues are considered to be measurable and available only when cash is received by the City.

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 City; therefore, revenues are

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure 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.

The City reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the City 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. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability and deferred inflows of resources for unavailable/deferred and unearned revenue is removed from the financial statements and revenue is recognized.

e. Deposits and Investments

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition.

Cash and investments of the City are pooled into a common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited into the pooled account has equity therein, and interest earned on the investment of these monies is allocated based upon the relative equity at month end. An individual fund's equity in the pooled account is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Each fund's portion of the pool is displayed on its respective balance sheet/statement of net position as cash and cash equivalents.

Investments with a maturity of one year or less when purchased and non-negotiable certificates of deposit are stated at amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. Investments in the pension trust fund are stated at fair value. Fair value is based on quoted market prices at April 30 for negotiable certificates of deposit and mutual funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables

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

g. Prepaid Items/Expenses

Payments in governmental funds made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid expenditures are recognized on the consumption method.

h. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, 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 City as assets with an initial, individual cost in excess of the amounts in the following table and an estimated useful life in excess of one year.

| Asset Class | Capitalization Threshold |
|---|-----------------------------|
| Building Improvements and Land Improvements | \$ 5,000 |
| Bridges, Streets, Storm Sewers, and Traffic Signals | 20,000 |
| Machinery and Equipment | 5,000 |
| Vehicles | 5,000 |

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| | <u>Years</u> |
|-------------------------------------|--------------|
| Buildings and Building Improvements | 10-50 |
| Water and Sewer Distribution System | 10-50 |
| Machinery and Equipment | 10-20 |
| Vehicles | 5-15 |
| Infrastructure | 40-50 |

i. Compensated Absences

Vested or accumulated vacation leave, sick leave, and compensatory time are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation leave, sick leave, and compensatory time of proprietary funds and governmental activities in the government-wide financial statements are recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with provisions of GASB Statement No. 16, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

j. Long-Term Obligations

In the government-wide financial statements and the 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. Issuance costs whether or not withheld from the actual debt proceeds received, are reported as expense.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Fund Balance/Net Position

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. None of the restricted fund balance resulted from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated by the City Council to the City's Administrative Consultant. Any residual positive fund balance is reported as unassigned in the General Fund. In governmental funds other than the General Fund, any deficit fund balance is also reported as unassigned.

The City'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 City considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt principal issued to construct capital assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. 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, except interfund services and reimbursements, are reported as transfers.

n. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash pool and an investment pool that are available for use by all funds, except the Motor Fuel Tax Fund, a special revenue fund, and the Police Pension Fund, a pension trust fund. Each fund's portion of this pool is displayed on the financial statements as either "cash" or "investments," as appropriate. In addition, investments are separately held by several of the City's funds.

The City's investment policy authorizes the City to make deposits/invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services, and Illinois Funds.

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

It is the policy of the City 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 City 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 objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

2. DEPOSITS AND INVESTMENTS (Continued)

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance (FDIC), at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the City, an independent third party, or the Federal Reserve Bank of Chicago.

City Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than one year from the date of purchase. Reserve funds and other funds with longer term investment horizons may be invested in securities not exceeding two years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by only allowing investments in U.S. Treasury obligations, insured or collateralized certificates of deposit with financial institutions and money market mutual funds with portfolios of securities issued or guaranteed (implicitly or explicitly) by the United States. Illinois Funds is rated AAAM by Standard and Poor's.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City'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 in a custodial account with the trust department of an approved financial institution. Illinois Funds is not subject to custodial credit risk.

Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. The City's investment policy requires diversification of investments to avoid unreasonable risk but does not contain any specific diversification targets.

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES - PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, 2015 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, 2016 and August 1, 2016, and are payable in two installments, on or about June 1, 2016 and September 1, 2016. The County collects such taxes and remits them periodically.

The 2015 taxes are intended to finance the 2017 fiscal year and are not considered available for current operations and are, therefore, shown as a deferred inflow of resources. The 2016 tax levy has not been recorded as a receivable at April 30, 2016. Although the tax attached as a lien on property as of January 1, 2016, the tax will not be levied until December 2016 and, accordingly, is not measurable at April 30, 2016.

4. RECEIVABLES

- a. The following receivables are included on the statement of net position as of April 30, 2016:

| | Governmental Activities | Business-Type Activities |
|-----------------------------------|----------------------------|-----------------------------|
| TAXES | | |
| Utility Taxes | \$ 17,632 | \$ - |
| ACCOUNTS | | |
| Charges for Services | 64,572 | 171,875 |
| OTHER | | |
| CDAP Loans | 318,056 | - |
| Capital Grants | - | 34,992 |
| Insurance Recoveries and Other | - | 9,532 |
| Total Miscellaneous | 318,056 | 44,524 |
| DUE FROM OTHER GOVERNMENTS | | |
| Sales Tax | 144,416 | - |
| State Income Tax | 82,732 | - |
| Telecommunications Tax | 27,434 | - |
| Video Gaming Tax | 1,828 | - |
| Motor Fuel Tax | 11,818 | - |
| Illinois Treasurer's Office | 862 | - |
| Court Fines | 739 | - |
| Total Due From Other Governments | 269,829 | - |
| TOTAL ALL FUNDS | \$ 670,089 | \$ 216,399 |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. RECEIVABLES (Continued)

b. CDAP Loans

During the fiscal year ended April 30, 1988, the City established the CDAP Loan Fund from the proceeds of a Community Development Block Grant, in the amount of \$300,000, received through the State of Illinois Department of Commerce and Community Affairs. This fund is used to account for these grant funds which are loaned to new or expanding local business ventures which enhance economic development of the City. Proceeds (principal and interest) received from such economic development loans made by the City are to be used to capitalize a revolving economic loan fund.

The following table summarizes the balances of the loans in the CDAP Loan Fund as of April 30, 2016:

| Borrower | Loan Year | Loan Amount | Rate | Balance April 30 |
|------------------------|-----------|-------------------|------|-------------------|
| Polar Tech | 1999 | \$ 100,000 | 3.0% | \$ 18,561 |
| Toblinson Ace Hardware | 2008 | 180,000 | 3.0% | 177,132 |
| Service Concepts | 2009 | 50,000 | 3.0% | 5,876 |
| Genoa Pharmacy | 2013 | 75,000 | 3.0% | 50,000 |
| Lloyd's Landscaping | 2013 | 75,000 | 3.0% | 66,487 |
| TOTAL | | <u>\$ 480,000</u> | | <u>\$ 318,056</u> |

Principal maturities of CDAP notes receivable for future periods are as follows:

| <u>Year Ending April 30,</u> | |
|----------------------------------|-------------------|
| 2017 | \$ 33,653 |
| 2018 | 28,622 |
| 2019 | 28,935 |
| 2020 | 23,625 |
| 2021 | 18,360 |
| Thereafter | <u>184,861</u> |
| TOTAL | <u>\$ 318,056</u> |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

Capital asset activity for the City for the year ended April 30, 2016 was as follows:

| | Balances May 1 | Additions | Disposals | Balances April 30 |
|---|---------------------|-------------------|------------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital Assets not Being Depreciated | | | | |
| Land | \$ 576,926 | \$ - | \$ - | \$ 576,926 |
| Construction in Progress | 14,062 | - | 14,062 | - |
| Total Capital Assets not Being Depreciated | 590,988 | - | 14,062 | 576,926 |
| Capital Assets Being Depreciated | | | | |
| Buildings and Improvements | 1,674,852 | 25,827 | - | 1,700,679 |
| Equipment | 469,904 | 35,075 | - | 504,979 |
| Vehicles | 1,671,277 | 124,667 | 170,992 | 1,624,952 |
| Infrastructure | 5,086,416 | 316,950 | - | 5,403,366 |
| Total Capital Assets Being Depreciated | 8,902,449 | 502,519 | 170,992 | 9,233,976 |
| Less Accumulated Depreciation for | | | | |
| Buildings and Improvements | 636,735 | 55,669 | - | 692,404 |
| Equipment | 355,536 | 25,680 | - | 381,216 |
| Vehicles | 944,331 | 80,446 | 170,992 | 853,785 |
| Infrastructure | 610,894 | 135,084 | - | 745,978 |
| Total Accumulated Depreciation | 2,547,496 | 296,879 | 170,992 | 2,673,383 |
| Total Capital Assets Being Depreciated, Net | 6,354,953 | 205,640 | - | 6,560,593 |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 6,945,941 | \$ 205,640 | \$ 14,062 | \$ 7,137,519 |
| GOVERNMENTAL ACTIVITIES | | | | |
| General Government | | | | \$ 54,231 |
| Public Safety | | | | 37,420 |
| Highways and Streets | | | | 205,228 |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | | | | \$ 296,879 |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|-------------------|-------------|-----------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital Assets not Being Depreciated | | | | |
| Land | \$ 200,000 | \$ - | \$ - | \$ 200,000 |
| Construction in Progress | 5,594 | - | 5,594 | - |
| Total Capital Assets not Being Depreciated | 205,594 | - | 5,594 | 200,000 |
| Capital Assets Being Depreciated | | | | |
| Water and Sewer System Assets | 14,219,910 | 247,905 | 11,468 | 14,456,347 |
| Total Capital Assets Being Depreciated | 14,219,910 | 247,905 | 11,468 | 14,456,347 |
| Less Accumulated Depreciation for | | | | |
| Water and Sewer System Assets | 6,246,056 | 303,337 | 11,468 | 6,537,925 |
| Total Accumulated Depreciation | 6,246,056 | 303,337 | 11,468 | 6,537,925 |
| Total Capital Assets Being Depreciated, Net | 7,973,854 | (55,432) | - | 7,918,422 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 8,179,448 | \$ (55,432) | \$ 5,594 | \$ 8,118,422 |

6. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. The City currently reports its risk management expenditures/expenses in both the General Fund and Water and Sewer Fund.

The City participates in the Illinois Municipal League Risk Management Association (IMLRMA). IMLRMA is an organization of municipalities and special districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs. The association administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claims administration, and litigation management services; unemployment claims administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Levels of coverage provided by IMLRMA are as follows:

| | |
|-----------------------------|-------------------------|
| General Liability | \$ 8,000,000 |
| Auto Liability | 8,000,000 |
| Public Officials' Liability | 8,000,000 |
| Property | 30,000,000 |
| Workers' Compensation | Statutory |
| Employer's Liability | 3,000,000/each accident |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

The City's payments to IMLRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$500 of each property occurrence, and IMLRMA has a mix of self-insurance and commercial insurance at various amounts above that level. No deductible is required for other claims. IMLRMA is governed by a board of directors made up of Illinois mayors and village presidents of municipalities who participate in the program. The City does not exercise any control over the activities of IMLRMA beyond its representation on the Board of Directors.

Annual contributions are determined each year by underwriters based on the individual member's exposure to loss and experience modification factors based on past member loss experience. The City is not aware of any additional premiums owed to IMLRMA as of April 30, 2016. The City participates in a limited self-insurance program with IMLRMA where the initial premium is reduced 15%, but an additional premium is required when actual claims exceed a pre-determined amount. Any additional premium is reported as an expenditure/expense in the fiscal year it is realized.

In addition, the City provides health insurance to its employees through a third party indemnity policy. The City pays an annual premium to the insurance company for its coverage. Settled claims have not exceeded coverage in the current or prior two fiscal years.

7. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

The following is a summary of long-term obligation activity for the City associated with governmental activities for the year ended April 30, 2016:

| | Balances May 1, as Restated | Additions | Reductions | Balances April 30 | Due Within One Year |
|---|-----------------------------------|---------------------|-------------------|----------------------|---------------------------|
| Alternate Revenue Bonds | \$ 1,070,000 | \$ - | \$ 163,000 | \$ 907,000 | \$ 170,000 |
| Compensated Absences* | 149,471 | 61,722 | 49,555 | 161,638 | 10,000 |
| Net Pension Liability - IMRF* | - | 49,019 | - | 49,019 | - |
| Net Pension Liability - Police Pension Plan* | 2,927,122 | 1,503,805 | - | 4,430,927 | - |
| TOTAL | \$ 4,146,593 | \$ 1,614,546 | \$ 212,555 | \$ 5,548,584 | \$ 180,000 |

*General Fund resources are used to liquidate these liabilities.

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

a. Changes in Long-Term Liabilities (Continued)

The following is a summary of long-term obligation activity for the City associated with business-type activities for the year ended April 30, 2016:

| | Balances May 1, as Restated | Additions | Reductions | Balances April 30 | Due Within One Year |
|------------------------------|-----------------------------------|------------------|-------------------|----------------------|---------------------------|
| IEPA Installment Loan | \$ 1,294,290 | \$ - | \$ 83,503 | \$ 1,210,787 | \$ 83,503 |
| Compensated Absences | 91,898 | 23,257 | 49,296 | 65,859 | 10,000 |
| Net Pension Liability - IMRF | - | 76,671 | - | 76,671 | - |
| TOTAL | \$ 1,386,188 | \$ 99,928 | \$ 132,799 | \$ 1,353,317 | \$ 93,503 |

b. Debt Issues

The long-term debt of the City at April 30, 2016 is comprised of the following:

| | Fund Retired by | Balance at April 30 | Current Portion |
|---|----------------------|------------------------|--------------------|
| General Obligation Alternate Revenue Bonds dated September 15, 2005, that bear interest at rates from 3.5% to 3.8% and mature in graduated amounts with final payment due December 1, 2020. The total bonds issued were \$1,250,000 with the total amount used to purchase a building to be used as a City Hall and Police Facility. The 2005 bonds will be paid by the Debt Service Fund. | Debt Service Fund | \$ 610,000 | \$ 115,000 |
| General Obligation Alternate Revenue Bonds dated October 5, 2010, that bear interest at rates from 2.0% to 4.5% and mature in graduated amounts with final payment due December 15, 2020. Total bonds issued were \$550,000 with the total amount to be used for street improvements. The 2005 bonds will be paid by the Debt Service Fund. | Debt Service Fund | 297,000 | 55,000 |
| The Illinois Environmental Protection Agency (IEPA) authorized an installment loan of \$2,149,961 on December 16, 2009 and modified on March 11, 2011, to be repaid over 20 years at 0% interest. \$1,053,253 was funded by the American Recovery and Reinvestment Act (ARRA) and the balance by the United States Environmental Protection Agency (USEPA). One-half of the ARRA funds (\$526,627) have been forgiven and one-half will be repaid to the IEPA. The funds provided by the USEPA are required to be repaid to the IEPA. | Water and Sewer Fund | 1,210,787 | 83,503 |
| TOTAL | | \$ 2,117,787 | \$ 253,503 |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Debt Issues (Continued)

Debt service to maturity for long-term liabilities payable from the Debt Service Fund is as follows:

| Fiscal Year | Governmental Activities | | | |
|-------------|--|-----------|--|-----------|
| | 2005 General Obligation Alternate Revenue Bonds | | 2010 General Obligation Alternate Revenue Bonds | |
| | Principal | Interest | Principal | Interest |
| 2017 | \$ 115,000 | \$ 22,827 | \$ 55,000 | \$ 11,938 |
| 2018 | 120,000 | 18,630 | 57,000 | 10,012 |
| 2019 | 125,000 | 14,250 | 59,000 | 7,875 |
| 2020 | 125,000 | 9,500 | 62,000 | 5,515 |
| 2021 | 125,000 | 4,750 | 64,000 | 2,880 |
| TOTAL | \$ 610,000 | \$ 69,957 | \$ 297,000 | \$ 38,220 |

Debt service to maturity for long-term liabilities payable from the Water and Fund is as follows:

| Fiscal Year | Business-Type Activities | |
|-------------|--------------------------|----------|
| | IEPA Installment Loan | |
| | Principal | Interest |
| 2017 | \$ 83,503 | \$ - |
| 2018 | 83,503 | - |
| 2019 | 83,503 | - |
| 2020 | 83,503 | - |
| 2021 | 83,503 | - |
| Thereafter | 793,272 | - |
| TOTAL | \$ 1,210,787 | \$ - |

c. Legal Debt Margin

A computation of the legal debt margin of the City as of April 30, 2016 is as follows:

| | |
|--|---------------|
| Assessed Valuation - 2015 | \$ 71,436,028 |
| Legal Debt Limit of 8.625% of Assessed Valuation | 6,161,357 |
| Less General Obligation Debt General Obligation Bonds | 907,000 |
| LEGAL DEBT MARGIN | \$ 5,254,357 |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

d. Alternate Revenue Bonds

The City issued series 2005 General Obligation Alternate Revenue Bonds to purchase a building to be used as a City Hall and Police Facility. These bonds are payable from the City's utility tax revenues and are being repaid by the Debt Service Fund. The bond ordinance requires the City to have 1.25 times the annual debt service on the bonds in order to abate the property tax that also secures the bonds. The total interest and principal remaining to be paid on the bonds is \$679,957, with the pledge expiring December 2021, when the bonds are paid off. During the current fiscal year, the pledge of utility taxes of \$171,054 was 50% of total utility tax revenues.

The City issued series 2010 General Obligation Alternate Revenue Bonds for financing roadway improvement projects. These bonds are payable from motor fuel tax monies received from the State of Illinois and utility tax revenues, and are being repaid by the Debt Service Fund. The bond ordinance requires the City to have 1.25 times the annual debt service on the bonds in order to abate the property tax that also secures the bonds. The total interest and principal remaining to be paid on the bonds is \$335,220 with the pledge expiring December 2020, when the bonds are paid off. During the current fiscal year, the pledge of utility taxes of \$83,325 was 24.4% of total utility tax revenues.

8. INTERFUND ACCOUNTS

Due From/To Other Funds at April 30, 2016 consist of the following:

| Fund | Due From | Due To |
|------------------------|-------------------|-------------------|
| General | \$ 150,905 | \$ 77,095 |
| Refuse Disposal Fund | - | 30,000 |
| CDAP Loan Fund | - | 1,429 |
| Utility Tax Fund | - | 3,000 |
| Water Operating Fund | - | 116,476 |
| Nonmajor Governmental | | |
| Motor Fuel Tax | 105 | - |
| Fiduciary | | |
| Police Pension | 1,990 | - |
| Escrow Deposit | 75,000 | - |
| TOTAL ALL FUNDS | \$ 228,000 | \$ 228,000 |

The purposes of significant interfund transactions are as follows:

Interfund accounts as of April 30, 2016 represent temporary cash advances and were all paid back within 30 days after fiscal year end.

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INTERFUND ACCOUNTS (Continued)

Interfund transfers during the year ended April 30, 2016 consisted of the following:

| Fund | Transfers In | Transfers Out |
|-----------------------|-----------------|------------------|
| Nonmajor Governmental | | |
| Debt Service | \$ 201,660 | \$ - |
| Motor Fuel Tax | - | 66,660 |
| Utility Tax | - | 135,000 |
| TOTAL ALL FUNDS | \$ 201,660 | \$ 201,660 |

The purposes of significant interfund transfers are as follows:

The transfer of \$135,000 from the Utility Tax Fund and \$66,660 from the Motor Fuel Tax Fund to the Debt Service Fund was to provide resources for principal and interest amounts payable from governmental funds for the 2005 Series and 2010 Series General Obligation Alternate Revenue Bonds. None of the above transfers will be repaid.

9. CONTINGENT LIABILITIES

a. Litigation

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

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 City expects such amounts, if any, to be immaterial.

c. Tax Rebates

The City entered into an economic development agreement with the owners of a regional petroleum distribution company on July 5, 2005, to provide economic development incentives to operate their business in the City. The business started operations on June 1, 2006. The City agreed to reimburse the owners 50% of

9. CONTINGENT LIABILITIES (Continued)

c. Tax Rebates (Continued)

municipal sales tax receipts generated by the new business. The reimbursements will be paid over a period of ten years. As of April 30, 2016, the City has paid \$869,407 in incentives. The total reimbursements over the ten-year period are expected to aggregate about \$1,200,000.

Effective December 1, 2013, the Illinois Department of Revenue revised its criteria for determining the point of retail sales. Subsequently, the City and the petroleum distribution business (the Business) were named in a lawsuit claiming the sales of the Business should not be reported in the City. Until the lawsuit is resolved, the City has been depositing the sales tax revenue generated by the Business since December 1, 2013, in an escrow account. As of April 30, 2016, the escrow account total is \$486,136.

10. OTHER POSTEMPLOYMENT BENEFITS

The City has evaluated its potential other postemployment benefits liability. The City provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the City are required to pay 100% of the current premium. However, no former employees have chosen to stay on the City's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions*. Additionally, the City had no former employees for whom the City was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the City has not recorded any postemployment benefit liability as of April 30, 2016.

11. DEFINED BENEFIT PENSION PLANS

The City 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 both 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 by writing to Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description

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, 2015, IMRF membership consisted of:

| | |
|---|-------|
| Inactive Employees or their Beneficiaries | |
| Currently Receiving Benefits | 18 |
| Inactive Employees Entitled to but not yet Receiving Benefits | 11 |
| Active Employees | 13 |
| | <hr/> |
| TOTAL | 42 |
| | <hr/> |

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2015 was 9.02% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2015 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, 2015 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Price Inflation | 2.75% |
| Salary Increases | 3.75% to 14.50% |
| Investment Rate of Return | 7.50% |
| Asset Valuation Method | Market Value of Assets |

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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 City 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 (Asset) |
|--|-----------------------------------|---------------------------------------|--|
| BALANCES AT JANUARY 1, 2015 | \$ 4,717,063 | \$ 4,870,022 | \$ (152,959) |
| Changes for the Period | | | |
| Service Cost | 73,709 | - | 73,709 |
| Interest | 348,323 | - | 348,323 |
| Difference Between Expected and Actual Experience | (142,251) | - | (142,251) |
| Employer Contributions | - | 60,084 | (60,084) |
| Employee Contributions | - | 27,529 | (27,529) |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability (Asset) |
|------------------------------------|-----------------------------------|---------------------------------------|--|
| Changes for the Period (Continued) | | | |
| Net Investment Income | \$ - | \$ 24,021 | \$ (24,021) |
| Benefit Payments and Refunds | (219,219) | (219,219) | - |
| Other (Net Transfer) | - | (110,502) | 110,502 |
| Net Changes | 60,562 | (218,087) | 278,649 |
| BALANCES AT DECEMBER 31, 2015 | \$ 4,777,625 | \$ 4,651,935 | \$ 125,690 |

There were no changes in assumptions made since the prior measurement date.

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

For the year ended April 30, 2016, the City recognized pension expense of \$160,677.

At April 30, 2016, the City 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 |
|--|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ - | \$ 87,667 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 265,722 | - |
| Employer Contributions After the Measurement Date | 18,573 | - |
| TOTAL | \$ 284,295 | \$ 87,667 |

11. 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 (Continued)

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

| <u>Year Ending April 30,</u> | |
|----------------------------------|------------------------------|
| 2017 | \$ 30,419 |
| 2018 | 33,347 |
| 2019 | 66,430 |
| 2020 | <u>66,432</u> |
| TOTAL | <u><u>\$ 196,628</u></u> |

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 City calculated using the discount rate of 7.5% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

| | 1% Decrease (6.5%) | Current Discount Rate (7.5%) | 1% Increase (8.5%) |
|-------------------------------|-----------------------|------------------------------------|-----------------------|
| Net Pension Liability (Asset) | \$ 727,005 | \$ 125,690 | \$ (375,809) |

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 City accounts for the Police Pension Plan as a pension trust fund. A separate report is not issued for the Police Pension Fund.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Plan Administration (Continued)

The Police Pension Plan is governed by a five-member Board of Trustees. Two members of the Board are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The Police Pension 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 and benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At April 30, 2016, the measurement date, membership consisted of:

| | |
|---|-------------|
| Inactive Employees or Their Beneficiaries | |
| Currently Receiving Benefits | 2 |
| Inactive Employees Entitled to but not yet Receiving Benefits | - |
| Active Employees | 7 |
| | <hr/> |
| TOTAL | 9 |
| | <hr/> <hr/> |

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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 $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ % 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 $\frac{1}{2}$ of the change in the Consumer Price Index for the preceding calendar year.

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. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year ended April 30, 2016, the City's contribution was 47.90% of covered payroll.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund can invest in the same securities as the City, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions (rated Aa or better), Illinois insurance company general and separate accounts, equity mutual funds, and equity securities. During the year, no changes to the investment policy were approved by the Board of Trustees.

The Fund's actuary has established the following expected rates of return:

| Asset Class | Target Allocations | Long-Term Expected Real Rate of Return |
|---------------------------|-----------------------|--|
| Domestic Equity | 10.00% | 6.70% |
| Fixed Income | 90.00% | 1.60% |
| Cash and Cash Equivalents | 0.00% | 0.10% |

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are 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 adding expected inflation.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds, and contract values for insurance contracts.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Concentrations

Concentration of credit risk is the risk that the Fund has a high percentage of their investments invested in one type of investment. The Fund's investment policy requires diversification of investments to avoid unreasonable risk but does not contain any specific diversification targets. There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments as calculated by the Fund's Treasurer, net of pension plan investment expense, was 2.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for 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 Fund's deposits may not be returned to them. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of the federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Interest Rate Risk

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund 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 does not limit the maximum maturity length of investments in the Fund. The Fund had no debt securities as of April 30, 2016.

Credit Risk

The 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 securities that are covered by FDIC insurance.

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Custodial Credit Risk

Custodial credit risk for the investments is the risk that, in the event of failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund'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 investment held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds are not subject to custodial credit risk.

Discount Rate

The discount rate used to measure the total pension liability was 5%. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund'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 Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|---|--------------------------------------|--|---------------------------------------|
| BALANCES AT MAY 1, 2015 | \$ 4,244,778 | \$ 1,317,656 | \$ 2,927,122 |
| Changes for the Period | | | |
| Service Cost | 148,190 | - | 148,190 |
| Interest | 210,402 | - | 210,402 |
| Differences Between Expected and Actual Experience | 80,421 | - | 80,421 |
| Changes in Assumptions | 1,347,378 | - | 1,347,378 |
| Employer Contributions | - | 221,541 | (221,541) |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability (Continued)

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|------------------------------------|--------------------------------------|--|---------------------------------------|
| Changes for the Period (Continued) | | | |
| Employee Contributions | \$ - | \$ 41,473 | \$ (41,473) |
| Net Investment Income | - | 24,864 | (24,864) |
| Benefit Payments and Refunds | (73,462) | (73,462) | - |
| Administrative Expense | - | (5,292) | 5,292 |
| Net Changes | 1,712,929 | 209,124 | 1,503,805 |
| BALANCES AT APRIL 30, 2016 | \$ 5,957,707 | \$ 1,526,780 | \$ 4,430,927 |

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the assumed rate on high quality 20 year tax exempt G.O. Bonds and the long-term expected rate of return on plan assets.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions:

| | |
|---------------------------|---------------------------|
| Actuarial Valuation Date | April 30, 2016 |
| Actuarial Cost Method | Entry-Age Normal |
| Assumptions | |
| Price Inflation | 2.50% |
| Salary Increases | 4.00% |
| Investment Rate of Return | 5.00% |
| Asset Valuation Method | Market Value of Assets |

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions (Continued)

Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to five years past the valuation date.

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 City calculated using the discount rate of 5% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4%) or 1 percentage point higher (6%) than the current rate.

| | 1% Decrease (4%) | Current Discount Rate (5%) | 1% Increase (6%) |
|-------------------------------|---------------------|----------------------------------|---------------------|
| Net Pension Liability (Asset) | \$ 5,607,436 | \$ 4,430,927 | \$ 3,501,634 |

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

For the year ended April 30, 2016, the City recognized police pension expense of \$414,245. At April 30, 2016, the City 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 |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 71,792 | \$ - |
| Changes in Assumptions | 1,202,809 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 36,500 | - |
| TOTAL | \$ 1,311,101 | \$ - |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (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, | |
|--------------------------|----------------------------|
| 2017 | \$ 162,323 |
| 2018 | 162,323 |
| 2019 | 162,323 |
| 2020 | 162,323 |
| 2021 | 153,198 |
| Thereafter | <u>508,611</u> |
| TOTAL | <u>\$ 1,311,101</u> |

12. CHANGE IN ACCOUNTING PRINCIPLE

With the implementation of GASB Statements No. 68 and 71, the City is required to retroactively record the IMRF and Police Pension Plan net pension liabilities and related deferred outflows of resources and write-off the Police Pension Plan net pension obligation.

The City recorded the following change in accounting principle during year ended April 30, 2016:

| | Increase (Decrease) |
|---|------------------------------|
| CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | |
| Change in Accounting Principle | |
| To Write-Off the Police Pension Plan Net Pension Obligation | \$ 125,596 |
| To Record the Police Pension Plan Net Pension Liability | (2,927,122) |
| To Record the IMRF Net Pension Asset | 59,654 |
| To record the IMRF Deferred Outflows of Resources | <u>8,777</u> |
| TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | <u>\$ (2,733,095)</u> |

CITY OF GENOA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

| | <u>Increase (Decrease)</u> |
|--|--------------------------------|
| CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES | |
| To Record the IMRF Net Pension Asset | \$ 93,305 |
| To Record the IMRF Deferred Outflows of Resources | <u>13,727</u> |
| TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES | <u>\$ 107,032</u> |

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(with comparative actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | \$ 1,347,810 | \$ 1,347,810 | \$ 1,330,769 | \$ 1,296,918 |
| Licenses and Permits | 33,550 | 33,550 | 46,554 | 37,053 |
| Franchise Fees | 57,500 | 57,500 | 65,296 | 61,364 |
| Intergovernmental Revenue | 595,050 | 595,050 | 712,461 | 647,712 |
| Fines and Forfeits | 43,500 | 43,500 | 38,813 | 46,850 |
| Investment Income | 400 | 400 | 2,013 | 173 |
| Miscellaneous | 90,460 | 90,460 | 100,041 | 86,608 |
| Total Revenues | 2,168,270 | 2,168,270 | 2,295,947 | 2,176,678 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 378,635 | 458,635 | 410,968 | 435,566 |
| Public Safety | 1,288,365 | 1,288,365 | 1,309,049 | 1,202,424 |
| Highways and Streets | 524,185 | 544,185 | 541,997 | 505,260 |
| Capital Outlay | | | | |
| Equipment | - | - | - | 7,478 |
| Total Expenditures | 2,191,185 | 2,291,185 | 2,262,014 | 2,150,728 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (22,915) | (122,915) | 33,933 | 25,950 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers (Out) | - | - | - | (40,000) |
| Total Other Financing Sources (Uses) | - | - | - | (40,000) |
| NET CHANGE IN FUND BALANCE | \$ (22,915) | \$ (122,915) | 33,933 | (14,050) |
| FUND BALANCE, MAY 1 | | | 931,729 | 945,779 |
| FUND BALANCE, APRIL 30 | | | \$ 965,662 | \$ 931,729 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REFUSE DISPOSAL FUND**

For the Year Ended April 30, 2016
(with comparative actual for 2015)

| | 2016 | | | 2015 |
|-------------------------------|----------------------------|-------------------------|------------------|------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Service Charges | | | | |
| Garbage Service Fees | \$ 406,750 | \$ 406,750 | \$ 402,437 | \$ 387,636 |
| Total Revenues | 406,750 | 406,750 | 402,437 | 387,636 |
| EXPENDITURES | | | | |
| Current | | | | |
| Sanitation | | | | |
| Garbage Disposal | 397,500 | 397,500 | 391,728 | 376,546 |
| Administrative Service Charge | 12,500 | 12,500 | 12,500 | 10,000 |
| Total Expenditures | 410,000 | 410,000 | 404,228 | 386,546 |
| NET CHANGE IN FUND BALANCE | <u>\$ (3,250)</u> | <u>\$ (3,250)</u> | (1,791) | 1,090 |
| FUND BALANCE, MAY 1 | | | 13,750 | 12,660 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 11,959</u> | <u>\$ 13,750</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CDAP LOAN FUND**

For the Year Ended April 30, 2016
(with comparative actual for 2015)

| | 2016 | | | 2015 |
|-----------------------------------|----------------------------|-------------------------|-------------------|-------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Investment Income | \$ 200 | \$ 200 | \$ 218 | \$ 188 |
| Investment Income - Loan Interest | - | - | 10,022 | 11,157 |
| Miscellaneous | | | | |
| Loan Principal Payments | 44,107 | 44,107 | - | - |
| Total Revenues | 44,307 | 44,307 | 10,240 | 11,345 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 4,430 | 4,430 | 4,445 | 4,608 |
| Miscellaneous | 100,000 | 100,000 | - | - |
| Total Expenditures | 104,430 | 104,430 | 4,445 | 4,608 |
| NET CHANGE IN FUND BALANCE | <u>\$ (60,123)</u> | <u>\$ (60,123)</u> | 5,795 | 6,737 |
| FUND BALANCE, MAY 1 | | | 639,717 | 632,980 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 645,512</u> | <u>\$ 639,717</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

April 30, 2016

| | <u>2016</u> |
|---|--------------------|
| Actuarially Determined Contribution | \$ 56,152 |
| Contributions in Relation to the Actuarially Determined Contribution | <u>56,152</u> |
| CONTRIBUTION DEFICIENCY (Excess) | <u><u>\$ -</u></u> |
| Covered-Employee Payroll | \$ 611,755 |
| Contributions as a Percentage of Covered-Employee Payroll | 9.18% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percentage of payroll, closed; the amortization period was 28-year, closed until the remaining period reaches 15 years (then a 15-year rolling period); the asset valuation method was five-year smoothed market with a 20.0% corridor; and the significant actuarial assumptions were wage growth at 4.0%, price inflation at 3.0%, salary increases of 4.4% to 16.0%, including inflation, and an investment rate of return at 7.5% annually.

CITY OF GENOA, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Eight Fiscal Years

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|-------------|-------------|-------------|------------------|------------------|------------------|------------------|-----------------|
| Actuarially Determined Contribution | \$ 116,477 | \$ 134,462 | \$ 125,682 | \$ 199,994 | \$ 206,101 | \$ 207,917 | \$ 224,299 | \$ 224,299 |
| Contributions in Relation to the Actuarially Determined Contribution | 116,477 | 134,462 | 125,682 | 161,840 | 168,800 | 179,120 | 206,688 | 221,541 |
| CONTRIBUTION DEFICIENCY (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 38,154</u> | <u>\$ 37,301</u> | <u>\$ 28,797</u> | <u>\$ 17,611</u> | <u>\$ 2,758</u> |
| Covered-Employee Payroll | \$ 508,626 | \$ 466,394 | \$ 393,122 | \$ 401,210 | \$ 344,991 | \$ 394,731 | \$ 403,423 | \$ 462,611 |
| Contributions as a Percentage of Covered-Employee Payroll | 22.9% | 28.8% | 32.0% | 40.3% | 48.9% | 45.4% | 51.2% | 47.9% |

The information presented has been determined based upon Illinois Public Act 96-1495 which became effective January 1, 2011. Under Public Act 96-1495, the annual requirements of the pension fund are to be determined as a level percentage of payroll sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities determined under the projected unit credit actuarial cost method by the year 2040.

Additional information as of the latest actuarial valuation is as follows: the salary progression is 5% per year, compounded annually; the investment rate of return is 5.00% (down from 6.75% in 2015); the actuarial value of assets is market value; and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

April 30, 2016

| | 2016 |
|---|---------------------|
| TOTAL PENSION LIABILITY | |
| Service Cost | \$ 73,709 |
| Interest | 348,323 |
| Differences Between Expected and Actual Experience | (142,251) |
| Benefit Payments, Including Refunds | (219,219) |
| Net Change in Total Pension Liability | 60,562 |
| Total Pension Liability - Beginning | 4,717,063 |
| TOTAL PENSION LIABILITY - ENDING | \$ 4,777,625 |
| PLAN FIDUCIARY NET POSITION | |
| Contributions - Employer | \$ 60,084 |
| Contributions - Member | 27,529 |
| Net Investment Income | 24,021 |
| Benefit Payments, Including Refunds | (219,219) |
| Administrative Expense | (110,502) |
| Net Change in Plan Fiduciary Net Position | (218,087) |
| Plan Fiduciary Net Position - Beginning | 4,870,022 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 4,651,935 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 125,690 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 97.37% |
| Covered-Employee Payroll | \$ 611,755 |
| Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll | 20.55% |

Note: Information presented is as of December 31, 2015.

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

April 30, 2016

| | 2015 | 2016 |
|---|---------------------|---------------------|
| TOTAL PENSION LIABILITY | | |
| Service Cost | \$ 138,137 | \$ 148,190 |
| Interest | 249,269 | 210,402 |
| Changes of Benefit Terms | - | - |
| Differences Between Expected and Actual Experience | (18,184) | 80,421 |
| Changes of Assumptions and Cost Method | 421,540 | 1,347,378 |
| Benefit Payments, Including Refunds | (76,826) | (73,462) |
| Net Change in Total Pension Liability | 713,936 | 1,712,929 |
| Total Pension Liability - Beginning | 3,530,842 | 4,244,778 |
| TOTAL PENSION LIABILITY - ENDING | \$ 4,244,778 | \$ 5,957,707 |
| PLAN FIDUCIARY NET POSITION | | |
| Contributions - Employer | \$ 206,688 | \$ 221,541 |
| Contributions - Member | 39,117 | 41,473 |
| Net Investment Income | 36,955 | 24,864 |
| Benefit Payments, Including Refunds | (76,826) | (73,462) |
| Administrative Expense | (3,843) | (5,292) |
| Net Change in Plan Fiduciary Net Position | 202,091 | 209,124 |
| Plan Fiduciary Net Position - Beginning | 1,115,565 | 1,317,656 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 1,317,656 | \$ 1,526,780 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 2,927,122 | \$ 4,430,927 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 31.0% | 25.6% |
| Covered-Employee Payroll | \$ 403,423 | \$ 462,611 |
| Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll | 725.6% | 957.8% |

Note: During the 2016 year, the investment rate of return was lowered from 6.75% to 5.00%. Also, changes were made to the mortality rate.

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

April 30, 2016

| | 2015 | 2016 |
|---|-------------|-------------|
| Annual Money-Weighted Rate of Return Net of Investment Expense | 3.40% | 2.85% |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Internal Service Funds. All annual appropriations lapse at fiscal year end. As a management and planning tool, budgets are also prepared for the Pension Trust Fund.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The budget officer is authorized to transfer amounts between departments within any fund; however, any revisions that alter total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. The final budget figures included in this report include an amendment increasing the originally adopted budget by \$100,000 in the General Fund; \$400 in the Derby Estates Special Service Area (SSA) Fund; and \$29,000 in the Water and Sewer Operating Account.

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

MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the general government, except those accounted for in another fund.

Refuse Disposal Fund - to account for the user fees and expenditures associated with refuse pick-up and disposal.

CDAP Loan Fund - to account for the original grant revenue received from the State of Illinois and the related principal and interest payments of loans to provide assistance to businesses in the City.

Utility Tax Fund - to account for certain activities involved with street maintenance projects and the acquisition and financing of certain general capital assets. Financing is provided by 50% of a utility tax on electric, natural gas, and telecommunications, a portion of the Video Gaming Tax and various State and Federal Grants.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes | \$ 680,310 | \$ 680,310 | \$ 679,004 | \$ 647,040 |
| Sales Tax | 462,500 | 462,500 | 478,641 | 461,798 |
| Utility Taxes | 202,500 | 202,500 | 170,909 | 185,710 |
| Video Gaming Taxes | 2,500 | 2,500 | 2,215 | 2,370 |
| Total Taxes | 1,347,810 | 1,347,810 | 1,330,769 | 1,296,918 |
| Licenses and Permits | | | | |
| Liquor Licenses | 14,000 | 14,000 | 13,725 | 15,300 |
| Animal Licenses | 250 | 250 | 285 | 300 |
| Other Licenses | 2,000 | 2,000 | 948 | 1,815 |
| Building Permits | 14,500 | 14,500 | 26,130 | 16,010 |
| Building/Plan Review | 2,500 | 2,500 | 5,466 | 3,477 |
| Other Permit Fees | 300 | 300 | - | 151 |
| Total Licenses and Permits | 33,550 | 33,550 | 46,554 | 37,053 |
| Franchise Fees | | | | |
| Cable TV Franchise | 48,500 | 48,500 | 56,503 | 52,290 |
| Nicor Gas Franchise | 9,000 | 9,000 | 8,793 | 9,074 |
| Total Franchise Fees | 57,500 | 57,500 | 65,296 | 61,364 |
| Intergovernmental Revenue | | | | |
| State Income Tax | 462,700 | 462,700 | 553,430 | 507,574 |
| State Personal Property Replacement Tax | 37,150 | 37,150 | 38,661 | 38,161 |
| State Use Tax | 90,700 | 90,700 | 119,508 | 100,002 |
| State Gaming Taxes | 1,000 | 1,000 | 862 | 995 |
| IDOT Traffic Signal Reimbursement | 2,000 | 2,000 | - | - |
| Police Grants | 1,000 | 1,000 | - | 980 |
| Police Training Reimbursement | 500 | 500 | - | - |
| Total Intergovernmental Revenue | 595,050 | 595,050 | 712,461 | 647,712 |

(This schedule is continued on the following page.)

CITY OF GENOA, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES (Continued) | | | | |
| Service Charges | | | | |
| Water Administrative Charges | \$ 95,000 | \$ 95,000 | \$ 95,000 | \$ 90,000 |
| Refuse Administrative Charges | 12,500 | 12,500 | 12,500 | 10,000 |
| CDAP Administrative Charges | 4,430 | 4,430 | 4,445 | 4,608 |
| SSA Maintenance | 5,000 | 5,000 | 12,234 | 5,994 |
| Mowing Reimbursements | - | - | 210 | 314 |
| Reclassify Administrative Service Charges | (116,930) | (116,930) | (124,389) | (110,916) |
| Total Service Charges | - | - | - | - |
| Fines and Forfeitures | | | | |
| Circuit Court | 16,000 | 16,000 | 11,698 | 17,767 |
| Court Fines - DUI | 1,500 | 1,500 | 720 | 2,725 |
| Local Fines | 20,000 | 20,000 | 22,195 | 20,358 |
| Towing Fines | 6,000 | 6,000 | 4,200 | 6,000 |
| Total Fines and Forfeits | 43,500 | 43,500 | 38,813 | 46,850 |
| Investment Income | 400 | 400 | 2,013 | 173 |
| Miscellaneous | | | | |
| Rental Income | 79,265 | 79,265 | 78,004 | 77,148 |
| Police Program Reimbursements | 4,595 | 4,595 | 4,596 | 4,596 |
| Police K-9 Program | 500 | 500 | 2,000 | 100 |
| Other Reimbursements | 3,600 | 3,600 | 3,791 | 4,272 |
| Other Income | 2,500 | 2,500 | 11,650 | 492 |
| Total Miscellaneous | 90,460 | 90,460 | 100,041 | 86,608 |
| TOTAL REVENUES | \$ 2,168,270 | \$ 2,168,270 | \$ 2,295,947 | \$ 2,176,678 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| GENERAL GOVERNMENT | | | | |
| Administration and Finance | | | | |
| Personal Services | | | | |
| Salaries | \$ 129,875 | \$ 129,875 | \$ 128,780 | \$ 163,376 |
| Employee Benefits | 43,120 | 43,120 | 41,194 | 40,676 |
| Total Personal Services | 172,995 | 172,995 | 169,974 | 204,052 |
| Contractual Services | | | | |
| Travel and Training | 4,000 | 4,000 | 5,534 | 4,808 |
| Repairs and Maintenance | 1,500 | 1,500 | 225 | 2,158 |
| Professional | 115,725 | 115,725 | 99,288 | 107,309 |
| Telephone | 10,000 | 10,000 | 8,783 | 9,873 |
| Insurance | 6,155 | 6,155 | 6,304 | 5,697 |
| Other Contractual Services | 6,300 | 6,300 | 6,377 | 6,325 |
| Total Contractual Services | 143,680 | 143,680 | 126,511 | 136,170 |
| Commodities and Supplies | | | | |
| Office | 5,250 | 5,250 | 3,851 | 7,186 |
| Other | 900 | 900 | 1,993 | 1,904 |
| Total Commodities and Supplies | 6,150 | 6,150 | 5,844 | 9,090 |
| Miscellaneous | | | | |
| Community Relations | 3,250 | 3,250 | 3,794 | 3,160 |
| Other Charges | 18,375 | 18,375 | 21,842 | 20,442 |
| Total Miscellaneous | 21,625 | 21,625 | 25,636 | 23,602 |
| Reclassification of Service Charges | | | | |
| Administrative Service Charges | (111,930) | (111,930) | (111,945) | (104,608) |
| Total Reclassification of Service Charges | (111,930) | (111,930) | (111,945) | (104,608) |
| Total Administration and Finance | 232,520 | 232,520 | 216,020 | 268,306 |
| Community Development | | | | |
| Personal Services | | | | |
| Salaries | 10,050 | 10,050 | 10,120 | 9,539 |
| Employee Benefits | 770 | 770 | 775 | 817 |
| Total Personal Services | 10,820 | 10,820 | 10,895 | 10,356 |

(This schedule is continued on the following pages.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---------------------------------------|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| GENERAL GOVERNMENT (Continued) | | | | |
| Community Development (Continued) | | | | |
| Contractual Services | | | | |
| Travel and Training | \$ 850 | \$ 850 | \$ 866 | \$ 1,054 |
| Telephone | 1,450 | 1,450 | 1,657 | 1,364 |
| Internal Service Charges | 1,800 | 1,800 | 1,800 | 850 |
| Insurance | 6,025 | 6,025 | 6,181 | 5,576 |
| Administrative Services | 30,000 | 30,000 | 26,935 | 26,865 |
| Professional | 2,000 | 2,000 | 1,869 | 5,000 |
| Total Contractual Services | 42,125 | 42,125 | 39,308 | 40,709 |
| Commodities and Supplies | | | | |
| Publications | 100 | 100 | 106 | - |
| Office | 250 | 250 | 180 | 298 |
| Total Commodities and Supplies | 350 | 350 | 286 | 298 |
| Miscellaneous | | | | |
| Community Relations | 3,750 | 3,750 | 3,875 | 3,709 |
| Other Charges | 250 | 250 | 1,569 | 857 |
| Total Miscellaneous | 4,000 | 4,000 | 5,444 | 4,566 |
| Total Community Development | 57,295 | 57,295 | 55,933 | 55,929 |
| Municipal Building | | | | |
| Personal Services | | | | |
| Salaries | 4,500 | 4,500 | 3,799 | 1,201 |
| Employee Benefits | 345 | 345 | 222 | - |
| Total Personal Services | 4,845 | 4,845 | 4,021 | 1,201 |
| Contractual Services | | | | |
| Repairs and Maintenance | 14,850 | 14,850 | 10,822 | 7,598 |
| Public Utility | 21,000 | 21,000 | 11,462 | 16,618 |
| Professional Services | 500 | 500 | 95 | - |
| Insurance | 6,025 | 6,025 | 6,183 | 5,577 |
| Building Maintenance Services | 15,000 | 15,000 | 19,655 | 16,120 |
| Total Contractual Services | 57,375 | 57,375 | 48,217 | 45,913 |

(This schedule is continued on the following pages.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| GENERAL GOVERNMENT (Continued) | | | | |
| Municipal Building | | | | |
| Commodities and Supplies | | | | |
| Other Supplies | \$ 1,100 | \$ 1,100 | \$ 420 | \$ 674 |
| Total Commodities and Supplies | 1,100 | 1,100 | 420 | 674 |
| Capital Outlay | | | | |
| Water Heater | - | - | - | 7,478 |
| Total Capital Outlay | - | - | - | 7,478 |
| Reclassification of Capital Outlay | | | | |
| Water Heater | - | - | - | (7,478) |
| Total Reclassification of Capital Outlay | - | - | - | (7,478) |
| Total Municipal Building | 63,320 | 63,320 | 52,658 | 47,788 |
| Total General Government | 353,135 | 353,135 | 324,611 | 372,023 |
| PUBLIC SAFETY | | | | |
| Police Department | | | | |
| Personal Services | | | | |
| Salaries | 606,420 | 606,420 | 634,712 | 566,666 |
| Employee Benefits | 355,525 | 355,525 | 351,532 | 333,868 |
| Total Personal Services | 961,945 | 961,945 | 986,244 | 900,534 |
| Contractual Services | | | | |
| Travel and Training | 7,300 | 7,300 | 4,124 | 6,728 |
| Repairs and Maintenance | 10,750 | 10,750 | 6,694 | 7,756 |
| Professional | 13,750 | 13,750 | 19,396 | 11,589 |
| Telephone | 10,250 | 10,250 | 11,495 | 9,980 |
| Internal Service Charges | 30,000 | 30,000 | 30,000 | 14,500 |
| Dispatching | 156,000 | 156,000 | 156,000 | 157,667 |
| Insurance | 53,880 | 53,880 | 55,363 | 49,885 |
| K-9 Program | 1,000 | 1,000 | 1,911 | 2,265 |
| Other Contractual Services | 6,850 | 6,850 | 6,330 | 6,186 |
| Total Contractual Services | 289,780 | 289,780 | 291,313 | 266,556 |

(This schedule is continued on the following pages.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|----------------------------------|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| PUBLIC SAFETY (Continued) | | | | |
| Police Department (Continued) | | | | |
| Commodities and Supplies | | | | |
| Operating | \$ 2,400 | \$ 2,400 | \$ 138 | \$ 3,095 |
| Automotive Fuel and Oil | 19,000 | 19,000 | 12,090 | 16,471 |
| Office | 2,000 | 2,000 | 2,874 | 2,147 |
| Range | 3,000 | 3,000 | 2,929 | 4,939 |
| Other | 8,190 | 8,190 | 11,411 | 6,978 |
| Total Commodities and Supplies | 34,590 | 34,590 | 29,442 | 33,630 |
| Miscellaneous | | | | |
| Community Relations | 300 | 300 | 225 | 211 |
| Other Charges | 1,750 | 1,750 | 1,825 | 1,493 |
| Total Miscellaneous | 2,050 | 2,050 | 2,050 | 1,704 |
| Total Police Department | 1,288,365 | 1,288,365 | 1,309,049 | 1,202,424 |
| Total Public Safety | 1,288,365 | 1,288,365 | 1,309,049 | 1,202,424 |
| HIGHWAYS AND STREETS | | | | |
| Street Department | | | | |
| Personal Services | | | | |
| Salaries | 155,765 | 175,765 | 170,223 | 155,128 |
| Employee Benefits | 49,295 | 49,295 | 50,526 | 48,219 |
| Total Personal Services | 205,060 | 225,060 | 220,749 | 203,347 |
| Contractual Services | | | | |
| Travel and Training | 1,800 | 1,800 | 2,005 | 2,344 |
| Repairs and Maintenance | 85,500 | 85,500 | 111,936 | 79,689 |
| Street Lighting | 65,500 | 65,500 | 66,701 | 64,687 |
| Public Utilities | 7,000 | 7,000 | 6,394 | 6,597 |
| Professional | 1,250 | 1,250 | 2,788 | 7,695 |
| Telephone | 4,700 | 4,700 | 4,554 | 4,549 |
| Internal Service Charges | 40,000 | 40,000 | 40,000 | 19,000 |
| Insurance | 26,522 | 26,522 | 25,920 | 24,555 |
| Mosquito Control | 2,143 | 2,143 | 6,653 | 5,545 |
| Other Contractual Services | 1,360 | 1,360 | 1,491 | 1,513 |
| Total Contractual Services | 235,775 | 235,775 | 268,442 | 216,174 |

(This schedule is continued on the following pages.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| HIGHWAYS AND STREETS (Continued) | | | | |
| Street Department (Continued) | | | | |
| Commodities and Supplies | | | | |
| Operating | \$ 7,100 | \$ 7,100 | \$ 10,034 | \$ 8,197 |
| Automotive Fuel and Oil | 25,000 | 25,000 | 14,888 | 25,347 |
| Chemicals | 350 | 350 | 103 | 409 |
| Street Maintenance Supplies | 20,000 | 20,000 | 12,543 | 17,323 |
| Salt and Snow Control | 23,500 | 23,500 | 13,983 | 23,638 |
| Forestry | 10,500 | 10,500 | 11,485 | 12,951 |
| Other | 1,900 | 1,900 | 2,214 | 4,182 |
| Total Commodities and Supplies | 88,350 | 88,350 | 65,250 | 92,047 |
| Reclassification of Service Charges | | | | |
| River Bend SSA Maintenance | (5,000) | (5,000) | (12,234) | (5,994) |
| Mowing Reimbursements | - | - | (210) | (314) |
| Total Reclassification of Service Charges | (5,000) | (5,000) | (12,444) | (6,308) |
| Total Street Department | 524,185 | 544,185 | 541,997 | 505,260 |
| Total Highways and Streets | 524,185 | 544,185 | 541,997 | 505,260 |
| NONDEPARTMENTAL | | | | |
| Miscellaneous | | | | |
| Sales Tax Incentives | - | - | - | 168 |
| River Bend Legal and Engineering | 5,000 | 15,000 | 9,109 | 5,072 |
| RTA Legal Services | 12,500 | 75,000 | 60,472 | 35,856 |
| IMLRMA Legal Services | 7,500 | 15,000 | 16,544 | 20,903 |
| NIGEAC Legal Services | 500 | 500 | 232 | 1,544 |
| Transfer to Utility Tax Fund | - | - | - | 40,000 |
| Total Miscellaneous Before Reclassifications | 25,500 | 105,500 | 86,357 | 103,543 |
| Reclassification of Transfer | | | | |
| Transfer to Utility Tax Fund | - | - | - | (40,000) |
| Total Miscellaneous | 25,500 | 105,500 | 86,357 | 63,543 |
| Total Nondepartmental | 25,500 | 105,500 | 86,357 | 63,543 |

(This schedule is continued on the following page.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---------------------------|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| CAPITAL OUTLAY | | | | |
| Municipal Building | | | | |
| Water Heater | \$ - | \$ - | \$ - | \$ 7,478 |
| Total Capital Outlay | - | - | - | 7,478 |
| TOTAL EXPENDITURES | <u>\$ 2,191,185</u> | <u>\$ 2,291,185</u> | <u>\$ 2,262,014</u> | <u>\$ 2,150,728</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | | | | |
| Utility Taxes | \$ 202,500 | \$ 202,500 | \$ 170,908 | \$ 185,710 |
| Video Gaming Tax | 22,500 | 22,500 | 19,938 | 23,133 |
| Investment Income | 25 | 25 | - | 147 |
| Miscellaneous | | | | |
| Com Ed Green Regions Grant | 2,290 | 2,290 | 840 | 9,161 |
| County Prairie Path Grant | - | - | - | 5,000 |
| River Bend Prairie Project | - | - | 9,071 | - |
| Reimbursements | 10,000 | 10,000 | - | 30 |
| Total Revenues | 237,315 | 237,315 | 200,757 | 223,181 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 52,790 | 52,790 | 19,018 | 14,246 |
| Public Safety | 16,500 | 16,500 | 13,313 | 9,546 |
| Highways and Streets | 28,000 | 28,000 | 56,669 | 30,275 |
| Capital Outlay | | | | |
| Infrastructure | 95,000 | 95,000 | 35,359 | 119,303 |
| Equipment | 30,000 | 30,000 | 35,075 | 17,618 |
| Total Expenditures | 222,290 | 222,290 | 159,434 | 190,988 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 15,025 | 15,025 | 41,323 | 32,193 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer from General Fund | 25,000 | 25,000 | - | 40,000 |
| Transfer to Debt Service Fund | (135,000) | (135,000) | (135,000) | (135,000) |
| Total Other Financing Sources (Uses) | (110,000) | (110,000) | (135,000) | (95,000) |
| NET CHANGE IN FUND BALANCE | \$ (94,975) | \$ (94,975) | (93,677) | (62,807) |
| FUND BALANCE, MAY 1 | | | 112,227 | 175,034 |
| FUND BALANCE, APRIL 30 | | | \$ 18,550 | \$ 112,227 |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

Road and Bridge Fund - to account for certain activities involved with street maintenance and other street related projects. Financing is provided by the City's share of the street and bridge property tax, investment income, and various State and Federal Grants.

Motor Fuel Tax Fund - to account for certain activities involved with street maintenance and other street related projects. Financing is provided by the City's share of motor fuel taxes collected by the State of Illinois, investment income, and other designated revenues.

Developers Contributions Fund - to account for contributions from developers to make certain capital improvements.

River Bend SSA Fund - to account for a special service tax to be used for the maintenance of public parks and open space in the River Bend subdivision.

Derby Estates SSA Fund - to account for a special service tax to be used for the maintenance of public property and open space in the Derby Estates subdivision.

Oak Creek Estates SSA Fund - to account for a special service tax to be used for the maintenance of public property and open space in the Oak Creek Estates subdivision.

Debt Service Fund - to account for the resources used to pay principal and interest on the City's general long-term debt.

CITY OF GENOA, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

| | Special Revenue Funds | | |
|--|------------------------------|---------------------------|-------------------------------------|
| | Road and Bridge | Motor Fuel Tax | Developers Contributions |
| ASSETS | | | |
| Cash | \$ 101,459 | \$ 181,672 | \$ 153,187 |
| Receivables | | | |
| Property Taxes | 33,148 | - | - |
| Due From Other Governments | - | 11,818 | - |
| Due From Other Funds | - | 105 | - |
| TOTAL ASSETS | \$ 134,607 | \$ 193,595 | \$ 153,187 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ 5,846 | \$ 58,815 | \$ - |
| Total Liabilities | 5,846 | 58,815 | - |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Revenue - Property Taxes | 33,148 | - | - |
| Total Liabilities and Deferred Inflows of Resources | 38,994 | 58,815 | - |
| FUND BALANCES | | | |
| Restricted | | | |
| Highways and Streets | 95,613 | 134,780 | - |
| Capital Improvements | - | - | 153,187 |
| Special Service Areas | - | - | - |
| Unrestricted | | | |
| Assigned | | | |
| Debt Service | - | - | - |
| Total Fund Balances | 95,613 | 134,780 | 153,187 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 134,607 | \$ 193,595 | \$ 153,187 |

| Special Revenue Funds | | | | |
|------------------------------|--------------------------|------------------------------|---------------------|--------------|
| River Bend SSA | Derby Estates SSA | Oak Creek Estates SSA | Debt Service | Total |
| \$ 55,435 | \$ - | \$ 1,033 | \$ 32,841 | \$ 525,627 |
| 51,545 | 5,750 | 1,591 | - | 92,034 |
| - | - | - | - | 11,818 |
| - | - | - | - | 105 |
| \$ 106,980 | \$ 5,750 | \$ 2,624 | \$ 32,841 | \$ 629,584 |
| | | | | |
| \$ - | \$ - | \$ - | \$ - | \$ 64,661 |
| - | - | - | - | 64,661 |
| 51,545 | 5,750 | 1,591 | - | 92,034 |
| 51,545 | 5,750 | 1,591 | - | 156,695 |
| - | - | - | - | 230,393 |
| - | - | - | - | 153,187 |
| 55,435 | - | 1,033 | - | 56,468 |
| - | - | - | 32,841 | 32,841 |
| 55,435 | - | 1,033 | 32,841 | 472,889 |
| \$ 106,980 | \$ 5,750 | \$ 2,624 | \$ 32,841 | \$ 629,584 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016

| | Special Revenue Funds | | |
|--|------------------------------|---------------------------|-------------------------------------|
| | Road and Bridge | Motor Fuel Tax | Developers Contributions |
| REVENUES | | | |
| Taxes | \$ 33,629 | \$ - | \$ - |
| Intergovernmental Revenues | - | 138,946 | - |
| Investment Income | 41 | 251 | 140 |
| Miscellaneous | 4,500 | 1,661 | 5,459 |
| | <hr/> | <hr/> | <hr/> |
| Total Revenues | 38,170 | 140,858 | 5,599 |
| | <hr/> | <hr/> | <hr/> |
| EXPENDITURES | | | |
| Current | | | |
| General Government | - | - | - |
| Highways and Streets | 14,629 | 4,500 | - |
| Capital Outlay | - | 293,356 | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest and Fiscal Charges | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total Expenditures | 14,629 | 297,856 | - |
| | <hr/> | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 23,541 | (156,998) | 5,599 |
| | <hr/> | <hr/> | <hr/> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | - | - | - |
| Transfers (Out) | - | (66,660) | - |
| | <hr/> | <hr/> | <hr/> |
| Total Other Financing Sources (Uses) | - | (66,660) | - |
| | <hr/> | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCES | 23,541 | (223,658) | 5,599 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCES, MAY 1 | 72,072 | 358,438 | 147,588 |
| | <hr/> | <hr/> | <hr/> |
| FUND BALANCES, APRIL 30 | \$ 95,613 | \$ 134,780 | \$ 153,187 |
| | <hr/> | <hr/> | <hr/> |

| Special Revenue Funds | | | | |
|------------------------------|--------------------------|------------------------------|---------------------|--------------|
| River Bend SSA | Derby Estates SSA | Oak Creek Estates SSA | Debt Service | Total |
| \$ 48,226 | \$ 5,024 | \$ 1,359 | \$ - | \$ 88,238 |
| - | - | - | - | 138,946 |
| 59 | - | - | 251 | 742 |
| - | - | - | - | 11,620 |
| 48,285 | 5,024 | 1,359 | 251 | 239,546 |
| 36,650 | - | - | - | 36,650 |
| 16,137 | 5,025 | 1,128 | - | 41,419 |
| - | - | - | - | 293,356 |
| - | - | - | 163,000 | 163,000 |
| - | - | - | 41,653 | 41,653 |
| 52,787 | 5,025 | 1,128 | 204,653 | 576,078 |
| (4,502) | (1) | 231 | (204,402) | (336,532) |
| - | - | - | 201,660 | 201,660 |
| - | - | - | - | (66,660) |
| - | - | - | 201,660 | 135,000 |
| (4,502) | (1) | 231 | (2,742) | (201,532) |
| 59,937 | 1 | 802 | 35,583 | 674,421 |
| \$ 55,435 | \$ - | \$ 1,033 | \$ 32,841 | \$ 472,889 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 Actual |
|----------------------------|----------------------------|-------------------------|------------------|------------------------------|
| | Original Budget | Final Budget | Actual | |
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes | \$ 33,640 | \$ 33,640 | \$ 33,629 | \$ 33,014 |
| Investment Income | 40 | 40 | 41 | 108 |
| Other Reimbursements | - | - | 4,500 | - |
| Total Revenues | 33,680 | 33,680 | 38,170 | 33,122 |
| EXPENDITURES | | | | |
| Current | | | | |
| Highways and Streets | | | | |
| Street Maintenance | 54,400 | 54,400 | 14,629 | 35,045 |
| Capital Outlay | | | | |
| Infrastructure | - | - | - | - |
| Total Expenditures | 54,400 | 54,400 | 14,629 | 35,045 |
| NET CHANGE IN FUND BALANCE | <u>\$ (20,720)</u> | <u>\$ (20,720)</u> | 23,541 | (1,923) |
| FUND BALANCE, MAY 1 | | | 72,072 | 73,995 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 95,613</u> | <u>\$ 72,072</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|-------------------|-------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Intergovernmental Revenues | | | | |
| MFT Allocation | \$ 126,500 | \$ 126,500 | \$ 132,831 | \$ 127,085 |
| MFT Supplemental - High Growth | 6,107 | 6,107 | 6,115 | 6,107 |
| MFT Jobs Now Allocation | 23,338 | 23,338 | - | 46,676 |
| Investment Income | 55 | 55 | 251 | 61 |
| Miscellaneous | | | | |
| Reimbursements | - | - | 1,661 | 380 |
| Total Revenues | 156,000 | 156,000 | 140,858 | 180,309 |
| EXPENDITURES | | | | |
| Current | | | | |
| Highways and Streets | | | | |
| Street Maintenance | 60,000 | 60,000 | 4,500 | - |
| Capital Outlay | | | | |
| Infrastructure | 300,000 | 300,000 | 293,356 | 61,314 |
| Total Expenditures | 360,000 | 360,000 | 297,856 | 61,314 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (204,000) | (204,000) | (156,998) | 118,995 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer to Debt Service Fund | (66,600) | (66,660) | (66,660) | (67,064) |
| Total Other Financing Sources (Uses) | (66,600) | (66,660) | (66,660) | (67,064) |
| NET CHANGE IN FUND BALANCE | <u>\$ (270,600)</u> | <u>\$ (270,660)</u> | (223,658) | 51,931 |
| FUND BALANCE, MAY 1 | | | 358,438 | 306,507 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 134,780</u> | <u>\$ 358,438</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEVELOPERS CONTRIBUTIONS FUND**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|----------------------------|----------------------------|-------------------------|-------------------|-------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Investment Income | \$ 150 | \$ 150 | \$ 140 | \$ 149 |
| Miscellaneous | | | | |
| Developer Contributions | 4,046 | 4,046 | 5,459 | 4,046 |
| Total Revenues | 4,196 | 4,196 | 5,599 | 4,195 |
| EXPENDITURES | | | | |
| Current | | | | |
| Highways and Streets | 25,000 | 25,000 | - | - |
| Total Expenditures | 25,000 | 25,000 | - | - |
| NET CHANGE IN FUND BALANCE | <u>\$ (20,804)</u> | <u>\$ (20,804)</u> | 5,599 | 4,195 |
| FUND BALANCE, MAY 1 | | | 147,588 | 143,393 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 153,187</u> | <u>\$ 147,588</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RIVER BEND SPECIAL SERVICE AREA (SSA) FUND**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|-----------------------------------|----------------------------|---------------------------|-------------------------|-------------------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes | \$ 48,250 | \$ 48,250 | \$ 48,226 | \$ 48,242 |
| Investment Income | 75 | 75 | 59 | 111 |
| | | | | |
| Total Revenues | 48,325 | 48,325 | 48,285 | 48,353 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 36,784 | 36,784 | 36,650 | 36,664 |
| Highways and Streets | 30,000 | 30,000 | 16,137 | 25,784 |
| | | | | |
| Total Expenditures | 66,784 | 66,784 | 52,787 | 62,448 |
| NET CHANGE IN FUND BALANCE | <u><u>\$ (18,459)</u></u> | <u><u>\$ (18,459)</u></u> | (4,502) | (14,095) |
| FUND BALANCE, MAY 1 | | | 59,937 | 74,032 |
| FUND BALANCE, APRIL 30 | | | <u><u>\$ 55,435</u></u> | <u><u>\$ 59,937</u></u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DERBY ESTATES SPECIAL SERVICE AREA (SSA) FUND**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|----------------------------|--------------------|-----------------|----------|----------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes | \$ 4,800 | \$ 4,800 | \$ 5,024 | \$ 3,941 |
| Investment Income | - | - | - | 1 |
| Total Revenues | 4,800 | 4,800 | 5,024 | 3,942 |
| EXPENDITURES | | | | |
| Current | | | | |
| Highways and Streets | | | | |
| Repairs and Maintenance | 4,800 | 5,200 | 5,025 | 5,013 |
| Total Expenditures | 4,800 | 5,200 | 5,025 | 5,013 |
| NET CHANGE IN FUND BALANCE | \$ - | \$ (400) | (1) | (1,071) |
| FUND BALANCE, MAY 1 | | | 1 | 1,072 |
| FUND BALANCE, APRIL 30 | | | \$ - | \$ 1 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OAK CREEK ESTATES SPECIAL SERVICE AREA (SSA) FUND**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|-------------------------------|----------------------------|-------------------------|-----------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Taxes | | | | |
| Property Taxes | \$ 1,365 | \$ 1,365 | \$ 1,359 | \$ 1,392 |
| Investment Income | - | - | - | 2 |
| Total Revenues | 1,365 | 1,365 | 1,359 | 1,394 |
| EXPENDITURES | | | | |
| Current | | | | |
| Highways and Streets | | | | |
| Repairs and Maintenance | 1,250 | 1,250 | 1,128 | 1,083 |
| Total Expenditures | 1,250 | 1,250 | 1,128 | 1,083 |
| NET CHANGE IN FUND BALANCE | <u>\$ 115</u> | <u>\$ 115</u> | 231 | 311 |
| FUND BALANCE, MAY 1 | | | 802 | 491 |
| FUND BALANCE, APRIL 30 | | | <u>\$ 1,033</u> | <u>\$ 802</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| REVENUES | | | | |
| Investment Income | \$ - | \$ - | \$ 251 | \$ 80 |
| Total Revenues | - | - | 251 | 80 |
| EXPENDITURES | | | | |
| Debt Service | | | | |
| 2005 Bonds Principal | 110,000 | 110,000 | 110,000 | 100,000 |
| 2005 Bonds Interest | 26,843 | 26,843 | 26,843 | 31,242 |
| 2010 Bonds Principal | 53,000 | 53,000 | 53,000 | 52,000 |
| 2010 Bonds Interest | 13,660 | 13,660 | 13,660 | 15,464 |
| Fiscal Charges | 1,500 | 1,500 | 1,150 | - |
| Total Expenditures | 205,003 | 205,003 | 204,653 | 198,706 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (205,003) | (205,003) | (204,402) | (198,626) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer From Utility Tax Fund | 135,000 | 135,000 | 135,000 | 135,000 |
| Transfer From Motor Fuel Tax Fund | 66,660 | 66,660 | 66,660 | 67,064 |
| Total Other Financing Sources (Uses) | 201,660 | 201,660 | 201,660 | 202,064 |
| NET CHANGE IN FUND BALANCE | \$ (3,343) | \$ (3,343) | (2,742) | 3,438 |
| FUND BALANCE, MAY 1 | | | 35,583 | 32,145 |
| FUND BALANCE, APRIL 30 | | | \$ 32,841 | \$ 35,583 |

(See independent auditor's report.)

MAJOR PROPRIETARY FUNDS

Water and Sewer Fund - to account for the resources used to provide water and sewer services to the residents and businesses of the City.

CITY OF GENOA, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
 PROPRIETARY FUND
 WATER AND SEWER FUND BY SUBACCOUNT

April 30, 2016

| | Water and Sewer Operating Account | Water Improvement Account | Sewer Equipment Replacement Account | Total |
|---|--|---------------------------------|--|--------------|
| CURRENT ASSETS | | | | |
| Cash | \$ 987,710 | \$ 143,903 | \$ 133,603 | \$ 1,265,216 |
| Receivables | | | | |
| Water Accounts - Billed and Unbilled | 171,875 | - | - | 171,875 |
| Other | 9,532 | - | 34,992 | 44,524 |
| Total Current Assets | 1,169,117 | 143,903 | 168,595 | 1,481,615 |
| Capital Assets | | | | |
| Nondepreciable | 200,000 | - | - | 200,000 |
| Depreciable, Net of Accumulated Depreciation | 7,918,422 | - | - | 7,918,422 |
| Total Capital Assets | 8,118,422 | - | - | 8,118,422 |
| Total Assets | 9,287,539 | 143,903 | 168,595 | 9,600,037 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension Items - IMRF | 173,420 | - | - | 173,420 |
| Total Assets and Deferred Outflows of Resources | 9,460,959 | 143,903 | 168,595 | 9,773,457 |
| CURRENT LIABILITIES | | | | |
| Accounts Payable | 20,946 | - | - | 20,946 |
| Accrued Payroll | 13,704 | - | - | 13,704 |
| Due to Other Funds | 116,476 | - | - | 116,476 |
| Compensated Absences Payable | 10,000 | - | - | 10,000 |
| IEPA Installment Loan Payable | 83,503 | - | - | 83,503 |
| Total Current Liabilities | 244,629 | - | - | 244,629 |
| NONCURRENT LIABILITIES | | | | |
| Compensated Absences Payable | 55,859 | - | - | 55,859 |
| IEPA Installment Loan Payable | 1,127,284 | - | - | 1,127,284 |
| Net Pension Liability - IMRF | 76,671 | - | - | 76,671 |
| Total Noncurrent Liabilities | 1,259,814 | - | - | 1,259,814 |
| Total Liabilities | 1,504,443 | - | - | 1,504,443 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension Items - IMRF | 53,477 | - | - | 53,477 |
| Total Liabilities and Deferred Inflows of Resources | 1,557,920 | - | - | 1,557,920 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 6,907,635 | - | - | 6,907,635 |
| Unrestricted | 995,404 | 143,903 | 168,595 | 1,307,902 |
| TOTAL NET POSITION | \$ 7,903,039 | \$ 143,903 | \$ 168,595 | \$ 8,215,537 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND
WATER AND SEWER FUND BY SUBACCOUNT

For the Year Ended April 30, 2016

| | Water and Sewer Operating Account | Water Improvement Account | Sewer Equipment Replacement Account | Total |
|--|--|---------------------------------|--|--------------|
| OPERATING REVENUES | | | | |
| Charges for Services | | | | |
| Water Billing | \$ 601,528 | \$ - | \$ - | \$ 601,528 |
| Sewer Sales - Genoa | 581,607 | - | 29,688 | 611,295 |
| Sewer Sales - Kingston | 45,120 | - | - | 45,120 |
| Penalties | 24,303 | - | - | 24,303 |
| Meters Fees | 2,088 | - | - | 2,088 |
| Total Operating Revenues | 1,254,646 | - | 29,688 | 1,284,334 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | | | |
| Water Division | 685,737 | - | - | 685,737 |
| Sewer Division | 585,155 | - | - | 585,155 |
| Total Operating Expenses Before Depreciation | 1,270,892 | - | - | 1,270,892 |
| OPERATING INCOME (LOSS) BEFORE DEPRECIATION | (16,246) | - | 29,688 | 13,442 |
| Depreciation | 303,337 | - | - | 303,337 |
| OPERATING INCOME (LOSS) | (319,583) | - | 29,688 | (289,895) |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Miscellaneous Nonoperating Income | 11,203 | - | - | 11,203 |
| Investment Income | 549 | 67 | 84 | 700 |
| Water and Sewer Tap On Fees | - | 30,121 | 27,027 | 57,148 |
| Total Non-Operating Revenues (Expenses) | 11,752 | 30,188 | 27,111 | 69,051 |
| INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS | (307,831) | 30,188 | 56,799 | (220,844) |
| TRANSFERS | | | | |
| Transfers In | 217,454 | - | - | 217,454 |
| Transfers (Out) | - | - | (217,454) | (217,454) |
| Total Transfers | 217,454 | - | (217,454) | - |
| CAPITAL GRANTS AND CONTRIBUTIONS | - | - | 34,992 | 34,992 |
| CHANGE IN NET POSITION | (90,377) | 30,188 | (125,663) | (185,852) |
| NET POSITION, MAY 1 | 7,886,384 | 113,715 | 294,258 | 8,294,357 |
| Change in Accounting Principle | 107,032 | - | - | 107,032 |
| NET POSITION, MAY 1, RESTATED | 7,993,416 | 113,715 | 294,258 | 8,401,389 |
| NET POSITION, APRIL 30 | \$ 7,903,039 | \$ 143,903 | \$ 168,595 | \$ 8,215,537 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

COMBINING SCHEDULE OF CASH FLOWS
PROPRIETARY FUND
WATER AND SEWER FUND BY SUBACCOUNT

For the Year Ended April 30, 2016

| | Water and Sewer Operating Account | Water Improvement Account | Sewer Equipment Replacement Account | Total |
|--|--|--|--|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts From Customers | \$ 1,243,265 | \$ - | \$ 29,688 | \$ 1,272,953 |
| Payments to Suppliers | (495,140) | - | - | (495,140) |
| Payments to Employees | (541,446) | - | - | (541,446) |
| Payments for Interfund Services | (199,688) | - | - | (199,688) |
| Net Cash From Operating Activities | 6,991 | - | 29,688 | 36,679 |
| CASH FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Water and Sewer Tap-On Fees | - | 30,121 | 27,027 | 57,148 |
| Miscellaneous Non-Operating Income | 1,671 | - | - | 1,671 |
| Amounts Due to Other Funds | 73,830 | - | - | 73,830 |
| Water Fund Interaccount Transactions | 217,454 | - | (217,454) | - |
| Net Cash From Noncapital Financing Activities | 292,955 | 30,121 | (190,427) | 132,649 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Purchase of Capital Assets | (242,311) | - | - | (242,311) |
| Principal Paid on IEPA Loan | (83,503) | - | - | (83,503) |
| Net Cash From Capital and Related Financing Activities | (325,814) | - | - | (325,814) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest Received | 549 | 67 | 84 | 700 |
| Net Cash From Investing Activities | 549 | 67 | 84 | 700 |
| NET INCREASE (DECREASE) IN CASH | (25,319) | 30,188 | (160,655) | (155,786) |
| CASH, MAY 1 | 1,013,029 | 113,715 | 294,258 | 1,421,002 |
| CASH, APRIL 30 | \$ 987,710 | \$ 143,903 | \$ 133,603 | \$ 1,265,216 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES | | | | |
| Operating Income (Loss) | \$ (319,583) | \$ - | \$ 29,688 | \$ (289,895) |
| Depreciation | 303,337 | - | - | 303,337 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities | | | | |
| Changes in Assets And Liabilities | | | | |
| Accounts Receivable | (11,381) | - | - | (11,381) |
| Accounts Payable | (5,603) | - | - | (5,603) |
| Accrued Payroll | 2,500 | - | - | 2,500 |
| Compensated Absences | (26,039) | - | - | (26,039) |
| Pension Items - IMRF | 63,760 | - | - | 63,760 |
| NET CASH FROM OPERATING ACTIVITIES | \$ 6,991 | - | \$ 29,688 | \$ 36,679 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| OPERATING REVENUES | | | | |
| Charges For Services | | | | |
| Water Sales | \$ 622,500 | \$ 622,500 | \$ 601,528 | \$ 589,160 |
| Sewer Sales - Genoa | 601,000 | 601,000 | 581,607 | 575,487 |
| Sewer Sales - Kingston | 40,000 | 40,000 | 45,120 | 38,808 |
| Penalties | 22,500 | 22,500 | 24,303 | 22,907 |
| Meter Fees | 1,500 | 1,500 | 2,088 | 1,044 |
| Total Operating Revenues | 1,287,500 | 1,287,500 | 1,254,646 | 1,227,406 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | | | |
| Water Division | 693,395 | 693,395 | 685,737 | 580,794 |
| Sewer Division | 619,348 | 648,348 | 585,155 | 545,108 |
| Total Operating Expenses | 1,312,743 | 1,341,743 | 1,270,892 | 1,125,902 |
| OPERATING INCOME (LOSS) BEFORE DEPRECIATION | (25,243) | (54,243) | (16,246) | 101,504 |
| Depreciation | - | - | 303,337 | 300,872 |
| OPERATING INCOME (LOSS) | (25,243) | (54,243) | (319,583) | (199,368) |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Miscellaneous Non-Operating Income | 250 | 250 | 11,203 | - |
| Investment Income | 500 | 500 | 549 | 605 |
| Total Non-Operating Revenues (Expenses) | 750 | 750 | 11,752 | 605 |
| INCOME (LOSS) BEFORE TRANSFERS | (24,493) | (53,493) | (307,831) | (198,763) |
| TRANSFERS | | | | |
| Transfers In | - | - | 217,454 | 81,556 |
| Total Transfers | - | - | 217,454 | 81,556 |
| CHANGE IN NET POSITION | \$ (24,493) | \$ (53,493) | (90,377) | (117,207) |
| NET POSITION, MAY 1 | | | 7,886,384 | 8,003,591 |
| Change in Accounting Principle | | | 107,032 | - |
| NET POSITION, MAY 1, RESTATED | | | 7,993,416 | 8,003,591 |
| NET POSITION, APRIL 30 | | | <u>\$ 7,903,039</u> | <u>\$ 7,886,384</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND
WATER AND SEWER OPERATING SUBACCOUNT**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|----------------------------------|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| WATER DIVISION EXPENSES | | | | |
| Personal Services | | | | |
| Salaries | \$ 211,030 | \$ 211,030 | \$ 194,044 | \$ 198,182 |
| Employee Benefits | 85,185 | 85,185 | 73,894 | 75,360 |
| Pension Expense - IMRF | - | - | 35,538 | - |
| Total Personal Services | 296,215 | 296,215 | 303,476 | 273,542 |
| Contractual Services | | | | |
| Repairs and Maintenance | 110,500 | 110,500 | 89,203 | 60,303 |
| Professional | 10,263 | 10,263 | 11,963 | 10,170 |
| Travel and Training | 1,825 | 1,825 | 1,273 | 1,805 |
| Public Utilities | 45,250 | 45,250 | 34,967 | 41,769 |
| Administrative Service Charge | 47,500 | 47,500 | 47,500 | 45,000 |
| Telephone | 5,700 | 5,700 | 5,529 | 5,488 |
| Internal Service Charges | 45,000 | 45,000 | 45,000 | 43,500 |
| Insurance | 23,842 | 23,842 | 26,450 | 22,688 |
| Other Contractual Services | 6,250 | 6,250 | 5,376 | 5,513 |
| Total Contractual Services | 296,130 | 296,130 | 267,261 | 236,236 |
| Commodities and Supplies | | | | |
| Water Meters | 30,000 | 30,000 | 76,155 | 29,612 |
| Operating | 5,750 | 5,750 | 7,160 | 4,191 |
| Automotive Fuel and Oil | 8,000 | 8,000 | 5,870 | 6,405 |
| Chemicals | 20,000 | 20,000 | 17,938 | 20,442 |
| Fire Hydrants | 2,500 | 2,500 | - | 1,447 |
| Other Supplies | 2,300 | 2,300 | 2,284 | 4,514 |
| Total Commodities and Supplies | 68,550 | 68,550 | 109,407 | 66,611 |
| Capital Outlay | | | | |
| Operating Expenses | 1,500 | 1,500 | 5,593 | 4,405 |
| Distribution System Improvements | 31,000 | 31,000 | 24,857 | 120,630 |
| Assets Capitalized | - | - | (24,857) | (120,630) |
| Total Capital Outlay | 32,500 | 32,500 | 5,593 | 4,405 |
| Total Water Division Expenses | 693,395 | 693,395 | 685,737 | 580,794 |

(This schedule is continued on the following pages.)

CITY OF GENOA, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)

**WATER AND SEWER FUND
WATER AND SEWER OPERATING SUBACCOUNT**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--------------------------------|----------------------------|-------------------------|---------------|---------------|
| | Original Budget | Final Budget | Actual | Actual |
| SEWER DIVISION EXPENSES | | | | |
| Personal Services | | | | |
| Salaries | \$ 172,110 | \$ 172,110 | \$ 190,500 | \$ 172,462 |
| Employee Benefits | 73,450 | 102,450 | 59,469 | 68,782 |
| Pension Expense - IMRF | - | - | 28,222 | - |
| Total Personal Services | 245,560 | 274,560 | 278,191 | 241,244 |
| Contractual Services | | | | |
| Repairs and Maintenance | 60,750 | 60,750 | 84,056 | 75,179 |
| Professional | 4,763 | 4,763 | 6,155 | 4,452 |
| Travel and Training | 1,775 | 1,775 | 1,126 | 828 |
| Public Utilities | 75,500 | 75,500 | 61,996 | 74,334 |
| Sludge Removal | 9,000 | 9,000 | 8,067 | 9,686 |
| Administrative Service Charge | 47,500 | 47,500 | 47,500 | 45,000 |
| Telephone | 5,000 | 5,000 | 4,857 | 4,899 |
| Internal Service Charges | 30,000 | 30,000 | 30,000 | 29,000 |
| Insurance | 23,297 | 23,297 | 24,884 | 22,185 |
| IEPA Permit Fees | 10,000 | 10,000 | 10,000 | 10,000 |
| Other Contractual Services | 5,900 | 5,900 | 5,489 | 4,798 |
| Total Contractual Services | 273,485 | 273,485 | 284,130 | 280,361 |
| Commodities and Supplies | | | | |
| Operating | 7,650 | 7,650 | 16,063 | 11,109 |
| Automotive Fuel and Oil | 3,750 | 3,750 | 1,711 | 2,919 |
| Chemicals | 2,500 | 2,500 | 2,877 | 1,845 |
| Sewer Lids | 500 | 500 | - | - |
| Other Supplies | 1,400 | 1,400 | 2,183 | 3,787 |
| Total Commodities and Supplies | 15,800 | 15,800 | 22,834 | 19,660 |
| Debt Service | | | | |
| IEPA Loan Payment | 83,503 | 83,503 | 83,503 | 83,503 |
| Debt Service Reclassified | - | - | (83,503) | (83,503) |
| Total Debt Service | 83,503 | 83,503 | - | - |

(This schedule is continued on the following page.)

CITY OF GENOA, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)

**WATER AND SEWER FUND
WATER AND SEWER OPERATING SUBACCOUNT**

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| SEWER DIVISION EXPENSES (Continued) | | | | |
| Capital Outlay | | | | |
| Operating Expenses | \$ 1,000 | \$ 1,000 | \$ - | \$ 3,843 |
| Total Capital Outlay | 1,000 | 1,000 | - | 3,843 |
| Total Sewer Division Expenses | 619,348 | 648,348 | 585,155 | 545,108 |
| Depreciation | - | - | 303,337 | 300,872 |
| TOTAL WATER AND SEWER OPERATING EXPENSES | \$ 1,312,743 | \$ 1,341,743 | \$ 1,574,229 | \$ 1,426,774 |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|-------------------|-------------------|
| | Original Budget | Final Budget | Actual | Actual |
| OPERATING REVENUES | | | | |
| None | \$ - | \$ - | \$ - | \$ - |
| OPERATING EXPENSES | | | | |
| Water Division | | | | |
| Water Operating Expenses | | | | |
| Meter Read System | 20,000 | 20,000 | - | - |
| OPERATING INCOME (LOSS) | (20,000) | (20,000) | - | - |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Investment Income | 50 | 50 | 67 | 64 |
| Water Tap-On Fees | 4,305 | 4,305 | 30,121 | 17,212 |
| Total Non-Operating Revenues (Expenses) | 4,355 | 4,355 | 30,188 | 17,276 |
| CHANGE IN NET POSITION | <u>\$ (15,645)</u> | <u>\$ (15,645)</u> | 30,188 | 17,276 |
| NET POSITION, MAY 1 | | | 113,715 | 96,439 |
| NET POSITION, APRIL 30 | | | <u>\$ 143,903</u> | <u>\$ 113,715</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | |
|--|----------------------------|-------------------------|------------------------|
| | Original Budget | Final Budget | 2015 Actual |
| OPERATING REVENUES | | | |
| Charges for Services | | | |
| Sewer Service | \$ 31,500 | \$ 31,500 | \$ 29,688 |
| | | | \$ 30,119 |
| OPERATING EXPENSES | | | |
| Sewer Division | | | |
| Blower Equipment Improvements | 15,000 | 15,000 | 16,906 |
| Turbo Blower | 175,000 | 175,000 | 148,975 |
| Sewer Video Equipment | 14,000 | 14,000 | - |
| Clarifier Improvements | 20,000 | 20,000 | 20,106 |
| Digester Improvements | - | - | 13,900 |
| Walnut Street Lift Station Fence | - | - | - |
| Walnut Street Lift Station Improvements | - | - | - |
| Muffin Monster | - | - | - |
| Locust Street Lift Station Generator | 25,000 | 25,000 | 17,567 |
| Capital Outlay Capitalized | - | - | (217,454) |
| | | | (81,556) |
| Total Sewer Division | 249,000 | 249,000 | - |
| | | | - |
| OPERATING INCOME (LOSS) | (217,500) | (217,500) | 29,688 |
| | | | 30,119 |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Investment Income | 125 | 125 | 84 |
| Sewer Tap-On Fees | 3,860 | 3,860 | 27,027 |
| | | | 15,444 |
| Total Non-Operating Revenues (Expenses) | 3,985 | 3,985 | 27,111 |
| | | | 15,612 |
| INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS | (213,515) | (213,515) | 56,799 |
| | | | 45,731 |
| TRANSFERS | | | |
| Transfer (Out) to Water and Sewer Operating | - | - | (217,454) |
| | | | (81,556) |
| Total Transfers | - | - | (217,454) |
| | | | (81,556) |
| CAPITAL GRANTS AND CONTRIBUTIONS | 114,000 | 114,000 | 34,992 |
| | | | - |
| CHANGE IN NET POSITION | \$ (99,515) | \$ (99,515) | (125,663) |
| | | | (35,825) |
| NET POSITION, MAY 1 | | | 294,258 |
| | | | 330,083 |
| NET POSITION, APRIL 30 | | | \$ 168,595 |
| | | | \$ 294,258 |

(See independent auditor's report.)

INTERNAL SERVICE FUND

Equipment Replacement Fund - to account for the resources used to provide equipment and vehicle replacements to other city departments on a cost reimbursement basis.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(With Comparative Actual for 2015)

| | 2016 | | | 2015 |
|--|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 146,800 | \$ 146,800 | \$ 146,800 | \$ 106,850 |
| Total Operating Revenues | 146,800 | 146,800 | 146,800 | 106,850 |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | | | |
| Capital Expenditures | 147,000 | 147,000 | 124,667 | 156,895 |
| Assets Capitalized | - | - | (124,667) | (156,895) |
| Total Operating Expenses Excluding Depreciation | 147,000 | 147,000 | - | - |
| OPERATING INCOME (LOSS) BEFORE DEPRECIATION | (200) | (200) | 146,800 | 106,850 |
| Depreciation | - | - | 80,446 | 77,355 |
| OPERATING INCOME (LOSS) | (200) | (200) | 66,354 | 29,495 |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Investment Income | 600 | 600 | 730 | 542 |
| Total Non-Operating Revenues (Expenses) | 600 | 600 | 730 | 542 |
| CHANGE IN NET POSITION | <u>\$ 400</u> | <u>\$ 400</u> | 67,084 | 30,037 |
| NET POSITION, MAY 1 | | | 1,216,576 | 1,186,539 |
| NET POSITION, APRIL 30 | | | <u>\$ 1,283,660</u> | <u>\$ 1,216,576</u> |

(See independent auditor's report.)

FIDUCIARY FUNDS

Pension Trust Fund - to account for the accumulation of resources to be used for retirement annuity payments for sworn members of the City's police force. Resources are contributed by employees at rates fixed by state law and by the City at amounts determined by an annual actuarial valuation or update.

Agency Fund - to account for deposits from residents, employees, and developers that the City holds for various purposes. The balance of any deposit will be returned to the depositor upon completion of the event for which the deposit was received.

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2016
(with comparative actual for 2015)

| | 2016 | | | 2015 |
|---|----------------------------|-------------------------|---------------------|---------------------|
| | Original Budget | Final Budget | Actual | Actual |
| ADDITIONS | | | | |
| Contributions | | | | |
| Employer | \$ 214,595 | \$ 214,595 | \$ 221,541 | \$ 206,688 |
| Participants | 39,780 | 39,780 | 41,473 | 39,117 |
| Total Contributions | 254,375 | 254,375 | 263,014 | 245,805 |
| Investment Income | | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | 5,000 | 5,000 | (5,235) | 11,794 |
| Interest Income | 26,000 | 26,000 | 30,099 | 25,161 |
| Total Investment Income | 31,000 | 31,000 | 24,864 | 36,955 |
| Total Additions | 285,375 | 285,375 | 287,878 | 282,760 |
| DEDUCTIONS | | | | |
| Administration | 5,894 | 5,894 | 5,292 | 3,843 |
| Pension Benefits | 103,461 | 103,461 | 73,462 | 73,462 |
| Pension Refunds | 5,000 | 5,000 | - | 3,364 |
| Total Deductions | 114,355 | 114,355 | 78,754 | 80,669 |
| NET INCREASE | <u>\$ 171,020</u> | <u>\$ 171,020</u> | 209,124 | 202,091 |
| NET POSITION RESTRICTED FOR PENSIONS | | | | |
| May 1 | | | 1,317,656 | 1,115,565 |
| April 30 | | | <u>\$ 1,526,780</u> | <u>\$ 1,317,656</u> |

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
ESCROW DEPOSIT FUND**

For the Year Ended April 30, 2016

| | Balances May 1 | Additions | Deductions | Balances April 30 |
|--------------------------|-------------------|-------------------|-------------------|----------------------|
| ASSETS | | | | |
| Cash | \$ 109,738 | \$ 53,702 | \$ 87,474 | \$ 75,966 |
| Other Receivables | 3,555 | - | - | 3,555 |
| Due from Other Funds | - | 75,000 | - | 75,000 |
| TOTAL ASSETS | \$ 113,293 | \$ 128,702 | \$ 87,474 | \$ 154,521 |
| LIABILITIES | | | | |
| Deposits | \$ 113,293 | \$ 159,176 | \$ 117,948 | \$ 154,521 |
| TOTAL LIABILITIES | \$ 113,293 | \$ 159,176 | \$ 117,948 | \$ 154,521 |

(See independent auditor's report.)

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL ACTIVITIES

General capital assets are those capital assets used in the operations accounted for in governmental funds and the Internal Service Fund.

CITY OF GENOA, ILLINOIS

SCHEDULE OF GENERAL CAPITAL ASSETS AND ACCUMULATED DEPRECIATION

For the Year Ended April 30, 2016

| | Capital Assets | | | Accumulated Depreciation | | | | | Net Capital Assets |
|----------------------------|-------------------|------------|-------------|--------------------------|-------------------|------------|-------------|----------------------|--------------------|
| | Balances May 1 | Additions | Retirements | Balances April 30 | Balances May 1 | Provisions | Retirements | Balances April 30 | |
| GENERAL GOVERNMENT | | | | | | | | | |
| Land | \$ 576,926 | \$ - | \$ - | \$ 576,926 | \$ - | \$ - | \$ - | \$ - | \$ 576,926 |
| Buildings and Improvements | 1,411,738 | - | - | 1,411,738 | 525,429 | 47,807 | - | 573,236 | 838,502 |
| Equipment | 101,249 | 35,075 | - | 136,324 | 68,333 | 5,195 | - | 73,528 | 62,796 |
| Total General Government | 2,089,913 | 35,075 | - | 2,124,988 | 593,762 | 53,002 | - | 646,764 | 1,478,224 |
| PUBLIC SAFETY | | | | | | | | | |
| Buildings and Improvements | 41,988 | - | - | 41,988 | 41,988 | - | - | 41,988 | - |
| Equipment | 189,149 | - | - | 189,149 | 158,085 | 12,033 | - | 170,118 | 19,031 |
| Total Public Safety | 231,137 | - | - | 231,137 | 200,073 | 12,033 | - | 212,106 | 19,031 |
| HIGHWAYS AND STREETS | | | | | | | | | |
| Buildings and Improvements | 221,126 | 25,827 | - | 246,953 | 69,318 | 7,862 | - | 77,180 | 169,773 |
| Equipment | 179,506 | - | - | 179,506 | 129,118 | 8,452 | - | 137,570 | 41,936 |
| Infrastructure | 5,086,416 | 316,950 | - | 5,403,366 | 610,894 | 135,084 | - | 745,978 | 4,657,388 |
| Construction in Progress | 14,062 | - | 14,062 | - | - | - | - | - | - |
| Total Highways and Streets | 5,501,110 | 342,777 | 14,062 | 5,829,825 | 809,330 | 151,398 | - | 960,728 | 4,869,097 |
| INTERNAL SERVICE FUND | | | | | | | | | |
| Vehicles | 1,671,277 | 124,667 | 170,992 | 1,624,952 | 944,331 | 80,446 | 170,992 | 853,785 | 771,167 |
| TOTAL CAPITAL ASSETS | \$ 9,493,437 | \$ 502,519 | \$ 185,054 | \$ 9,810,902 | \$ 2,547,496 | \$ 296,879 | \$ 170,992 | \$ 2,673,383 | \$ 7,137,519 |
| CAPITAL ASSETS SUMMARY | | | | | | | | | |
| Land | \$ 576,926 | \$ - | \$ - | \$ 576,926 | \$ - | \$ - | \$ - | \$ - | \$ 576,926 |
| Buildings and Improvements | 1,674,852 | 25,827 | - | 1,700,679 | 636,735 | 55,669 | - | 692,404 | 1,008,275 |
| Equipment | 469,904 | 35,075 | - | 504,979 | 355,536 | 25,680 | - | 381,216 | 123,763 |
| Vehicles | 1,671,277 | 124,667 | 170,992 | 1,624,952 | 944,331 | 80,446 | 170,992.00 | 853,785 | 771,167 |
| Infrastructure | 5,086,416 | 316,950 | - | 5,403,366 | 610,894 | 135,084 | - | 745,978 | 4,657,388 |
| Construction in Progress | 14,062 | - | 14,062 | - | - | - | - | - | - |
| TOTAL CAPITAL ASSETS | \$ 9,493,437 | \$ 502,519 | \$ 185,054 | \$ 9,810,902 | \$ 2,547,496 | \$ 296,879 | \$ 170,992 | \$ 2,673,383 | \$ 7,137,519 |

(See independent auditor's report.)

**LONG-TERM DEBT PAYABLE BY
GOVERNMENTAL FUNDS**

To account for the noncurrent portion of the City's general obligation alternate revenue bonds, net pension liabilities, and compensated absences.

CITY OF GENOA, ILLINOIS

**SCHEDULE OF GENERAL LONG-TERM DEBT
LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS**

April 30, 2016

| | Series 2005 Alternate Bonds | Series 2010 Alternate Bonds | Compensated Absences and NPL | Total |
|---|--|--|---|------------------------------|
| AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT | | | | |
| Amount Available in Debt Service Fund | \$ 32,841 | \$ - | \$ - | \$ 32,841 |
| Amount to be Provided For Retirement of General Long-Term Debt | 577,159 | 297,000 | 4,641,584 | 5,515,743 |
| TOTAL | \$ 610,000 | \$ 297,000 | \$ 4,641,584 | \$ 5,548,584 |
| GENERAL LONG-TERM DEBT PAYABLE | | | | |
| | Balances May 1, As Restated | Additions | Retirements | Balances April 30 |
| 2005 General Obligation Alternate Bonds | \$ 720,000 | \$ - | \$ 110,000 | \$ 610,000 |
| 2010 General Obligation Alternate Bonds | 350,000 | - | 53,000 | 297,000 |
| Total General Obligation Alternate Bonds | 1,070,000 | - | 163,000 | 907,000 |
| Compensated Absences | | | | |
| General Government | 8,260 | 4,651 | 1,615 | 11,296 |
| Public Safety | 111,081 | 45,253 | 33,713 | 122,621 |
| Highways and Streets | 30,130 | 11,818 | 14,227 | 27,721 |
| Total Compensated Absences | 149,471 | 61,722 | 49,555 | 161,638 |
| Net Pension Liability | | | | |
| Illinois Municipal Retirement Fund | - | 49,019 | - | 49,019 |
| Police Pension Fund | 2,927,122 | 1,503,805 | - | 4,430,927 |
| Total Pension Liability | 2,927,122 | 1,552,824 | - | 4,479,946 |
| TOTAL | \$ 4,146,593 | \$ 1,614,546 | \$ 212,555 | \$ 5,548,584 |

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Genoa, 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 displays about the City'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 City's financial performance and well-being have been changed over time. | 94-103 |
| Revenue Capacity These schedules contain information to help the readers assess the performance of property tax and sales tax revenues, two of the City's most significant revenue sources. | 104-109 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 110-114 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 115-116 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 117-119 |

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

CITY OF GENOA, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 1,339,923 | \$ 1,751,993 | \$ 2,437,306 | \$ 4,115,235 |
| Restricted | 1,286,995 | 1,419,213 | 840,438 | 823,179 |
| Unrestricted | 781,332 | 706,018 | 738,199 | 628,637 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 3,408,250 | \$ 3,877,224 | \$ 4,015,943 | \$ 5,567,051 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net Investment in Capital Assets | \$ 5,189,918 | \$ 5,253,738 | \$ 5,325,716 | \$ 6,900,088 |
| Restricted | - | - | - | - |
| Unrestricted | 1,980,012 | 2,097,306 | 1,842,447 | 1,515,229 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 7,169,930 | \$ 7,351,044 | \$ 7,168,163 | \$ 8,415,317 |
| PRIMARY GOVERNMENT | | | | |
| Net Investment in Capital Assets | \$ 6,529,841 | \$ 7,005,731 | \$ 7,763,022 | \$ 11,015,323 |
| Restricted | 1,286,995 | 1,419,213 | 840,438 | 823,179 |
| Unrestricted | 2,761,344 | 2,803,324 | 2,580,646 | 2,143,866 |
| TOTAL PRIMARY GOVERNMENT | \$ 10,578,180 | \$ 11,228,268 | \$ 11,184,106 | \$ 13,982,368 |

Note: GASB Statement No. 68 was implemented during the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 4,559,175 | \$ 4,730,356 | \$ 5,369,164 | \$ 5,647,197 | \$ 5,875,941 | \$ 6,230,519 |
| 835,402 | 1,213,857 | 1,227,943 | 1,526,934 | 1,390,782 | 1,104,110 |
| 1,152,028 | 875,696 | 1,132,448 | 1,118,581 | 1,178,815 | (1,745,328) |
| <u>\$ 6,546,605</u> | <u>\$ 6,819,909</u> | <u>\$ 7,729,555</u> | <u>\$ 8,292,712</u> | <u>\$ 8,445,538</u> | <u>\$ 5,589,301</u> |
| \$ 7,384,834 | \$ 7,205,100 | \$ 7,075,505 | \$ 6,900,341 | \$ 6,885,158 | \$ 6,907,635 |
| - | - | - | - | - | - |
| 1,493,650 | 1,548,937 | 1,483,551 | 1,529,772 | 1,409,199 | 1,307,902 |
| <u>\$ 8,878,484</u> | <u>\$ 8,754,037</u> | <u>\$ 8,559,056</u> | <u>\$ 8,430,113</u> | <u>\$ 8,294,357</u> | <u>\$ 8,215,537</u> |
| \$ 11,944,009 | \$ 11,935,456 | \$ 12,444,669 | \$ 12,547,538 | \$ 12,761,099 | \$ 13,138,154 |
| 835,402 | 1,213,857 | 1,227,943 | 1,526,934 | 1,390,782 | 1,104,110 |
| 2,645,678 | 2,424,633 | 2,615,999 | 2,648,353 | 2,588,014 | (437,426) |
| <u>\$ 15,425,089</u> | <u>\$ 15,573,946</u> | <u>\$ 16,288,611</u> | <u>\$ 16,722,825</u> | <u>\$ 16,739,895</u> | <u>\$ 13,804,838</u> |

CITY OF GENOA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 |
|---|-----------------------|-----------------------|-----------------------|---------------------|
| EXPENSES | | | | |
| Governmental Activities | | | | |
| General Government | \$ 745,375 | \$ 874,423 | \$ 708,951 | \$ 557,390 |
| Public Safety | 1,233,463 | 1,274,158 | 1,303,637 | 1,208,117 |
| Highways and Streets | 436,354 | 462,326 | 534,207 | 555,205 |
| Sanitation | 271,953 | 286,863 | 300,996 | 310,261 |
| Interest and Fiscal Charges | 56,235 | 53,923 | 51,297 | 48,438 |
| Total Governmental Activities Expenses | 2,743,380 | 2,951,693 | 2,899,088 | 2,679,411 |
| Business-Type Activities | | | | |
| Water and Sewer Service | 1,237,638 | 1,382,092 | 1,316,914 | 1,410,117 |
| Total Business-Type Activities Expenses | 1,237,638 | 1,382,092 | 1,316,914 | 1,410,117 |
| TOTAL PRIMARY GOVERNMENT EXPENSES | \$ 3,981,018 | \$ 4,333,785 | \$ 4,216,002 | \$ 4,089,528 |
| PROGRAM REVENUES | | | | |
| Governmental Activities | | | | |
| Charges for Services | | | | |
| General Government | \$ 181,978 | \$ 188,178 | \$ 99,678 | \$ 118,719 |
| Public Safety | 92,069 | 71,365 | 100,377 | 61,506 |
| Highways and Streets | 3,042 | 31,427 | 24,257 | 814 |
| Sanitation | 270,824 | 289,364 | 300,044 | 310,122 |
| Operating Grants | 131,829 | 123,503 | 188,588 | 164,389 |
| Capital Grants | - | 269,494 | - | 1,448,585 |
| Total Governmental Activities Program Revenues | 679,742 | 973,331 | 712,944 | 2,104,135 |
| Business-Type Activities | | | | |
| Charges for Services | | | | |
| Water and Sewer Service | 1,325,202 | 1,443,883 | 1,084,710 | 1,108,167 |
| Operating Grants | - | 29,322 | - | - |
| Capital Grants and Contributions | - | - | - | 1,528,816 |
| Total Business-Type Activities Program Revenues | 1,325,202 | 1,473,205 | 1,084,710 | 2,636,983 |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | \$ 2,004,944 | \$ 2,446,536 | \$ 1,797,654 | \$ 4,741,118 |
| NET REVENUE (EXPENSE) | | | | |
| Governmental Activities | \$ (2,063,638) | \$ (1,978,362) | \$ (2,186,144) | \$ (575,276) |
| Business-Type Activities | 87,564 | 91,113 | (232,204) | 1,226,866 |
| TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE) | \$ (1,976,074) | \$ (1,887,249) | \$ (2,418,348) | \$ 651,590 |

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 534,640 | \$ 514,651 | \$ 556,261 | \$ 512,146 | \$ 528,482 | \$ 538,045 |
| 1,076,520 | 1,175,977 | 1,224,303 | 1,197,384 | 1,250,472 | 1,541,343 |
| 505,784 | 567,683 | 493,598 | 652,396 | 707,898 | 749,855 |
| 325,985 | 348,236 | 362,930 | 362,110 | 386,546 | 404,228 |
| 57,701 | 63,784 | 90,755 | 49,121 | 44,609 | 39,328 |
| 2,500,630 | 2,670,331 | 2,727,847 | 2,773,157 | 2,918,007 | 3,272,799 |
| 1,278,624 | 1,294,501 | 1,452,179 | 1,398,818 | 1,426,774 | 1,574,229 |
| 1,278,624 | 1,294,501 | 1,452,179 | 1,398,818 | 1,426,774 | 1,574,229 |
| \$ 3,779,254 | \$ 3,964,832 | \$ 4,180,026 | \$ 4,171,975 | \$ 4,344,781 | \$ 4,847,028 |
| \$ 112,639 | \$ 110,502 | \$ 143,220 | \$ 152,279 | \$ 185,248 | \$ 191,342 |
| 45,858 | 47,960 | 60,185 | 43,670 | 51,546 | 45,408 |
| 8,945 | 6,753 | 43,388 | 21,494 | 4,272 | 8,291 |
| 321,791 | 346,864 | 360,291 | 373,535 | 387,636 | 402,437 |
| 201,869 | 173,077 | 516,755 | 187,088 | 185,848 | 148,017 |
| 543,000 | - | 200,967 | 132,098 | - | - |
| 1,234,102 | 685,156 | 1,324,806 | 910,164 | 814,550 | 795,495 |
| 1,185,971 | 1,164,836 | 1,254,941 | 1,269,067 | 1,290,181 | 1,341,482 |
| - | - | - | - | - | - |
| 550,000 | - | - | - | - | 34,992 |
| 1,735,971 | 1,164,836 | 1,254,941 | 1,269,067 | 1,290,181 | 1,376,474 |
| \$ 2,970,073 | \$ 1,849,992 | \$ 2,579,747 | \$ 2,179,231 | \$ 2,104,731 | \$ 2,171,969 |
| \$ (1,266,528) | \$ (1,985,175) | \$ (1,403,041) | \$ (1,862,993) | \$ (2,103,457) | \$ (2,477,304) |
| 457,347 | (129,665) | (197,238) | (129,751) | (136,593) | (197,755) |
| \$ (809,181) | \$ (2,114,840) | \$ (1,600,279) | \$ (1,992,744) | \$ (2,240,050) | \$ (2,675,059) |

CITY OF GENOA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|
| GENERAL REVENUES AND OTHER | | | | |
| CHANGES IN NET POSITION | | | | |
| Governmental Activities | | | | |
| Taxes | | | | |
| Property Taxes | \$ 546,047 | \$ 620,170 | \$ 664,934 | \$ 703,136 |
| Sales Tax | 696,101 | 719,452 | 550,065 | 439,628 |
| Utility Taxes | 417,006 | 441,508 | 440,356 | 421,964 |
| Video Gaming Taxes | - | - | - | - |
| Intergovernmental - Unrestricted | | | | |
| State Income Tax | 351,378 | 383,854 | 471,300 | 426,823 |
| Personal Property Replacement Tax | 37,191 | 42,417 | 38,838 | 34,378 |
| State Gaming Taxes | - | - | - | - |
| State Use Tax | 54,099 | 56,825 | 76,733 | 64,238 |
| Investment Income | 114,035 | 94,557 | 38,617 | 24,850 |
| Miscellaneous | 96,167 | 88,553 | 44,020 | 11,367 |
| Total Governmental Activities | 2,312,024 | 2,447,336 | 2,324,863 | 2,126,384 |
| Business-Type Activities | | | | |
| Investment Income | 81,480 | 90,001 | 49,323 | 20,288 |
| Miscellaneous | - | - | - | - |
| Total Business-Type Activities | 81,480 | 90,001 | 49,323 | 20,288 |
| TOTAL PRIMARY GOVERNMENT | \$ 2,393,504 | \$ 2,537,337 | \$ 2,374,186 | \$ 2,146,672 |
| CHANGE IN NET POSITION | | | | |
| Governmental Activities | \$ 248,386 | \$ 468,974 | \$ 138,719 | \$ 1,551,108 |
| Business-Type Activities | 169,044 | 181,114 | (182,881) | 1,247,154 |
| TOTAL PRIMARY GOVERNMENT | | | | |
| CHANGE IN NET POSITION | \$ 417,430 | \$ 650,088 | \$ (44,162) | \$ 2,798,262 |

Data Source

Audited Financial Statements

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----|-----------|--------------|--------------|--------------|--------------|--------------|
| \$ | 713,597 | \$ 730,910 | \$ 741,749 | \$ 756,687 | \$ 733,629 | \$ 767,242 |
| | 572,357 | 600,647 | 583,438 | 606,297 | 461,798 | 478,641 |
| | 392,369 | 378,360 | 385,329 | 400,976 | 371,420 | 341,817 |
| | - | - | 3,440 | 13,469 | 25,503 | 22,153 |
| | 418,993 | 424,726 | 467,996 | 507,038 | 507,574 | 553,430 |
| | 38,212 | 34,472 | 34,177 | 39,112 | 38,161 | 38,661 |
| | - | 1,077 | 1,005 | 1,125 | 995 | 862 |
| | 74,043 | 76,539 | 82,717 | 88,649 | 100,002 | 119,508 |
| | 11,699 | 9,033 | 7,674 | 10,606 | 12,775 | 13,725 |
| | 24,812 | 2,715 | 5,162 | 2,191 | 4,426 | 18,123 |
| | 2,246,082 | 2,258,479 | 2,312,687 | 2,426,150 | 2,256,283 | 2,354,162 |
| | 5,820 | 5,218 | 2,257 | 808 | 837 | 700 |
| | - | - | - | - | - | 11,203 |
| | 5,820 | 5,218 | 2,257 | 808 | 837 | 11,903 |
| \$ | 2,251,902 | \$ 2,263,697 | \$ 2,314,944 | \$ 2,426,958 | \$ 2,257,120 | \$ 2,366,065 |
| \$ | 979,554 | \$ 273,304 | \$ 909,646 | \$ 563,157 | \$ 152,826 | \$ (123,142) |
| | 463,167 | (124,447) | (194,981) | (128,943) | (135,756) | (185,852) |
| \$ | 1,442,721 | \$ 148,857 | \$ 714,665 | \$ 434,214 | \$ 17,070 | \$ (308,994) |

CITY OF GENOA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 |
|---|---------------------|---------------------|-------------------|-------------------|
| GENERAL FUND | | | | |
| Nonspendable | | | | |
| Prepaid Expenditures | \$ 3,468 | \$ 5,553 | \$ 5,008 | \$ 3,972 |
| Unrestricted | | | | |
| Unassigned | - | - | - | - |
| Reserved | 199,816 | 124,094 | 45,642 | 45,642 |
| Unreserved | 590,048 | 545,723 | 496,019 | 424,832 |
| TOTAL GENERAL FUND | \$ 793,332 | \$ 675,370 | \$ 546,669 | \$ 474,446 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Restricted | | | | |
| Economic Development or CDAP Loans | \$ - | \$ - | \$ - | \$ - |
| Highways and Streets | - | - | - | - |
| Capital Improvements | - | - | - | - |
| Special Service Areas | - | - | - | - |
| Unrestricted | | | | |
| Assigned | | | | |
| Capital Improvements | - | - | - | - |
| Refuse Disposal | - | - | - | - |
| Debt Service | - | - | - | - |
| Reserved | 1,087,179 | 1,295,119 | 794,796 | 777,537 |
| Unreserved, Reported in | | | | |
| Special Revenue Funds | 45,995 | 36,266 | 115,042 | 67,642 |
| Capital Projects Fund | - | - | - | - |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 1,133,174 | \$ 1,331,385 | \$ 909,838 | \$ 845,179 |

The City implemented GASB Statement No. 54 as of April 30, 2012.

Data Source

Audited Financial Statements

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 4,080 | \$ 4,080 | \$ 4,080 | \$ 4,260 | \$ 4,260 | \$ 4,260 |
| - | 757,455 | 865,340 | 941,519 | 927,469 | 961,402 |
| - | - | - | - | - | - |
| 682,375 | - | - | - | - | - |
| \$ 686,455 | \$ 761,535 | \$ 869,420 | \$ 945,779 | \$ 931,729 | \$ 965,662 |
| \$ - | \$ 625,444 | \$ 627,569 | \$ 632,980 | \$ 639,717 | \$ 645,512 |
| - | 288,162 | 307,869 | 555,536 | 430,510 | 230,393 |
| - | 254,865 | 260,546 | 262,823 | 259,815 | 171,737 |
| - | 61,205 | 67,251 | 75,595 | 60,740 | 56,468 |
| - | 1,487 | 7,522 | - | - | - |
| - | 3,874 | 1,235 | 12,660 | 13,750 | 11,959 |
| - | 45,386 | 31,959 | 32,145 | 35,583 | 32,841 |
| 835,402 | - | - | - | - | - |
| 199,549 | - | - | - | - | - |
| 517,020 | - | - | - | - | - |
| \$ 1,551,971 | \$ 1,280,423 | \$ 1,303,951 | \$ 1,571,739 | \$ 1,440,115 | \$ 1,148,910 |

CITY OF GENOA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 |
|--|-------------------|------------------|---------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 2,101,822 | \$ 2,264,226 | \$ 2,242,226 | \$ 2,090,167 |
| Licenses and Permits | 158,603 | 163,849 | 69,600 | 91,125 |
| Intergovernmental | 131,829 | 120,851 | 171,340 | 165,514 |
| Charges for Services | 270,824 | 289,364 | 300,044 | 310,122 |
| Fines and Forfeitures | 49,966 | 60,540 | 92,041 | 55,816 |
| Investment Income | 99,578 | 82,890 | 35,107 | 22,341 |
| Miscellaneous | 156,712 | 154,298 | 100,039 | 44,340 |
| Total Revenues | 2,969,334 | 3,136,018 | 3,010,397 | 2,779,425 |
| EXPENDITURES | | | | |
| General Government | 685,037 | 819,916 | 668,001 | 501,464 |
| Public Safety | 1,206,947 | 1,250,144 | 1,283,719 | 1,192,198 |
| Highways and Streets | 471,863 | 509,558 | 511,999 | 508,062 |
| Sanitation | 271,953 | 286,863 | 300,996 | 310,261 |
| Capital Outlay | 566,625 | 61,608 | 665,785 | 271,928 |
| Debt Service | | | | |
| Principal | 70,000 | 75,000 | 80,000 | 85,000 |
| Interest | 63,659 | 52,080 | 49,845 | 47,395 |
| Other Charges | 900 | 600 | 300 | - |
| Total Expenditures | 3,336,984 | 3,055,769 | 3,560,645 | 2,916,308 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (367,650) | 80,249 | (550,248) | (136,883) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 130,000 | 200,000 | 120,000 | 125,000 |
| Transfers (Out) | (130,000) | (240,000) | (120,000) | (125,000) |
| Bonds Issued | 1,250,000 | - | - | - |
| Discount on Bonds Issued | (12,443) | - | - | - |
| Total Other Financing Sources (Uses) | 1,237,557 | (40,000) | - | - |
| NET CHANGE IN FUND BALANCES | \$ 869,907 | \$ 40,249 | \$ (550,248) | \$ (136,883) |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | | | | |
| | 4.82% | 4.24% | 4.49% | 5.01% |

Data Source

Audited Financial Statements

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 2,209,571 | \$ 1,709,917 | \$ 1,713,956 | \$ 1,777,429 | \$ 1,592,350 | \$ 1,609,853 |
| 92,034 | 75,584 | 86,464 | 71,779 | 98,417 | 111,850 |
| 202,967 | 709,891 | 1,102,650 | 823,012 | 832,580 | 851,407 |
| 321,791 | 346,864 | 360,291 | 373,535 | 387,636 | 402,437 |
| 40,737 | 35,144 | 50,095 | 38,158 | 46,850 | 38,813 |
| 10,136 | 7,995 | 6,953 | 9,962 | 12,233 | 12,995 |
| 58,386 | 57,202 | 115,397 | 109,698 | 100,225 | 121,572 |
| 2,935,622 | 2,942,597 | 3,435,806 | 3,203,573 | 3,070,291 | 3,148,927 |
| 487,781 | 463,430 | 503,907 | 454,394 | 491,084 | 471,081 |
| 1,083,991 | 1,140,504 | 1,207,391 | 1,154,824 | 1,211,970 | 1,322,362 |
| 470,903 | 520,495 | 523,930 | 573,277 | 602,460 | 640,085 |
| 325,985 | 348,236 | 362,930 | 362,110 | 386,546 | 404,228 |
| 41,908 | 454,802 | 500,304 | 112,665 | 325,199 | 363,790 |
| 90,000 | 147,000 | 150,000 | 151,000 | 152,000 | 163,000 |
| 57,503 | 64,598 | 55,931 | 51,156 | 46,706 | 41,653 |
| - | - | - | - | - | - |
| 2,558,071 | 3,139,065 | 3,304,393 | 2,859,426 | 3,215,965 | 3,406,199 |
| 377,551 | (196,468) | 131,413 | 344,147 | (145,674) | (257,272) |
| 152,500 | 239,769 | 192,439 | 352,313 | 242,064 | 201,660 |
| (152,500) | (239,769) | (192,439) | (352,313) | (242,064) | (201,660) |
| 550,000 | - | - | - | - | - |
| (8,750) | - | - | - | - | - |
| 541,250 | - | - | - | - | - |
| \$ 918,801 | \$ (196,468) | \$ 131,413 | \$ 344,147 | \$ (145,674) | \$ (257,272) |
| 5.86% | 7.88% | 7.34% | 7.36% | 6.87% | 6.73% |

CITY OF GENOA, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

| Levy Year | Residential Property | Commercial Property | Industrial Property | Rural and Railroad Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Estimated Actual Taxable Value |
|--------------|-------------------------|------------------------|------------------------|-----------------------------------|------------------------------------|--------------------------------|---|---|
| 2006 | \$ 72,005,696 | \$ 13,436,899 | \$ 2,911,016 | \$ 163,802 | \$ 88,517,413 | \$ 0.6031 | \$ 265,552,239 | 33.333% |
| 2007 | 79,534,796 | 14,954,989 | 3,106,186 | 201,703 | 97,797,674 | 0.5874 | 293,393,022 | 33.333% |
| 2008 | 83,206,044 | 16,478,247 | 3,216,020 | 286,785 | 103,187,096 | 0.5939 | 309,561,288 | 33.333% |
| 2009 | 81,208,922 | 16,941,037 | 3,237,713 | 245,735 | 101,633,407 | 0.6070 | 304,900,221 | 33.333% |
| 2010 | 76,336,502 | 15,949,503 | 3,126,768 | 300,632 | 95,713,405 | 0.6650 | 287,140,215 | 33.333% |
| 2011 | 69,579,084 | 14,791,163 | 2,902,276 | 310,880 | 87,583,403 | 0.7407 | 262,750,209 | 33.333% |
| 2012 | 61,690,903 | 13,588,969 | 2,593,591 | 314,563 | 78,188,026 | 0.8549 | 234,564,078 | 33.333% |
| 2013 | 55,483,993 | 12,340,733 | 2,362,500 | 300,491 | 70,487,717 | 0.9220 | 211,463,151 | 33.333% |
| 2014 | 55,776,559 | 12,014,146 | 2,264,812 | 352,438 | 70,407,955 | 0.9663 | 211,223,865 | 33.333% |
| 2015 | 56,893,633 | 11,959,904 | 2,304,220 | 278,271 | 71,436,028 | 0.9622 | 214,308,084 | 33.333% |

Note: Property in the City is reassessed each year. Property is assessed at 33.333% of actual value.

Data Source

Office of the County Clerk

CITY OF GENOA, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

| Tax Levy Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| CITY DIRECT RATES | | | | | | | | | | |
| General Corporate | \$ 0.2198 | \$ 0.2937 | \$ 0.2969 | \$ 0.3035 | \$ 0.3325 | \$ 0.3419 | \$ 0.4275 | \$ 0.4375 | \$ 0.4357 | \$ 0.4183 |
| Social Security | 0.0943 | - | - | - | - | - | - | - | 0.0142 | 0.0140 |
| Illinois Municipal Retirement | 0.1293 | - | - | - | - | - | - | - | 0.0142 | 0.0139 |
| Forestry | 0.0487 | - | - | - | - | - | - | - | - | - |
| School Crossing Guard | 0.0196 | - | - | - | - | - | - | - | - | - |
| Police Protection | 0.0735 | 0.2937 | 0.2970 | 0.3035 | 0.3325 | 0.3988 | 0.4274 | 0.4845 | 0.5022 | 0.5160 |
| Audit | 0.0112 | - | - | - | - | - | - | - | - | - |
| Liability Insurance | 0.0028 | - | - | - | - | - | - | - | - | - |
| Workers' Compensation | 0.0039 | - | - | - | - | - | - | - | - | - |
| TOTAL CITY DIRECT RATES | \$ 0.6031 | \$ 0.5874 | \$ 0.5939 | \$ 0.6070 | \$ 0.6650 | \$ 0.7407 | \$ 0.8549 | \$ 0.9220 | \$ 0.9663 | \$ 0.9622 |
| OVERLAPPING RATES | | | | | | | | | | |
| County of DeKalb | \$ 0.8668 | \$ 0.8449 | \$ 0.8495 | \$ 0.8539 | \$ 0.9052 | \$ 0.9694 | \$ 1.0892 | \$ 1.2013 | \$ 1.2482 | \$ 1.2364 |
| DeKalb County Forest Preserve District | 0.0548 | 0.0677 | 0.0678 | 0.0663 | 0.0700 | 0.0740 | 0.0797 | 0.0852 | 0.0876 | 0.0853 |
| Genoa Township | 0.2986 | 0.2886 | 0.2891 | 0.1661 | 0.1820 | 0.1984 | 0.2217 | 0.2469 | 0.2489 | 0.2502 |
| Genoa Township Road and Bridge | 0.1294 | 0.1239 | 0.1240 | 0.1248 | 0.1367 | 0.1490 | 0.1665 | 0.1854 | 0.1870 | 0.1879 |
| Genoa/Kingston Fire Protection District | 0.3653 | 0.3539 | 0.3513 | 0.3583 | 0.3853 | 0.4236 | 0.4771 | 0.5309 | 0.5373 | 0.5285 |
| Genoa Township Park District | 0.4594 | 0.4439 | 0.4380 | 0.4393 | 0.4771 | 0.5165 | 0.5720 | 0.6309 | 0.6349 | 0.6369 |
| Kingston Township Park District | 0.0485 | 0.0473 | 0.0464 | 0.0488 | 0.0508 | 0.0571 | 0.0643 | 0.0719 | 0.0728 | 0.0700 |
| Genoa/Kingston C.U.S.D. No. 424 | 4.2077 | 4.0887 | 4.0648 | 4.1873 | 4.5065 | 4.9883 | 5.6164 | 6.2818 | 6.3788 | 6.3242 |
| Kishwaukee Community College No. 523 | 0.5434 | 0.5497 | 0.5468 | 0.5638 | 0.5601 | 0.5758 | 0.6416 | 0.7294 | 0.7123 | 0.6972 |
| Genoa Public Library | 0.2058 | 0.1956 | 0.1946 | 0.1990 | 0.2181 | 0.2429 | 0.2804 | 0.3178 | 0.3238 | 0.3225 |
| River Bend Special Service Area | 0.5000 | 0.3980 | 0.3865 | 0.4192 | 0.4108 | 0.4253 | 0.4702 | 0.5000 | 0.5000 | 0.5000 |
| Derby Estates Special Service Area | 0.4814 | 0.3394 | - | 0.2236 | 0.2114 | 0.2104 | 0.2168 | 0.2217 | 0.2345 | 0.2380 |
| Oak Creek Estates Special Service Area | - | - | - | 0.5013 | 0.4136 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 |
| TYPICAL PROPERTY TAX RATE (1) | \$ 7.6049 | \$ 7.4204 | \$ 7.3957 | \$ 7.7893 | \$ 8.1059 | \$ 8.8786 | \$ 9.9995 | \$ 11.1315 | \$ 11.3251 | \$ 11.2312 |

(1) The typical property tax rates are for City properties within Genoa Township. Approximately 86% of City properties are in Genoa Township.

Data Source

Office of the County Clerk

CITY OF GENOA, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Tax Levy Year and Ten Years Ago

| Taxpayer | 2015 | | | | 2005 | | |
|----------------------------------|------------------------|------|---|------------------------------------|------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Valuation | | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Valuation |
| Castoro Genoa LLC | \$ 1,015,267 | 1 | 1.42% | Trademark Properties of Genoa, LLC | \$ 1,875,232 | 1 | 2.80% |
| Individual Taxpayer CS | 596,159 | 2 | 0.83% | Connor-Winfield Corp | 1,505,894 | 2 | 2.25% |
| Individual Taxpayer RS | 519,735 | 3 | 0.73% | Farmers State Bank, Trust 145 | 910,631 | 3 | 1.36% |
| American Mobile Home Communities | 518,932 | 4 | 0.73% | American Mobile Home Communities | 689,154 | 4 | 1.03% |
| Pierce Hardy LTD | 515,053 | 5 | 0.72% | Individual Taxpayer EZ | 594,424 | 5 | 0.89% |
| Individual Taxpayer BB | 418,066 | 6 | 0.59% | Greenlee Tool Company | 464,274 | 6 | 0.69% |
| Greenlee Tool Company | 399,832 | 7 | 0.56% | Resource Bank | 449,446 | 7 | 0.67% |
| Resource Bank | 385,830 | 8 | 0.56% | Individual Taxpayer BB | 444,087 | 8 | 0.66% |
| Rosemil One LLC | 353,147 | 9 | 0.54% | National Bank & Trust Co. | 417,707 | 9 | 0.62% |
| PJR Properties LLC | 348,333 | 10 | 0.49% | Individual Taxpayer JB | 346,786 | 10 | 0.52% |
| | \$ 5,070,354 | | 7.17% | | \$ 7,697,635 | | 11.49% |

Notes: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. Property is assessed at 33.333% of actual value.

Information from 2006 is not available.

Data Source

Office of the County Clerk

CITY OF GENOA, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

| Levy Year | Collection Fiscal Year | Taxes Levied | Total Collections | |
|--------------|---------------------------|-----------------|-------------------|-----------------------|
| | | | Amount | Percentage of Levy |
| 2006 | 2008 | \$ 536,831 | \$ 533,651 | 99.41% |
| 2007 | 2009 | 574,502 | 573,291 | 99.79% |
| 2008 | 2010 | 612,787 | 608,320 | 99.27% |
| 2009 | 2011 | 616,986 | 612,247 | 99.23% |
| 2010 | 2012 | 636,513 | 630,858 | 99.11% |
| 2011 | 2013 | 648,686 | 646,507 | 99.66% |
| 2012 | 2014 | 668,461 | 664,441 | 99.40% |
| 2013 | 2015 | 649,890 | 647,040 | 99.56% |
| 2014 | 2016 | 680,310 | 678,986 | 99.81% |
| 2015 | 2017 | 687,343 | N/A | N/A |

N/A - Information not available

Data Source

Office of the County Clerk

CITY OF GENOA, ILLINOIS

TAX REVENUES

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Property Taxes | | | | | | | | | | |
| Corporate Purposes | \$ 489,250 | \$ 533,641 | \$ 573,291 | \$ 608,320 | \$ 612,159 | \$ 630,858 | \$ 646,507 | \$ 664,441 | \$ 647,040 | \$ 679,004 |
| Road and Bridge | 26,992 | 27,239 | 30,700 | 33,587 | 34,361 | 35,254 | 35,284 | 35,021 | 33,014 | 33,629 |
| River Bend Special Service Area | 29,798 | 54,305 | 55,720 | 61,229 | 61,451 | 59,170 | 54,718 | 52,164 | 48,242 | 48,226 |
| Derby Estates Special Service Area | 7 | 4,984 | 5,223 | - | 4,000 | 3,996 | 3,600 | 3,547 | 3,941 | 5,024 |
| Oak Creek Special Service Area | - | - | - | - | 1,626 | 1,632 | 1,641 | 1,515 | 1,392 | 1,359 |
| Sales Tax | 696,101 | 719,452 | 550,065 | 439,628 | 572,357 | 600,647 | 583,438 | 606,297 | 461,798 | 478,641 |
| Video Gaming Tax | - | - | - | - | - | - | 3,440 | 13,469 | 25,503 | 22,153 |
| Utility Taxes | | | | | | | | | | |
| Electric Utility Tax | 160,052 | 173,033 | 163,390 | 152,561 | 164,449 | 163,952 | 169,477 | 174,341 | 168,868 | 165,412 |
| Natural Gas Utility Tax | 71,704 | 85,974 | 83,588 | 67,768 | 63,914 | 58,198 | 58,577 | 79,661 | 73,626 | 51,451 |
| Telecommunications Tax | 185,250 | 182,501 | 193,378 | 201,635 | 164,006 | 156,210 | 157,275 | 146,974 | 128,926 | 124,454 |
| State-Shared Taxes | | | | | | | | | | |
| State Income Tax | 351,378 | 383,854 | 471,300 | 426,823 | 418,993 | 424,726 | 467,996 | 507,038 | 507,574 | 553,430 |
| Personal Property Replacement Tax | 37,191 | 42,417 | 38,838 | 34,378 | 38,212 | 34,472 | 34,177 | 39,112 | 38,161 | 38,661 |
| State Gaming Taxes | 1,615 | 1,590 | 1,215 | 1,125 | 1,098 | 1,077 | 1,005 | 1,125 | 995 | 862 |
| State Use Tax | 54,099 | 56,825 | 76,733 | 64,238 | 74,043 | 76,539 | 82,717 | 88,649 | 100,002 | 119,508 |
| State Motor Fuel Tax | 120,965 | 116,389 | 141,042 | 139,375 | 139,703 | 133,974 | 128,722 | 134,487 | 133,192 | 138,946 |
| TOTAL TAX REVENUES | \$ 2,224,402 | \$ 2,382,204 | \$ 2,384,483 | \$ 2,230,667 | \$ 2,350,372 | \$ 2,380,705 | \$ 2,428,574 | \$ 2,547,841 | \$ 2,372,274 | \$ 2,460,760 |

Data Source

Audited Financial Statements

CITY OF GENOA, ILLINOIS

TAXABLE RETAIL SALES BY CATEGORY

Last Ten Calendar Years

| Calendar Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| RETAIL SALES CATEGORY | | | | | | | | | | |
| General Merchandise | \$ 55,745 | \$ 9,100 | \$ 36,396 | \$ 87,409 | \$ 97,259 | \$ 93,250 | \$ 160,737 | \$ 22,268 | \$ 24,547 | \$ 23,564 |
| Food | 8,971,015 | 7,964,145 | 9,032,862 | 6,989,987 | 6,726,361 | 7,772,162 | 6,619,654 | 5,677,033 | 7,399,932 | 7,370,630 |
| Drinking and Eating Places | 3,599,651 | 3,814,257 | 4,043,852 | 4,518,880 | 4,567,345 | 4,550,169 | 4,787,063 | 4,948,800 | 5,425,480 | 5,587,620 |
| Apparel | - | - | - | 87,964 | - | - | - | - | - | 26,782 |
| Furniture, H.H., and Radio | 521,031 | 149,043 | 143,143 | - | - | - | - | 57,872 | 40,660 | - |
| Lumber, Building Hardware | 13,553,596 | 8,305,140 | 2,909,710 | 941,241 | 1,259,408 | 1,016,210 | 1,106,469 | 1,030,948 | 1,127,558 | 1,211,362 |
| Automobile and Filling Stations | 24,544,740 | 43,817,233 | 40,459,310 | 22,878,613 | 33,880,644 | 39,640,205 | 41,747,634 | 48,726,072 | 52,955,807 | 44,072,882 |
| Drugs and Miscellaneous Retail | 5,599,773 | 5,809,990 | 5,783,379 | 5,549,646 | 5,607,147 | 4,577,693 | 4,595,429 | 3,646,539 | 3,745,615 | 3,925,937 |
| Agriculture and All Others | 4,416,486 | 1,600,654 | 1,116,654 | 626,507 | 491,020 | 544,892 | 602,579 | 370,469 | 518,302 | 643,479 |
| Manufacturers | 618,914 | 687,291 | 1,433,773 | 1,025,458 | 732,986 | 1,213,701 | 946,911 | 930,362 | 820,099 | 960,510 |
| TOTAL RETAIL SALES | 61,880,951 | 72,156,853 | 64,959,079 | 42,705,705 | 53,362,170 | 59,408,282 | 60,566,476 | 65,410,363 | 72,058,000 | 63,822,766 |
| City Share of State Sales Tax (1) | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| CITY SALES TAX REVENUE | \$ 618,810 | \$ 721,569 | \$ 649,591 | \$ 427,057 | \$ 533,622 | \$ 594,083 | \$ 605,665 | \$ 654,104 | \$ 720,580 | \$ 638,228 |

(1) The State of Illinois imposes a sales tax rate of 6.25% on all retail sales except food, drugs, and medical appliances. The sales tax rate for these items is 1%.
The City's share of sales tax collections is 1% of all taxable sales.

Data Source

Illinois Department of Revenue

CITY OF GENOA, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

| Fiscal Year Ended | Tax Levy Year | Governmental Activities | | | Business-Type Activities | | | Total Primary Government | Percentage of EAV | Per Capita (1) |
|-------------------------|---------------------|--------------------------------|---------------------------------|------------------------------------|--------------------------------|---------------------------------|-----------------------------|--------------------------------|-------------------------|-------------------|
| | | General Obligation Bonds | Alternative Revenue Bonds | Installment Contract Payable | General Obligation Bonds | Alternative Revenue Bonds | IEPA Installment Loan | | | |
| 2007 | 2006 | \$ - | \$ 1,450,000 | \$ - | \$ - | \$ 965,000 | \$ - | \$ 2,415,000 | 2.73% | \$ 481.94 |
| 2008 | 2007 | - | 1,375,000 | - | - | 755,000 | - | 2,130,000 | 2.18% | 410.72 |
| 2009 | 2008 | - | 1,295,000 | - | - | 525,000 | - | 1,820,000 | 1.76% | 338.67 |
| 2010 | 2009 | - | 1,210,000 | - | - | 300,000 | 585,209 | 2,095,209 | 2.06% | 389.88 |
| 2011 | 2010 | - | 1,670,000 | - | - | 200,000 | 1,623,334 | 3,493,334 | 3.65% | 672.70 |
| 2012 | 2011 | - | 1,523,000 | - | - | 100,000 | 1,542,315 | 3,165,315 | 3.61% | 608.25 |
| 2013 | 2012 | - | 1,373,000 | - | - | - | 1,461,296 | 2,834,296 | 3.62% | 543.80 |
| 2014 | 2013 | - | 1,222,000 | - | - | - | 1,377,793 | 2,599,793 | 3.69% | 498.04 |
| 2015 | 2014 | - | 1,070,000 | - | - | - | 1,294,290 | 2,364,290 | 3.36% | 451.98 |
| 2016 | 2015 | - | 907,000 | - | - | - | 1,210,787 | 2,117,787 | 2.96% | 403.39 |

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

(1) See the schedule of Demographic and Economic Information in the statistical section of this report.

CITY OF GENOA, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

| Fiscal Year | General Obligation Debt | Less Amounts Available In Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value of Property (1) | Per Capita |
|------------------------|--|--|--------------|---|-----------------------|
| 2007 | \$ - | \$ - | \$ - | - | \$ - |
| 2008 | - | - | - | - | - |
| 2009 | - | - | - | - | - |
| 2010 | - | - | - | - | - |
| 2011 | - | - | - | - | - |
| 2012 | - | - | - | - | - |
| 2013 | - | - | - | - | - |
| 2014 | - | - | - | - | - |
| 2015 | - | - | - | - | - |
| 2016 | - | - | - | - | - |

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

(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property in the statistical section of this report.

CITY OF GENOA, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2016

| Governmental Unit | Gross Debt | Percentage Debt Applicable to the City (1) | The City's Share of Debt |
|--|-----------------------------|---|---------------------------------|
| City of Genoa, Illinois | \$ 907,000 | 100.00% | \$ 907,000 |
| DeKalb County | 13,405 | 4.10% | 550 |
| Genoa Township Park District | 1,583,535 | 64.02% | 1,013,779 |
| Genoa/Kingston C.U.S.D. No. 424 | 4,960,707 | 42.26% | 2,096,395 |
| Kishwaukee Community College No. 523 | 56,307,112 | 3.69% | 2,077,732 |
| Total Overlapping Debt | 62,864,759 | | 5,188,456 |
| TOTAL DIRECT AND OVERLAPPING DEBT | <u><u>\$ 63,771,759</u></u> | | <u><u>\$ 6,095,456</u></u> |

(1) Overlapping debt percentages based on the City's EAV to the EAV of each Governmental Unit.

Data Source

Office of the County Clerk

CITY OF GENOA, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Levy Years

| Tax Levy Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---------------|---------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| EQUALIZED ASSESSED VALUATION | \$ 88,517,413 | \$ 97,797,674 | \$ 103,187,096 | \$ 101,633,407 | \$ 95,713,405 | \$ 87,583,403 | \$ 78,188,026 | \$ 70,487,717 | \$ 70,407,955 | \$ 71,436,028 |
| Stautory Debt Limitation | | | | | | | | | | |
| 8.625% of assessed valuation | \$ 7,634,627 | \$ 8,435,049 | \$ 8,899,887 | \$ 8,765,881 | \$ 8,255,281 | \$ 7,554,069 | \$ 6,743,717 | \$ 6,079,566 | \$ 6,072,686 | \$ 6,161,357 |
| General Bonded Debt | | | | | | | | | | |
| Alternate Revenue Bonds Dated | | | | | | | | | | |
| November 2, 2002 | 270,000 | 210,000 | 75,000 | - | - | - | - | - | - | - |
| September 15, 2005 | 1,250,000 | 1,240,000 | 1,220,000 | 1,210,000 | 1,120,000 | 1,020,000 | 920,000 | 820,000 | 720,000 | 610,000 |
| October 5, 2010 | - | - | - | - | 550,000 | 503,000 | 453,000 | 402,000 | 350,000 | 297,000 |
| Total General Bonded Debt | 1,520,000 | 1,450,000 | 1,295,000 | 1,210,000 | 1,670,000 | 1,523,000 | 1,373,000 | 1,222,000 | 1,070,000 | 907,000 |
| LEGAL DEBT MARGIN | \$ 6,114,627 | \$ 6,985,049 | \$ 7,604,887 | \$ 7,555,881 | \$ 6,585,281 | \$ 6,031,069 | \$ 5,370,717 | \$ 4,857,566 | \$ 5,002,686 | \$ 5,254,357 |
| TOTAL GENERAL BONDED DEBT AS AS PERCENTAGE OF DEBT LIMITATIONS | 19.91% | 17.19% | 14.55% | 13.80% | 20.23% | 20.16% | 20.36% | 20.10% | 17.62% | 14.72% |

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

CITY OF GENOA, ILLINOIS

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

| Water and Sewer Fund Alternate Revenue Bonds Operating Revenue Coverage | | | | | | | Water and Sewer Fund Alternate Revenue Bonds Total Available Revenue Coverage | | | | | |
|--|------------------------|-----------------------------|-----------------------|--------------|-----------|----------------------------|--|-----------------------------|-------------------------|--------------|-----------|----------------------------|
| Fiscal Year | Operating Revenues (1) | Less Operating Expenses (2) | Net Operating Revenue | Debt Service | | Operating Revenue Coverage | Net Operating Revenue | Water and Sewer Tap On Fees | Total Revenue Available | Debt Service | | Available Revenue Coverage |
| | | | | Principal | Interest | | | | | Principal | Interest | |
| 2007 | \$ 1,073,681 | \$ 964,357 | \$ 109,324 | \$ 215,000 | \$ 35,753 | 0.44% | \$ 109,324 | \$ 333,001 | \$ 442,325 | \$ 215,000 | \$ 35,753 | 1.76% |
| 2008 | 1,179,096 | 1,113,156 | 65,940 | 210,000 | 31,526 | 0.27% | 65,940 | 354,788 | 420,728 | 210,000 | 31,526 | 1.74% |
| 2009 | 1,111,742 | 1,057,551 | 54,191 | 230,000 | 25,219 | 0.21% | 54,191 | 22,200 | 76,391 | 230,000 | 25,219 | 0.30% |
| 2010 | 1,080,472 | 1,078,509 | 1,963 | 225,000 | 17,911 | 0.01% | 1,963 | 47,983 | 49,946 | 225,000 | 17,911 | 0.21% |
| 2011 | 1,085,659 | 987,110 | 98,549 | 100,000 | 12,359 | 0.88% | 98,549 | 106,132 | 204,681 | 100,000 | 12,359 | 1.82% |
| 2012 | 1,170,890 | 985,053 | 185,837 | 100,000 | 8,569 | 1.71% | 185,837 | 8,164 | 194,001 | 100,000 | 8,569 | 1.79% |
| 2013 | 1,232,706 | 1,131,749 | 100,957 | 100,000 | 3,463 | 0.98% | 100,957 | 24,492 | 125,449 | 100,000 | 3,463 | 1.21% |
| 2014 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2015 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2016 | - | - | - | - | - | - | - | - | - | - | - | - |

| General Bonded Debt Alternate Revenue Bonds Utility Tax Revenue Coverage | | | | | | |
|---|--------------------------|------------------------------|-------------------------------|--------------|-----------|------------------------------|
| Fiscal Year | General Fund Utility Tax | Utility Tax Fund Utility Tax | Total Utility Tax Revenue (3) | Debt Service | | Utility Tax Revenue Coverage |
| | | | | Principal | Interest | |
| 2007 | \$ 208,503 | \$ 208,503 | \$ 417,006 | \$ 70,000 | \$ 63,659 | 3.12 |
| 2008 | 220,754 | 220,754 | 441,508 | 75,000 | 52,680 | 3.46 |
| 2009 | 220,178 | 220,178 | 440,356 | 80,000 | 50,145 | 3.38 |
| 2010 | 210,982 | 210,982 | 421,964 | 85,000 | 47,395 | 3.19 |
| 2011 | 196,185 | 196,184 | 392,369 | 90,000 | 44,983 | 2.91 |
| 2012 | 189,180 | 189,180 | 378,360 | 147,000 | 64,598 | 1.79 |
| 2013 | 192,665 | 192,664 | 385,329 | 150,000 | 55,931 | 1.87 |
| 2014 | 200,488 | 200,488 | 400,976 | 151,000 | 51,156 | 1.98 |
| 2015 | 185,710 | 185,710 | 371,420 | 152,000 | 46,706 | 1.87 |
| 2016 | 170,909 | 170,908 | 341,817 | 163,000 | 40,503 | 1.68 |

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

(1) Water and Sewer Operating Revenues include investment earnings but not tap-on fees.

(2) Operating expenses do not include interest or depreciation.

(3) Although portions of Utility Tax Revenues are used for other purposes in the General Fund and the Utility Tax Fund, debt service requirements have the first priority.

CITY OF GENOA, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

| Fiscal Year | Population (1) | Housing Units (1) | Median Family Income (2) | Per Capita Income (2) | Single Family Permits (3) | Residential Housing Values (4) | Unemployment Rate (5) |
|--------------------|-----------------------|--------------------------|---------------------------------|------------------------------|----------------------------------|---------------------------------------|------------------------------|
| 2007 | 5,011 | 1,891 | N/A | N/A | 66 | \$ 216,017,088 | 4.2% |
| 2008 | 5,186 | 1,957 | N/A | N/A | 19 | 238,604,388 | 6.0% |
| 2009 | 5,374 | 1,983 | \$ 68,676 | \$ 21,982 | 0 | 249,618,132 | 9.7% |
| 2010 | 5,374 | 1,983 | N/A | N/A | 12 | 243,626,766 | 10.0% |
| 2011 | 5,193 | 1,959 | 60,694 | 23,083 | 4 | 229,009,506 | 8.2% |
| 2012 | 5,204 | 1,963 | N/A | N/A | 4 | 196,737,252 | 7.9% |
| 2013 | 5,212 | 1,966 | N/A | N/A | 3 | 185,072,709 | 8.6% |
| 2014 | 5,220 | 1,969 | N/A | N/A | 3 | 166,451,979 | 6.8% |
| 2015 | 5,231 | 1,973 | N/A | N/A | 4 | 167,329,677 | 4.7% |
| 2016 | 5,250 | 1,980 | N/A | N/A | 7 | 170,680,899 | 5.7% |

Data Sources

(1) Bureau of the Census - 2009 and 2011. Other years estimated by the City based on the number of housing units added.

(2) U. S. Census Bureau. N/A - Information not available.

(3) City of Genoa

(4) Office of the DeKalb County Clerk - Residential assessed valuations multiplied by three.

(5) Illinois Department of Employment Security for DeKalb County.

CITY OF GENOA, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

| Employer | 2016 | | | Employer | 2006 | | |
|----------------------------------|----------|------|---------------------|----------------------------------|----------|------|---------------------|
| | Location | Rank | Number of Employees | | Location | Rank | Number of Employees |
| CITY OF GENOA (1) | | | | CITY OF GENOA (1) | | | |
| Genoa/Kingston C.U.S.D. No. 424 | Genoa | 1 | 247 | Genoa/Kingston C.U.S.D. No. 424 | Genoa | 1 | 250 |
| Custom Aluminum/Casco Industries | Genoa | 2 | 148 | Greenlee Textron | Genoa | 2 | 150 |
| Rosemil One LLC | Genoa | 3 | 120 | Genesis Enterprises | Genoa | 3 | 100 |
| Sycamore Precision Machine, Inc. | Genoa | 4 | 100 | Sycamore Precision Machine, Inc. | Genoa | 4 | 100 |
| Genoa Park District | Genoa | 5 | 84 | Brown's Country Market | Genoa | 5 | 80 |
| Greenlee Textron | Genoa | 6 | 79 | City of Genoa | Genoa | 6 | 50 |
| City of Genoa | Genoa | 7 | 55 | Polar Tech | Genoa | 7 | 46 |
| Polar Tech | Genoa | 8 | 54 | Genoa Park District | Genoa | 8 | 40 |
| McDonalds | Genoa | 9 | 40 | | | | |
| Butera Foods | Genoa | 10 | 39 | | | | |
| DEKALB COUNTY (2) | | | | DEKALB COUNTY (2) | | | |
| Northern Illinois University | DeKalb | 1 | 8,869 | Northern Illinois University | DeKalb | 1 | 9,000 |
| Kish Health System | DeKalb | 2 | 1,200 | Kish Health System | DeKalb | 2 | 1,175 |
| DeKalb C.U.S.D. No.428 | DeKalb | 3 | 885 | DeKalb C.U.S.D. No.428 | DeKalb | 3 | 850 |
| DeKalb County Government | DeKalb | 4 | 525 | Target Distribution Center | DeKalb | 4 | 650 |
| Sycamore C.U.S.D. No. 427 | Sycamore | 5 | 515 | Wal-Mart Super Center | DeKalb | 5 | 600 |
| 3M Company | DeKalb | 6 | 480 | Kishwaukee Community College | Malta | 6 | 525 |
| Target Distribution Center | DeKalb | 7 | 470 | DeKalb County Government | Sycamore | 7 | 510 |
| Kishwaukee Community College | Malta | 8 | 430 | Sycamore C.U.S.D. No. 427 | Sycamore | 8 | 470 |
| Wal-Mart Super Center | DeKalb | 9 | 400 | Ideal Industries | Sycamore | 9 | 400 |
| Ideal Industries | Sycamore | 10 | 335 | | | | |

Residents of the City benefit from growing employment opportunities in the Cities of DeKalb and Sycamore. The largest employer in DeKalb County is Northern Illinois University, the state's second largest public university with an enrollment of over 24,000. Most of the other larger employers in the County are currently located in the DeKalb/Residents of the City benefit from growing employment opportunities in the cities of DeKalb and Sycamore. The largest employer in DeKalb County is Northern Illinois Sycamore area which is about ten miles south of the City.

Note: Information from 2007 is not available.

Includes full-time and part-time positions.

Data Sources

- (1) City of Genoa Economic Development
- (2) DeKalb County Government

CITY OF GENOA, ILLINOIS

CITY EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| Regular Employees | 4.5 | 4 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Part-Time Employees | 11 | 11 | 12 | 11 | 12 | 12 | 12 | 12 | 13 | 13 |
| Seasonal Employees | - | - | - | - | - | - | - | - | - | - |
| PUBLIC SAFETY | | | | | | | | | | |
| Regular Employees | 11 | 11 | 9 | 8 | 7 | 7 | 7 | 7 | 7 | 7 |
| Part-Time Employees | 6 | 6 | 6 | 5 | 6 | 6 | 6 | 8 | 9 | 9 |
| Seasonal Employees | 7 | 7 | 7 | 7 | 7 | 6 | 6 | 7 | 7 | 7 |
| HIGHWAYS AND STREETS | | | | | | | | | | |
| Regular Employees | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Part-Time Employees | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 3 |
| Seasonal Employees | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 4 |
| WATER AND SEWER OPERATIONS | | | | | | | | | | |
| Regular Employees | 5.5 | 6 | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Part-Time Employees | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 2 |
| Seasonal Employees | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Total Regular Employees | 25 | 25 | 21 | 18 | 17 | 16 | 16 | 16 | 16 | 16 |
| Total Part-Time/Seasonal Employees | 30 | 31 | 32 | 30 | 32 | 31 | 31 | 36 | 36 | 39 |
| TOTAL EMPLOYEES | 55 | 56 | 53 | 48 | 49 | 47 | 47 | 52 | 52 | 55 |

Data Source

City Records

CITY OF GENOA, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

| Function/Program | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PUBLIC SAFETY | | | | | | | | | | |
| Police | | | | | | | | | | |
| Total Offences | 1,040 | 1,118 | 1,262 | 903 | 408 | 1,025 | 1,758 | 1,680 | 1,671 | 1,383 |
| Traffic Accidents | 91 | 89 | 103 | 78 | 60 | 74 | 78 | 85 | 87 | 89 |
| Traffic and Parking Violations | 2,092 | 2,357 | 2,956 | 1,780 | 1,109 | 936 | 1,302 | 1,511 | 1,906 | 1,533 |
| PUBLIC WORKS | | | | | | | | | | |
| Street Resurfacing (Miles) | - | - | - | 1.00 | - | 0.90 | 0.80 | 0.50 | 0.50 | 0.65 |
| Crack Sealing (Miles) | - | - | - | - | - | - | - | - | 1.00 | - |
| Pothole Repairs | 268 | 270 | 280 | 300 | 400 | 864 | 500 | 950 | 750 | 1,500 |
| WATER | | | | | | | | | | |
| New Connections | 68 | 53 | 67 | 7 | 7 | 4 | 2 | 3 | 2 | 5 |
| Number of Customers | 1,826 | 1,879 | 1,946 | 1,953 | 1,960 | 1,960 | 1,962 | 1,965 | 1,967 | 1,972 |
| Water Main Breaks | 6 | 6 | 7 | 2 | 6 | 11 | 6 | 8 | 4 | 7 |
| Average Daily Pumped (1) | 542 | 471 | 470 | 464 | 550 | 453 | 480 | 460 | 451 | 452 |
| Maximum Daily Average (1) | 675 | 650 | 670 | 675 | 700 | 750 | 816 | 795 | 555 | 668 |
| WASTEWATER | | | | | | | | | | |
| Average Daily Treatment (1) | 600 | 630 | 650 | 660 | 670 | 720 | 670 | 680 | 688 | 660 |
| Maximum Daily Treatment (1) | 930 | 930 | 950 | 955 | 1,950 | 1,330 | 1,350 | 1,280 | 1,049 | 1,100 |

(1) 1,000 gallon units

Data Source

Various City Department Records

CITY OF GENOA, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

| Function/Program | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PUBLIC SAFETY | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol Units | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| PUBLIC WORKS | | | | | | | | | | |
| Streets (Miles) | 48.00 | 50.00 | 50.00 | 50.00 | 51.00 | 52.00 | 52.00 | 52.00 | 52.00 | 52.00 |
| Street Lights | 341 | 345 | 345 | 345 | 345 | 345 | 345 | 345 | 345 | 345 |
| Traffic Signals | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| WATER | | | | | | | | | | |
| Water Mains (Miles) | 29.00 | 31.00 | 32.00 | 32.00 | 32.00 | 32.25 | 32.25 | 32.25 | 32.50 | 32.50 |
| Fire Hydrants | 341 | 345 | 345 | 345 | 345 | 417 | 417 | 417 | 417 | 418 |
| Storage Capacity (1) | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| WASTEWATER | | | | | | | | | | |
| Sanitary Sewers (Miles) | 22.00 | 24.00 | 24.00 | 24.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |
| Storm Sewers (Miles) | 19.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 |
| Treatment Capacity | | | | | | | | | | |
| Treatment Capacity (1) | 780 | 780 | 780 | 780 | 780 | 780 | 780 | 780 | 780 | 780 |

(1) 1,000 gallon units

Data Source

Various City Department Records