

City of Genoa, Illinois
Comprehensive
Annual Financial Report



For the Fiscal Year Ended
April 30, 2017

CITY OF GENOA, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2017

Prepared By:

City of Genoa, Illinois
Department of Finance

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS

Page(s)

INTRODUCTORY SECTION

Letter of Transmittal	i-viii
Certificate of Achievement for Excellence in Financial Reporting.....	ix
Principal Officials	x
Organizational Chart.....	xi

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
CDAP Loan Fund	52

Schedule of Employer Contributions

Illinois Municipal Retirement Fund	53
Police Pension Fund	54

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

Illinois Municipal Retirement Fund	55
Police Pension Fund	56

Schedule of Investment Returns

Police Pension Fund	57
---------------------------	----

Notes to Required Supplementary Information	58
---	----

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

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

MAJOR GOVERNMENTAL FUNDS

General Fund	
Comparative Balance Sheet by Account	59
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance by Account.....	60
Schedule of Revenues - Budget and Actual	61-62
Schedule of Detailed Expenditures - Budget and Actual	63-67
Refuse Disposal Account	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	68
Utility Tax Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	69

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	70-71
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	72-73
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Road and Bridge Fund.....	74
Motor Fuel Tax Fund.....	75
Developers Contributions Fund.....	76
River Bend Special Service Area (SSA) Fund	77
Derby Estate Special Service Area (SSA) Fund.....	78
Oak Creek Estates Special Service Area (SSA) Fund.....	79
Debt Service Fund	80

MAJOR PROPRIETARY FUNDS

Water and Sewer Fund by Subaccount	
Combining Schedule of Net Position	81
Combining Schedule of Revenues, Expenses, and Changes in Net Position	82
Combining Schedule of Cash Flows	83

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES (Continued)

MAJOR PROPRIETARY FUNDS (Continued)

Water and Sewer Fund

Water and Sewer Operating Subaccount

Schedule of Revenues, Expenses, and

Changes in Net Position - Budget and Actual 84

Schedule of Operating Expenses - Budget and Actual 85-87

Water Improvement Subaccount

Schedule of Revenues, Expenses, and

Changes in Net Position - Budget and Actual 88

Sewer Equipment Replacement Subaccount

Schedule of Revenues, Expenses, and

Changes in Net Position - Budget and Actual 89

INTERNAL SERVICE FUND

Schedule of Revenues, Expenses, and Changes in

Net Position - Budget and Actual

Equipment Replacement Fund 90

FIDUCIARY FUNDS

Schedule of Changes in Plan Net Position - Budget and Actual

Police Pension Fund 91

Schedule of Changes in Assets and Liabilities - Escrow Deposit Fund..... 92

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL ACTIVITIES

Schedule of General Capital Assets and Accumulated Depreciation..... 93

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

Schedule of General Long-Term Debt 94

CITY OF GENOA, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION	
Financial Trends	
Net Position by Component	95-96
Change in Net Position	97-100
Fund Balances of Governmental Funds	101-102
Changes in Fund Balances of Governmental Funds	103-104
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property.....	105
Property Tax Rates - Direct and Overlapping Governments	106
Principal Property Taxpayers	107
Property Tax Levies and Collections	108
Taxable Revenues	109
Taxable Retail Sales by Category	110
Debt Capacity	
Ratios of Outstanding Debt by Type.....	111
Ratios of General Bonded Debt Outstanding	112
Direct and Overlapping Governmental Activities Debt.....	113
Legal Debt Margin Information	114
Pledged-Revenue Coverage	115
Demographic and Economic Information	
Demographic and Economic Information.....	116
Principal Employers	117
Operating Information	
City Employees by Function.....	118
Operating Indicators.....	119
Capital Asset Statistics.....	120

INTRODUCTORY SECTION



August 23, 2017

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, 2017 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, 2017, 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 a qualified opinion that the City's financial statements for the fiscal year ended April 30, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP 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. The 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. 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, 2017, 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 2016 and 2017 construction seasons, continuing the shift towards remodeling, decks, fences, sheds, pools, residential additions and miscellaneous permits rather than complete new structures. In Fiscal Year 2017, the City issued a total of 177 building permits, much higher than the average between Fiscal Years 2011-2016 which was 132. Additionally, the City issued 4 new home permits in Fiscal Year 2017, correlating with the average of the past five Fiscal Years which was 4. 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.

Some recent economic development activity was the result of the Prairie Ridge Pointe Commercial/Industrial Center on Route 23. Additions to Prairie Ridge Pointe include a 33,500 square foot grocery store, a bank now part of First Midwest Bank, a Northwestern Medicine office, a 12,000 square foot ACE Hardware retail facility, and a 17,000 square foot shopping center. The Shopping Center was sold in 2015 and a 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. This Fiscal Year, Energym and Sylvan Learning Center have opened in the retail spaces.

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.

In Fiscal Year 2015-2016, Custom Aluminum completed a 37,500 square foot expansion, making it the largest industrial expansion in over two decades. Custom Aluminum also built two new storage buildings amounting to 8,400 square feet. This past Fiscal Year, Custom Aluminum began work on a 16,000 square foot expansion encompassing three new buildings. Additionally, the business has also been ramping up employment.

Service Concepts has built their second new industrial building. In 2010, Service Concepts relocated to the City of Genoa from another county and built the City's first industrial building in a number of years. The business was able to use the City's low interest loan program in building their first building. With significant success, the building saw a need to expand in which their second building was constructed, totaling 8,400 square feet. Service Concepts expects the expansion to add an additional 2-4 employees. The City was able to work with Service Concepts to enter into an economic incentive agreement to aid in the construction of the building and growth of the company.

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, 2008, the City's sales tax revenue totaled \$719,452. Although sales tax has declined in many areas due to the national recession, the City's sales tax for Fiscal Year 2017-2018 was \$1,100,198 still representing a significant growth from 2008 with an overall 50% increase.

The economy of the City of Genoa continues to benefit from one of DeKalb County's strengths: Northern Illinois University. The University was founded as a teachers college in 1885, and 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.

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.

The City continues to seek out grants when possible including:

- 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.
- 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. 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.
- 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.
- This Fiscal Year, the City began to pursue a low interest loan/grant from the IEPA. The loan/grant is to provide funds to repaint one of the City's water towers that has been in operation for 20 years. Subsequent to Fiscal Year 2016-2017, the City received the loan/grant with 50% forgiveness resulting in \$241,817 funds saved and the loan of \$241,817 at an interest rate of 1.64% for 20 years.

The City is also currently implementing an Accelerated Street Improvement Program. 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.

Furthermore, the City was also able to complete the following with MFT bond financing or Federal FAU/STP grant funding in recent fiscal years under this initiative:

- Engineering design and construction for all of Robinson Street; North Locust, between Main and Railroad; North Stott Street; and all of Stiles Street.
- The completion of final engineering and obtaining a grant contract with the State of Illinois, 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.
- 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.
- In Fiscal Year 2015-2016, through Motor Fuel Tax funding, street improvements to Jackson Street from Genoa Street to Jackson Court were completed, which amounted to \$235,000.
- In Fiscal Year 2016-2017, the City received federal funding through the State of Illinois to make road improvements, including minor curb repairs and road resurfacing, to South Sycamore Street from Route 72 to Hill Street. South Sycamore Street from Hill Street to the railroad was also improved using the City's motor fuel tax funds.

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 has begun another expansion amounting to 16,000 square feet. The expanded square footage will allow for additional storage space.

- The City continues its business incubator program at 113 North Genoa Street.
- 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. This included applying for a \$20,000 grant through the DeKalb County Community Foundation to fund riverfront enhancements and Chamber of Commerce staff time supporting community events, which was received subsequent to the end of Fiscal Year 2016-2017.
- J6 Polymers closed on their acquisition of the former 84 Lumber site and recently held their grand opening.
- As part of the City's rebranding effort, the City has continued to implement the new logo throughout the community, including plans for the logo to be placed on the water tower.
- The Genoa Guest House, soon to be a Bed and Breakfast in Genoa, began work on restoring a Victorian era house to provide lodging in 3 guestrooms. Renovations are expected to be completed near the end of 2017.
- Service Concepts built a 7,200 square foot building, which is expected to expand employment by 2-4 persons in addition to their current employees.
- Boost Mobile, a business that offers "pay as you go" cell phone options, opened.

The City has recently developed an open space area between River Bend, Oak Creek, and Russell Woods Forest Preserve through a \$48,000 Federal Grant awarded in Fiscal Year 2008-2009.. The grant, provided by the U.S. Department of Agriculture was used over a 7 year period to restore native landscape in the open space area, amounting to approximately 300 acres. Additionally, a pedestrian pathway has been installed among the open space area funded by two grants amounting to \$15,000.

Efforts have also been made to enhance the riverfront area, including the installation of a canoe launch and access path at the Kishwaukee River. As this becomes an increasingly popular area, the City will be looking into ways to increase amenities and access to the river.

As part of increasing public safety within the community and securing the community's ranking of the safest community in the Stateline, the City installed cameras on street light poles in the downtown area. These cameras are to aid in providing information to solve crimes but also to prevent crime in the downtown area.

The City continues to use economic development tools such as initiating work on development of a Tax Increment Financing District for the Downtown area. The City previously engaged Teska & Associates, an eminent and respected development design firm to assist in this process. The eligibility phase of the report has been completed with eligibility established under the more

desirable conservation area criteria contained in State Statute. Furthermore, the City has been included the DeKalb County Enterprise Zone, in which a significant amount of land area in the City is now included.

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 by securing a bid that nearly halves the cost per kilowatt hour as compared to the ComEd rate.

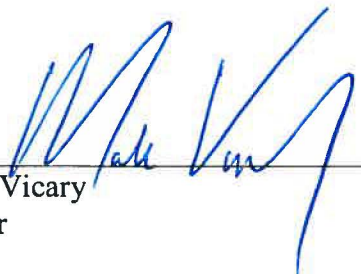
The City has also made efforts in improving communications through increased utilization of social media and creation of a promotional video. In Fiscal Year 2016-2017, the City's website underwent redevelopment to provide for a more user friendly website and to integrate new technology such as a community calendar. The City also began development of its first app.

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, 2016. This was the eleventh 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 Janis Tures, the City's Finance Office Manager and Treasurer, who prepared this Fiscal 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, 2016

Executive Director/CEO

CITY OF GENOA, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2017

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

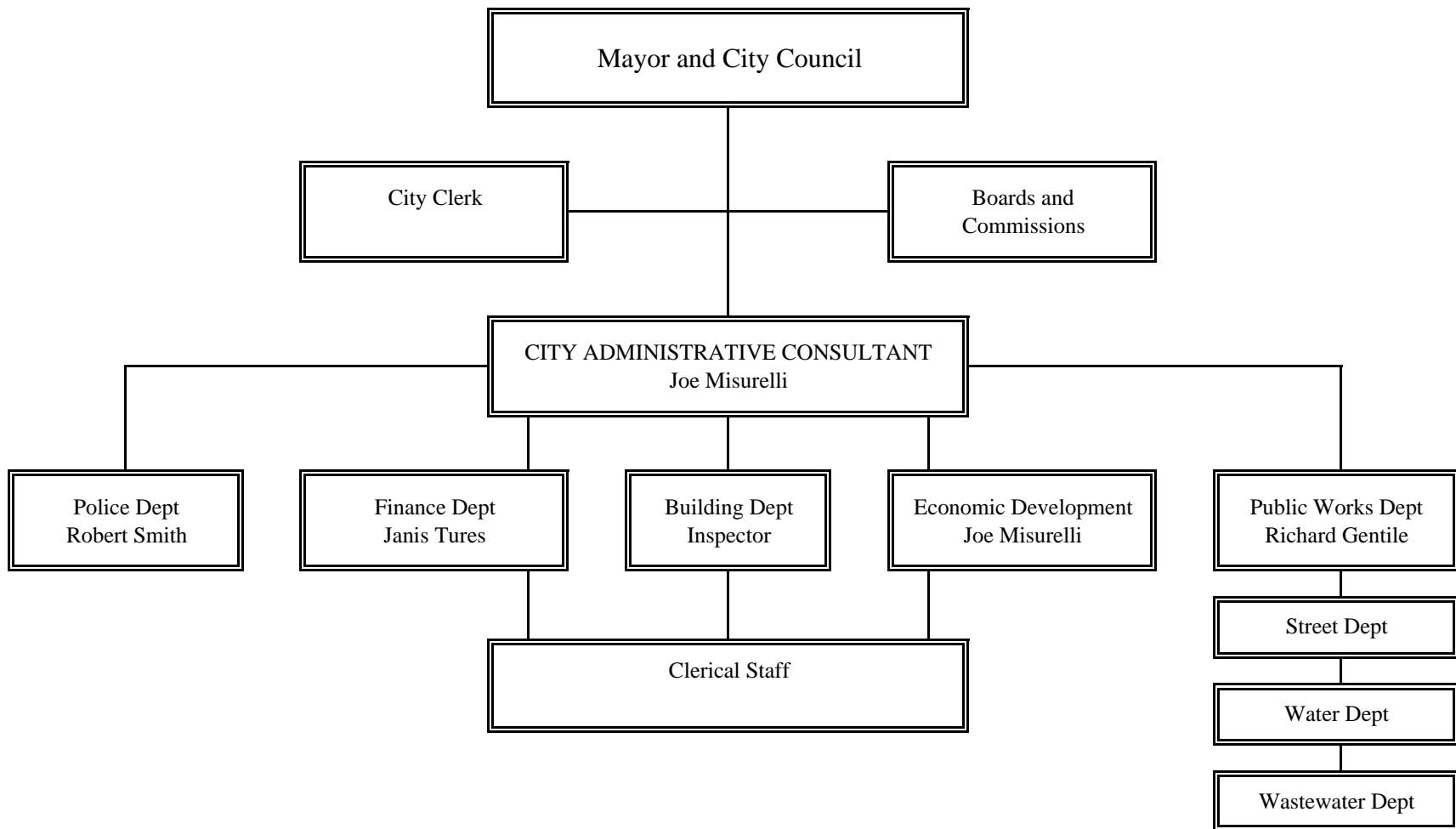
Janis Tures, Finance Office Manager

Janis Tures, Treasurer

CITY OF GENOA, ILLINOIS

Organization Chart

April 30, 2017



FINANCIAL SECTION

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, 2017, 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, 2017, 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.

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, 2016, which are not presented with the accompanying financial statements. In our report dated September 1, 2016, 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 2016 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 2016 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 2016 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 15, 2017

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF GENOA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2017

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, 2017. 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 the future (e.g., earned but unused compensated absences).

Both of the government-wide financial statements (see pages 4-7) 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 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 ten 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, CDAP Loan Fund and Utility Tax Fund each of which is considered to be a "major" fund. Data from the other seven 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 51-58 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 59-94 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 95-120.

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, 2016 and 2017

	Governmental Activities		Business-Type Activities		Primary Government	
	2016	2017	2016	2017	2016	2017
Current & Other Assets	\$ 4,116,231	\$ 3,915,039	\$ 1,365,139	\$ 1,518,383	5,481,370	\$ 5,433,422
Capital Assets, Net	7,137,519	6,955,118	8,118,422	7,879,655	15,255,941	14,834,773
Total Assets	11,253,750	10,870,157	9,483,561	9,398,038	20,737,311	20,268,195
Deferred Outflows	1,421,976	1,382,379	173,420	146,318	1,595,396	1,528,697
Total Assets and Deferred Outflows	12,675,726	12,252,536	9,656,981	9,544,356	22,332,707	21,796,892
Current Liabilities	724,274	148,330	34,650	18,516	758,924	166,846
Noncurrent Liabilities	5,548,584	5,463,531	1,353,317	1,254,139	6,901,901	6,717,670
Total Liabilities	6,272,858	5,611,861	1,387,967	1,272,655	7,660,825	6,884,516
Deferred Inflows	813,567	844,501	53,477	27,308	867,044	871,809
Total Liabilities and Deferred Inflows	7,086,425	6,456,362	1,441,444	1,299,963	8,527,869	7,756,325
NET POSITION:						
Net Investment In						
Capital Assets	6,230,519	6,218,118	6,907,635	6,752,371	13,138,154	12,970,489
Restricted	1,104,110	1,214,558	-	-	1,104,110	1,214,558
Unrestricted	(1,745,328)	(1,636,502)	1,307,902	1,492,022	(437,426)	(144,480)
Total Net Position	\$ 5,589,301	\$ 5,796,174	\$ 8,215,537	\$ 8,244,393	\$ 13,804,838	\$ 14,040,567

During the fiscal year ended April 30, 2017, net position of governmental activities increased \$206,873, while business-type assets increased \$28,856 for an overall net increase of \$235,729. Substantially all of this increase in net position was related to a reduction in current liabilities due to litigation settlement and re-appropriation of escrowed funds.

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, 2017.

Table 2
Changes In Net Position
For the Fiscal Year Ended April 30, 2016 and 2017

	Governmental Activities		Business-Type Activities		Primary Government	
	2016	2017	2016	2017	2016	2017
REVENUES						
Program Revenues						
Charges for Services	\$ 647,478	\$ 766,944	\$ 1,341,482	\$ 1,368,022	\$ 1,988,960	\$ 2,134,966
Operating Grants	148,017	140,145	-	-	148,017	140,145
Capital Grants	-	-	34,992	75,993	34,992	75,993
General Revenues						
Property Taxes	767,242	777,601	-	-	767,242	777,601
Sales Tax	478,641	1,100,198	-	-	478,641	1,100,198
Utility Taxes	341,817	342,416	-	-	341,817	342,416
State Income Tax	553,430	490,867	-	-	553,430	490,867
Other Taxes	181,184	197,698	-	-	181,184	197,698
Investment Income	13,725	19,894	700	604	14,425	20,498
Miscellaneous	18,123	4,523	11,203	9,271	29,326	13,794
Total Revenues	3,149,657	3,840,286	1,388,377	1,453,890	4,538,034	5,294,176
EXPENSES						
General Government	538,045	847,518	-	-	538,045	847,518
Public Safety	1,541,343	1,650,831	-	-	1,541,343	1,650,831
Highways and Streets	749,855	705,659	-	-	749,855	705,659
Sanitation	404,228	412,429	-	-	404,228	412,429
Interest	39,328	33,365	-	-	39,328	33,365
Water and Sewer System	-	-	1,574,229	1,425,034	1,574,229	1,425,034
Total Expenses	3,272,799	3,649,802	1,574,229	1,425,034	4,847,028	5,074,836
CHANGE IN NET POSITION						
POSITION	(123,142)	190,484	(185,852)	28,856	(308,994)	219,340
NET POSITION, MAY 1	8,445,538	5,589,301	8,294,357	8,215,537	16,739,895	13,804,838
Prior Period Adjustment	-	16,389	-	-	-	16,389
Change in Accounting Principle	(2,733,095)	-	107,032	-	(2,626,063)	-
NET POSITION, MAY 1, AS RESTATED	5,712,443	5,605,690	8,401,389	8,215,537	14,113,832	13,821,227
NET POSITION, APRIL 30	\$ 5,589,301	\$ 5,796,174	\$ 8,215,537	\$ 8,244,393	\$13,804,838	\$14,040,567

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, 2017 were \$3,840,286, an increase of \$690,629 from the previous year.

Although the increase in governmental revenues was relatively large, the majority of the increase was for a litigation settlement. The lawsuit was filed against the City and the City's greatest contributor to sales tax revenue and was 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 had escrowed sales tax receipts from this business since December 1, 2013. The suit, settled in favor of the city, resulted in the increased sales tax revenue due to the re-appropriation of the escrowed sales tax receipts from previous years. It is encouraging that the City also experienced an increase in property taxes and certain state shared taxes, in light of the City's somewhat uncertain economic environment. State income taxes and use taxes are important sources of revenue for the City. They had shown steady increases over the last several years, but after an increase in the fiscal year ending April 30, 2016, the City once again had a decrease for the fiscal year ending April 30, 2017, with total revenue of \$490,867. 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 \$342,416 to governmental revenues for the year ended April 30, 2017. This amount is \$599 higher than the 2016 fiscal year. After declining revenues since 2008, the City is optimistic for continued increases in the future. Investment income totaled \$19,894, an increase of \$6,169 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 \$19,894 in the current year.

Service charges were up \$119,466, \$97,584 of which was an insurance reimbursement as part of the litigation settlement above, for an actual service charge increase of \$21,882 and operating grants were down \$7,872 during the fiscal year ended April 30, 2017. 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, 2017 were \$3,649,802, an increase of \$377,003 or about 11.5% from the previous year. Expenses for General Government were up \$288,240, largely due to sales tax incentive payments as a result of the settled litigation and Public Safety by \$130,721. Highways and Streets had a decrease of \$44,196. 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 \$1,650,831, or 46% of total expenses. General Government and interest followed with 24%, Highways and streets expenses with 19%, and sanitation expenses for refuse pick up and disposal amounted to 11%.

Business-Type Activities

Revenues

Total program revenues for the City's business-type activities for the fiscal year ended April 30, 2017 were \$1,453,890. This amount included \$40,820 from water and sewer tap-on fees and \$75,993 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, 2017 were \$1,425,034. Operating expenses for the City's water and sewer systems were \$1,114,749 with an additional \$310,285 for depreciation. When depreciation expense is included in total expenses, net assets of business-type activities increased \$28,856 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, 2017, the governmental funds (as presented on the balance sheet on page 8) have combined fund balances of \$2,421,064. This represents an overall increase of \$306,492 from the prior year with the General Fund increasing \$204,720, the Utility Tax Fund increasing by \$31,940 and other governmental funds increasing \$69,832.

The increase in the fund balance of the General Fund of \$204,720 follows an increase last fiscal year of \$33,933 and one decrease of \$14,050 and three increases of \$76,359, \$107,885, and \$75,080 in the four previous fiscal years. These increases totaling \$483,927 follow seven years where fund balances declined \$493,748. 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.

For the fiscal year ended April 30, 2017, total revenues in the General Fund were up \$696,348, and General Fund expenditures increased \$523,770 in the 2017 fiscal year, primarily due to the lawsuit settlement and the independent actuarial report requiring increased Police Pension Fund contributions. One of the City's ongoing concerns is the sharply increased police pension costs which along with social security and medicare taxes represent about 70% 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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 1,362,350	\$ 1,943,580	\$ 1,960,012	\$ 1,330,769
Licenses and Permits	36,550	36,550	39,941	46,554
Franchise Fees	63,500	63,500	68,729	65,296
Intergovernmental Revenues	697,400	697,400	661,746	712,461
Service Charges	406,000	406,000	411,915	402,437
Fines and Forfeits	46,000	46,000	52,458	38,813
Investment Income	750	750	6,028	2,013
Miscellaneous	92,390	191,200	193,903	100,041
Total Revenue	2,704,940	3,384,980	3,394,732	2,698,384
EXPENDITURES				
General Government	421,240	774,340	737,567	410,968
Public Safety	1,340,240	1,444,560	1,491,243	1,309,049
Highways and Streets	555,180	555,180	548,773	541,997
Sanitation	407,500	412,500	412,429	404,228
Capital Outlay	-	-	-	-
Total Expenditures	2,724,160	3,186,580	3,190,012	2,666,242
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(19,220)	198,400	204,720	32,142
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ (19,220)	\$ 198,400	204,720	32,142
FUND BALANCE, MAY 1			977,621	945,479
FUND BALANCE, APRIL 30			<u>\$ 1,182,341</u>	<u>\$ 977,621</u>

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

Total General Fund revenues of \$3,394,732 came in \$9,752 higher than the budgeted amount, while expenditures were \$3,432 more than the final amount budgeted. The net result is there was an increase in fund balance of \$204,720. The General Fund balance as of April 30, 2017 totaled \$1,182,341. A fund balance of \$1,182,341 equals 37% 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 revenues by \$680,040, General Fund expenditures by \$462,420, Derby Estates SSA Fund expenditures by \$1,720, Oak Creek Estates SSA Fund expenditures by \$40 and Police Pension Fund expenditures by \$500. The increase in the General Fund was to provide for increased revenues and expenditures relating to the litigation settlement and additional Police Pension contributions, the SSA Funds were for increased maintenance and the Police Pension Fund was for increased board member training.

Capital Assets

The following schedule reflects the City's capital asset balances as of April 30, 2017.

Table 4
Capital Assets
As of April 30, 2017
(With Comparative Actual for 2016)

	2017			2016
	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	1,700,679
Equipment and Vehicles	2,209,424	-	2,209,424	2,129,931
Infrastructure	5,408,366	-	5,408,366	5,403,366
Construction In Progress	21,317	-	21,317	-
Water and Sewer System	-	14,516,950	14,516,950	14,456,347
	9,916,712	14,716,950	24,633,662	24,467,249
Less:				
Accumulated Depreciation	(2,961,594)	(6,837,295)	(9,798,889)	(9,211,308)
Total Capital Assets	\$ 6,955,118	\$ 7,879,655	\$ 14,834,773	\$ 15,255,941

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

At year-end, the City's investment in capital assets (net of accumulated depreciation) for both its governmental and business-type activities was \$14,834,773 an decrease of \$421,168 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, 2017 included the following:

- General Government equipment \$5,671.
- Police vehicle and equipment \$24,043.
- Public Works vehicle and equipment \$61,834.
- Street Improvements \$26,317.
- Water and Sewer System Improvements for \$71,518.

Long-Term Debt

The City of Genoa had total long-term debt of \$6,717,670 outstanding as of April 30, 2017. This total consisted of \$495,000 of 2005 General Obligation Alternate Revenue Bonds, 2010 General Obligation Alternate Revenue Bonds of \$242,000, and \$1,127,284 for an IEPA Installment Loan, along with Compensated Absences of \$165,265 and a Net Pension Obligation for police pensions of \$4,554,115 and IMRF of \$134,006.

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

Table 5
Long-Term Debt
As of April 30, 2017
(With Comparative Actual for 2016)

	2017			2016
	Governmental Activities	Business-Type Activities	Total	Total
Alternate Revenue Bonds				
2005 Bonds	\$ 495,000	\$ -	\$ 495,000	\$ 610,000
2010 Bonds	242,000	-	242,000	297,000
IEPA Installment Loan	-	1,127,284	1,127,284	1,210,787
Compensated Absences	120,154	45,111	165,265	227,497
Net Pension Liability				
IMRF	52,262	81,744	134,006	125,690
Police Pension Plan	4,554,115	-	4,554,115	4,430,927
Total Long-Term Debt	\$ 5,463,531	\$ 1,254,139	\$ 6,717,670	\$ 6,901,901

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.

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. The City is in the process of repairing and painting a Water Tower implementing the IEPA's 50% forgiveness plan and low interest loan, completing a study for a future projected waste water treatment plant expansion and significant infrastructure maintenance to extend the life of our current system.

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, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 2,348,930	\$ 1,454,368	\$ 3,803,298
Receivables (Net of Allowance, Where Applicable)			
Property Taxes	796,800	-	796,800
Utility Taxes	18,288	-	18,288
Accounts	69,881	163,913	233,794
Other	301,822	-	301,822
Due From Other Governments	268,360	-	268,360
Internal Balances	99,898	(99,898)	-
Prepaid Expense	11,060	-	11,060
Capital Assets			
Nondepreciable	598,243	200,000	798,243
Depreciable, Net of Accumulated Depreciation	6,356,875	7,679,655	14,036,530
 Total Assets	 10,870,157	 9,398,038	 20,268,195
DEFERRED OUTFLOWS OF RESOURCES			
Pension Items - IMRF	93,548	146,318	239,866
Pension Items - Police Pension	1,288,831	-	1,288,831
 Total Deferred Outflows of Resources	 1,382,379	 146,318	 1,528,697
 Total Assets and Deferred Outflows of Resources	 12,252,536	 9,544,356	 21,796,892
LIABILITIES			
Accounts Payable	86,025	6,524	92,549
Accrued Payroll	34,461	11,992	46,453
Accrued Interest Payable	11,934	-	11,934
Unearned Revenue	15,910	-	15,910
Noncurrent Liabilities			
Due Within One Year	187,000	93,503	280,503
Due in More Than One Year	5,276,531	1,160,636	6,437,167
 Total Liabilities	 5,611,861	 1,272,655	 6,884,516
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Taxes	796,800	-	796,800
Pension Items - IMRF	17,459	27,308	44,767
Pension Items - Police Pension	30,242	-	30,242
 Total Deferred Inflows of Resources	 844,501	 27,308	 871,809
 Total Liabilities and Deferred Inflows of Resources	 6,456,362	 1,299,963	 7,756,325

(This statement is continued on the following page.)

CITY OF GENOA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2017

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net Investment in Capital Assets	\$ 6,218,118	\$ 6,752,371	\$ 12,970,489
Restricted for			
Economic Development or CDAP Loans	667,016	-	667,016
Highways and Streets	277,589	-	277,589
Capital Improvements	208,568	-	208,568
Special Service Areas	61,385	-	61,385
Unrestricted	(1,636,502)	1,492,022	(144,480)
TOTAL NET POSITION	\$ 5,796,174	\$ 8,244,393	\$ 14,040,567

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2017

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 847,518	\$ 187,705	\$ -	\$ -
Public Safety	1,650,831	57,804	-	-
Highways and Streets	705,659	109,522	140,145	-
Sanitation	412,429	411,913	-	-
Interest and Fiscal Charges	33,365	-	-	-
Total Governmental Activities	3,649,802	766,944	140,145	-
Business-Type Activities				
Water and Sewer Service	1,425,034	1,368,022	-	75,993
Total Business-Type Activities	1,425,034	1,368,022	-	75,993
TOTAL PRIMARY GOVERNMENT	\$ 5,074,836	\$ 2,134,966	\$ 140,145	\$ 75,993

Net (Expense) Revenue and Change In Net Position			
Primary Government			
	Governmental Activities	Business-Type Activities	Total
	\$ (659,813)	\$ -	\$ (659,813)
	(1,593,027)	-	(1,593,027)
	(455,992)	-	(455,992)
	(516)	-	(516)
	(33,365)	-	(33,365)
	(2,742,713)	-	(2,742,713)
	-	18,981	18,981
	-	18,981	18,981
	(2,742,713)	18,981	(2,723,732)
General Revenues			
Property Taxes	777,601	-	777,601
Sales Tax	1,100,198	-	1,100,198
Utility Taxes	342,416	-	342,416
Video Gaming Tax	29,218	-	29,218
Intergovernmental - Unrestricted			
State Income Tax	490,867	-	490,867
Personal Property Replacement Tax	40,612	-	40,612
State Gaming Taxes	990	-	990
State Use Tax	126,878	-	126,878
Investment Income	19,894	604	20,498
Miscellaneous	4,523	9,271	13,794
Total	2,933,197	9,875	2,943,072
CHANGE IN NET POSITION	190,484	28,856	219,340
NET POSITION, MAY 1	5,589,301	8,215,537	13,804,838
Prior Period Adjustment	16,389	-	16,389
NET POSITION, MAY 1, RESTATED	5,605,690	8,215,537	13,821,227
NET POSITION, APRIL 30	\$ 5,796,174	\$ 8,244,393	\$ 14,040,567

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2017

	General Fund	CDAP Loan Fund	Utility Tax Fund	Nonmajor Governmental Funds	Total
ASSETS					
Cash	\$ 881,827	\$ 365,194	\$ 24,785	\$ 509,847	\$ 1,781,653
Receivables (Net of Allowance)					
Property Taxes	700,000	-	-	96,800	796,800
Utility Taxes	9,144	-	9,144	-	18,288
Accounts	69,881	-	-	-	69,881
Other	-	301,822	-	-	301,822
Due From Other Governments	240,395	-	16,595	11,370	268,360
Due From Other Funds	99,898	-	-	-	99,898
Prepaid Items	11,060	-	-	-	11,060
Total Assets	\$ 2,012,205	\$ 667,016	\$ 50,524	\$ 618,017	\$ 3,347,762
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 79,493	\$ -	\$ 34	\$ -	\$ 79,527
Accrued Payroll	34,461	-	-	-	34,461
Unearned Revenue	15,910	-	-	-	15,910
Total Liabilities	129,864	-	34	-	129,898
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	700,000	-	-	96,800	796,800
Total Liabilities and Deferred Inflows of Resources	829,864	-	34	96,800	926,698
FUND BALANCES					
Nonspendable					
Prepaid Items	11,060	-	-	-	11,060
Restricted					
Economic Development or CDAP Loans	-	667,016	-	-	667,016
Highways and Streets	-	-	-	277,589	277,589
Capital Improvements	-	-	50,490	158,078	208,568
Special Service Areas	-	-	-	61,385	61,385
Unrestricted					
Assigned					
Refuse Disposal	11,445	-	-	-	11,445
Debt Service	-	-	-	24,165	24,165
Unassigned	1,159,836	-	-	-	1,159,836
Total Fund Balances	1,182,341	667,016	50,490	521,217	2,421,064
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,012,205	\$ 667,016	\$ 50,524	\$ 618,017	\$ 3,347,762

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, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,421,064
--	---------------------

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	6,955,118
---	-----------

Interest payable is not due and payable in the current period and, therefore, is not reported in the governmental funds	(11,934)
---	----------

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	(737,000)
Compensated absences	(120,154)
Illinois Municipal Retirement Fund net pension liability	(52,262)
Police Pension Plan net pension liability	(4,554,115)

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	93,548
Deferred inflows of resources	(17,459)

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	1,288,831
Deferred inflows of resources	(30,242)

The unrestricted net position of the Internal Service Fund is included in the governmental activities in the statement of net position	<u>560,779</u>
--	----------------

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 5,796,174</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, 2017

	General Fund	CDAP Loan Fund	Utility Tax Fund	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 1,960,012	\$ -	\$ 197,659	\$ 91,762	\$ 2,249,433
Licenses and Permits	39,941	-	-	-	39,941
Franchise Fees	68,729	-	-	-	68,729
Intergovernmental Revenue	661,746	-	-	137,746	799,492
Service Charges	411,915	-	-	-	411,915
Fines and Forfeitures	52,458	-	-	-	52,458
Investment Income	6,028	9,309	-	3,128	18,465
Miscellaneous	193,903	-	-	4,521	198,424
Total Revenues	3,394,732	9,309	197,659	237,157	3,838,857
EXPENDITURES					
Current					
General Government	737,567	4,194	9,933	39,070	790,764
Public Safety	1,491,243	-	-	-	1,491,243
Highways and Streets	548,773	-	15,115	52,526	616,414
Sanitation	412,429	-	-	-	412,429
Capital Outlay	-	-	10,671	21,317	31,988
Debt Service					
Principal	-	-	-	170,000	170,000
Interest and Fiscal Charges	-	-	-	35,916	35,916
Total Expenditures	3,190,012	4,194	35,719	318,829	3,548,754
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	204,720	5,115	161,940	(81,672)	290,103
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	196,938	196,938
Transfers (Out)	-	-	(130,000)	(66,938)	(196,938)
Total Other Financing Sources (Uses)	-	-	(130,000)	130,000	-
NET CHANGE IN FUND BALANCES	204,720	5,115	31,940	48,328	290,103
FUND BALANCES, MAY 1	977,621	645,512	18,550	472,889	2,114,572
Prior Period Adjustment	-	16,389	-	-	16,389
FUND BALANCES, MAY 1, RESTATED	977,621	661,901	18,550	472,889	2,130,961
FUND BALANCES, APRIL 30	\$ 1,182,341	\$ 667,016	\$ 50,490	\$ 521,217	\$ 2,421,064

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, 2017

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 290,103
---	-------------------

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	31,988
---	--------

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	170,000
--	---------

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	(212,512)
Change in compensated absences	41,484
Change in Illinois Municipal Retirement Fund net pension liability	(3,243)
Change in Illinois Municipal Retirement Fund deferred inflows/ outflows of resources	(596)
Change in Police Pension Plan net pension liability	(123,188)
Change in Police Pension plan deferred inflows/outflows of resources	(52,512)
Change in interest payable	2,551

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	<u>46,409</u>
---	---------------

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 190,484</u></u>
--	---------------------------------

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2017

	Business-Type Activities Water and Sewer	Governmental Activities Internal Service
CURRENT ASSETS		
Cash	\$ 1,454,368	\$ 567,277
Receivables		
Water Accounts - Billed and Unbilled	163,913	-
Total Current Assets	1,618,281	567,277
NONCURRENT ASSETS		
Capital Assets		
Nondepreciable	200,000	-
Depreciable, Net of Accumulated Depreciation	7,679,655	769,290
Total Capital Assets	7,879,655	769,290
Total Noncurrent Assets	7,879,655	769,290
Total Assets	9,497,936	1,336,567
DEFERRED OUTFLOWS OF RESOURCES		
Pension Items - IMRF	146,318	-
Total Assets and Deferred Outflows of Resources	9,644,254	1,336,567
CURRENT LIABILITIES		
Accounts Payable	6,524	6,498
Accrued Payroll	11,992	-
Due to Other Funds	99,898	-
Compensated Absences Payable	10,000	-
IEPA Installment Loan Payable	83,503	-
Total Current Liabilities	211,917	6,498
NONCURRENT LIABILITIES		
Compensated Absences Payable (Less Current Portion)	35,111	-
IEPA Loan Payable	1,043,781	-
Net Pension Liability - IMRF	81,744	-
Total Noncurrent Liabilities	1,160,636	-
Total Liabilities	1,372,553	6,498
DEFERRED INFLOWS OF RESOURCES		
Pension Items - IMRF	27,308	-
Total Liabilities and Deferred Inflows of Resources	1,399,861	6,498
NET POSITION		
Net Investment in Capital Assets	6,752,371	769,290
Unrestricted	1,492,022	560,779
TOTAL NET POSITION	\$ 8,244,393	\$ 1,330,069

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

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

April 30, 2017

	Business-Type Activities Water and Sewer	Governmental Activities Internal Service
OPERATING REVENUES		
Charges for Services	\$ 1,327,202	\$ 146,800
Total Operating Revenues	<u>1,327,202</u>	<u>146,800</u>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Water Division	585,407	-
Sewer Division	529,342	-
Internal Service	-	14,066
Total Operating Expenses Excluding Depreciation	<u>1,114,749</u>	<u>14,066</u>
OPERATING INCOME BEFORE DEPRECIATION	212,453	132,734
Depreciation	<u>310,285</u>	<u>87,754</u>
OPERATING INCOME (LOSS)	<u>(97,832)</u>	<u>44,980</u>
NON-OPERATING REVENUES (EXPENSES)		
Miscellaneous Non-Operating Income	9,271	-
Investment Income	604	1,429
Water and Sewer Tap-On Fees	<u>40,820</u>	<u>-</u>
Total Non-Operating Revenue (Expenses)	<u>50,695</u>	<u>1,429</u>
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	<u>(47,137)</u>	<u>46,409</u>
Capital Grants and Contributions	<u>75,993</u>	<u>-</u>
CHANGE IN NET POSITION	28,856	46,409
NET POSITION, MAY 1	<u>8,215,537</u>	<u>1,283,660</u>
NET POSITION, APRIL 30	<u><u>\$ 8,244,393</u></u>	<u><u>\$ 1,330,069</u></u>

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2017

	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	1,335,164	-
Payments to Suppliers	(400,364)	(7,568)
Payments to Employees	(545,573)	-
Payments for Interfund Services	(199,688)	-
	<hr/>	<hr/>
Net Cash From Operating Activities	189,539	139,232
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Water and Sewer Tap On Fees	40,820	-
Capital Grants	110,985	-
Miscellaneous Non-Operating Income	18,803	-
Amounts Due To Other Funds	(16,578)	-
	<hr/>	<hr/>
Net Cash From Non-Capital Financing Activities	154,030	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Capital Assets	(71,518)	(85,877)
Principal Paid on IEPA Loan	(83,503)	-
	<hr/>	<hr/>
Net Cash From Capital and Related Financing Activities	(155,021)	(85,877)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	604	1,429
	<hr/>	<hr/>
Net Cash From Investing Activities	604	1,429
NET INCREASE IN CASH	189,152	54,784
CASH, MAY 1	1,265,216	512,493
	<hr/>	<hr/>
CASH, APRIL 30	\$ 1,454,368	\$ 567,277
	<hr/>	<hr/>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (97,832)	\$ 44,980
Depreciation	310,285	87,754
Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities		
Changes in Assets and Liabilities		
Accounts Receivable	7,962	-
Accounts Payable	(14,422)	6,498
Accrued Payroll	(1,712)	-
Compensated Absences	(20,748)	-
Pension Items - IMRF	6,006	-
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	\$ 189,539	\$ 139,232
	<hr/>	<hr/>

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

April 30, 2017

	Pension Trust Fund Police Pension	Agency Fund Escrow Deposit
ASSETS		
Cash	\$ 458,782	\$ 102,783
Investments		
Certificates of Deposit	1,175,776	-
Mutual Funds	166,934	-
Receivables		
Accrued Interest	3,075	-
Other	-	3,555
Total Assets	<u>1,804,567</u>	<u>\$ 106,338</u>
LIABILITIES		
Accounts Payable	-	-
Deposits	-	106,338
Total Liabilities	<u>-</u>	<u>\$ 106,338</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 1,804,567</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, 2017

ADDITIONS

Contributions	
Employer	\$ 331,300
Participants	<u>40,648</u>
Total Contributions	<u>371,948</u>
Investment Income	
Net Depreciation in Fair Value of Investments	13,391
Interest Income	<u>33,626</u>
Total Investment Income	<u>47,017</u>
Total Additions	<u>418,965</u>

DEDUCTIONS

Administration	7,235
Pension Benefits and Refunds	<u>133,943</u>
Total Deductions	<u>141,178</u>

NET INCREASE	277,787
--------------	---------

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>1,526,780</u>
April 30	<u><u>\$ 1,804,567</u></u>

See accompanying notes to financial statements.

CITY OF GENOA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2017

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 of Trustees. Two members appointed by the Mayor, one elected pension beneficiary, and two elected police officers constitute the Pension Board of Trustees. 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 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 the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

<u>Asset Class</u>	<u>Capitalization Threshold</u>
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 acquisition 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 assets 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 assets 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 categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has no investments recorded at fair value as of April 30, 2017.

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. Investments in Illinois Funds are valued at Illinois Funds' share price, the price at which the investment could be sold.

2. DEPOSITS AND INVESTMENTS (Continued)

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.

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 Government. 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.

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

2. DEPOSITS AND INVESTMENTS (Continued)

City Investments (Continued)

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.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for 2016 attach as an enforceable lien on January 1, 2016 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2017 and August 1, 2017, and are payable in two installments, on or about June 1, 2017 and September 1, 2017. The County collects such taxes and remits them periodically.

The 2016 taxes are intended to finance the 2018 fiscal year and are not considered available for current operations and are, therefore, shown as a deferred inflow of resources. The 2017 tax levy has not been recorded as a receivable at April 30, 2017. Although the tax attached as a lien on property as of January 1, 2017, the tax will not be levied until December 2017 and, accordingly, is not measurable at April 30, 2017.

4. RECEIVABLES

- A. The following receivables are included on the statement of net position as of April 30, 2017:

	Governmental Activities	Business- Type Activities
<hr/>		
TAXES		
Utility Taxes	\$ 18,288	\$ -
<hr/>		
ACCOUNTS		
Charges for Services	69,881	163,913
<hr/>		
OTHER		
CDAP Loans	301,822	-
<hr/>		

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

4. RECEIVABLES (Continued)

A. (Continued)

	Governmental Activities	Business- Type Activities
DUE FROM OTHER GOVERNMENTS		
Sales Tax	\$ 145,632	\$ -
State Income Tax	79,160	-
Telecommunications Tax	26,844	-
Video Gaming Tax	3,525	-
Motor Fuel Tax	11,370	-
Court Fines	1,829	-
Total Due From Other Governments	268,360	-
TOTAL ALL FUNDS	\$ 658,351	\$ 163,913

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, 2017:

Borrower	Loan Year	Loan Amount	Rate	Balance April 30
Polar Tech	1999	\$ 100,000	3.0%	\$ 12,379
Toblinson Ace Hardware	2008	180,000	3.0%	187,772
Genoa Pharmacy	2013	75,000	3.0%	39,464
Lloyd's Landscaping	2013	75,000	3.0%	62,207
TOTAL		\$ 430,000		\$ 301,822

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

4. RECEIVABLES (Continued)

B. CDAP Loans (Continued)

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

Fiscal Year Ending April 30,	
2018	\$ 28,639
2019	28,406
2020	23,080
2021	17,798
2022	12,266
Thereafter	<u>191,633</u>
TOTAL	<u>\$ 301,822</u>

5. CAPITAL ASSETS

Capital asset activity for the City for the year ended April 30, 2017 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	-	21,317	-	21,317
Total Capital Assets not Being Depreciated	<u>576,926</u>	<u>21,317</u>	<u>-</u>	<u>598,243</u>
Capital Assets Being Depreciated				
Buildings and Improvements	1,700,679	-	-	1,700,679
Equipment	504,979	5,671	-	510,650
Vehicles	1,624,952	85,877	12,055	1,698,774
Infrastructure	5,403,366	5,000	-	5,408,366
Total Capital Assets Being Depreciated	<u>9,233,976</u>	<u>96,548</u>	<u>12,055</u>	<u>9,318,469</u>
Less Accumulated Depreciation for				
Buildings and Improvements	692,404	54,519	-	746,923
Equipment	381,216	22,784	-	404,000
Vehicles	853,785	87,754	12,055	929,484
Infrastructure	745,978	135,209	-	881,187
Total Accumulated Depreciation	<u>2,673,383</u>	<u>300,266</u>	<u>12,055</u>	<u>2,961,594</u>
Total Capital Assets Being Depreciated, Net	<u>6,560,593</u>	<u>(203,718)</u>	<u>-</u>	<u>6,356,875</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 7,137,519</u>	<u>\$ (182,401)</u>	<u>\$ -</u>	<u>\$ 6,955,118</u>

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

5. CAPITAL ASSETS (Continued)

GOVERNMENTAL ACTIVITIES

General Government	\$ 53,865
Public Safety	40,794
Highways and Streets	<u>205,607</u>

**TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 300,266

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 200,000	\$ -	\$ -	\$ 200,000
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Capital Assets Being Depreciated				
Water and Sewer System Assets	<u>14,456,347</u>	<u>71,518</u>	<u>10,915</u>	<u>14,516,950</u>
Total Capital Assets Being Depreciated	<u>14,456,347</u>	<u>71,518</u>	<u>10,915</u>	<u>14,516,950</u>
Less Accumulated Depreciation for				
Water and Sewer System Assets	<u>6,537,925</u>	<u>310,285</u>	<u>10,915</u>	<u>6,837,295</u>
Total Accumulated Depreciation	<u>6,537,925</u>	<u>310,285</u>	<u>10,915</u>	<u>6,837,295</u>
Total Capital Assets Being Depreciated, Net	<u>7,918,422</u>	<u>(238,767)</u>	<u>-</u>	<u>7,679,655</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 8,118,422</u>	<u>\$ (238,767)</u>	<u>\$ -</u>	<u>\$ 7,879,655</u>

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.

6. RISK MANAGEMENT (Continued)

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

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, 2017. The City participated in a limited self-insurance program with IMLRMA from 2012 to 2016, 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.

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

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, 2017:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
Alternate Revenue Bonds	\$ 907,000	\$ -	\$ 170,000	\$ 737,000	\$ 177,000
Compensated Absences*	161,638	53,740	95,224	120,154	10,000
Net Pension Liability - IMRF*	49,019	3,243	-	52,262	-
Net Pension Liability - Police Pension Plan*	4,430,927	123,188	-	4,554,115	-
TOTAL	\$ 5,548,584	\$ 180,171	\$ 265,224	\$ 5,463,531	\$ 187,000

*General Fund resources are used to liquidate these liabilities.

The following is a summary of long-term obligation activity for the City associated with business-type activities for the year ended April 30, 2017:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
IEPA Installment Loan	\$ 1,210,787	\$ -	\$ 83,503	\$ 1,127,284	\$ 83,503
Compensated Absences	65,859	20,446	41,194	45,111	10,000
Net Pension Liability - IMRF	76,671	5,073	-	81,744	-
TOTAL	\$ 1,353,317	\$ 25,519	\$ 124,697	\$ 1,254,139	\$ 93,503

B. Debt Issues

The long-term debt of the City at April 30, 2017 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	\$ 495,000	\$ 120,000

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

7. LONG-TERM DEBT (Continued)

B. Debt Issues (Continued)

	Fund Retired by	Balance at April 30	Current Portion
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	\$ 242,000	\$ 57,000
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	1,127,284	83,503
TOTAL		\$ 1,864,284	\$ 260,503

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

Fiscal Year Ending April 30,	Governmental Activities			
	2005 General Obligation Alternate Revenue Bonds		2010 General Obligation Alternate Revenue Bonds	
	Principal	Interest	Principal	Interest
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	\$ 495,000	\$ 47,130	\$ 242,000	\$ 26,282

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 Water and Fund is as follows:

Fiscal Year Ending April 30,	Business-Type Activities	
	IEPA Installment Loan	
	Principal	Interest
2018	\$ 83,503	\$ -
2019	83,503	-
2020	83,503	-
2021	83,503	-
2022	83,503	-
Thereafter	709,769	-
TOTAL	\$ 1,127,284	\$ -

C. Legal Debt Margin

A computation of the legal debt margin of the City as of April 30, 2017 is as follows:

Assessed Valuation - 2016	<u>\$ 74,634,415</u>
Legal Debt Limit of 8.625% of Assessed Valuation	\$ 6,437,218
Less General Obligation Debt General Obligation Bonds	<u>737,000</u>
LEGAL DEBT MARGIN	<u>\$ 5,700,218</u>

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 \$542,130, with the pledge expiring December 2021, when the bonds are paid off. During the current fiscal year, the pledge of utility taxes of \$178,529 was 52.1% of total utility tax revenues.

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

7. LONG-TERM DEBT (Continued)

D. Alternate Revenue Bonds (Continued)

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 \$268,282 with the pledge expiring December 2020, when the bonds are paid off. During the current fiscal year, the pledge of utility taxes of \$86,173 was 25.2% of total utility tax revenues.

8. INTERFUND ACCOUNTS

Due From/To Other Funds at April 30, 2017 consist of the following:

Fund	Due From	Due To
General	\$ 99,898	\$ -
Water Operating Fund	-	99,898
TOTAL ALL FUNDS	\$ 99,898	\$ 99,898

The purposes of significant interfund transactions are as follows:

Interfund accounts as of April 30, 2017 represent temporary cash advances and were all paid back within 30 days after fiscal year end.

Interfund transfers during the year ended April 30, 2017 consisted of the following:

Fund	Transfers In	Transfers Out
Nonmajor Governmental		
Debt Service	\$ 196,938	\$ -
Motor Fuel Tax	-	66,938
Utility Tax	-	130,000
TOTAL ALL FUNDS	\$ 196,938	\$ 196,938

8. INTERFUND ACCOUNTS (Continued)

The purposes of significant interfund transfers are as follows:

The transfer of \$130,000 from the Utility Tax Fund and \$66,938 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.

10. TAX ABATEMENTS

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 municipal sales tax receipts generated by the new business. The reimbursements will be paid over a period of ten years. As of April 30, 2017, the City has paid \$1,118,004 in incentives. The total reimbursements over the ten-year period are expected to aggregate about \$1,200,000.

The City entered into an economic development agreement with the owners of a local car dealership on June 6, 2016, to provide economic development incentives to operate their business in the City. The business started operations on July 1, 2016. The City agreed to reimburse the owners 50% of municipal sales tax receipts generated by the new business. The reimbursements will be paid over a period of 15 years. As of April 30, 2017, the City has paid \$79,513 in incentives.

11. 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, 2017.

12. 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.

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.

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2016, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	20
Inactive Employees Entitled to but not yet Receiving Benefits	11
Active Employees	14
	<hr/>
TOTAL	45
	<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.

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, 2016 and 2017 was 9.85% and 8.59%, respectively of covered payroll.

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2016
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%
Investment Rate of Return	7.50%
Asset Valuation Method	Market Value of Assets

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

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, 2016	\$ 4,777,625	\$ 4,651,935	\$ 125,690
Changes for the Period			
Service Cost	71,472	-	71,472
Interest	352,182	-	352,182
Difference Between Expected and Actual Experience	(18,183)	-	(18,183)
Employer Contributions	-	64,457	(64,457)
Employee Contributions	-	29,448	(29,448)
Net Investment Income	-	316,861	(316,861)
Benefit Payments and Refunds	(235,194)	(235,194)	-
Other (Net Transfer)	-	(13,611)	13,611
Net Changes	170,277	161,961	8,316
BALANCES AT DECEMBER 31, 2016	\$ 4,947,902	\$ 4,813,896	\$ 134,006

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

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2017, the City recognized pension expense of \$75,323.

At April 30, 2017, 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	\$ -	\$ 44,767
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	220,272	-
Employer Contributions After the Measurement Date	19,594	-
TOTAL	\$ 239,866	\$ 44,767

\$19,594 reported as deferred outflows of pensions result from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2018	\$ 32,093
2019	66,490
2020	71,677
2021	5,245
TOTAL	\$ 175,505

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the 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)	\$ 742,730	\$ 134,006	\$ (374,701)

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.

The Police Pension Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees 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.

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2017, the measurement date, membership consisted of:

Inactive Employees or Their Beneficiaries	
Currently Receiving Benefits	4
Inactive Employees Entitled to but not yet Receiving Benefits	-
Active Employees	6
	<hr/>
TOTAL	10
	<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.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the 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, 2017, the City's contribution was 61.1% of covered payroll.

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%

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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 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, 2017, 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 3.08%. 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.

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

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, 2017.

The Fund has the following recurring fair value measurements as of April 30, 2017. The equity mutual funds are valued using quoted prices (Level 1 inputs).

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.

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.

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2016	\$ 5,957,707	\$ 1,526,780	\$ 4,430,927
Changes for the Period			
Service Cost	148,463	-	148,463
Interest	294,537	-	294,537
Differences Between Expected and Actual Experience	125,927	-	125,927
Changes in Assumptions	(34,009)	-	(34,009)
Employer Contributions	-	331,300	(331,300)
Employee Contributions	-	40,648	(40,648)
Net Investment Income	-	47,017	(47,017)
Benefit Payments and Refunds	(133,943)	(133,943)	-
Administrative Expense	-	(7,235)	7,235
Net Changes	400,975	277,787	123,188
BALANCES AT APRIL 30, 2017	\$ 6,358,682	\$ 1,804,567	\$ 4,554,115

There was a change with respect to actuarial assumptions from the prior year to the mortality rate assumption.

12. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Description (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2017 using the following actuarial methods and assumptions:

Actuarial Valuation Date	April 30, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Price Inflation	2.50%
Salary Increases	4.00% to 6.89%
Investment Rate of Return	5.00%
Asset Valuation Method	Market Value of Assets

Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2017. 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)	\$ 5,784,621	\$ 4,554,115	\$ 3,593,156

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

12. 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

For the year ended April 30, 2017, the City recognized police pension expense of \$507,000. At April 30, 2017, 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	\$ 175,144	\$ -
Changes in Assumptions	1,058,240	30,242
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	55,447	-
TOTAL	\$ 1,288,831	\$ 30,242

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:

Fiscal Year Ending April 30,	
2018	\$ 179,521
2019	179,521
2020	179,521
2021	170,392
2022	163,377
Thereafter	386,257
TOTAL	\$ 1,258,589

13. PRIOR PERIOD ADJUSTMENT

As of April 30, 2017, the City recorded a prior period adjustment to properly record revolving loan receivables. This resulted in an increase in fund balance of \$16,389 for the CDAP Loan Fund. This also resulted in increase in net position of \$16,389 for governmental activities.

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, 2017
(with comparative actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes	\$ 1,362,350	\$ 1,943,580	\$ 1,960,012	\$ 1,330,769
Licenses and Permits	36,550	36,550	39,941	46,554
Franchise Fees	63,500	63,500	68,729	65,296
Intergovernmental Revenue	697,400	697,400	661,746	712,461
Service Charges	406,000	406,000	411,915	402,437
Fines and Forfeits	46,000	46,000	52,458	38,813
Investment Income	750	750	6,028	2,013
Miscellaneous	92,390	191,200	193,903	100,041
Total Revenues	2,704,940	3,384,980	3,394,732	2,698,384
EXPENDITURES				
Current				
General Government	421,240	774,340	737,567	410,968
Public Safety	1,340,240	1,444,560	1,491,243	1,309,049
Highways and Streets	555,180	555,180	548,773	541,997
Sanitation	407,500	412,500	412,429	404,228
Total Expenditures	2,724,160	3,186,580	3,190,012	2,666,242
NET CHANGE IN FUND BALANCE	\$ (19,220)	\$ 198,400	204,720	32,142
FUND BALANCE, MAY 1			977,621	945,479
FUND BALANCE, APRIL 30			\$ 1,182,341	\$ 977,621

(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, 2017
(with comparative actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment Income	\$ 200	\$ 200	\$ 245	\$ 218
Investment Income - Loan Interest	-	-	9,064	10,022
Miscellaneous				
Loan Principal Payments	38,510	38,510	-	-
Total Revenues	38,710	38,710	9,309	10,240
EXPENDITURES				
Current				
General Government	3,850	3,850	4,194	4,445
Miscellaneous	100,000	100,000	-	-
Total Expenditures	103,850	103,850	4,194	4,445
NET CHANGE IN FUND BALANCE	\$ (65,140)	\$ (65,140)	5,115	5,795
FUND BALANCE, MAY 1			645,512	639,717
Prior Period Adjustment			16,389	-
FUND BALANCE, MAY 1, RESTATED			661,901	639,717
FUND BALANCE, APRIL 30			\$ 667,016	\$ 645,512

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

Last Two Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017
Actuarially Determined Contribution	\$ 56,152	\$ 65,479
Contributions in Relation to the Actuarially Determined Contribution	56,152	65,479
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -
Covered-Employee Payroll	\$ 611,755	\$ 693,944
Contributions as a Percentage of Covered-Employee Payroll	9.18%	9.44%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 27 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually projected salary increases assumption of 4.4% to 16.0% compounded annually and postretirement benefit increases of 3.0% compounded annually.

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

CITY OF GENOA, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially Determined Contribution	\$ 116,477	\$ 134,462	\$ 125,682	\$ 199,994	\$ 206,101	\$ 207,917	\$ 224,299	\$ 224,299	\$ 331,314
Contributions in Relation to the Actuarially Determined Contribution	116,477	134,462	125,682	161,840	168,800	179,120	206,688	221,541	331,300
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ 38,154	\$ 37,301	\$ 28,797	\$ 17,611	\$ 2,758	\$ 14
Covered-Employee Payroll	\$ 508,626	\$ 466,394	\$ 393,122	\$ 401,210	\$ 344,991	\$ 394,731	\$ 403,423	\$ 462,611	\$ 541,989
Contributions as a Percentage of Covered-Employee Payroll	22.9%	28.8%	32.0%	40.3%	48.9%	45.4%	51.2%	47.9%	61.1%

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% (constant from 2016); the actuarial value of assets is market value; and postretirement benefit increases of 3% compounded annually.

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

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

Last Two Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 73,709	\$ 71,472
Interest	348,323	352,182
Differences Between Expected and Actual Experience	(142,251)	(18,183)
Benefit Payments, Including Refunds	(219,219)	(235,194)
Net Change in Total Pension Liability	60,562	170,277
Total Pension Liability - Beginning	4,717,063	4,777,625
TOTAL PENSION LIABILITY - ENDING	\$ 4,777,625	\$ 4,947,902
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 60,084	\$ 64,457
Contributions - Member	27,529	29,448
Net Investment Income	24,021	316,861
Benefit Payments, Including Refunds	(219,219)	(235,194)
Administrative Expense	(110,502)	(13,611)
Net Change in Plan Fiduciary Net Position	(218,087)	161,961
Plan Fiduciary Net Position - Beginning	4,870,022	4,651,935
PLAN FIDUCIARY NET POSITION - ENDING	\$ 4,651,935	\$ 4,813,896
EMPLOYER'S NET PENSION LIABILITY	\$ 125,690	\$ 134,006
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.37%	97.29%
Covered-Employee Payroll	\$ 611,755	\$ 654,398
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	20.55%	20.48%

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

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service Cost	\$ 138,137	\$ 148,190	\$ 148,463
Interest	249,269	210,402	294,537
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(18,184)	80,421	125,927
Changes of Assumptions and Cost Method	421,540	1,347,378	(34,009)
Benefit Payments, Including Refunds	(76,826)	(73,462)	(133,943)
Net Change in Total Pension Liability	713,936	1,712,929	400,975
Total Pension Liability - Beginning	3,530,842	4,244,778	5,957,707
TOTAL PENSION LIABILITY - ENDING	\$ 4,244,778	\$ 5,957,707	\$ 6,358,682
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 206,688	\$ 221,541	\$ 331,300
Contributions - Member	39,117	41,473	40,648
Net Investment Income	36,955	24,864	47,017
Benefit Payments, Including Refunds	(76,826)	(73,462)	(133,943)
Administrative Expense	(3,843)	(5,292)	(7,235)
Net Change in Plan Fiduciary Net Position	202,091	209,124	277,787
Plan Fiduciary Net Position - Beginning	1,115,565	1,317,656	1,526,780
PLAN FIDUCIARY NET POSITION - ENDING	\$ 1,317,656	\$ 1,526,780	\$ 1,804,567
EMPLOYER'S NET PENSION LIABILITY	\$ 2,927,122	\$ 4,430,927	\$ 4,554,115
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	31.04%	25.63%	28.38%
Covered-Employee Payroll	\$ 403,423	\$ 462,611	\$ 541,989
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	725.57%	957.81%	840.26%

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

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

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

April 30, 2017

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017
Annual Money-Weighted Rate of Return Net of Investment Expense	3.40%	2.85%	3.08%

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

CITY OF GENOA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2017

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. One budget amendment was made during the current year.

**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.

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

COMPARATIVE BALANCE SHEET BY ACCOUNT

GENERAL FUND

For the Year Ended April 30, 2017
(with comparative actual for 2016)

	2017			
	General Account	Refuse Disposal Account	Total	2016
ASSETS				
Cash and Investments	\$ 878,526	\$ 3,301	\$ 881,827	\$ 1,178,686
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Property Taxes	700,000	-	700,000	687,343
Utility Taxes	9,144	-	9,144	8,816
Accounts	28,426	41,455	69,881	64,572
Due from Other Governments	240,395	-	240,395	242,648
Due from Other Funds	99,898	-	99,898	150,905
Prepaid Items	11,060	-	11,060	4,260
TOTAL ASSETS	\$ 1,967,449	\$ 44,756	\$ 2,012,205	\$ 2,337,230
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 46,182	\$ 33,311	\$ 79,493	\$ 25,746
Accrued Payroll	34,461	-	34,461	40,169
Other Current Liabilities	-	-	-	486,136
Unearned Revenues	15,910	-	15,910	13,120
Due to Other Funds	-	-	-	30,105
Due to Fiduciary Funds	-	-	-	76,990
Total Liabilities	96,553	33,311	129,864	672,266
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	700,000	-	700,000	687,343
Total Deferred Inflows of Resources	700,000	-	700,000	687,343
Total Liabilities and Deferred Inflows of Resources	796,553	33,311	829,864	1,359,609
FUND BALANCES				
Nonspendable				
Prepaid Items	11,060	-	11,060	4,260
Assigned				
Refuse Disposal	-	11,445	11,445	11,959
Unassigned	1,159,836	-	1,159,836	961,402
Total Fund Balances	1,170,896	11,445	1,182,341	977,621
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,967,449	\$ 44,756	\$ 2,012,205	\$ 2,337,230

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BY ACCOUNT

GENERAL FUND

For the Year Ended April 30, 2017
(with comparative actual for 2016)

	2017				2016			
	General Account	Refuse Disposal Account	Eliminations	Total	General Account	Refuse Disposal Account	Eliminations	Total
REVENUES								
Taxes	\$ 1,960,012	\$ -	\$ -	\$ 1,960,012	\$ 1,330,769	\$ -	\$ -	\$ 1,330,769
Licenses and Permits	39,941	-	-	39,941	46,554	-	-	46,554
Franchise Fees	68,729	-	-	68,729	65,296	-	-	65,296
Intergovernmental Revenue	661,746	-	-	661,746	712,461	-	-	712,461
Service Charges	-	411,915	-	411,915	-	402,437	-	402,437
Fines and Forfeits	52,458	-	-	52,458	38,813	-	-	38,813
Investment Income	6,028	-	-	6,028	2,013	-	-	2,013
Miscellaneous	193,903	-	-	193,903	100,041	-	-	100,041
Total Revenues	2,982,817	411,915	-	3,394,732	2,295,947	402,437	-	2,698,384
EXPENDITURES								
Current								
General Government	737,567	-	-	737,567	410,968	-	-	410,968
Public Safety	1,491,243	-	-	1,491,243	1,309,049	-	-	1,309,049
Highways and Streets	548,773	-	-	548,773	541,997	-	-	541,997
Sanitation	-	412,429	-	412,429	-	404,228	-	404,228
Total Expenditures	2,777,583	412,429	-	3,190,012	2,262,014	404,228	-	2,666,242
NET CHANGE IN FUND BALANCES	205,234	(514)	-	204,720	33,933	(1,791)	-	32,142
FUND BALANCES, MAY 1	965,662	11,959	-	977,621	931,729	13,750	-	945,479
FUND BALANCES, APRIL 30	\$ 1,170,896	\$ 11,445	\$ -	\$ 1,182,341	\$ 965,662	\$ 11,959	\$ -	\$ 977,621

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property Taxes	\$ 687,350	\$ 687,350	\$ 685,839	\$ 679,004
Sales Tax	485,000	1,066,230	1,100,198	478,641
Utility Taxes	187,500	187,500	171,208	170,909
Video Gaming Taxes	2,500	2,500	2,767	2,215
Total Taxes	1,362,350	1,943,580	1,960,012	1,330,769
Licenses and Permits				
Liquor Licenses	14,500	14,500	14,900	13,725
Animal Licenses	250	250	40	285
Other Licenses	1,500	1,500	1,565	948
Building Permits	17,500	17,500	19,035	26,130
Building/Plan Review	2,500	2,500	4,401	5,466
Other Permit Fees	300	300	-	-
Total Licenses and Permits	36,550	36,550	39,941	46,554
Franchise Fees				
Cable TV Franchise	55,000	55,000	60,580	56,503
Nicor Gas Franchise	8,500	8,500	8,149	8,793
Total Franchise Fees	63,500	63,500	68,729	65,296
Intergovernmental Revenue				
State Income Tax	532,500	532,500	490,867	553,430
State Personal Property Replacement Tax	40,000	40,000	40,612	38,661
State Use Tax	122,500	122,500	126,878	119,508
State Gaming Taxes	900	900	990	862
IDOT Traffic Signal Reimbursement	1,500	1,500	2,399	-
Total Intergovernmental Revenue	697,400	697,400	661,746	712,461

(This schedule is continued on the following page.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES (Continued)				
Service Charges				
Water Administrative Charges	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000
Refuse Administrative Charges	12,500	12,500	12,500	12,500
CDAP Administrative Charges	3,850	3,850	4,194	4,445
SSA Maintenance	12,500	12,500	8,640	12,234
Mowing Reimbursements	200	200	202	210
Reclassify Administrative Service Charges	(124,050)	(124,050)	(120,536)	(124,389)
Total Service Charges	-	-	-	-
Fines and Forfeitures				
Circuit Court	14,000	14,000	16,214	11,698
Court Fines - DUI	1,500	1,500	3,500	720
Local Fines	26,500	26,500	24,344	22,195
Towing Fines	4,000	4,000	8,400	4,200
Total Fines and Forfeits	46,000	46,000	52,458	38,813
Investment Income	750	750	6,028	2,013
Miscellaneous				
Rental Income	80,190	80,190	77,880	78,004
Police Program Reimbursements	4,600	4,600	4,596	4,596
Police K-9 Program	500	500	750	2,000
Other Reimbursements	5,100	103,910	109,522	3,791
Other Income	2,000	2,000	1,155	11,650
Total Miscellaneous	92,390	191,200	193,903	100,041
TOTAL REVENUES	\$ 2,298,940	\$ 2,978,980	\$ 2,982,817	\$ 2,295,947

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
GENERAL GOVERNMENT				
Administration and Finance				
Personal Services				
Salaries	\$ 140,830	\$ 140,830	\$ 147,366	\$ 128,780
Employee Benefits	46,520	46,520	44,224	41,194
Total Personal Services	187,350	187,350	191,590	169,974
Contractual Services				
Travel and Training	6,250	6,250	5,787	5,534
Repairs and Maintenance	2,000	2,000	225	225
Professional	113,850	113,850	93,803	99,288
Telephone	9,800	9,800	5,049	8,783
Insurance	5,890	5,890	6,781	6,304
Other Contractual Services	5,050	5,050	5,811	6,377
Total Contractual Services	142,840	142,840	117,456	126,511
Commodities and Supplies				
Office	3,500	3,500	3,417	3,851
Other	2,150	2,150	2,387	1,993
Total Commodities and Supplies	5,650	5,650	5,804	5,844
Miscellaneous				
Community Relations	3,250	3,250	3,478	3,794
Other Charges	12,300	12,300	14,992	21,842
Total Miscellaneous	15,550	15,550	18,470	25,636
Reclassification of Service Charges				
Administrative Service Charges	(111,350)	(111,350)	(111,694)	(111,945)
Total Reclassification of Service Charges	(111,350)	(111,350)	(111,694)	(111,945)
Total Administration and Finance	240,040	240,040	221,626	216,020
Community Development				
Personal Services				
Salaries	10,400	10,400	8,860	10,120
Employee Benefits	800	800	834	775
Total Personal Services	11,200	11,200	9,694	10,895

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
GENERAL GOVERNMENT (Continued)				
Community Development (Continued)				
Contractual Services				
Travel and Training	\$ 950	\$ 950	\$ 700	\$ 866
Telephone	1,450	1,450	1,082	1,657
Internal Service Charges	1,800	1,800	1,800	1,800
Insurance	5,780	5,780	6,756	6,181
Administrative Services	30,000	30,000	26,820	26,935
Professional	2,000	2,000	2,025	1,869
Total Contractual Services	41,980	41,980	39,183	39,308
Commodities and Supplies				
Publications	150	150	-	106
Office	250	250	81	180
Total Commodities and Supplies	400	400	81	286
Miscellaneous				
Community Relations	3,900	3,900	4,519	3,875
Other Charges	500	500	1,188	1,569
Total Miscellaneous	4,400	4,400	5,707	5,444
Total Community Development	57,980	57,980	54,665	55,933
Municipal Building				
Personal Services				
Salaries	3,940	3,940	3,853	3,799
Employee Benefits	300	300	370	222
Total Personal Services	4,240	4,240	4,223	4,021
Contractual Services				
Repairs and Maintenance	15,100	15,100	10,224	10,822
Public Utility	16,000	16,000	15,186	11,462
Professional Services	500	500	-	95
Insurance	5,780	5,780	6,756	6,183
Building Maintenance Services	15,000	15,000	13,759	19,655
Total Contractual Services	52,380	52,380	45,925	48,217

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
GENERAL GOVERNMENT (Continued)				
Municipal Building				
Commodities and Supplies				
Other Supplies	\$ 1,100	\$ 1,100	\$ 586	\$ 420
Total Commodities and Supplies	1,100	1,100	586	420
Total Municipal Building	57,720	57,720	50,734	52,658
Total General Government	355,740	355,740	327,025	324,611
PUBLIC SAFETY				
Police Department				
Personal Services				
Salaries	580,370	580,370	623,100	634,712
Employee Benefits	426,440	527,740	534,767	351,532
Total Personal Services	1,006,810	1,108,110	1,157,867	986,244
Contractual Services				
Travel and Training	6,700	9,720	9,410	4,124
Repairs and Maintenance	8,200	8,200	9,194	6,694
Professional	19,300	19,300	16,537	19,396
Telephone	10,250	10,250	11,339	11,495
Internal Service Charges	30,000	30,000	30,000	30,000
Dispatching	160,000	160,000	159,330	156,000
Insurance	51,690	51,690	61,270	55,363
K-9 Program	2,000	2,000	1,143	1,911
Other Contractual Services	6,650	6,650	5,197	6,330
Total Contractual Services	294,790	297,810	303,420	291,313
Commodities and Supplies				
Operating	1,900	1,900	1,654	138
Automotive Fuel and Oil	19,000	19,000	13,789	12,090
Office	2,500	2,500	2,061	2,874
Range	4,000	4,000	3,262	2,929
Other	9,190	9,190	7,245	11,411
Total Commodities and Supplies	36,590	36,590	28,011	29,442

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
PUBLIC SAFETY (Continued)				
Police Department (Continued)				
Miscellaneous				
Community Relations	\$ 300	\$ 300	\$ -	\$ 225
Other Charges	1,750	1,750	1,945	1,825
Total Miscellaneous	2,050	2,050	1,945	2,050
Total Police Department	1,340,240	1,444,560	1,491,243	1,309,049
Total Public Safety	1,340,240	1,444,560	1,491,243	1,309,049
HIGHWAYS AND STREETS				
Street Department				
Personal Services				
Salaries	198,070	198,070	187,820	170,223
Employee Benefits	69,540	69,540	53,144	50,526
Total Personal Services	267,610	267,610	240,964	220,749
Contractual Services				
Travel and Training	1,950	1,950	2,334	2,005
Repairs and Maintenance	87,000	87,000	102,805	111,936
Street Lighting	66,700	66,700	63,754	66,701
Public Utilities	6,640	6,640	6,684	6,394
Professional	1,250	1,250	4,878	2,788
Telephone	4,700	4,700	4,324	4,554
Internal Service Charges	40,000	40,000	40,000	40,000
Insurance	23,980	23,980	28,270	25,920
Mosquito Control	6,500	6,500	5,643	6,653
Other Contractual Services	1,400	1,400	2,147	1,491
Total Contractual Services	240,120	240,120	260,839	268,442
Commodities and Supplies				
Operating	7,400	7,400	8,128	10,034
Automotive Fuel and Oil	22,500	22,500	13,326	14,888
Chemicals	350	350	1,109	103
Street Maintenance Supplies	17,500	17,500	18,852	12,543
Salt and Snow Control	-	-	3,508	13,983
Forestry	10,500	10,500	9,142	11,485
Other	1,900	1,900	1,747	2,214
Total Commodities and Supplies	60,150	60,150	55,812	65,250

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
HIGHWAYS AND STREETS (Continued)				
Street Department (Continued)				
Reclassification of Service Charges				
River Bend SSA Maintenance	\$ (12,500)	\$ (12,500)	\$ (8,640)	\$ (12,234)
Mowing Reimbursements	(200)	(200)	(202)	(210)
Total Reclassification of Service Charges	(12,700)	(12,700)	(8,842)	(12,444)
Total Street Department	555,180	555,180	548,773	541,997
Total Highways and Streets	555,180	555,180	548,773	541,997
NONDEPARTMENTAL				
Miscellaneous				
Liability Claims	-	25,000	25,000	-
Sales Tax Incentives	-	328,100	328,111	-
River Bend Legal and Engineering	5,000	5,000	15,638	9,109
RTA Legal Services	50,000	50,000	21,979	60,472
IMLRMA Legal Services	10,000	10,000	18,512	16,544
NIGEAC Legal Services	500	500	1,302	232
Total Nondepartmental	65,500	418,600	410,542	86,357
TOTAL EXPENDITURES	\$ 2,316,660	\$ 2,774,080	\$ 2,777,583	\$ 2,262,014

(See independent auditor's report.)

CITY OF GENOA, ILLINOIS

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

For the Year Ended April 30, 2017
(with comparative actual for 2016)

	2017		2016
	Original Budget	Final Budget	Actual
			Actual
REVENUES			
Service Charges			
Garbage Service Fees	\$ 406,000	\$ 406,000	\$ 411,915
			\$ 402,437
Total Revenues	406,000	406,000	411,915
			402,437
EXPENDITURES			
Current			
Sanitation			
Garbage Disposal	395,000	400,000	399,929
Administrative Service Charge	12,500	12,500	12,500
Total Expenditures	407,500	412,500	412,429
			404,228
NET CHANGE IN FUND BALANCE	\$ (1,500)	\$ (6,500)	(514)
			(1,791)
FUND BALANCE, MAY 1			11,959
			13,750
FUND BALANCE, APRIL 30			\$ 11,445
			\$ 11,959

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Utility Taxes	\$ 187,500	\$ 187,500	\$ 171,208	\$ 170,908
Video Gaming Tax	22,500	22,500	26,451	19,938
Miscellaneous				
Com Ed Green Regions Grant	-	-	-	840
River Bend Prairie Project	-	-	-	9,071
Total Revenues	210,000	210,000	197,659	200,757
EXPENDITURES				
Current				
General Government	75,329	75,329	9,933	19,018
Public Safety	-	-	-	13,313
Highways and Streets	21,000	21,000	15,115	56,669
Capital Outlay				
Infrastructure	5,000	5,000	5,000	35,359
Equipment	5,671	5,671	5,671	35,075
Total Expenditures	107,000	107,000	35,719	159,434
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	103,000	103,000	161,940	41,323
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	10,000	10,000	-	-
Transfer to Debt Service Fund	(130,000)	(130,000)	(130,000)	(135,000)
Total Other Financing Sources (Uses)	(120,000)	(120,000)	(130,000)	(135,000)
NET CHANGE IN FUND BALANCE	\$ (17,000)	\$ (17,000)	31,940	(93,677)
FUND BALANCE, MAY 1			18,550	112,227
FUND BALANCE, APRIL 30			\$ 50,490	\$ 18,550

(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, 2017

	Special Revenue Funds		
	Road and Bridge	Motor Fuel Tax	Developers Contributions
ASSETS			
Cash	\$ 116,948	\$ 149,271	\$ 158,078
Receivables			
Property Taxes	32,150	-	-
Due From Other Governments	-	11,370	-
Due From Other Funds	-	-	-
TOTAL ASSETS	\$ 149,098	\$ 160,641	\$ 158,078
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	32,150	-	-
Total Liabilities and Deferred Inflows of Resources	32,150	-	-
FUND BALANCES			
Restricted			
Highways and Streets	116,948	160,641	-
Capital Improvements	-	-	158,078
Special Service Areas	-	-	-
Unrestricted			
Assigned			
Debt Service	-	-	-
Total Fund Balances	116,948	160,641	158,078
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 149,098	\$ 160,641	\$ 158,078

Special Revenue Funds					
River Bend SSA	Derby Estates SSA	Oak Creek Estates SSA	Debt Service	Total	
\$ 60,079	\$ 61	\$ 1,245	\$ 24,165	\$ 509,847	
56,100	6,500	2,050	-	96,800	
-	-	-	-	11,370	
-	-	-	-	-	
\$ 116,179	\$ 6,561	\$ 3,295	\$ 24,165	\$ 618,017	
\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	
56,100	6,500	2,050	-	96,800	
56,100	6,500	2,050	-	96,800	
-	-	-	-	277,589	
-	-	-	-	158,078	
60,079	61	1,245	-	61,385	
-	-	-	24,165	24,165	
60,079	61	1,245	24,165	521,217	
\$ 116,179	\$ 6,561	\$ 3,295	\$ 24,165	\$ 618,017	

(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, 2017

	Special Revenue Funds		
	Road and Bridge	Motor Fuel Tax	Developers Contributions
REVENUES			
Taxes	\$ 33,008	\$ -	\$ -
Intergovernmental Revenues	-	137,746	-
Investment Income	1,195	953	370
Miscellaneous	-	-	4,521
	<hr/>	<hr/>	<hr/>
Total Revenues	34,203	138,699	4,891
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General Government	-	-	-
Highways and Streets	12,868	24,583	-
Capital Outlay	-	21,317	-
Debt Service			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	12,868	45,900	-
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	21,335	92,799	4,891
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	-	(66,938)	-
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	(66,938)	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	21,335	25,861	4,891
	<hr/>	<hr/>	<hr/>
FUND BALANCES, MAY 1	95,613	134,780	153,187
	<hr/>	<hr/>	<hr/>
FUND BALANCES, APRIL 30	\$ 116,948	\$ 160,641	\$ 158,078
	<hr/>	<hr/>	<hr/>

Special Revenue Funds					
River Bend SSA	Derby Estates SSA	Oak Creek Estates SSA	Debt Service	Total	
\$ 51,412	\$ 5,751	\$ 1,591	\$ -	\$ 91,762	
-	-	-	-	137,746	
260	26	22	302	3,128	
-	-	-	-	4,521	
51,672	5,777	1,613	302	237,157	
39,070	-	-	-	39,070	
7,958	5,716	1,401	-	52,526	
-	-	-	-	21,317	
-	-	-	170,000	170,000	
-	-	-	35,916	35,916	
47,028	5,716	1,401	205,916	318,829	
4,644	61	212	(205,614)	(81,672)	
-	-	-	196,938	196,938	
-	-	-	-	(66,938)	
-	-	-	196,938	130,000	
4,644	61	212	(8,676)	48,328	
55,435	-	1,033	32,841	472,889	
\$ 60,079	\$ 61	\$ 1,245	\$ 24,165	\$ 521,217	

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property Taxes	\$ 33,900	\$ 33,900	\$ 33,008	\$ 33,629
Investment Income	50	50	1,195	41
Other Reimbursements	-	-	-	4,500
Total Revenues	33,950	33,950	34,203	38,170
EXPENDITURES				
Current				
Highways and Streets				
Street Maintenance	44,500	44,500	12,868	14,629
Total Expenditures	44,500	44,500	12,868	14,629
NET CHANGE IN FUND BALANCE	<u>\$ (10,550)</u>	<u>\$ (10,550)</u>	21,335	23,541
FUND BALANCE, MAY 1			95,613	72,072
FUND BALANCE, APRIL 30			<u>\$ 116,948</u>	<u>\$ 95,613</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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental Revenues				
MFT Allocation	\$ 130,500	\$ 130,500	\$ 131,624	\$ 132,831
MFT Supplemental - High Growth	6,120	6,120	6,122	6,115
Investment Income	150	150	953	251
Miscellaneous				
Reimbursements	-	-	-	1,661
Total Revenues	136,770	136,770	138,699	140,858
EXPENDITURES				
Current				
Highways and Streets				
Street Maintenance	110,000	110,000	4,583	4,500
Street Maintenance Supplies	23,500	23,500	20,000	-
Capital Outlay				
Infrastructure	-	-	21,317	293,356
Total Expenditures	133,500	133,500	45,900	297,856
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,270	3,270	92,799	(156,998)
OTHER FINANCING SOURCES (USES)				
Transfer to Debt Service Fund	(66,940)	(66,940)	(66,938)	(66,660)
Total Other Financing Sources (Uses)	(66,940)	(66,940)	(66,938)	(66,660)
NET CHANGE IN FUND BALANCE	<u>\$ (63,670)</u>	<u>\$ (63,670)</u>	25,861	(223,658)
FUND BALANCE, MAY 1			134,780	358,438
FUND BALANCE, APRIL 30			<u>\$ 160,641</u>	<u>\$ 134,780</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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment Income	\$ 150	\$ 150	\$ 370	\$ 140
Miscellaneous				
Developer Contributions	2,180	2,180	4,521	5,459
Total Revenues	2,330	2,330	4,891	5,599
EXPENDITURES				
Current				
Highways and Streets	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ 2,330	\$ 2,330	4,891	5,599
FUND BALANCE, MAY 1			153,187	147,588
FUND BALANCE, APRIL 30			\$ 158,078	\$ 153,187

(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, 2017
(With Comparative Actual for 2016)

	2017			2016 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property Taxes	\$ 52,500	\$ 52,500	\$ 51,412	\$ 48,226
Investment Income	100	100	260	59
Total Revenues	52,600	52,600	51,672	48,285
EXPENDITURES				
Current				
General Government	39,900	39,900	39,070	36,650
Highways and Streets	16,500	16,500	7,958	16,137
Total Expenditures	56,400	56,400	47,028	52,787
NET CHANGE IN FUND BALANCE	<u>\$ (3,800)</u>	<u>\$ (3,800)</u>	4,644	(4,502)
FUND BALANCE, MAY 1			55,435	59,937
FUND BALANCE, APRIL 30			<u>\$ 60,079</u>	<u>\$ 55,435</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, 2017
(With Comparative Actual for 2016)

	2017			2016 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property Taxes	\$ 5,750	\$ 5,750	\$ 5,751	\$ 5,024
Investment Income	-	-	26	-
Total Revenues	5,750	5,750	5,777	5,024
EXPENDITURES				
Current				
Highways and Streets				
Repairs and Maintenance	4,000	5,720	5,716	5,025
Total Expenditures	4,000	5,720	5,716	5,025
NET CHANGE IN FUND BALANCE	<u>\$ 1,750</u>	<u>\$ 30</u>	61	(1)
FUND BALANCE, MAY 1			-	1
FUND BALANCE, APRIL 30			<u>\$ 61</u>	<u>\$ -</u>

(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, 2017
(With Comparative Actual for 2016)

	2017			2016 Actual
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property Taxes	\$ 1,600	\$ 1,600	\$ 1,591	\$ 1,359
Investment Income	-	-	22	-
Total Revenues	1,600	1,600	1,613	1,359
EXPENDITURES				
Current				
Highways and Streets				
Repairs and Maintenance	1,370	1,410	1,401	1,128
Total Expenditures	1,370	1,410	1,401	1,128
NET CHANGE IN FUND BALANCE	\$ 230	\$ 190	212	231
FUND BALANCE, MAY 1			1,033	802
FUND BALANCE, APRIL 30			\$ 1,245	\$ 1,033

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment Income	\$ -	\$ -	\$ 302	\$ 251
Total Revenues	-	-	302	251
EXPENDITURES				
Debt Service				
2005 Bonds Principal	115,000	115,000	115,000	110,000
2005 Bonds Interest	22,830	22,830	22,828	26,843
2010 Bonds Principal	55,000	55,000	55,000	53,000
2010 Bonds Interest	11,940	11,940	11,938	13,660
Fiscal Charges	1,150	1,150	1,150	1,150
Total Expenditures	205,920	205,920	205,916	204,653
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(205,920)	(205,920)	(205,614)	(204,402)
OTHER FINANCING SOURCES (USES)				
Transfer From Utility Tax Fund	130,000	130,000	130,000	135,000
Transfer From Motor Fuel Tax Fund	66,940	66,940	66,938	66,660
Total Other Financing Sources (Uses)	196,940	196,940	196,938	201,660
NET CHANGE IN FUND BALANCE	<u>\$ (8,980)</u>	<u>\$ (8,980)</u>	(8,676)	(2,742)
FUND BALANCE, MAY 1			32,841	35,583
FUND BALANCE, APRIL 30			<u>\$ 24,165</u>	<u>\$ 32,841</u>

(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, 2017

	Water and Sewer Operating Account	Water Improvement Account	Sewer Equipment Replacement Account	Total
CURRENT ASSETS				
Cash	\$ 1,025,407	\$ 165,495	\$ 263,466	\$ 1,454,368
Receivables				
Water Accounts - Billed and Unbilled	163,913	-	-	163,913
Other	-	-	-	-
Total Current Assets	1,189,320	165,495	263,466	1,618,281
Capital Assets				
Nondepreciable	200,000	-	-	200,000
Depreciable, Net of Accumulated Depreciation	7,679,655	-	-	7,679,655
Total Capital Assets	7,879,655	-	-	7,879,655
Total Assets	9,068,975	165,495	263,466	9,497,936
DEFERRED OUTFLOWS OF RESOURCES				
Pension Items - IMRF	146,318	-	-	146,318
Total Assets and Deferred Outflows of Resources	9,215,293	165,495	263,466	9,644,254
CURRENT LIABILITIES				
Accounts Payable	6,524	-	-	6,524
Accrued Payroll	11,992	-	-	11,992
Due to Other Funds	99,898	-	-	99,898
Compensated Absences Payable	10,000	-	-	10,000
IEPA Installment Loan Payable	83,503	-	-	83,503
Total Current Liabilities	211,917	-	-	211,917
NONCURRENT LIABILITIES				
Compensated Absences Payable	35,111	-	-	35,111
IEPA Installment Loan Payable	1,043,781	-	-	1,043,781
Net Pension Liability - IMRF	81,744	-	-	81,744
Total Noncurrent Liabilities	1,160,636	-	-	1,160,636
Total Liabilities	1,372,553	-	-	1,372,553
DEFERRED INFLOWS OF RESOURCES				
Pension Items - IMRF	27,308	-	-	27,308
Total Liabilities and Deferred Inflows of Resources	1,399,861	-	-	1,399,861
NET POSITION				
Net Investment in Capital Assets	6,752,371	-	-	6,752,371
Unrestricted	1,063,061	165,495	263,466	1,492,022
TOTAL NET POSITION	\$ 7,815,432	\$ 165,495	\$ 263,466	\$ 8,244,393

(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, 2017

	Water and Sewer Operating Account	Water Improvement Account	Sewer Equipment Replacement Account	Total
OPERATING REVENUES				
Charges for Services				
Water Billing	\$ 619,463	\$ -	\$ -	\$ 619,463
Sewer Sales - Genoa	603,877	-	30,548	634,425
Sewer Sales - Kingston	47,011	-	-	47,011
Penalties	24,737	-	-	24,737
Meters Fees	1,566	-	-	1,566
Total Operating Revenues	1,296,654	-	30,548	1,327,202
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Water Division	585,407	-	-	585,407
Sewer Division	529,342	-	-	529,342
Total Operating Expenses Before Depreciation	1,114,749	-	-	1,114,749
OPERATING INCOME BEFORE DEPRECIATION				
	181,905	-	30,548	212,453
Depreciation	310,285	-	-	310,285
OPERATING INCOME (LOSS)				
	(128,380)	-	30,548	(97,832)
NON-OPERATING REVENUES (EXPENSES)				
Miscellaneous Non-Operating Income	9,271	-	-	9,271
Investment Income	421	77	106	604
Water and Sewer Tap On Fees	-	21,515	19,305	40,820
Total Non-Operating Revenues (Expenses)	9,692	21,592	19,411	50,695
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS				
	(118,688)	21,592	49,959	(47,137)
TRANSFERS				
Transfers In	31,081	-	-	31,081
Transfers (Out)	-	-	(31,081)	(31,081)
Total Transfers	31,081	-	(31,081)	-
CAPITAL GRANTS AND CONTRIBUTIONS				
	-	-	75,993	75,993
CHANGE IN NET POSITION				
	(87,607)	21,592	94,871	28,856
NET POSITION, MAY 1				
	7,903,039	143,903	168,595	8,215,537
NET POSITION, APRIL 30				
	\$ 7,815,432	\$ 165,495	\$ 263,466	\$ 8,244,393

(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, 2017

	Water and Sewer Operating Account	Water Improvement Account	Sewer Equipment Replacement Account	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts From Customers	\$ 1,304,616	\$ -	\$ 30,548	\$ 1,335,164
Payments to Suppliers	(400,364)	-	-	(400,364)
Payments to Employees	(545,573)	-	-	(545,573)
Payments for Interfund Services	(199,688)	-	-	(199,688)
Net Cash From Operating Activities	158,991	-	30,548	189,539
CASH FROM NONCAPITAL FINANCING ACTIVITIES				
Water and Sewer Tap-On Fees	-	21,515	19,305	40,820
Capital Grants	-	-	110,985	110,985
Miscellaneous Non-Operating Income	18,803	-	-	18,803
Amounts Due to Other Funds	(16,578)	-	-	(16,578)
Water Fund Interaccount Transactions	31,081	-	(31,081)	-
Net Cash From Noncapital Financing Activities	33,306	21,515	99,209	154,030
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(71,518)	-	-	(71,518)
Principal Paid on IEPA Loan	(83,503)	-	-	(83,503)
Net Cash From Capital and Related Financing Activities	(155,021)	-	-	(155,021)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	421	77	106	604
Net Cash From Investing Activities	421	77	106	604
NET INCREASE IN CASH	37,697	21,592	129,863	189,152
CASH, MAY 1	987,710	143,903	133,603	1,265,216
CASH, APRIL 30	\$ 1,025,407	\$ 165,495	\$ 263,466	\$ 1,454,368
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (128,380)	\$ -	\$ 30,548	\$ (97,832)
Depreciation	310,285	-	-	310,285
Adjustments to Reconcile Operating Income (Loss) to Net Cash From Operating Activities				
Changes in Assets And Liabilities				
Accounts Receivable	7,962	-	-	7,962
Accounts Payable	(14,422)	-	-	(14,422)
Accrued Payroll	(1,712)	-	-	(1,712)
Compensated Absences	(20,748)	-	-	(20,748)
Pension Items - IMRF	6,006	-	-	6,006
NET CASH FROM OPERATING ACTIVITIES	\$ 158,991	\$ -	\$ 30,548	\$ 189,539

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges For Services				
Water Sales	\$ 617,500	\$ 617,500	\$ 619,463	\$ 601,528
Sewer Sales - Genoa	599,500	599,500	603,877	581,607
Sewer Sales - Kingston	46,500	46,500	47,011	45,120
Penalties	25,000	25,000	24,737	24,303
Meter Fees	1,500	1,500	1,566	2,088
Total Operating Revenues	1,290,000	1,290,000	1,296,654	1,254,646
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Water Division	689,180	689,180	585,407	685,737
Sewer Division	673,370	673,370	529,342	585,155
Total Operating Expenses Excluding Depreciation	1,362,550	1,362,550	1,114,749	1,270,892
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(72,550)	(72,550)	181,905	(16,246)
Depreciation	-	-	310,285	303,337
OPERATING INCOME (LOSS)	(72,550)	(72,550)	(128,380)	(319,583)
NON-OPERATING REVENUES (EXPENSES)				
Miscellaneous Non-Operating Income	250	250	9,271	11,203
Investment Income	500	500	421	549
Total Non-Operating Revenues (Expenses)	750	750	9,692	11,752
INCOME (LOSS) BEFORE TRANSFERS	(71,800)	(71,800)	(118,688)	(307,831)
TRANSFERS				
Transfers In	-	-	31,081	217,454
Total Transfers	-	-	31,081	217,454
CHANGE IN NET POSITION	\$ (71,800)	\$ (71,800)	(87,607)	(90,377)
NET POSITION, MAY 1			7,903,039	7,993,416
Change in Accounting Principle			-	107,032
NET POSITION, MAY 1, RESTATED			7,903,039	7,993,416
NET POSITION, APRIL 30			\$ 7,815,432	\$ 7,903,039

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
WATER DIVISION EXPENSES				
Personal Services				
Salaries	\$ 213,190	\$ 213,190	\$ 218,201	\$ 194,044
Employee Benefits	71,610	71,610	61,629	73,894
Pension Expense - IMRF	-	-	3,348	35,538
Total Personal Services	284,800	284,800	283,178	303,476
Contractual Services				
Repairs and Maintenance	94,600	94,600	93,931	89,203
Professional	11,330	11,330	14,003	11,963
Travel and Training	1,830	1,830	1,798	1,273
Public Utilities	40,000	40,000	37,795	34,967
Administrative Service Charge	47,500	47,500	47,500	47,500
Telephone	5,700	5,700	6,795	5,529
Internal Service Charges	45,000	45,000	45,000	45,000
Insurance	20,020	20,020	28,047	26,450
Other Contractual Services	7,350	7,350	10,234	5,376
Total Contractual Services	273,330	273,330	285,103	267,261
Commodities and Supplies				
Water Meters	30,000	30,000	18,115	76,155
Operating	5,750	5,750	5,557	7,160
Automotive Fuel and Oil	8,000	8,000	4,209	5,870
Chemicals	20,000	20,000	14,489	17,938
Fire Hydrants	2,500	2,500	-	-
Community Relations	-	-	2,180	-
Other Supplies	2,300	2,300	3,130	2,284
Total Commodities and Supplies	68,550	68,550	47,680	109,407
Capital Outlay				
Operating Expenses	1,500	1,500	1,010	5,593
Distribution System Improvements	61,000	61,000	4,626	24,857
Assets Capitalized	-	-	(36,190)	(24,857)
Total Capital Outlay	62,500	62,500	(30,554)	5,593
Total Water Division Expenses	689,180	689,180	585,407	685,737

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
SEWER DIVISION EXPENSES				
Personal Services				
Salaries	\$ 169,410	\$ 169,410	\$ 164,342	\$ 190,500
Employee Benefits	78,190	78,190	78,941	59,469
Pension Expense - IMRF	-	-	2,658	28,222
Total Personal Services	247,600	247,600	245,941	278,191
Contractual Services				
Repairs and Maintenance	65,750	65,750	68,488	84,056
Professional	5,830	5,830	7,156	6,155
Travel and Training	1,750	1,750	1,558	1,126
Public Utilities	70,000	70,000	53,064	61,996
Sludge Removal	9,000	9,000	11,577	8,067
Administrative Service Charge	47,500	47,500	47,500	47,500
Telephone	5,000	5,000	4,843	4,857
Internal Service Charges	30,000	30,000	30,000	30,000
Insurance	23,390	23,390	26,910	24,884
IEPA Permit Fees	10,000	10,000	10,000	10,000
Other Contractual Services	7,250	7,250	7,102	5,489
Total Contractual Services	275,470	275,470	268,198	284,130
Commodities and Supplies				
Operating	7,650	7,650	8,214	16,063
Automotive Fuel and Oil	3,750	3,750	1,332	1,711
Chemicals	2,500	2,500	3,473	2,877
Sewer Lids	500	500	-	-
Other Supplies	1,400	1,400	2,111	2,183
Total Commodities and Supplies	15,800	15,800	15,130	22,834
Debt Service				
IEPA Loan Payment	83,500	83,500	83,503	83,503
Debt Service Reclassified	-	-	(83,503)	(83,503)
Total Debt Service	83,500	83,500	-	-

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	
SEWER DIVISION EXPENSES (Continued)				
Capital Outlay				
Operating Expenses	\$ 51,000	\$ 51,000	\$ 4,320	\$ -
Assets Capitalized	-	-	(4,247)	-
Total Capital Outlay	51,000	51,000	73	-
Total Sewer Division Expenses	673,370	673,370	529,342	585,155
Depreciation	-	-	310,285	303,337
TOTAL WATER AND SEWER OPERATING EXPENSES	\$ 1,362,550	\$ 1,362,550	\$ 1,425,034	\$ 1,574,229

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
None	\$ -	\$ -	\$ -	\$ -
OPERATING EXPENSES				
Water Division				
Water Operating Expenses				
Water Main Improvements	28,000	28,000	-	-
Plasma Cutter	1,200	1,200	-	-
OPERATING INCOME (LOSS)	(29,200)	(29,200)	-	-
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	50	50	77	67
Water Tap-On Fees	8,620	8,620	21,515	30,121
Total Non-Operating Revenues (Expenses)	8,670	8,670	21,592	30,188
CHANGE IN NET POSITION	\$ (20,530)	\$ (20,530)	21,592	30,188
NET POSITION, MAY 1			143,903	113,715
NET POSITION, APRIL 30			\$ 165,495	\$ 143,903

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for Services				
Sewer Service	\$ 31,500	\$ 31,500	\$ 30,548	\$ 29,688
OPERATING EXPENSES				
Sewer Division				
Blower Equipment Improvements	-	-	-	16,906
Turbo Blower	-	-	-	148,975
Wastewater Equipment Repairs	3,000	3,000	-	-
Sewer System Improvements	14,000	14,000	19,456	-
Clarifier Improvements	-	-	-	20,106
Digester Improvements	-	-	-	13,900
Locust Street Lift Station Generator	-	-	-	17,567
Wastewater Influent Pump	40,000	40,000	11,625	-
Capital Outlay Capitalized	-	-	(31,081)	(217,454)
Total Sewer Division	57,000	57,000	-	-
OPERATING INCOME (LOSS)	(25,500)	(25,500)	30,548	29,688
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	125	125	106	84
Sewer Tap-On Fees	7,720	7,720	19,305	27,027
Total Non-Operating Revenues (Expenses)	7,845	7,845	19,411	27,111
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS	(17,655)	(17,655)	49,959	56,799
TRANSFERS				
Transfer (Out) to Water and Sewer Operating	-	-	(31,081)	(217,454)
Total Transfers	-	-	(31,081)	(217,454)
CAPITAL GRANTS AND CONTRIBUTIONS	30,000	30,000	75,993	34,992
CHANGE IN NET POSITION	\$ 12,345	\$ 12,345	94,871	(125,663)
NET POSITION, MAY 1			168,595	294,258
NET POSITION, APRIL 30			\$ 263,466	\$ 168,595

(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, 2017
(With Comparative Actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for Services	\$ 146,800	\$ 146,800	\$ 146,800	\$ 146,800
Total Operating Revenues	146,800	146,800	146,800	146,800
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Capital Expenditures	107,500	107,500	99,943	124,667
Assets Capitalized	-	-	(85,877)	(124,667)
Total Operating Expenses Excluding Depreciation	107,500	107,500	14,066	-
OPERATING INCOME BEFORE DEPRECIATION	39,300	39,300	132,734	146,800
Depreciation	-	-	87,754	80,446
OPERATING INCOME	39,300	39,300	44,980	66,354
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	600	600	1,429	730
Total Non-Operating Revenues (Expenses)	600	600	1,429	730
CHANGE IN NET POSITION	<u>\$ 39,900</u>	<u>\$ 39,900</u>	46,409	67,084
NET POSITION, MAY 1			1,283,660	1,216,576
NET POSITION, APRIL 30			<u>\$ 1,330,069</u>	<u>\$ 1,283,660</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, 2017
(with comparative actual for 2016)

	2017			2016
	Original Budget	Final Budget	Actual	Actual
ADDITIONS				
Contributions				
Employer	\$ 230,000	\$ 230,000	\$ 331,300	\$ 221,541
Participants	40,000	40,000	40,648	41,473
Total Contributions	270,000	270,000	371,948	263,014
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	5,000	5,000	13,391	(5,235)
Interest Income	31,300	31,300	33,626	30,099
Total Investment Income	36,300	36,300	47,017	24,864
Total Additions	306,300	306,300	418,965	287,878
DEDUCTIONS				
Administration	7,250	7,750	7,235	5,292
Pension Benefits	128,461	128,461	133,943	73,462
Pension Refunds	5,000	5,000	-	-
Total Deductions	140,711	141,211	141,178	78,754
NET INCREASE	\$ 165,589	\$ 165,089	277,787	209,124
NET POSITION RESTRICTED FOR PENSIONS				
May 1			1,526,780	1,317,656
April 30			\$ 1,804,567	\$ 1,526,780

(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, 2017

	Balances			Balances
	May 1	Additions	Deductions	April 30
ASSETS				
Cash	\$ 75,966	\$ 111,178	\$ 84,361	\$ 102,783
Other Receivables	3,555	-	-	3,555
Due from Other Funds	75,000	-	75,000	-
TOTAL ASSETS	\$ 154,521	\$ 111,178	\$ 159,361	\$ 106,338
LIABILITIES				
Deposits	\$ 154,521	\$ 39,933	\$ 88,116	\$ 106,338
TOTAL LIABILITIES	\$ 154,521	\$ 39,933	\$ 88,116	\$ 106,338

(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, 2017

	Capital Assets			Accumulated Depreciation					Net
	Balances			Balances	Balances			Balances	Capital
	May 1	Additions	Retirements	April 30	May 1	Provisions	Retirements	April 30	Assets
GENERAL GOVERNMENT									
Land	\$ 576,926	\$ -	\$ -	\$ 576,926	\$ -	\$ -	\$ -	\$ -	\$ 576,926
Buildings and Improvements	1,411,738	-	-	1,411,738	573,236	46,307	-	619,543	792,195
Equipment	136,324	5,671	-	141,995	73,528	6,329	-	79,857	62,138
Total General Government	2,124,988	5,671	-	2,130,659	646,764	52,636	-	699,400	1,431,259
PUBLIC SAFETY									
Buildings and Improvements	41,988	-	-	41,988	41,988	-	-	41,988	-
Equipment	189,149	-	-	189,149	170,118	9,019	-	179,137	10,012
Total Public Safety	231,137	-	-	231,137	212,106	9,019	-	221,125	10,012
HIGHWAYS AND STREETS									
Buildings and Improvements	246,953	-	-	246,953	77,180	8,212	-	85,392	161,561
Equipment	179,506	-	-	179,506	137,570	7,436	-	145,006	34,500
Infrastructure	5,403,366	5,000	-	5,408,366	745,978	135,209	-	881,187	4,527,179
Construction in Progress	-	21,317	-	21,317	-	-	-	-	21,317
Total Highways and Streets	5,829,825	26,317	-	5,856,142	960,728	150,857	-	1,111,585	4,744,557
INTERNAL SERVICE FUND									
Vehicles	1,624,952	85,877	12,055	1,698,774	853,785	87,754	12,055	929,484	769,290
TOTAL CAPITAL ASSETS	\$ 9,810,902	\$ 117,865	\$ 12,055	\$ 9,916,712	\$ 2,673,383	\$ 300,266	\$ 12,055	\$ 2,961,594	\$ 6,955,118
CAPITAL ASSETS SUMMARY									
Land	\$ 576,926	\$ -	\$ -	\$ 576,926	\$ -	\$ -	\$ -	\$ -	\$ 576,926
Buildings and Improvements	1,700,679	-	-	1,700,679	692,404	54,519	-	746,923	953,756
Equipment	504,979	5,671	-	510,650	381,216	22,784	-	404,000	106,650
Vehicles	1,624,952	85,877	12,055	1,698,774	853,785	87,754	12,055	929,484	769,290
Infrastructure	5,403,366	5,000	-	5,408,366	745,978	135,209	-	881,187	4,527,179
Construction in Progress	-	21,317	-	21,317	-	-	-	-	21,317
TOTAL CAPITAL ASSETS SUMMARY	\$ 9,810,902	\$ 117,865	\$ 12,055	\$ 9,916,712	\$ 2,673,383	\$ 300,266	\$ 12,055	\$ 2,961,594	\$ 6,955,118

(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, 2017

	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	\$ 24,165	\$ -	\$ -	\$ 24,165
Amount to be Provided For Retirement of General Long-Term Debt	470,835	242,000	4,726,531	5,439,366
TOTAL	\$ 495,000	\$ 242,000	\$ 4,726,531	\$ 5,463,531
GENERAL LONG-TERM DEBT PAYABLE				
	Balances May 1,	Additions	Retirements	Balances April 30
2005 General Obligation Alternate Bonds	\$ 610,000	\$ -	\$ 115,000	\$ 495,000
2010 General Obligation Alternate Bonds	297,000	-	55,000	242,000
Total General Obligation Alternate Bonds	907,000	-	170,000	737,000
Compensated Absences				
General Government	11,296	7,291	3,685	14,902
Public Safety	122,621	37,614	80,653	79,582
Highways and Streets	27,721	8,835	10,886	25,670
Total Compensated Absences	161,638	53,740	95,224	120,154
Net Pension Liability				
Illinois Municipal Retirement Fund	49,019	3,243	-	52,262
Police Pension Fund	4,430,927	123,188	-	4,554,115
Total Pension Liability	4,479,946	126,431	-	4,606,377
TOTAL	\$ 5,548,584	\$ 180,171	\$ 265,224	\$ 5,463,531

(See independent auditor's report.)

STATISTICAL SECTION

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.	95-104
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.	105-110
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.	111-115
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.	116-117
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.	118-120

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	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 1,751,993	\$ 2,437,306	\$ 4,115,235	\$ 4,559,175
Restricted	1,419,213	840,438	823,179	835,402
Unrestricted	706,018	738,199	628,637	1,152,028
TOTAL GOVERNMENTAL ACTIVITIES	\$ 3,877,224	\$ 4,015,943	\$ 5,567,051	\$ 6,546,605
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 5,253,738	\$ 5,325,716	\$ 6,900,088	\$ 7,384,834
Restricted	-	-	-	-
Unrestricted	2,097,306	1,842,447	1,515,229	1,493,650
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 7,351,044	\$ 7,168,163	\$ 8,415,317	\$ 8,878,484
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 7,005,731	\$ 7,763,022	\$ 11,015,323	\$ 11,944,009
Restricted	1,419,213	840,438	823,179	835,402
Unrestricted	2,803,324	2,580,646	2,143,866	2,645,678
TOTAL PRIMARY GOVERNMENT	\$ 11,228,268	\$ 11,184,106	\$ 13,982,368	\$ 15,425,089

Note: The City implemented GASB Statement No. 68 in 2016.

Data Source

Audited Financial Statements

2012	2013	2014	2015	2016	2017
\$ 4,730,356	\$ 5,369,164	\$ 5,647,197	\$ 5,875,941	\$ 6,230,519	\$ 6,218,118
1,213,857	1,227,943	1,526,934	1,390,782	1,104,110	1,214,558
875,696	1,132,448	1,118,581	1,178,815	(1,745,328)	(1,636,502)
\$ 6,819,909	\$ 7,729,555	\$ 8,292,712	\$ 8,445,538	\$ 5,589,301	\$ 5,796,174
\$ 7,205,100	\$ 7,075,505	\$ 6,900,341	\$ 6,885,158	\$ 6,907,635	\$ 6,752,371
-	-	-	-	-	-
1,548,937	1,483,551	1,529,772	1,409,199	1,307,902	1,492,022
\$ 8,754,037	\$ 8,559,056	\$ 8,430,113	\$ 8,294,357	\$ 8,215,537	\$ 8,244,393
\$ 11,935,456	\$ 12,444,669	\$ 12,547,538	\$ 12,761,099	\$ 13,138,154	\$ 12,970,489
1,213,857	1,227,943	1,526,934	1,390,782	1,104,110	1,214,558
2,424,633	2,615,999	2,648,353	2,588,014	(437,426)	(144,480)
\$ 15,573,946	\$ 16,288,611	\$ 16,722,825	\$ 16,739,895	\$ 13,804,838	\$ 14,040,567

CITY OF GENOA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
EXPENSES				
Governmental Activities				
General Government	\$ 874,423	\$ 708,951	\$ 557,390	\$ 534,640
Public Safety	1,274,158	1,303,637	1,208,117	1,076,520
Highways and Streets	462,326	534,207	555,205	505,784
Sanitation	286,863	300,996	310,261	325,985
Interest and Fiscal Charges	53,923	51,297	48,438	57,701
Total Governmental Activities Expenses	2,951,693	2,899,088	2,679,411	2,500,630
Business-Type Activities				
Water and Sewer Service	1,382,092	1,316,914	1,410,117	1,278,624
Total Business-Type Activities Expenses	1,382,092	1,316,914	1,410,117	1,278,624
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 4,333,785	\$ 4,216,002	\$ 4,089,528	\$ 3,779,254
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 188,178	\$ 99,678	\$ 118,719	\$ 112,639
Public Safety	71,365	100,377	61,506	45,858
Highways and Streets	31,427	24,257	814	8,945
Sanitation	289,364	300,044	310,122	321,791
Operating Grants	123,503	188,588	164,389	201,869
Capital Grants	269,494	-	1,448,585	543,000
Total Governmental Activities Program Revenues	973,331	712,944	2,104,135	1,234,102
Business-Type Activities				
Charges for Services				
Water and Sewer Service	1,443,883	1,084,710	1,108,167	1,185,971
Operating Grants	29,322	-	-	-
Capital Grants and Contributions	-	-	1,528,816	550,000
Total Business-Type Activities Program Revenues	1,473,205	1,084,710	2,636,983	1,735,971
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 2,446,536	\$ 1,797,654	\$ 4,741,118	\$ 2,970,073
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (1,978,362)	\$ (2,186,144)	\$ (575,276)	\$ (1,266,528)
Business-Type Activities	91,113	(232,204)	1,226,866	457,347
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (1,887,249)	\$ (2,418,348)	\$ 651,590	\$ (809,181)

2012	2013	2014	2015	2016	2017
\$ 514,651	\$ 556,261	\$ 512,146	\$ 528,482	\$ 538,045	\$ 847,518
1,175,977	1,224,303	1,197,384	1,250,472	1,541,343	1,650,831
567,683	493,598	652,396	707,898	749,855	705,659
348,236	362,930	362,110	386,546	404,228	412,429
63,784	90,755	49,121	44,609	39,328	33,365
2,670,331	2,727,847	2,773,157	2,918,007	3,272,799	3,649,802
1,294,501	1,452,179	1,398,818	1,426,774	1,574,229	1,425,034
1,294,501	1,452,179	1,398,818	1,426,774	1,574,229	1,425,034
\$ 3,964,832	\$ 4,180,026	\$ 4,171,975	\$ 4,344,781	\$ 4,847,028	\$ 5,074,836
\$ 110,502	\$ 143,220	\$ 152,279	\$ 185,248	\$ 191,342	\$ 187,705
47,960	60,185	43,670	51,546	45,408	57,804
6,753	43,388	21,494	4,272	8,291	109,522
346,864	360,291	373,535	387,636	402,437	411,913
173,077	516,755	187,088	185,848	148,017	140,145
-	200,967	132,098	-	-	-
685,156	1,324,806	910,164	814,550	795,495	907,089
1,164,836	1,254,941	1,269,067	1,290,181	1,341,482	1,368,022
-	-	-	-	-	-
-	-	-	-	34,992	75,993
1,164,836	1,254,941	1,269,067	1,290,181	1,376,474	1,444,015
\$ 1,849,992	\$ 2,579,747	\$ 2,179,231	\$ 2,104,731	\$ 2,171,969	\$ 2,351,104
\$ (1,985,175)	\$ (1,403,041)	\$ (1,862,993)	\$ (2,103,457)	\$ (2,477,304)	\$ (2,742,713)
(129,665)	(197,238)	(129,751)	(136,593)	(194,755)	18,981
\$ (2,114,840)	\$ (1,600,279)	\$ (1,992,744)	\$ (2,240,050)	\$ (2,672,059)	\$ (2,723,732)

CITY OF GENOA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property Taxes	\$ 620,170	\$ 664,934	\$ 703,136	\$ 713,597
Sales Tax	719,452	550,065	439,628	572,357
Utility Taxes	441,508	440,356	421,964	392,369
Video Gaming Taxes	-	-	-	-
Intergovernmental - Unrestricted				
State Income Tax	383,854	471,300	426,823	418,993
Personal Property Replacement Tax	42,417	38,838	34,378	38,212
State Gaming Taxes	-	-	-	-
State Use Tax	56,825	76,733	64,238	74,043
Investment Income	94,557	38,617	24,850	11,699
Miscellaneous	88,553	44,020	11,367	24,812
Total Governmental Activities	2,447,336	2,324,863	2,126,384	2,246,082
Business-Type Activities				
Investment Income	90,001	49,323	20,288	5,820
Miscellaneous	-	-	-	-
Total Business-Type Activities	90,001	49,323	20,288	5,820
TOTAL PRIMARY GOVERNMENT	\$ 2,537,337	\$ 2,374,186	\$ 2,146,672	\$ 2,251,902
CHANGE IN NET POSITION				
Governmental Activities	\$ 468,974	\$ 138,719	\$ 1,551,108	\$ 979,554
Business-Type Activities	181,114	(182,881)	1,247,154	463,167
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	\$ 650,088	\$ (44,162)	\$ 2,798,262	\$ 1,442,721

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	730,910	\$ 741,749	\$ 756,687	\$ 733,629	\$ 767,242	\$ 777,601
	600,647	583,438	606,297	461,798	478,641	1,100,198
	378,360	385,329	400,976	371,420	341,817	342,416
	-	3,440	13,469	25,503	22,153	29,218
	424,726	467,996	507,038	507,574	553,430	490,867
	34,472	34,177	39,112	38,161	38,661	40,612
	1,077	1,005	1,125	995	862	990
	76,539	82,717	88,649	100,002	119,508	126,878
	9,033	7,674	10,606	12,775	13,725	19,894
	2,715	5,162	2,191	4,426	18,123	4,523
	2,258,479	2,312,687	2,426,150	2,256,283	2,354,162	2,933,197
	5,218	2,257	808	837	700	604
	-	-	-	-	11,203	9,271
	5,218	2,257	808	837	11,903	9,875
\$	2,263,697	\$ 2,314,944	\$ 2,426,958	\$ 2,257,120	\$ 2,366,065	\$ 2,943,072
\$	273,304	\$ 909,646	\$ 563,157	\$ 152,826	\$ (123,142)	\$ 190,484
	(124,447)	(194,981)	(128,943)	(135,756)	(185,852)	28,856
\$	148,857	\$ 714,665	\$ 434,214	\$ 17,070	\$ (308,994)	\$ 219,340

CITY OF GENOA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
GENERAL FUND				
Nonspendable				
Prepaid Expenditures	\$ 5,553	\$ 5,008	\$ 3,972	\$ 4,080
Unrestricted				
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	124,094	45,642	45,642	-
Unreserved	545,723	496,019	424,832	682,375
TOTAL GENERAL FUND	\$ 675,370	\$ 546,669	\$ 474,446	\$ 686,455
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	1,295,119	794,796	777,537	835,402
Unreserved, Reported in				
Special Revenue Funds	36,266	115,042	67,642	199,549
Capital Projects Fund	-	-	-	517,020
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 1,331,385	\$ 909,838	\$ 845,179	\$ 1,551,971

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

The refuse disposal was combined into the General Fund at April 30, 2017.

Data Source

Audited Financial Statements

2012	2013	2014	2015	2016	2017
\$ 4,080	\$ 4,080	\$ 4,260	\$ 4,260	\$ 4,260	\$ 11,060
-	-	-	-	-	11,445
757,455	865,340	941,519	927,469	961,402	1,159,836
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 761,535</u>	<u>\$ 869,420</u>	<u>\$ 945,779</u>	<u>\$ 931,729</u>	<u>\$ 965,662</u>	<u>\$ 1,182,341</u>
\$ 625,444	\$ 627,569	\$ 632,980	\$ 639,717	\$ 645,512	\$ 667,016
288,162	307,869	555,536	430,510	230,393	277,589
254,865	260,546	262,823	259,815	171,737	208,568
61,205	67,251	75,595	60,740	56,468	61,385
1,487	7,522	-	-	-	-
3,874	1,235	12,660	13,750	11,959	-
45,386	31,959	32,145	35,583	32,841	24,165
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,280,423</u>	<u>\$ 1,303,951</u>	<u>\$ 1,571,739</u>	<u>\$ 1,440,115</u>	<u>\$ 1,148,910</u>	<u>\$ 1,238,723</u>

CITY OF GENOA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
REVENUES				
Taxes	\$ 2,264,226	\$ 2,242,226	\$ 2,090,167	\$ 2,209,571
Licenses and Permits	163,849	69,600	91,125	92,034
Intergovernmental	120,851	171,340	165,514	202,967
Charges for Services	289,364	300,044	310,122	321,791
Fines and Forfeitures	60,540	92,041	55,816	40,737
Investment Income	82,890	35,107	22,341	10,136
Miscellaneous	154,298	100,039	44,340	58,386
Total Revenues	3,136,018	3,010,397	2,779,425	2,935,622
EXPENDITURES				
General Government	819,916	668,001	501,464	487,781
Public Safety	1,250,144	1,283,719	1,192,198	1,083,991
Highways and Streets	509,558	511,999	508,062	470,903
Sanitation	286,863	300,996	310,261	325,985
Capital Outlay	61,608	665,785	271,928	41,908
Debt Service				
Principal	75,000	80,000	85,000	90,000
Interest	52,080	49,845	47,395	57,503
Other Charges	600	300	-	-
Total Expenditures	3,055,769	3,560,645	2,916,308	2,558,071
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	80,249	(550,248)	(136,883)	377,551
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	120,000	125,000	152,500
Transfers (Out)	(240,000)	(120,000)	(125,000)	(152,500)
Bonds Issued	-	-	-	550,000
Discount on Bonds Issued	-	-	-	(8,750)
Total Other Financing Sources (Uses)	(40,000)	-	-	541,250
NET CHANGE IN FUND BALANCES	\$ 40,249	\$ (550,248)	\$ (136,883)	\$ 918,801
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	4.24%	4.49%	5.01%	5.86%

Data Source

Audited Financial Statements

2012	2013	2014	2015	2016	2017
\$ 1,709,917	\$ 1,713,956	\$ 1,777,429	\$ 1,592,350	\$ 1,609,853	\$ 2,249,433
75,584	86,464	71,779	98,417	111,850	108,670
709,891	1,102,650	823,012	832,580	851,407	799,492
346,864	360,291	373,535	387,636	402,437	411,915
35,144	50,095	38,158	46,850	38,813	52,458
7,995	6,953	9,962	12,233	12,995	18,465
57,202	115,397	109,698	100,225	121,572	198,424
2,942,597	3,435,806	3,203,573	3,070,291	3,148,927	3,838,857
463,430	503,907	454,394	491,084	471,081	790,764
1,140,504	1,207,391	1,154,824	1,211,970	1,322,362	1,491,243
520,495	523,930	573,277	602,460	640,085	616,414
348,236	362,930	362,110	386,546	404,228	412,429
454,802	500,304	112,665	325,199	363,790	31,988
147,000	150,000	151,000	152,000	163,000	170,000
64,598	55,931	51,156	46,706	41,653	35,916
-	-	-	-	-	-
3,139,065	3,304,393	2,859,426	3,215,965	3,406,199	3,548,754
(196,468)	131,413	344,147	(145,674)	(257,272)	290,103
239,769	192,439	352,313	242,064	201,660	196,938
(239,769)	(192,439)	(352,313)	(242,064)	(201,660)	(196,938)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (196,468)	\$ 131,413	\$ 344,147	\$ (145,674)	\$ (257,272)	\$ 290,103
7.88%	7.34%	7.36%	6.87%	6.73%	5.86%

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
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%
2016	59,443,832	12,189,633	2,667,580	333,370	74,634,415	0.9363	223,903,245	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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CITY DIRECT RATES										
General Corporate	\$ 0.2937	\$ 0.2969	\$ 0.3035	\$ 0.3325	\$ 0.3419	\$ 0.4275	\$ 0.4375	\$ 0.4357	\$ 0.4183	\$ 0.4079
Social Security	-	-	-	-	-	-	-	0.0142	0.0140	0.0134
Illinois Municipal Retirement	-	-	-	-	-	-	-	0.0142	0.0139	0.0134
Forestry	-	-	-	-	-	-	-	-	-	-
School Crossing Guard	-	-	-	-	-	-	-	-	-	-
Police Protection	0.2937	0.2970	0.3035	0.3325	0.3988	0.4274	0.4845	0.5022	0.5160	0.5016
Audit	-	-	-	-	-	-	-	-	-	-
Liability Insurance	-	-	-	-	-	-	-	-	-	-
Workers' Compensation	-	-	-	-	-	-	-	-	-	-
TOTAL CITY DIRECT RATES	\$ 0.5874	\$ 0.5939	\$ 0.6070	\$ 0.6650	\$ 0.7407	\$ 0.8549	\$ 0.9220	\$ 0.9663	\$ 0.9622	\$ 0.9363
OVERLAPPING RATES										
County of DeKalb	\$ 0.8449	\$ 0.8495	\$ 0.8539	\$ 0.9052	\$ 0.9694	\$ 1.0892	\$ 1.2013	\$ 1.2482	\$ 1.2364	\$ 1.1429
DeKalb County Forest Preserve District	0.0677	0.0678	0.0663	0.0700	0.0740	0.0797	0.0852	0.0876	0.0853	0.0799
Genoa Township	0.2886	0.2891	0.1661	0.1820	0.1984	0.2217	0.2469	0.2489	0.2502	0.2450
Genoa Township Road and Bridge	0.1239	0.1240	0.1248	0.1367	0.1490	0.1665	0.1854	0.1870	0.1879	0.1840
Genoa/Kingston Fire Protection District	0.3539	0.3513	0.3583	0.3853	0.4236	0.4771	0.5309	0.5373	0.5285	0.5122
Genoa Township Park District	0.4439	0.4380	0.4393	0.4771	0.5165	0.5720	0.6309	0.6349	0.6369	0.6220
Kingston Township Park District	0.0473	0.0464	0.0488	0.0508	0.0571	0.0643	0.0719	0.0728	0.0700	0.0674
Genoa/Kingston C.U.S.D. No. 424	4.0887	4.0648	4.1873	4.5065	4.9883	5.6164	6.2818	6.3788	6.3242	6.1771
Kishwaukee Community College No. 523	0.5497	0.5468	0.5638	0.5601	0.5758	0.6416	0.7294	0.7123	0.6972	0.6700
Genoa Public Library	0.1956	0.1946	0.1990	0.2181	0.2429	0.2804	0.3178	0.3238	0.3225	0.3138
River Bend Special Service Area	0.3980	0.3865	0.4192	0.4108	0.4253	0.4702	0.5000	0.5000	0.5000	0.5000
Derby Estates Special Service Area	0.3394	-	0.2236	0.2114	0.2104	0.2168	0.2217	0.2345	0.2380	0.2478
Oak Creek Estates Special Service Area	-	-	0.5013	0.4136	0.5000	0.5000	0.5000	0.5000	0.5000	0.4863
TYPICAL PROPERTY TAX RATE (1)	\$ 7.4204	\$ 7.3957	\$ 7.7893	\$ 8.1059	\$ 8.8786	\$ 9.9995	\$ 11.1315	\$ 11.3251	\$ 11.2312	\$ 10.8831

(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	2016				2006		
	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	\$ 1,347,165	1	1.81%	Trademark Properties of Genoa, LLC	\$ 2,276,505	1	2.57%
Individual Taxpayer CS	610,822	2	0.82%	Connor-Winfield Corp	1,206,007	2	1.36%
Individual Taxpayer RS	532,515	3	0.71%	Farmers State Bank, Trust 145	964,380	3	1.09%
American Mobile Home Communities	531,697	4	0.71%	American Mobile Home Communities	688,750	4	0.78%
Pierce Hardy LTD	428,349	5	0.57%	Individual Taxpayer EZ	634,172	5	0.72%
Individual Taxpayer BB	409,668	6	0.55%	Greenlee Tool Company	511,190	6	0.58%
Greenlee Tool Company	404,399	7	0.54%	Resource Bank	504,245	7	0.57%
Resource Bank	403,453	8	0.54%	Individual Taxpayer BB	484,394	8	0.55%
Rosemil One LLC	395,322	9	0.54%	National Bank & Trust Co.	480,164	9	0.54%
PJR Properties LLC	372,404	10	0.50%	Individual Taxpayer JB	449,183	10	0.51%
	<u>\$ 5,435,794</u>		<u>7.29%</u>		<u>\$ 8,198,990</u>		<u>9.27%</u>

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 2007 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
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	685,839	99.78%
2016	2018	698,795	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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Property Taxes										
Corporate Purposes	\$ 533,641	\$ 573,291	\$ 608,320	\$ 612,159	\$ 630,858	\$ 646,507	\$ 664,441	\$ 647,040	\$ 679,004	\$ 685,839
Road and Bridge	27,239	30,700	33,587	34,361	35,254	35,284	35,021	33,014	33,629	33,008
River Bend Special Service Area	54,305	55,720	61,229	61,451	59,170	54,718	52,164	48,242	48,226	51,412
Derby Estates Special Service Area	4,984	5,223	-	4,000	3,996	3,600	3,547	3,941	5,024	5,751
Oak Creek Special Service Area	-	-	-	1,626	1,632	1,641	1,515	1,392	1,359	1,591
Sales Tax*	719,452	550,065	439,628	572,357	600,647	583,438	606,297	461,798	478,641	1,100,198
Video Gaming Tax	-	-	-	-	-	3,440	13,469	25,503	22,153	29,218
Utility Taxes										
Electric Utility Tax	173,033	163,390	152,561	164,449	163,952	169,477	174,341	168,868	165,412	174,954
Natural Gas Utility Tax	85,974	83,588	67,768	63,914	58,198	58,577	79,661	73,626	51,451	58,987
Telecommunications Tax	182,501	193,378	201,635	164,006	156,210	157,275	146,974	128,926	124,454	108,475
State-Shared Taxes										
State Income Tax	383,854	471,300	426,823	418,993	424,726	467,996	507,038	507,574	553,430	490,867
Personal Property Replacement Tax	42,417	38,838	34,378	38,212	34,472	34,177	39,112	38,161	38,661	40,612
State Gaming Taxes	1,590	1,215	1,125	1,098	1,077	1,005	1,125	995	862	990
State Use Tax	56,825	76,733	64,238	74,043	76,539	82,717	88,649	100,002	119,508	126,878
State Motor Fuel Tax	116,389	141,042	139,375	139,703	133,974	128,722	134,487	133,192	138,946	137,746
TOTAL TAX REVENUES	\$ 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	\$ 3,046,526

* The large increase in sales tax in 2017 was due to a one-time settlement with one taxpayer.

Data Source

Audited Financial Statements

CITY OF GENOA, ILLINOIS

TAXABLE RETAIL SALES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RETAIL SALES CATEGORY										
General Merchandise	\$ 9,100	\$ 36,396	\$ 87,409	\$ 97,259	\$ 93,250	\$ 160,737	\$ 22,268	\$ 24,547	\$ 23,564	\$ 23,951
Food	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	7,628,060
Drinking and Eating Places	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	5,758,578
Apparel	-	-	87,964	-	-	-	-	-	26,782	19,459
Furniture, H.H., and Radio	149,043	143,143	-	-	-	-	57,872	40,660	-	-
Lumber, Building Hardware	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	1,206,361
Automobile and Filling Stations	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	40,313,210
Drugs and Miscellaneous Retail	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	4,174,387
Agriculture and All Others	1,600,654	1,116,654	626,507	491,020	544,892	602,579	370,469	518,302	643,479	673,139
Manufacturers	687,291	1,433,773	1,025,458	732,986	1,213,701	946,911	930,362	820,099	960,510	979,087
TOTAL RETAIL SALES	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	60,776,232
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	\$ 721,569	\$ 649,591	\$ 427,057	\$ 533,622	\$ 594,083	\$ 605,665	\$ 654,104	\$ 720,580	\$ 638,228	\$ 607,762

(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			
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
2017	2016	-	737,000	-	-	-	1,127,284	1,864,284	2.50%	354.16

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
2008	\$ -	\$ -	\$ -	-	\$ -
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-

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, 2017

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City (1)	The City's Share of Debt
City of Genoa, Illinois	\$ 737,000	100.00%	\$ 737,000
DeKalb County	12,790,000	4.01%	512,879
Genoa Township Park District	1,720,235	66.13%	1,137,591
Genoa/Kingston C.U.S.D. No. 424	4,377,461	42.30%	1,851,666
Kishwaukee Community College No. 523	<u>53,196,583</u>	3.65%	<u>1,941,675</u>
Total Overlapping Debt	<u>72,084,279</u>		<u>5,443,811</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 72,821,279</u></u>		<u><u>\$ 6,180,811</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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EQUALIZED ASSESSED VALUATION	\$ 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	\$ 74,634,415
Statutory Debt Limitation 8.625% of assessed valuation	\$ 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	\$ 6,437,218
General Bonded Debt										
Alternate Revenue Bonds Dated										
November 2, 2002	210,000	75,000	-	-	-	-	-	-	-	-
September 15, 2005	1,240,000	1,220,000	1,210,000	1,120,000	1,020,000	920,000	820,000	720,000	610,000	495,000
October 5, 2010	-	-	-	550,000	503,000	453,000	402,000	350,000	297,000	242,000
Total General Bonded Debt	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	737,000
LEGAL DEBT MARGIN	\$ 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	\$ 5,700,218
TOTAL GENERAL BONDED DEBT AS AS PERCENTAGE OF DEBT LIMITATIONS	17.19%	14.55%	13.80%	20.23%	20.16%	20.36%	20.10%	17.62%	14.72%	11.45%

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			
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	-	-	-	-	-	-	-	-	-	-	-	-		
2017	-	-	-	-	-	-	-	-	-	-	-	-		

General Bonded Debt Alternate Revenue Bonds Utility Tax Revenue Coverage							
Fiscal Year	General Fund Utility Tax	Utility Tax Fund		Total Utility Tax Revenue (3)	Debt Service		Utility Tax Revenue Coverage
		Utility Tax			Principal	Interest	
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
2017	171,208	171,208		342,416	170,000	34,765	1.67

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)
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%
2017	5,264	1,985	N/A	N/A	5	178,331,496	4.3%

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 Nine Years Ago

Employer	Location	2017		Employer	Location	2008	
		Rank	Number of Employees			Rank	Number of Employees
CITY OF GENOA (1)				CITY OF GENOA (1)			
Genoa/Kingston C.U.S.D. No. 424	Genoa	1	246	Genoa/Kingston C.U.S.D. No. 424	Genoa	1	277
Custom Aluminum/Casco Industries	Genoa	2	154	Greenlee Textron	Genoa	2	150
Rosemil One LLC	Genoa	3	99	Genesis Enterprises	Genoa	3	100
Sycamore Precision Machine, Inc.	Genoa	4	93	Sycamore Precision Machine, Inc.	Genoa	4	100
Genoa Park District	Genoa	5	84	Brown's Country Market	Genoa	5	80
Greenlee Textron	Genoa	6	75	Custom Aluminum/Casco Industries	Genoa	6	75
City of Genoa	Genoa	7	71	City of Genoa	Genoa	7	56
Polar Tech	Genoa	8	60	Polar Tech	Genoa	8	46
McDonalds	Genoa	9	45	Genoa Park District	Genoa	9	40
Butera Foods	Genoa	10	37				
DEKALB COUNTY (2)				DEKALB COUNTY (2)			
Northern Illinois University	DeKalb	1	9,094	Northern Illinois University	DeKalb	1	9,152
Kish Health System-Northwestern Med	DeKalb	2	1,666	Kish Health System	DeKalb	2	962
DeKalb C.U.S.D. No. 428	DeKalb	3	860	DeKalb C.U.S.D. No. 428	DeKalb	3	850
Target Distribution Center	DeKalb	4	700	DeKalb County Government	Sycamore	4	650
Kishwaukee Community College	Malta	5	575	Kishwaukee Community College	Malta	5	601
DeKalb County Government	Sycamore	6	540	Wal-Mart Super Center	DeKalb	6	525
Sycamore C.U.S.D. No. 427	Sycamore	7	522	Sycamore C.U.S.D. No. 427	Sycamore	7	533
Sonoco - Alloyd	DeKalb	8	500	3M Company	DeKalb	8	525
3M Company	DeKalb	9	480	Target Distribution Center	DeKalb	9	505
Wal-Mart Super Center	DeKalb	10	360	Ideal Industries	Sycamore	10	400
				Jewel/Osco Store	Sycamore	10	400

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/Sycamore area which is about ten miles south of the City. Residents of the City benefit from growing employment opportunities in the cities of DeKalb and Sycamore.

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT										
Regular Employees	4	2	2	2	1	1	1	1	1	2
Part-Time Employees	11	12	11	12	12	12	12	13	13	13
Seasonal Employees	-	-	-	-	-	-	-	-	-	-
PUBLIC SAFETY										
Regular Employees	11	9	8	7	7	7	7	7	7	9
Part-Time Employees	6	6	5	6	6	6	8	9	9	10
Seasonal Employees	7	7	7	7	6	6	7	7	7	9
HIGHWAYS AND STREETS										
Regular Employees	4	4	3	3	3	3	3	3	3	4
Part-Time Employees	1	1	1	1	1	1	2	2	3	1
Seasonal Employees	2	2	2	2	2	2	3	3	4	5
WATER AND SEWER OPERATIONS										
Regular Employees	6	6	5	5	5	5	5	5	5	5
Part-Time Employees	2	2	2	2	2	2	2	1	2	1
Seasonal Employees	2	2	2	2	2	2	2	1	1	1
Total Regular Employees	25	21	18	17	16	16	16	16	16	20
Total Part-Time/Seasonal Employees	31	32	30	32	31	31	36	36	39	40
TOTAL EMPLOYEES	56	53	48	49	47	47	52	52	55	60

Data Source

City Records

CITY OF GENOA, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC SAFETY										
Police										
Total Offences	1,118	1,262	903	408	1,025	1,758	1,680	1,671	1,383	1,574
Traffic Accidents	89	103	78	60	74	78	85	87	89	79
Traffic and Parking Violations	2,357	2,956	1,780	1,109	936	1,302	1,511	1,906	1,533	1,345
PUBLIC WORKS										
Street Resurfacing (Miles)	-	-	1.00	-	0.90	0.80	0.50	0.50	0.65	0.47
Crack Sealing (Miles)	-	-	-	-	-	-	-	1.00	-	-
Pothole Repairs	270	280	300	400	864	500	950	750	1,500	1,575
WATER										
New Connections	53	67	7	7	4	2	3	2	5	7
Number of Customers	1,879	1,946	1,953	1,960	1,960	1,962	1,965	1,967	1,972	1,979
Water Main Breaks	6	7	2	6	11	6	8	4	7	6
Average Daily Pumped (1)	471	470	464	550	453	480	460	451	452	454
Maximum Daily Average (1)	650	670	675	700	750	816	795	555	668	697
WASTEWATER										
Average Daily Treatment (1)	630	650	660	670	720	670	680	688	660	890
Maximum Daily Treatment (1)	930	950	955	1,950	1,330	1,350	1,280	1,049	1,100	1,360

(1) 1,000 gallon units

Data Source

Various City Department Records

CITY OF GENOA, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PUBLIC Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	6	6	6	6	7	7	7	7	7	5
PUBLIC WORKS										
Streets (Miles)	50.00	50.00	50.00	51.00	52.00	52.00	52.00	52.00	52.00	52.00
Street Lights	345	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)	31.00	32.00	32.00	32.00	32.25	32.25	32.25	32.50	32.50	32.50
Fire Hydrants	345	345	345	345	417	417	417	418	418	418
Storage Capacity (1)	550	550	550	550	550	550	550	550	550	550
WASTEWATER										
Sanitary Sewers (Miles)	24.00	24.00	24.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Storm Sewers (Miles)	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Treatment Capacity (1)	780	780	780	780	780	780	780	780	780	780

(1) 1,000 gallon units

Data Source

Various City Department Records