

New Issue

Date of Sale: Monday, November 7, 2016
Series 2016A: Between 9:30 and 9:45 A.M., C.S.T.
Series 2016B: Between 10:15 and 10:30 A.M., C.S.T.
(Open Speer Auction)

Investment Rating:
Moody's Investors Service ... Aa2

Official Statement

In the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), interest on the Series 2016A Bonds is includible in gross income of the owners thereof for federal income tax purposes. Subject to compliance by the City with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Series 2016B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX MATTERS" herein for a more complete discussion.



CITY OF GENEVA
Kane County, Illinois
\$380,000* Taxable General Obligation Refunding Bonds, Series 2016A
\$2,745,000* General Obligation Refunding Bonds, Series 2016B

Dated Date of Delivery

Book-Entry

Due December 15, as Detailed Herein

The \$380,000* Taxable General Obligation Refunding Bonds, Series 2016A (the "Series 2016A Bonds"), and \$2,745,000* General Obligation Refunding Bonds, Series 2016B (the "Series 2016B Bonds", and together with the Series 2016A Bonds, the "Bonds") are being issued by the City of Geneva, Kane County, Illinois (the "City"). Interest on the Bonds is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2017. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15 as detailed herein.

OPTIONAL REDEMPTION

The Bonds are **not** subject to optional redemption prior to maturity.

PURPOSE, LEGALITY AND SECURITY

The Bond proceeds will be used to currently refund the City's outstanding General Obligation Refunding Bonds, Series 2006B, and to pay the costs of issuing the Bonds. See "**PLAN OF FINANCING**" herein.

In the opinion of Bond Counsel, the Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The City intends to designate the Series 2016B Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "**QUALIFIED TAX-EXEMPT OBLIGATIONS - THE SERIES 2016B BONDS**" herein.

This Official Statement is dated October 31, 2016, and has been prepared under the authority of the City. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Official Statement Sales Calendar". Additional copies may be obtained from Ms. Rita Kruse, Finance Manager, City of Geneva, 22 South First Street, Geneva, Illinois 60134, or from the Independent Public Finance Consultants to the City:

 **Speer Financial, Inc.**
INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954
ONE NORTH LASALLE STREET, SUITE 4100 • CHICAGO, ILLINOIS 60602
Telephone: (312) 346-3700; Facsimile: (312) 346-8833
www.speerfinancial.com

*Subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a “Final Official Statement” of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by and addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.**

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

The tax advice contained in this Official Statement is not intended or written by the City, its Bond Counsel, or any other tax practitioner to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax advice contained in this Official Statement was written to support the promotion or marketing of the Bonds. Each taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

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OFFICIAL BID FORMS
OFFICIAL NOTICES OF SALE

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notices of Sale and the Official Bid Forms, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors. The following descriptions apply equally to the Series 2016A Bonds and the Series 2016B Bonds. Other terms specific to each series are provided separately herein.

Issuer:	City of Geneva, Kane County, Illinois.
Dated Date:	Date of delivery, expected to be on or about November 22, 2016.
Interest Due:	Each June 15 and December 15, commencing June 15, 2017.
Principal Due:	Serially each December 15, commencing December 15, 2017 through 2021, as detailed herein.
Optional Redemption:	The Bonds are not subject to optional redemption prior to maturity.
Authorization:	Authorized by Division 4, Article 8 of the Illinois Municipal Code, as amended and supplemented by the Local Government Debt Reform Act as amended, and the other Omnibus Bond Acts, as amended, and by an ordinance adopted by a vote of the City Council.
Security:	The Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.
Purpose:	The Bond proceeds will be used to currently refund the City's outstanding General Obligation Refunding Bonds, Series 2006B, and to pay the costs of issuing the Bonds. See " PLAN OF FINANCING " herein
Credit Rating:	The Bonds have been rated "Aa2" by Moody's Investors Service. See " INVESTMENT RATING " herein.
Bond Registrar/Paying Agent/ Escrow Agent:	US Bank National Association, Chicago, Illinois.
Delivery:	The Bonds are expected to be delivered on or about November 22, 2016.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein.
Denomination:	\$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

THE SERIES 2016A BONDS

Issue: \$380,000* Taxable General Obligation Refunding Bonds, Series 2016A.

Tax Exemption: **None.** Interest on the Series 2016A Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Series 2016A Bonds is not exempt from present State of Illinois income taxes. See **“TAX MATTERS”** herein.

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP(1) Number	Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP(1) Number
\$65,000	2017	_____%	_____%	372064	\$80,000	2020	_____%	_____%	372064
75,000	2018	_____%	_____%	372064	80,000	2021	_____%	_____%	372064
80,000	2019	_____%	_____%	372064					

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

THE SERIES 2016B BONDS

Issue: \$2,745,000* General Obligation Refunding Bonds, Series 2016B.

Tax Exemption: Bond Counsel will provide an opinion as to the tax exemption of the interest on the Series 2016B Bonds. Interest on the Series 2016B Bonds is not exempt from present State of Illinois income taxes. See **“TAX MATTERS”** herein.

Bank Qualification: The Series 2016B Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See **“QUALIFIED TAX-EXEMPT OBLIGATIONS – THE SERIES 2016B BONDS”** herein.

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP(1) Number	Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP(1) Number
\$500,000	2017	_____%	_____%	372064	\$605,000	2020	_____%	_____%	372064
525,000	2018	_____%	_____%	372064	560,000	2021	_____%	_____%	372064
555,000	2019	_____%	_____%	372064					

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

*Subject to change.

(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Global Ratings. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

**CITY OF GENEVA
Kane County, Illinois**

Kevin R. Burns
Mayor

City Council Members

Mike Bruno
Tara Burghart
Donald B. Cummings, Jr.

Dean Kilburg
Craig C. Maladra
Richard Marks
Jim Radecki

Mary Seno
Thomas Simonian
Ron Singer

Officials

Lynn P. Landberg
City Clerk

Stephanie Dawkins
City Administrator

Rita Kruse
Finance Manager

Patrick J. McQueeney
Treasurer

DESCRIPTION OF THE BONDS

The Bond proceeds will be used to currently refund the City's outstanding General Obligation Refunding Bonds, Series 2006B, and to pay the costs of issuing of the Bonds. See "**PLAN OF FINANCING**" herein.

The Bonds are authorized by Division 4, Article 8 of the Illinois Municipal Code, as amended and supplemented by the Local Government Debt Reform Act as amended, and the other Omnibus Bond Acts, as amended, and by an ordinance adopted by a vote of the City Council.

The Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

THE CITY

The City, county seat of Kane County, was founded in 1835 and incorporated in 1887. It is about 85 square miles. The City is located about 35 miles west of Chicago in the Fox River Valley. The City is bordered on the north by the City of St. Charles, on the south by the City of Batavia, on the east by West Chicago, and on the west by unincorporated Kane County. The Fox River flows through the City. The City is primarily residential with a balanced mix of commercial and industrial activity. The 1990 Census reported a population of 12,617. The 2000 Census reported the City's population at 19,515, a 54.7% increase from the 1990 Census. The 2010 Census reported the City's population at 21,495, a 10.15% increase from the 2000 Census. The City has a land area of approximately 8.5 square miles.

The City's annexation activity continued with the annexation of the 400-acre Fisher Farm in 1996 and the 66-acre Sunset Prairie in 2001. These are the last major residential annexations for the City and Fisher Farm is 75% developed for 300 acres of residential development and 100 acres of commercial/office development. The City anticipates continuing business annexation activity in future years, primarily on the eastern boundary of the City between Kirk Road and Kautz Road which is estimated to build out by the year 2020.

The City provides a police department with 35 full-time sworn personnel, and a fire department with 21 full-time firemen and 45 paid-on-call firemen. The City employs 86 other full-time employees, including 17 in the Water and Sewer Department. The only employees of the City who are members of a collective bargaining unit are in the Electric Division, Street/Fleet Division, Fire Department and Police Department. The International Brotherhood of Electrical Workers Local 196 has a five-year employment contract which expires on April 30, 2018. The International Association of Fire Fighters Local 4287 has a four-year contract which expires on April 30, 2020. The Fraternal Order of Police Labor Council has a four-year contract which expires on April 30, 2019. The International Brotherhood of Electrical Works Local 196 (Street/Fleet) has a four-year contract which expires on April 30, 2018.

In addition to customary services provided to City residents, the City supports a dial-a-bus program for senior citizens and handicapped persons and, together with the neighboring cities of St. Charles and Batavia, owns and operates an emergency communication system. The City contracts collectively with neighboring municipalities for ambulance service.

City Government and Services

The City is a non-home rule municipality governed by a mayor-council system that is made up of a Mayor elected at large and ten aldermen elected from five wards for four year staggered terms. The City Clerk and Treasurer are also elected at large for four-year terms. The Mayor appoints the City Administrator with the advice and consent of the City Council. The City Administrator oversees all day to day operations of the government, directs all department heads, coordinates interdepartmental actions as assigned by the Mayor or the City Council, and develops, recommends, and institutes administrative policies and procedures with the concurrence of the City Council. The City is responsible for providing police and fire protection, maintaining streets, providing sewer and water services and supplying electricity to the City's residences, businesses, and industries.

Additional information on the City and its Waterworks and Sewerage System is available at www.geneva.il.us.

Description of Water/Wastewater System

The City owns and operates a water system, which obtains water from both deep and shallow wells. Water storage capacity is 2.75 million gallons. Average usage is 2.8 million gallons per day (“MGD”). An activated sludge wastewater treatment plant is also owned and operated by the City. Final bio solids are applied to area farmland. Improvements completed in 2006 increased the plant capacity to 5 MGD. In 2008, the City constructed a \$30 million reverse osmosis membrane treatment plant to reduce hardness levels to six grains and is designed to produce up to 8 MGD.

An activated sludge wastewater treatment plant with tertiary treatment prior to discharge is also owned and operated by the City. Treated sludge is applied on area farmland. The City is in the beginning stages of an approximately \$12,000,000 upgrade to the wastewater treatment plant to comply with the Illinois Environmental Protection Agency mandate. The mandate limits the discharge to one mg/l of phosphorous.

Description of the Electric System

The City has owned and operated a municipal electric distribution system (the “System”) since 1896. The City operates the System without competition from other suppliers or distributors of electrical power. The System is not subject to regulation by the Illinois Commerce Commission.

The City's electric system is inter-connected to the Commonwealth Edison Company 34.5 kV sub-transmission system in seven locations which include the South Street, Peyton Street, Keslinger Road, Delnor, Western Avenue, East Side Drive and the Geneva Business Park substations. The City's distribution system is 12.47 kV.

The City owns and operates a lean burn, 30 MW natural gas peaking power plant consisting of five reciprocating engine/generators. The power plant is located within the corporate limits of the City, and is interconnected with the City's distribution system. The power plant provides approximately 1% of the energy resources. The City's power plant is economically dispatched based upon day-ahead market prices. This procedure reduces the City's purchased power costs and transmission and capacity costs, from the regional transmission provider PJM.

The City has several multi-years Power Sales Agreements, the first is with a landfill gas generator located within its corporate limits. The landfill gas sales agreement expires on December 31, 2016 and provides approximately 9% of the City's energy resources.

The second is with NextEra Energy Power Marketing, LLC which began on January 1, 2015 and ends December 31, 2024, and provides approximately 24% of the City's energy resources.

Finally, the City is a member of, and has a Power Sales Agreement, with Northern Illinois Municipal Power Agency (“NIMPA”). NIMPA owns 7.6% of Prairie State Generating Company (“PSGC”). NIMPA provides approximately 66% of the City's energy resources.

Transportation

A variety of highway and commuter and freight rail facilities are available to City residents. Commuter travel to and from Chicago's downtown business district is available from the Regional Transportation Authority, with a commuter station centrally located in downtown Geneva. Illinois Routes 25 and 31, which straddle the Fox River, connect with the Interstate 88 East-West Tollway approximately 7 miles south of the City. Approximately 9 miles to the City's north, Routes 25 and 31 connect with the Interstate 90 Northwest Tollway. O'Hare International Airport is a 60 minute drive away via tollway.

Community Life

The Geneva Park District (the "District") is an independent public agency providing park facilities and recreation programs to residents of all ages. Included among the District's facilities are a racquetball center, two lighted baseball fields, the Geneva Memorial Swimming Pool, playground facilities, lighted tennis courts, and a riverfront park.

The Geneva Public Library District (the "Library"), an independent unit of government, is governed by a seven-member board of trustees elected at large. The Library offers a wide range of library services and serves approximately 30,500 patrons. The Library houses over 140,000 physical volumes in a wide variety of formats, including books, magazines, audiobooks, DVDs, and CDs and provides access to research databases and more than 400,000 titles in electronic format. The Library provides free wifi, public use computers for accessing the internet, standard office software, and a variety of multimedia software applications. Tablets and eReaders are also available for checkout. Staff provides readers advisory, research assistance, computer instruction, and notary service. A variety of adult, teen, and children's programs are presented throughout the year.

Northwestern Medicine Delnor Hospital ("Delnor") is a 159-bed acute-care facility in the City, with a medical staff which includes nearly 600 physicians in 60 specialties providing comprehensive medical care. Delnor was the first hospital in Illinois to earn nursing Magnet® Status from the American Nurses Credentialing Center, the nation's highest recognition for patient care and nursing excellence and is ranked among Illinois' "Best Hospitals" by U.S. News & World Report. Delnor is home to a state-of-the-art cancer center and its Breast Health Center was first to be recognized by the prestigious National Accreditation Program for Breast Centers ("NAPBC") through the American College of Surgeons.

Delnor is the largest employer in the City, with approximately 1,300 employees. Over \$150 million has been invested in the campus over the past several years, including the construction of a cancer center, a variety of physical improvements and renovations as well as the addition of advanced clinical programs such as neurosciences, subspecialty pediatrics and psychiatry. In 2014, Cadence Health, including Delnor, merged with Northwestern Medicine, becoming part of a 7-hospital integrated academic health system.

Education

The City's major public school district is Community Unit School District No. 304 (the "School District"). The School District has six elementary schools (grades K-5), two middle schools (grades 6-8), one high school and a combined enrollment of approximately 6,000 students and a full-time staff of about 690. Also in the City is St. Peter's School, a parochial school (grades K-8).

Northern Illinois University has its main campus in DeKalb, which is approximately a forty-five minute drive from the City. Geneva residents also have access to many public and private universities and colleges in the Chicago metropolitan area. Waubensee Community College District No. 516 also serves Geneva residents, providing associate degrees, and continuing education, vocational education and other programs. In 2016, Waubensee Community College had an enrollment of 16,788 students.

Economic Development

Downtown District: The City's historic downtown shopping and dining district is a Midwest destination with over 150 independent businesses. The area has an established unique character, represented by its densely developed and pedestrian friendly atmosphere.

In 2016, the City established the Fox River Redevelopment Project Area TIF 3 ("TIF 3") to provide the mechanisms necessary to support public and private developments, strengthen the Fox River area as a commercial district and to improve connections to downtown and the Fox River. TIF 3 consists of 84 tax parcels and 49 buildings located east and west of the Fox River. The area covers approximately 98.7 acres (40.5 acres of parcel area within the redevelopment area, 16.09 acres of public right of way and 42.2 acres of non-parceled river area). The Fox River Redevelopment Project is expected to facilitate redevelopment of vacant or underutilized properties by providing resources for site assembly and preparation, including demolition and environmental cleanup, where necessary and marketing of vacant and underutilized sites for redevelopment and new development including the former Mill Race Inna and Geneva Bottling Works. In addition, the district is expected to further efforts to preserve architecturally or historically significant buildings, encourage construction of new commercial, residential, civic/cultural and park/open space development that is compatible with the existing character of the area, where appropriate. Redevelopment efforts in TIF 3 are expected to enhance work completed as part of Tax Increment Finance District (TIF) Number One established in 1982 and closed in 2005 and to further the objectives of the Downtown Station Area Master Plan adopted in 2012.

The newly established TIF 3 District is connected to an established TIF District known as The East State TIF or TIF 2. The East State Street TIF District comprises a 34 acre area along East State Street. TIF 2 was established in 1999 and has experienced noteworthy development with the construction of a new CVS and Aldi stores as well as other neighborhood commercial improvements. The City has been working to ready the area for roadway and streetscape improvements in cooperation with the Illinois Department of Transportation. This investment will create better connection between the east and west sections of the downtown area while improving safety for pedestrian and vehicular movements.

Commercial Corridor-West: The Randall Road commercial corridor is a strong commercial area in the City. Randall Road is a major north-south arterial that is heavily relied upon to accommodate the region's development activity. Randall Road serves as a major north-south thoroughfare and connects with the Interstate 90 Northwest Tollway, approximately 15 miles north of the City. The improved access and commercial potential of the corridor has resulted in substantial retail for development.

Geneva Commons, about 400,000 square foot "lifestyle" commercial center operates on the north end of Randall Road at approximately 90% occupancy. This center is presently making a significant investment in the property to create additional gathering spaces to enhance free public entertainment offerings. Since 1994, there has been nearly 1.47 million square feet of retail buildings within the Randall Road Corridor north of Fabyan Parkway and south of the Union Pacific railroad line. Several national retail and restaurant tenants are operating in the district.

Northwestern Medicine also operates in the corridor. A multi-million dollar expansion of the hospital facility was initiated in 2015 which includes a new north entrance. This is in addition to the new cancer center that was completed a few years ago, and renovations that have taken place since the hospital was brought under the Cadence umbrella. Cadence Health Systems undertook a \$100 million expansion and renovation of the hospital including Raymond Scott Cancer Center, Fox Valley Hospice Center and numerous connections to new hospital groups including Children's Memorial Hospital and Cleveland Clinic. Cadence then merged with Northwestern Hospitals. The addition of Northwestern is expected to bring more doctors to the campus and has created a need for medical space in the local market.

Industrial: The Geneva Business Park on the west side of Kautz Road is home to several of the City's largest employers including Millard Refrigerated Services, Industrial Hard Chrome, Gordon Flesch Company, Continental Envelope, Peacock Engineering, Fona, Roquette and Northern Illinois Food Bank. The City is working to expand industrial opportunities with the expansion of the Southeast planning jurisdiction. The project planning area is generally bounded by the Kane/DuPage County line of the east, Fabyan Parkway on the south, Illinois Route 38 on the north and Kirk Road on the west. It includes land annexed into the City as well as properties identified for annexation into Geneva via boundary agreement in place with neighboring cities.

The Southeast Subarea Land Use Plan illustrates proposed land uses for the entire 500 acre study area and divides the area into four primary planning pods and includes industrial and commercial development goals. As part of the plan, an evaluation of infrastructure and engineering issues was performed related to development of the project area. At present, the City is working with land owners toward annexation and land planning to further the implementation of the plan objectives.

Recent and New Housing Developments

Prairie Ridge: A 43 unit single-family subdivision was developed by Ryan Homes. It is located off Bricher Road, west of Randall, and behind the Geneva Commons. This development's pre-existing homes for sale started in the \$290's.

Lincoln Square: 48 single-family homes were built between the Geneva Commons and Prairie Ridge by the Pulte Group.

Downtown Developments: The City's 2012 Master Plan called for increased density of housing with new product types and the market is responding. The Shodeen Group completed seven new town-homes at 2nd and South in 2013 and they also developed six new town-homes at the northeast corner of 7th Street and James Street. There are 30 recently built townhomes at Park Place. A 21,470 square foot medical building was constructed at 2700 Keslinger Road.

Recently Approved Construction in Early Stages or Beginning Soon: 40 new townhomes at Riverbank of Geneva; four single-family houses at the Woodlands; 150-bed skilled nursing home at Meadowbrook Manor; 21 new single-family homes at Cooper Woods; and a 6,300 square foot multi-tenant retail building at the new out lot in front of Home Depot.

SOCIOECONOMIC INFORMATION

Employment

The following statistics principally pertain to the City with additional comparisons with Kane County (the “County”) and the State of Illinois (the “State”).

Substantial employment is available in surrounding communities, the “Research and Development Corridor” immediately south of the City, and throughout the Chicago metropolitan area. Numerous employers are located within the City and in surrounding communities.

The following employment data shows a consistently diverse and strong growth trend for employment in the County. This data is **NOT** comparable to similar U.S. Census statistics, which would include government employment, and establishments not covered by the Illinois Unemployment Insurance Program, and could classify employment categories differently.

Kane County Private, Non-Agricultural Employment Covered by the Illinois Unemployment Insurance Act(1)

	(Data as of March for each Year)				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Farm and Forestry.....	563	569	485	448	448
Mining and Quarrying.....	107	89	106	115	135
Construction.....	6,969	7,129	7,089	7,751	8,372
Manufacturing.....	29,454	30,081	30,653	30,334	31,021
Transportation, Communications, Utilities.....	6,799	6,470	6,238	6,597	6,642
Wholesale Trade.....	11,646	11,934	12,188	12,220	12,552
Retail Trade.....	19,988	19,648	19,628	19,889	20,471
Finance, Insurance, Real Estate.....	8,449	8,752	9,060	9,061	8,867
Services(2).....	<u>72,524</u>	<u>76,283</u>	<u>81,151</u>	<u>83,417</u>	<u>83,054</u>
Total.....	156,499	160,955	166,598	169,832	171,562

Notes: (1) Source: Illinois Department of Employment Security.
 (2) Includes unclassified establishments.

Following are lists of large employers located in the City and the surrounding areas.

Major City Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
DeInor Hospital.....	General Hospital.....	1,650
Kane County.....	County Government.....	1,260
Geneva School District 304.....	School District.....	858
Peacock Foods, LLC.....	Food Packaging.....	350
Burgess-Norton Mfg. Co.....	Screw Machine Products.....	300
Johnson Controls, Inc., Power Solutions Div.....	Automobile Batteries.....	300
Houghton-Mifflin Harcourt.....	Wholesale Educational Textbooks.....	250
FONA International, Inc.....	Flavoring for Food.....	250
Power Packaging.....	Packaging of Food Mixes.....	200
Lineage Logistics ICM, LLC.....	Logistics and Port-Centric Warehousing Services.....	150
Continental Envelope Corp.....	Envelopes.....	125
Miner Enterprises, Inc.....	Railroad Equipment.....	120
Industrial Hard Chrome Ltd.....	Machining of Carbon and Alloy Materials.....	100

Notes: (1) Source: 2016 Illinois Manufacturers Directory, 2016 Illinois Services Directory and a selective telephone survey.

Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Elgin.....	Elgin Unit School District Number 46..	Public School District	5,000
Naperville.....	Edward-Elmhurst Hospital.....	General Hospital	4,500
Naperville.....	Alcatel-Lucent	Telecommunications Research and Development.....	3,000
Naperville.....	School District Number 203.....	Public School District	2,400
Elgin.....	Advocate Sherman Hospital.....	General Hospital	2,200
Aurora.....	Rush-Copley Medical Center.....	Hospital and Medical Center	2,000
Naperville.....	School District Number 204.....	Public School District	2,000
Geneva.....	Delnor Hospital	General Hospital	1,650
Aurora.....	Presence Mercy Medical Center.....	Medical and Psychiatric Hospital.....	1,300
Elgin.....	Presence St. Joseph Hospital.....	General Hospital	1,300
Naperville.....	BP, Global Fuels Technology Div.....	Chemical and Petrochemical Research and Testing Laboratory....	1,200
Aurora.....	Dreyer Medical Clinic.....	Medical Services	1,200
Elgin.....	John B. Sanfilippo & Son, Inc.....	Snack Foods Corporate Headquarters.....	1,200
Naperville.....	Nalco, An Ecolab Company.....	Chemicals and Allied Products Corporate Headquarters.....	1,200

Note: (1) Source: 2016 Illinois Manufacturers Directory, 2016 Illinois Services Directory and a selective telephone survey.

The following tables show employment by industry and by occupation for the City, the County and the State as reported by the U.S. Census Bureau 2010-2014 American Community Survey 5-year estimated values.

Employment By Industry(1)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining.....	46	0.4%	1,383	0.6%	63,558	1.1%
Construction.....	435	4.0%	14,637	5.8%	308,760	5.1%
Manufacturing.....	1,349	12.3%	41,777	16.7%	756,747	12.5%
Wholesale Trade.....	529	4.8%	10,818	4.3%	181,855	3.0%
Retail Trade.....	1,344	12.2%	29,307	11.7%	663,401	11.0%
Transportation and Warehousing, and Utilities.....	289	2.6%	12,534	5.0%	353,089	5.9%
Information.....	186	1.7%	5,477	2.2%	124,634	2.1%
Finance and Insurance, and Real Estate and Rental and Leasing.....	1,030	9.4%	17,021	6.8%	442,091	7.3%
Professional, Scientific, and Management, and Administrative and Waste Management Services.....	1,486	13.5%	32,573	13.0%	681,276	11.3%
Educational Services and Health Care and Social Assistance.....	2,787	25.4%	47,543	19.0%	1,391,310	23.1%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	891	8.1%	20,511	8.2%	544,222	9.0%
Other Services, Except Public Administration.....	295	2.7%	9,839	3.9%	288,596	4.8%
Public Administration.....	310	2.8%	7,240	2.9%	232,492	3.9%
Total.....	10,977	100.0%	250,660	100.0%	6,032,031	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

Employment By Occupation(1)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Management, Professional, and Related Occupations.....	5,551	50.6%	84,668	33.8%	2,204,363	36.5%
Service Occupations.....	1,224	11.2%	40,546	16.2%	1,048,478	17.4%
Sales and Office Occupations.....	2,970	27.1%	65,530	26.1%	1,500,220	24.9%
Natural Resources, Construction, and Maintenance Occupations.....	620	5.6%	18,296	7.3%	441,705	7.3%
Production, Transportation, and Material Moving Occupations.....	612	5.6%	41,620	16.6%	837,265	13.9%
Total.....	10,977	100.0%	250,660	100.0%	6,032,031	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

Unemployment Rates

Unemployment rates for the City, the County and the State are shown below.

Annual Average Unemployment Rates(1)

Calendar Year	The City	The County	The State
2006.....	2.9%	4.0%	4.6%
2007.....	3.4%	4.5%	5.1%
2008.....	4.4%	6.0%	6.4%
2009.....	7.5%	10.5%	10.0%
2010.....	7.8%	11.0%	10.5%
2011.....	7.3%	9.8%	9.7%
2012.....	6.5%	8.8%	8.9%
2013.....	7.6%	8.7%	9.1%
2014.....	8.5%	6.8%	7.1%
2015.....	5.8%	5.8%	5.9%
2016(2).....	N/A	5.2%	5.4%

Notes: (1) Source: Illinois Department of Employment Security.
 (2) Preliminary rate for the month of September 2016.

Building Permits

The City's tax base has grown substantially in the last ten years, due to the City's location in the center of the Fox Valley region and proximity to the Interstate 90 "Golden Corridor" and East-West Tollway "Research and Development Corridor." Growth has been primarily residential with supporting commercial and retail development. For 2013, there were a total of 1,301 permits with a total value of \$36,849,257. For 2014, there were a total of 1,609 permits with a total value of \$43,254,096, and for 2015, there were a total of 1,923 permits with a total value of \$48,730,684.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was \$309,300. This compares to \$216,000 for the County and \$175,700 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2010-2014 American Community Survey.

Home Values(1)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000.....	113	1.8%	3,922	3.1%	243,163	7.6%
\$50,000 to \$99,999.....	51	0.8%	9,931	7.8%	508,867	15.9%
\$100,000 to \$149,999.....	179	2.8%	18,530	14.5%	525,634	16.5%
\$150,000 to \$199,999.....	506	7.9%	25,428	19.9%	533,202	16.7%
\$200,000 to \$299,999.....	2,172	33.9%	34,677	27.2%	663,672	20.8%
\$300,000 to \$499,999.....	2,629	41.0%	27,186	21.3%	486,000	15.2%
\$500,000 to \$999,999.....	716	11.2%	7,033	5.5%	188,718	5.9%
\$1,000,000 or more.....	50	0.8%	907	0.7%	45,451	1.4%
Total.....	6,416	100.0%	127,614	100.0%	3,194,707	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

Mortgage Status(I)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage.....	4,786	74.6%	96,706	75.8%	2,146,363	67.2%
Housing Units without a Mortgage...	1,630	25.4%	30,908	24.2%	1,048,344	32.8%
Total.....	6,416	100.0%	127,614	100.0%	3,194,707	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

Income

Per Capita Personal Income for the Eleven Highest Income Counties in the State(I)

Rank		2010-2014
1.....	DuPage County	\$38,931
2.....	Lake County	38,459
3.....	McHenry County	33,118
4.....	Monroe County	33,059
5.....	Piatt County	31,750
6.....	Kendall County	31,110
7.....	Will County	30,791
8.....	McLean County	30,728
9	Kane County	30,645
10.....	Sangamon County	30,594
11.....	Cook County	30,468

Note: (1) Source: U. S. Bureau of the Census, 2010-2014
 American Community 5-Year Estimates.

The following shows a ranking of median family income for the Chicago metropolitan area from the 2010-2014 American Community Survey.

Ranking of Median Family Income(I)

The County	Family Income	Rank
DuPage County	\$96,330	1
Lake County	92,910	2
Kendall County	92,794	3
McHenry County	88,699	4
Will County	87,503	5
Kane County	81,273	8
Cook County	66,712	25

Note: (1) Source: U. S. Bureau of the Census, 2010 to 2014 American Community 5-Year Estimates.

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of \$109,417. This compares to \$81,273 for the County and \$70,967 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2010-2014 American Community Survey.

Family Income(I)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	75	1.2%	3,576	2.8%	138,048	4.4%
\$10,000 to \$14,999.....	94	1.6%	2,330	1.8%	84,725	2.7%
\$15,000 to \$24,999.....	96	1.6%	7,318	5.7%	222,412	7.1%
\$25,000 to \$34,999.....	337	5.6%	9,226	7.2%	252,033	8.0%
\$35,000 to \$49,999.....	457	7.6%	14,128	11.0%	376,290	12.0%
\$50,000 to \$74,999.....	791	13.1%	22,128	17.2%	577,132	18.4%
\$75,000 to \$99,999.....	783	13.0%	19,711	15.3%	465,095	14.9%
\$100,000 to \$149,999.....	1,435	23.8%	26,570	20.7%	553,083	17.7%
\$150,000 to \$199,999.....	869	14.4%	12,394	9.6%	230,525	7.4%
\$200,000 or more.....	<u>1,098</u>	<u>18.2%</u>	<u>11,207</u>	<u>8.7%</u>	<u>231,782</u>	<u>7.4%</u>
Total.....	6,035	100.0%	128,588	100.0%	3,131,125	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of \$93,588. This compares to \$70,514 for the County and \$57,166 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2010-2014 American Community Survey.

Household Income(I)

Income	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	204	2.6%	6,850	4.0%	341,784	7.2%
\$10,000 to \$14,999.....	259	3.3%	5,333	3.1%	218,422	4.6%
\$15,000 to \$24,999.....	440	5.6%	13,167	7.7%	479,384	10.0%
\$25,000 to \$34,999.....	542	6.9%	14,255	8.3%	455,890	9.5%
\$35,000 to \$49,999.....	618	7.8%	20,547	12.0%	614,706	12.9%
\$50,000 to \$74,999.....	1,062	13.4%	30,156	17.6%	852,342	17.8%
\$75,000 to \$99,999.....	1,035	13.1%	24,168	14.1%	612,247	12.8%
\$100,000 to \$149,999.....	1,523	19.3%	30,856	18.0%	671,103	14.0%
\$150,000 to \$199,999.....	1,012	12.8%	13,496	7.9%	265,693	5.6%
\$200,000 or more.....	<u>1,211</u>	<u>15.3%</u>	<u>12,488</u>	<u>7.3%</u>	<u>267,062</u>	<u>5.6%</u>
Total.....	7,906	100.0%	171,316	100.0%	4,778,633	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-Year Estimates 2010 to 2014.

Retail Activity

The table below shows the distribution of the municipal portion of the Retailers’ Occupation, Service Occupation and Use Tax (“Sales Tax”) collected by the Illinois Department of Revenue from retailers within the City. The table indicates the level of retail activity in the City.

Retailers’ Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distributions(2)	Annual Percent Change + (-)
2007	\$5,267,436	(0.96%) (3)
2008	5,034,190	(4.43%)
2009	4,447,640	(11.65%)
2010	4,361,085	(1.95%)
2011	4,542,168	4.15%
2012	4,742,352	4.41%
2013	4,844,223	2.15%
2014	4,793,293	(1.05%)
2015	4,820,416	0.57%
2016	4,998,336	3.69%

- Notes: (1) Source: Illinois Department of Revenue.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers’ Occupation, Service Occupation and Use Tax, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.
 (3) The 2007 percentage is based on a 2006 sales tax of \$5,318,345.

PLAN OF FINANCING

The Bond proceeds will be used to fund an escrow to currently refund a portion of the City’s outstanding General Obligation Refunding Bonds, Series 2006B (the “Refunded Bonds”) as listed below, and to pay the costs of issuance of the Bonds.

The Refunded Bonds

**General Obligation Refunding Bonds, Series 2006B
 (Dated December 27, 2006)**

Maturity	Outstanding Amount	Amount Refunded by Series 2016A Bonds	Amount Refunded by Series 2016B Bonds	Total Amount Refunded	Redemption Price	Redemption Date
12/15/2016.....	\$ 800,000	\$ 0	\$ 0	\$ 0	N/A	N/A
12/15/2017.....	515,000	60,000	455,000	515,000	100.00%	12/28/2016
12/15/2018.....	565,000	70,000	495,000	565,000	100.00%	12/28/2016
12/15/2019.....	610,000	75,000	535,000	610,000	100.00%	12/28/2016
12/15/2020.....	680,000	80,000	600,000	680,000	100.00%	12/28/2016
12/15/2021.....	655,000	80,000	575,000	655,000	100.00%	12/28/2016
Total.....	\$3,825,000	\$365,000	\$2,660,000	\$3,025,000		

Bond proceeds and certain other funds of the City on hand and lawfully available for such purpose will be held in cash or will be used to purchase direct full faith and credit obligations of the United States of America (the “Government Securities”), the principal of which together with interest to be earned thereon and cash deposited into the escrow will be sufficient (i) to pay when due the interest on the Refunded Bonds up to and including the redemption date as stated above, and (ii) to pay principal of the Refunded Bonds on the redemption date as stated above. The remaining bond proceeds will be used to pay the costs of issuing the Bonds.

The cash or Government Securities will be held in an escrow account created pursuant to an escrow agreement between the City and US Bank National Association, Chicago, Illinois, as Escrow Agent (the “Escrow Agent”).

DEBT INFORMATION

The City currently has outstanding \$22,280,000* (including the Bonds and excluding the Refunded Bonds) principal amount of general obligation debt of which \$14,855,000 are alternate revenue source bonds. The City also has outstanding \$59,243 principal amount of tax increment financing bonds, \$171,000 principal amount of special service area bonds and \$17,976,408 principal amount of Illinois Environmental Protection Agency (“IEPA”) loans (as of April 30, 2016).

The City expects the water/wastewater utility to request a loan from the IEPA Revolving Loan fund for approximately \$10,000,000 to fund upgrades to the wastewater treatment plant. These upgrades are required to be in compliance with the new IEPA standards.

Outstanding General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Series 2006B	Series 2008A	Series 2011(2)	Series 2012A	Series 2012B(3)	Series 2013(3)	Series 2014(2)	Series 2016A Bonds	Series 2016B Bonds	Less: Bonds Proposed to be Refunded	Total Outstanding Debt(4)	Cumulative Retirement(4)	
												Amount	Percent
2016.....	\$ 800,000	\$ 0	\$ 725,000	\$ 0	\$ 0	\$ 80,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,605,000	\$ 1,605,000	7.20%
2017.....	515,000	885,000	1,475,000	310,000	20,000	165,000	245,000	65,000	500,000	(515,000)	3,665,000	5,270,000	23.65%
2018.....	565,000	965,000	1,505,000	1,340,000	20,000	160,000	250,000	75,000	525,000	(565,000)	4,840,000	10,110,000	45.38%
2019.....	610,000	0	1,535,000	0	20,000	170,000	265,000	80,000	555,000	(610,000)	2,625,000	12,735,000	57.16%
2020.....	680,000	0	1,440,000	0	20,000	155,000	425,000	80,000	605,000	(680,000)	2,725,000	15,460,000	69.39%
2021.....	655,000	0	630,000	0	170,000	65,000	405,000	80,000	560,000	(655,000)	1,910,000	17,370,000	77.96%
2022.....	0	0	0	0	180,000	0	0	0	0	0	180,000	17,550,000	78.77%
2023.....	0	0	0	0	365,000	0	0	0	0	0	365,000	17,915,000	80.41%
2024.....	0	0	0	0	565,000	0	0	0	0	0	565,000	18,480,000	82.94%
2025.....	0	0	0	0	585,000	0	0	0	0	0	585,000	19,065,000	85.57%
2026.....	0	0	0	0	590,000	0	0	0	0	0	590,000	19,655,000	88.22%
2027.....	0	0	0	0	615,000	0	0	0	0	0	615,000	20,270,000	90.98%
2028.....	0	0	0	0	640,000	0	0	0	0	0	640,000	20,910,000	93.85%
2029.....	0	0	0	0	670,000	0	0	0	0	0	670,000	21,580,000	96.86%
2030.....	0	0	0	0	700,000	0	0	0	0	0	700,000	22,280,000	100.00%
Total...	\$3,825,000	\$1,850,000	\$7,310,000	\$1,650,000	\$5,160,000	\$795,000	\$1,590,000	\$380,000	\$2,745,000	\$(3,025,000)	\$22,280,000		

- Notes: (1) Source: the City.
 (2) Alternate revenue bonds (electric revenues).
 (3) Alternate revenue bonds (waterworks and sewerage revenues).
 (4) Subject to change.

*Subject to change.

Detailed Overlapping Bonded Debt(1)
 (As of July 19, 2016)

	Outstanding Debt (2)	Applicable to City Percent (3)	Amount
Schools:			
School District No. 304.....	\$129,531,080	71.29%	\$ 92,342,707
Community College District No. 516.....	66,755,000	11.24% (3)	<u>7,503,262</u>
Total Schools.....			\$ 99,845,969
Others:			
Kane County.....	\$ 41,855,000	7.63%	\$ 3,193,537
Kane County Forest Preserve District.....	150,780,000	7.63%	11,504,514
Geneva Township.....	0	77.64%	0
Geneva Park District.....	14,235,840	66.48%	9,463,986
Geneva Library District.....	0	68.48%	0
Special Service Area No. 1.....	200,000	100.00%	200,000
Special Service Area No. 22.....	0	100.00%	0
Total Others.....			<u>\$ 24,362,037</u>
Total Schools and Other Overlapping Bonded Debt.....			\$124,208,006

- Notes: (1) Source: Kane County Clerk.
 (2) Overlapping debt percentages based on 2015 EAV, the most current available.
 (3) Percent based on 2015 EAV for Kane, DeKalb, Kendall, LaSalle and Will Counties, the most current available.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census 21,495)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2015.....	\$ 917,573,326	100.00%	33.33%	\$ 42,687.76
Estimated Actual Value, 2015.....	\$2,752,719,978	300.00%	100.00%	\$128,063.27
Direct Bonded Debt(2).....	\$ 22,280,000	2.43%	0.81%	\$ 1,036.52
Less: Self Supporting.....	(14,855,000)	(1.62%)	(0.54%)	(691.09)
Net Direct Bonded Debt(2).....	\$ 7,425,000	0.81%	0.27%	\$ 345.43
Overlapping Bonded Debt(3):				
Schools.....	\$ 99,845,969	10.88%	3.63%	\$ 4,645.08
All Others.....	24,362,037	2.66%	0.89%	1,133.38
Total Overlapping Bonded Debt.....	\$ 124,208,006	13.54%	4.51%	\$ 5,778.46
Total Net Direct and Overlapping Bonded Debt(2) (3) .	\$ 131,633,006	14.35%	4.78%	\$ 6,123.89

- Notes: (1) Source: Kane County Clerk.
 (2) Includes the Bonds and excludes the Refunded Bonds. Subject to change.
 (3) Overlapping debt is as of July 19, 2016.

Legal Debt Margin(1)

2015 Equalized Assessed Valuation.....	\$917,573,326
Statutory Debt Limitation (8.625% of EAV)	79,140,699

General Obligation Debt:

Series 2006B	\$ 800,000
Series 2008A	1,850,000
Series 2011 (2)	7,310,000
Series 2012A	1,650,000
Series 2012B (2)	5,160,000
Series 2013 (2)	795,000
Series 2014 (2)	1,590,000
Series 2016A Bonds (3)	380,000
Series 2016B Bonds (3)	2,745,000
Less: Alternate Revenue Bonds (2)	(14,855,000)
Total General Obligation Debt (3)	\$ 7,425,000

Other Debt:

Installment Contract Certificates	\$ 0
Total Other Debt	\$ 0

Total Applicable Debt (3)	\$ 7,425,000
Legal Debt Margin (3)	\$ 71,715,699

- Notes:
- (1) Source: the City. Includes the Bonds and excludes the Refunded Bonds.
 - (2) The Series 2011 Bonds, the Series 2012B Bonds, the Series 2013 Bonds and the Series 2014 Bonds do not count against either the overall 8.625% of EAV or the non-referendum 0.575% of EAV debt limit for general obligation bonded debt so long as the debt service levy for such bonds is abated annually and not extended.
 - (3) Subject to change.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2015 levy year, the City's EAV is comprised of approximately 74.47% residential, 4.98% industrial, 20.12% commercial, and less than 1% farm and railroad property valuations.

City Equalized Assessed Valuation(1)

Property Class	Levy Years				
	2011	2012	2013	2014	2015
Residential.....	\$737,753,764	\$702,448,048	\$667,035,145	\$666,227,302	\$683,317,381
Farm.....	84,650	90,947	2,408,489	2,422,086	2,279,984
Commercial.....	187,145,172	188,598,425	180,377,219	186,130,959	184,600,132
Industrial.....	45,898,853	45,099,838	46,200,397	44,411,334	45,704,458
Railroad.....	917,812	1,038,505	1,283,337	1,403,751	1,671,371
Total.....	\$971,800,251	\$937,275,763	\$897,304,587	\$900,595,432	\$917,573,326
Percent Change +(-).....	(6.32%) (2)	(3.55%)	(4.26%)	0.37%	1.89%

- Notes:
- (1) Source: Kane County Clerk.
 - (2) Percentage change based on 2010 EAV of \$1,037,333,904.

Representative Tax Rates(1)
 (Per \$100 EAV)

	Levy Years					Maximum Allowable
	2011	2012	2013	2014	2015	
City Rates:						
Corporate.....	\$0.1247	\$0.1298	\$0.1383	\$0.1405	\$0.1401	\$0.4375
Street and Bridge.....	0.0287	0.0299	0.0318	0.0323	0.0322	0.1000
Fire Protection.....	0.0450	0.0468	0.0499	0.0507	0.0609	0.6000
Police Protection.....	0.0450	0.0468	0.0499	0.0507	0.0625	0.6000
I. M. R. F.....	0.0258	0.0269	0.0287	0.0291	0.0290	No Limit
Police Pension.....	0.0505	0.0468	0.0746	0.1076	0.1236	No Limit
Fire Pension.....	0.0260	0.0270	0.0288	0.0293	0.0371	No Limit
Audit.....	0.0017	0.0018	0.0019	0.0008	0.0014	No Limit
Emergency Management.....	0.0007	0.0007	0.0008	0.0008	0.0008	0.0500
School Crossing.....	0.0047	0.0046	0.0049	0.0049	0.0005	0.0200
Liability Insurance.....	0.0344	0.0359	0.0334	0.0205	0.0210	No Limit
Ambulance.....	0.0420	0.0437	0.0334	0.0299	0.0030	0.2500
Social Security.....	0.0280	0.0291	0.0310	0.0188	0.0019	No Limit
Mental Health.....	0.0160	0.0165	0.0173	0.0172	0.0167	0.1500
Bonds and Interest.....	0.1733	0.1857	0.2014	0.2128	0.2172	No Limit
Prior Year Adjustment.....	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>(0.0000)</u>	<u>0.0000</u>	
Total.....	\$0.6463	\$0.6722	\$0.7262	\$0.7459	\$0.7479	
Kane County:						
Kane County.....	\$0.3990	\$0.4336	\$0.4623	\$0.4684	\$0.4479	
Kane County Forest Preserve District.....	0.2609	0.2710	0.3039	0.3126	0.2944	
Geneva Township.....	0.0457	0.0475	0.0505	0.0514	0.0511	
Geneva Township Road District.....	0.0232	0.0241	0.0252	0.0257	0.0255	
Geneva Park District.....	0.4949	0.5266	0.5595	0.5667	0.5599	
Geneva Public Library.....	0.3162	0.3129	0.3482	0.3540	0.3504	
School District Number 304.....	5.7335	6.1032	6.4451	6.5805	6.4700	
Community College District Number 516.....	<u>0.4710</u>	<u>0.5312</u>	<u>0.5807</u>	<u>0.5954</u>	<u>0.5875</u>	
Total (2).....	\$8.3907	\$8.9223	\$9.5015	\$9.7006	\$9.5345	

- Notes: (1) Source: Kane County Clerk.
 (2) Representative tax rates for other government units are from Geneva Township tax code No. 5, which represents the largest portion of the City's 2015 Equalized Assessed Valuation, the most current available.

City Tax Extensions and Collections(1)
 (Includes Road and Bridge)

Levy Year	Coll. Year	Taxes Extended	Total Collections(2)	
			Amount	Percent
2007	2008	\$6,054,963	\$6,052,109	99.95%
2008	2009	6,212,362	6,172,549	99.36%
2009	2010	6,245,077	6,239,748	99.91%
2010	2011	6,548,219	6,536,190	99.82%
2011	2012	6,571,743	6,549,624	99.66%
2012	2013	6,648,395	6,632,149	99.76%
2013	2014	6,806,747	6,793,941	99.81%
2014	2015	7,014,373	7,006,298	99.88%
2015	2016(3)	7,163,882	6,125,364	85.50%

- Notes: (1) Source: Kane County Treasurer.
 (2) Tax extensions include back taxes, taxpayer refunds, interest, etc.
 (3) Collections through September 21, 2016.

Principal City Taxpayers(1)

<u>Taxpayer Name</u>	<u>Business/Service</u>	<u>2015 EAV(2)</u>
LPF Gevena Commons LLC(3)	Retail Outlet	\$34,415,407
Delnor-Community Health Care	Health Care	16,194,799
In Retail Fund Randall Square, LLC(4)	Real Property	8,130,796
Ashford at Geneva LLC	Apartments	7,074,417
Lineage IL Geneva Re LLC(5)	Cold Food Storage	6,110,487
SFERS Real Estate Corp.	Real Property	5,979,791
Duke Realty Limited Partnership	Retail Property Management	4,654,130
ARC GMGVAIL001 LLC	Real Property	4,381,492
CF Eagle Brook Arcis LLC	Real Property	4,041,988
Burgess-Norton Manufacturing Co., Inc.	Powder Metal Parts and Piston Pins	3,037,209
Total		\$94,020,516
Ten Largest Taxpayers as a Percent of the City's 2015 EAV (\$917,573,326)		10.25%

- Notes: (1) Source: Kane County Clerk.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2015 EAV is the most current available.
 (3) Previously V V2/Geneva Commons, LP.
 (4) Previously Inland Real Estate Illinois, LLC.
 (5) Previously Millard Refrigerated Services - Atlanta II, Inc.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

Exemptions

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000 for tax year 2012 and thereafter.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to \$75,000 per year, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2013, the maximum exemption is \$5,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of \$55,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain distress communities can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by CPI. Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the equalized assessed value of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Disabled Veterans’ Exemption exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran’s disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs.

The Disabled Veterans' Standard Homestead Exemption provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, or the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time homestead exemption of \$5,000.

Finally, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law, as amended (the "Limitation Law"), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home-rule units, including the City. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes.

The City has the authority to levy taxes for many different purposes. See the table entitled Representative Tax Rates under "**PROPERTY ASSESSMENT AND TAX INFORMATION**" herein. The ceiling at any particular time on the rate at which these taxes may be extended for the City is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute above, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the City) will have increased flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the City's limiting rate computed in accordance with the provisions of the Limitation Law.

Illinois legislators have introduced proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State (the "Property Tax Freeze Proposal"). If the Property Tax Freeze Proposal or similar legislation were to become law, such reform may have a material impact on the finances of the City and the ability of the City to issue non-referendum bonds. The City cannot predict whether, or in what form, any change to the Limitation Law, including the Property Tax Freeze Proposal, may be enacted into law, nor can the City predict the effect of any such change on the City's finances.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the “Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

FINANCIAL INFORMATION

Investment Policy

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, safety and risk avoidance 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, legality, safety of principal, liquidity and rate of return.

No Consent or Updated Information Requested of the Auditor

The tables contained in this “**FINANCIAL INFORMATION**” section (the “Excerpted Financial Information”) are from the audited financial statements of the City, including the audited financial statements for the fiscal year ended April 30, 2016 (the “2016 Audit”), which was approved by formal action of the City Council and attached to this Preliminary Official Statement as **APPENDIX A**. The City has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2016 Audit; nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information or the 2016 Audit in this Preliminary Official Statement. Other than as expressly set forth in this Preliminary Official Statement, the financial information contained in the Excerpted Financial Information and 2016 Audit has not been updated since the date of the 2016 Audit. The inclusion of the Excerpted Financial Information and 2016 Audit in this Preliminary Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2016 Audit. Questions or inquiries relating to financial information of the City since the date of the 2016 Audit should be directed to the City.

Summary Financial Statements

The financial statements of the City are audited annually by certified public accountants and are prepared in conformity with generally accepted accounting principles as applied to governments. The City has received the Certificate of Achievement in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2015, from the Government Finance Officers Association.

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for excerpts of the City's 2016 fiscal year audit.

**Statement of Net Position(I)
 Governmental Activities**

	Audited As of April 30				
	2012	2013	2014	2015	2016
ASSETS:					
Cash and Investments.....	\$ 7,112,838	\$ 9,055,028	\$ 7,973,519	\$ 8,038,204	\$ 8,363,626
Property Taxes, Net.....	6,754,133	7,081,033	7,220,315	7,410,276	7,551,509
Accounts.....	538,082	174,390	63,051	51,535	40,941
Other.....	701,460	809,287	310,722	282,797	294,665
Due From Other Governments.....	1,854,609	1,746,337	2,221,809	2,367,146	2,392,518
Inventory and Prepays.....	163,445	173,368	93,518	263,571	218,390
Capital Assets, Not Being Depreciated.....	13,364,749	13,450,467	13,767,990	14,292,255	14,292,255
Capital Assets, Net of Accumulated Depreciation.....	<u>54,121,000</u>	<u>50,057,717</u>	<u>42,159,039</u>	<u>38,753,545</u>	<u>35,951,788</u>
Total Assets.....	<u>\$84,610,316</u>	<u>\$82,547,627</u>	<u>\$73,809,963</u>	<u>\$71,459,329</u>	<u>\$69,105,692</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Pension Items.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,161,502</u>
Total Assets and Deferred Outflows of Resources.....	<u>\$84,610,316</u>	<u>\$82,547,627</u>	<u>\$73,809,963</u>	<u>\$71,459,329</u>	<u>\$75,267,194</u>
LIABILITIES:					
Accounts Payable.....	\$ 1,709,271	\$ 1,207,754	\$ 326,603	\$ 212,925	\$ 359,773
Accrued Payroll.....	432,068	494,322	479,958	519,805	211,036
Accrued Interest.....	141,526	175,922	188,775	125,294	99,044
Due to Other Funds.....	0	123,587	257,578	183,847	189,805
Other Unearned Revenue.....	228,700	479,975	256,233	143,215	169,135
Deposits Payable.....	25,340	0	0	0	0
Other Payables.....	0	0	181,290	348,106	660,430
Unearned Property Taxes.....	6,754,133	0	0	0	0
Noncurrent Liabilities:					
Due Within One Year.....	2,409,422	2,388,182	2,378,010	2,609,309	2,774,614
Due In More Than One Year.....	<u>13,440,743</u>	<u>13,956,363</u>	<u>12,926,119</u>	<u>11,366,589</u>	<u>34,348,176</u>
Total Liabilities.....	<u>\$25,141,203</u>	<u>\$18,826,105</u>	<u>\$16,994,566</u>	<u>\$15,509,090</u>	<u>\$ 38,812,013</u>
DEFERRED INFLOWS OF RESOURCES:					
Pension Items.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 430,515
Unearned Property Taxes.....	<u>0</u>	<u>7,081,033</u>	<u>7,220,315</u>	<u>7,410,276</u>	<u>7,551,509</u>
Total Liabilities and Deferred Inflows of Resources.....	<u>\$25,141,203</u>	<u>\$25,907,138</u>	<u>\$24,214,881</u>	<u>\$22,919,366</u>	<u>\$ 46,794,037</u>
NET POSITION:					
Invested In Capital Assets, Net.....	\$54,561,399	\$51,923,184	\$45,642,029	\$43,802,778	\$ 42,666,918
Restricted(2).....	4,741,354	2,842,833	3,698,489	4,035,861	3,943,036
Unrestricted.....	<u>166,360</u>	<u>1,874,472</u>	<u>254,564</u>	<u>701,324</u>	<u>(18,136,797)</u> (3)
Total Net Position.....	<u>\$59,469,113</u>	<u>\$56,640,489</u>	<u>\$49,595,082</u>	<u>\$48,539,963</u>	<u>\$ 28,473,157</u>

Notes: (1) Source: the City's audited financial statements for fiscal years ended April 30, 2012-2016.
 (2) Includes Debt Service, Capital Projects and Special Services.
 (3) This relates to change in accounting principle.

Statement of Activities(I) Governmental Activities

	Audited As of April 30				
	2012	2013	2014	2015	2016
Functions/Programs:					
General Government.....	\$ 670,960	\$ (1,891,100)	\$ (1,647,227)	\$ (794,690)	\$ (1,041,230)
Public Works	(883,726)	(1,098,516)	(1,354,724)	(1,238,846)	(1,141,243)
Economic/Community Development.....	(1,661,666)	(238,779)	(829,499)	(863,932)	(922,778)
Public Safety	(10,956,299)	(10,438,034)	(10,451,773)	(10,804,153)	(12,428,481)
Highways and Streets.....	(6,713,008)	(5,084,989)	(7,722,377)	(6,770,387)	(7,032,574)
Interest	(598,743)	(578,811)	(454,039)	(424,162)	(357,579)
Total Governmental Activities.....	<u>\$ (20,142,482)</u>	<u>\$ (19,330,229)</u>	<u>\$ (22,459,639)</u>	<u>\$ (20,896,170)</u>	<u>\$ (22,923,885)</u>
General Revenues:					
Taxes	\$ 7,040,929	\$ 7,001,929	\$ 7,653,947	\$ 8,022,984	\$ 8,217,384
Replacement Taxes.....	85,211	84,481	96,681	94,330	97,268
Intergovernmental Tax.....	8,866,868	6,990,864	8,860,884	8,960,283	9,466,767
Utility Tax	2,274,963	2,318,740	2,367,764	2,294,892	2,087,453
Interest	12,556	17,057	15,242	15,722	17,698
Gain on Sale of Capital Assets.....	0	0	0	391,621	315,802
Miscellaneous	0	88,534	236,899	61,219	85,072
Transfers	225,106	0	0	0	0
Total General Revenues and Transfers.....	<u>\$ 18,505,633</u>	<u>\$ 16,501,605</u>	<u>\$ 19,231,417</u>	<u>\$ 19,841,051</u>	<u>\$ 20,287,444</u>
Change In Net Assets.....	\$ (1,636,849)	\$ (2,828,624)	\$ (3,228,222)	\$ (1,055,119)	\$ (2,636,441)
Net Assets, Beginning.....	61,105,962	59,469,113	52,823,304(2)	49,595,082	48,539,963
Change in Accounting Principles.....	0	0	0	0	(17,430,365)
Net Assets, Ending.....	<u>\$ 59,469,113</u>	<u>\$ 56,640,489</u>	<u>\$ 49,595,082</u>	<u>\$ 48,539,963</u>	<u>\$ 28,473,157</u>

Notes: (1) Source: the City's audited financial statements for fiscal years ended April 30, 2012-2016.
 (2) Restated.

General Fund(I) Balance Sheet

	Audited as of April 30				
	2012	2013	2014	2015	2016
ASSETS:					
Cash and Investments.....	\$ 2,618,201	\$ 3,225,352	\$ 3,305,464	\$ 2,544,326	\$ 2,723,371
Receivables (Net of Allowances):					
Property Taxes.....	4,442,080	4,461,864	4,554,225	4,646,262	4,715,932
Accounts	538,082	174,390	62,736	51,232	40,654
Other	19,723	139,064	273,507	237,420	251,105
Due From Other Funds.....	0	0	13,175	0	0
Advance to Other Funds.....	0	13,175	0	13,175	0
Due From Other Governments.....	1,854,609	1,746,337	1,722,405	1,826,778	1,832,378
Inventory	163,445	173,368	93,518	135,571	214,949
Total Assets	<u>\$ 9,636,140</u>	<u>\$ 9,933,550</u>	<u>\$ 10,025,030</u>	<u>\$ 9,454,764</u>	<u>\$ 9,778,389</u>
LIABILITIES:					
Accounts Payable.....	\$ 227,568	\$ 168,795	\$ 126,295	\$ 111,600	\$ 165,543
Accrued Payroll.....	361,918	404,961	466,739	504,948	205,942
Due To Other Funds.....	0	91,388	0	0	0
Due To Other Governments.....	0	0	219,919	145,424	146,844
Deferred Property Taxes.....	4,442,080	0	0	0	0
Other Deferred Revenue.....	225,400	202,875	256,233	143,215	166,015
Deposit Payable.....	25,340	0	0	0	0
Compensated Absences Payable.....	781,884	0	0	0	0
Total Liabilities.....	<u>\$ 6,064,190</u>	<u>\$ 868,019</u>	<u>\$ 1,069,186</u>	<u>\$ 905,187</u>	<u>\$ 684,344</u>
DEFERRED INFLOWS OF RESOURCES:					
Unearned Property Taxes.....	\$ 0	\$ 4,461,864	\$ 4,554,225	\$ 4,646,262	\$ 4,715,932
Total Liabilities and Deferred Inflows of Resources.....	<u>\$ 6,064,190</u>	<u>\$ 5,329,883</u>	<u>\$ 5,623,411</u>	<u>\$ 5,551,449</u>	<u>\$ 5,400,276</u>
FUND BALANCE:					
Non-Spendable	\$ 163,445	\$ 186,543	\$ 93,518	\$ 148,746	\$ 218,390
Restricted	0	0	278,469	212,287	135,158
Unassigned	<u>3,408,505</u>	<u>4,417,124</u>	<u>4,029,632</u>	<u>3,542,282</u>	<u>4,024,565</u>
Total Fund Balance.....	<u>\$ 3,571,950</u>	<u>\$ 4,603,667</u>	<u>\$ 4,401,619</u>	<u>\$ 3,903,315</u>	<u>\$ 4,378,113</u>
Total Liabilities, Deferred Inflows and Fund Balances.....	<u>\$ 9,636,140</u>	<u>\$ 9,933,550</u>	<u>\$ 10,025,030</u>	<u>\$ 9,454,764</u>	<u>\$ 9,778,389</u>

Note: Source: the City's audited financial statements for fiscal years ended April 30, 2012-2016.

**General Fund(I)
 Revenues and Expenditures**

	Audited Fiscal Year Ending April 30				
	2012	2013	2014	2015	2016
REVENUES:					
Property Taxes.....	\$ 3,904,829	\$ 4,427,487	\$ 4,451,754	\$ 4,697,634	\$ 4,640,915
Replacement Taxes.....	85,211	84,481	96,681	94,330	97,268
Intergovernmental Tax.....	6,298,110	7,153,147	7,245,040	7,335,662	7,798,785
Utility Tax.....	2,274,963	2,817,363	2,367,763	2,294,892	2,087,453
Charges for Services.....	0	0	555,861	625,044	697,584
Fines and Forfeits.....	272,053	249,251	219,226	182,259	189,804
Licenses and Permits.....	435,586	587,003	501,386	461,850	535,388
Interest.....	5,480	8,088	7,733	9,477	8,177
Grant Revenue.....	0	2,253	0	0	0
Miscellaneous.....	1,163,367	88,534	96,244	128,819	293,201
Total Revenues.....	<u>\$14,439,599</u>	<u>\$15,417,607</u>	<u>\$15,541,688</u>	<u>\$15,829,967</u>	<u>\$16,348,575</u>
EXPENDITURES:					
Legislative.....	\$ 177,369	\$ 108,154	\$ 110,107	\$ 115,258	\$ 121,356
Administrative and Financial.....	589,347	894,323	535,273	473,463	771,377
Public Works.....	432,333	366,475	843,817	826,078	779,508
Maintenance.....	267,100	476,650	464,394	446,691	313,781
Storm Drainage.....	0	0	0	0	0
Buildings, Planning and Zoning.....	893,482	678,383	730,020	891,038	902,962
Economic Development.....	148,123	171,715	160,544	145,362	138,832
Police.....	5,214,708	5,457,576	6,211,650	6,733,204	6,767,686
Fire.....	3,605,528	3,728,325	3,862,145	4,120,710	4,162,402
Streets and Walks.....	1,844,046	1,681,237	1,471,608	1,334,360	1,218,056
Other.....	197,625	0	0	0	0
Principal and Interest.....	477,992	163,753	0	0	128,861
Capital Outlay.....	0	0	0	0	0
Total Expenditures.....	<u>\$13,847,653</u>	<u>\$13,726,591</u>	<u>\$14,389,558</u>	<u>\$15,086,164</u>	<u>\$15,304,821</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 591,946	\$ 1,691,016	\$ 1,152,130	\$ 743,803	\$ 1,043,754
Other Financing Sources (Uses):					
Operating Transfers In.....	\$ 320,106	\$ 32,813	\$ 0	\$ 0	\$ 0
Operating Transfers (Out).....	(1,185,386)	(692,112)	(1,359,049)	(1,247,717)	(569,971)
Sale of Capital Assets.....	0	0	4,871	5,610	1,015
Total Other Financing Sources (Uses).....	<u>\$ (865,280)</u>	<u>\$ (659,299)</u>	<u>\$ (1,354,178)</u>	<u>\$ (1,242,107)</u>	<u>\$ (568,956)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures.....	\$ (273,334)	\$ 1,031,717	\$ (202,048)	\$ (498,304)	\$ 474,798
Beginning Fund Balance.....	<u>3,845,284</u>	<u>3,571,950</u>	<u>4,603,667</u>	<u>4,401,619</u>	<u>3,903,315</u>
Ending Fund Balance.....	<u>\$ 3,571,950</u>	<u>\$ 4,603,667</u>	<u>\$ 4,401,619</u>	<u>\$ 3,903,315</u>	<u>\$ 4,378,113</u>

Note: (1) Source: the City's audited financial statements for fiscal years ended April 30, 2012-2016.

**General Fund(I)
 Budget Financial Information**

	Budget Twelve Months Ending 4/30/17
REVENUES:	
Property Taxes.....	\$ 4,752,240
Replacement Taxes.....	95,000
Sales Tax.....	5,000,000
State Income Tax.....	2,192,490
Municipal Tax.....	0
Utility Tax.....	2,120,690
Other Tax.....	668,035
Charges for Services.....	718,600
Fines and Forfeits.....	272,100
Licenses and Permits.....	545,640
Interest.....	7,455
Grants/Reimbursements.....	177,500
Transfers.....	557,075
Miscellaneous.....	<u>208,005</u>
Total Revenues.....	\$17,314,830
EXPENDITURES:	
Personnel Services.....	\$13,629,745
Operating.....	2,819,345
Debt Service.....	128,865
Transfers.....	<u>736,875</u>
Total Expenditures.....	\$17,314,830
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 0

Note: (1) Source: the City.

EMPLOYEE PENSION AND RETIREMENT OBLIGATIONS

The latest audited pension information is contained in **APPENDIX D** herein, an excerpt from the City's fiscal year 2016 audit.

The police and fire pensions are subject to audit. Currently, the pensions are not fully funded. The state law provides for fully funding over an extended period. The City annually funds the actuarially required contribution. In the event that contributions and investment revenue are insufficient for the pension obligation, the City will be required to increase its contribution by increasing revenues or decreasing expenditures on other services.

The Illinois Municipal Retirement Fund (IMRF) is held by the State of Illinois, which sets the annual contribution by the City. The full annual amount is funded each year.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The City shall cause books (the “Bond Register”) for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. The City will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the bond ordinance (the “Bond Ordinance”) passed by the President and Board of Trustees of the City to authorize the issuance of the Bonds. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner’s attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month in which an interest payment date occurs on such Bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner’s legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

TAX MATTERS

The Series 2016A Bonds

Interest on the Series 2016A Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Series 2016A Bonds may result in other federal income tax consequences to certain taxpayers. Series 2016A Bondholders should consult their tax advisors with respect to the inclusion of interest on the Series 2016A Bonds in gross income for federal income tax purposes and any collateral tax consequences.

The Series 2016B Bonds

Federal tax law contains a number of requirements and restrictions which apply to the Series 2016B Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Series 2016B Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Series 2016B Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2016B Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2016B Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Series 2016B Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "*Code*"), includes provisions for an alternative minimum tax ("*AMT*") for corporations in addition to the regular corporate tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("*AMTI*"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Series 2016B Bonds.

Ownership of the Series 2016B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2016B Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "*Issue Price*") for each maturity of the Series 2016B Bonds is the price at which a substantial amount of such maturity of the Series 2016B Bonds is first sold to the public. The Issue Price of a maturity of the Series 2016B Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the Issue Price of a maturity of the Series 2016B Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Series 2016B Bonds (the “OID Series 2016B Bonds”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Series 2016B Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Series 2016B Bond to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Series 2016B Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Series 2016B Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Series 2016B Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Series 2016B Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Series 2016B Bonds.

Owners of Series 2016B Bonds who dispose of Series 2016B Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Series 2016B Bonds in the initial public offering, but at a price different from the Issue Price or purchase Series 2016B Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Series 2016B Bond is purchased at any time for a price that is less than the Series 2016B Bond’s stated redemption price at maturity or, in the case of an OID Series 2016B Bond, its Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a Series 2016B Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Series 2016B Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser’s election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Series 2016B Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Series 2016B Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Series 2016B Bonds.

An investor may purchase a Series 2016B Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the Series 2016B Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor’s basis in the Series 2016B Bond. Investors who purchase a Series 2016B Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Series 2016B Bond’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Series 2016B Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Series 2016B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Series 2016B Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Series 2016B Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Series 2016B Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2016B Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Series 2016B Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Series 2016B Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Series 2016B Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

State Tax Treatment

Interest on the Bonds is not exempt from present State income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

QUALIFIED TAX-EXEMPT OBLIGATIONS – THE SERIES 2016B BONDS

Subject to the City's compliance with certain covenants, in the opinion of Bond Counsel, the Series 2016B Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

CONTINUING DISCLOSURE

The City will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934. No person, other than the City, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under “**THE UNDERTAKING**”.

A failure by the City to comply with the Undertaking will not constitute a default under the Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See “**THE UNDERTAKING - Consequences of Failure of the City to Provide Information.**” The City must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The City did not file its audited financial statements for fiscal year ended April 30, 2012 within the time period specified in its prior continuing disclosure undertaking related to its electric revenue bonds.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the City and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the City.

Annual Financial Information Disclosure

The City covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information within 210 days after the last day of the City’s fiscal year (currently April 30) beginning April 30, 2016. If Audited Financial Statements are not available when the Annual Financial Information is filed, the City will file unaudited financial statements. The City will submit Audited Financial Statements to the MSRB’s Electronic Municipal Market Access (“EMMA”) system within 30 days after availability to the City. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

“Annual Financial Information” means:

1. The table under the heading of “**Retailers’ Occupation, Service Occupation and Use Tax**” within this Official Statement;
2. All of the tables under the heading “**PROPERTY ASSESSMENT AND TAX INFORMATION**” within this Official Statement;
3. All of the tables under the heading “**DEBT INFORMATION**” within this Official Statement; and
4. All of the tables under the heading “**FINANCIAL INFORMATION**” (**Excluding Budget and Interim Financial Information**) within this Official Statement.

“Audited Financial Statements” means financial statements of the City as audited annually by independent certified public accountants. Audited Financial Statements are expected to continue to be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

Reportable Events Disclosure

The City covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The “Events” are:

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City*
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Consequences of Failure of the City to Provide Information

The City shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the City to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the City to comply with the Undertaking shall be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the City by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

(a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or

(ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the City (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the City shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

Termination of Undertaking

The Undertaking shall be terminated if the City shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The City shall give notice to the MSRB in a timely manner if this paragraph is applicable.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the City chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the City shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Dissemination of Information; Dissemination Agent

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through its EMMA system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

OPTIONAL REDEMPTION

The Bonds are **not** subject to optional redemption prior to maturity.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the City, threatened against the City that is expected to materially impact the financial condition of the City.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel"), who has been retained by, and acts as, Bond Counsel to the City. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the City, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), and the description of the federal tax exemption of interest on the Bonds. This review was undertaken solely at the request and for the benefit of the City and did not include any obligation to establish or confirm factual matters set forth herein.

OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATING

The Bonds have been rated “Aa2” by Moody’s Investor’s Service. The City has supplied certain information and material concerning the Bonds and the City to the rating services shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for investment ratings on the Bonds. Ratings reflect only the views of the rating agencies assigning such ratings and an explanation of the significance of such ratings may be obtained from such rating agencies. Generally, such rating services base their ratings on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such ratings will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating services if, in their judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment ratings may be obtained from the rating agencies: Moody’s Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. The City will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

UNDERWRITING

The Series 2016A Bonds

The Series 2016A Bonds were offered for sale by the City at a public, competitive sale on November 7, 2016. The best bid submitted at the sale was submitted by _____ (the “2016A Underwriter”). The City awarded the contract for sale of the 2016A Bonds to the 2016A Underwriter at a price of \$ _____. The 2016A Underwriter has represented to the City that the 2016A Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

The Series 2016B Bonds

The Series 2016B Bonds were offered for sale by the City at a public, competitive sale on November 7, 2016. The best bid submitted at the sale was submitted by _____ (the “Series 2016B Underwriter”). The City awarded the contract for sale of the Series 2016B Bonds to the Series 2016B Underwriter at a price of \$ _____. The Series 2016B Underwriter has represented to the City that the Series 2016B Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

MUNICIPAL ADVISOR

The City has engaged Speer Financial, Inc. as municipal advisor (the “Municipal Advisor”) in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the City’s continuing disclosure undertaking.

CERTIFICATION

We have examined this Official Statement dated October 31, 2016, for the \$380,000* Taxable General Obligation Refunding Bonds, Series 2016A and the \$2,745,000* General Obligation Refunding Bonds, Series 2016B, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery certificates confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **KEVIN R. BURNS**
Mayor
CITY OF GENEVA
Kane County, Illinois

/s/ **STEPHANIE DAWKINS**
City Administrator
CITY OF GENEVA
Kane County, Illinois

**Subject to change.*

APPENDIX A

**CITY OF GENEVA
KANE COUNTY, ILLINOIS**

FISCAL YEAR 2016 AUDITED FINANCIAL STATEMENTS

*City of Geneva, Illinois
Comprehensive Annual Financial Report*



For the Fiscal Year Ended April 30, 2016

**CITY OF GENEVA, ILLINOIS
COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2016

Prepared by the Finance Department

Rita Kruse
Finance Manager

CITY OF GENEVA, ILLINOIS
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INTRODUCTORY SECTION



September 20, 2016

Kevin R. Burns, Mayor
Lynn Landberg, Clerk
Pat McQueeny, Treasurer
Mayor Kevin R. Burns and City Council
City of Geneva, Illinois

Tara Burghart, Ward 1
Mike Bruno, Ward 1
Donald B. Cummings, Jr., Ward 2
Richard Marks, Ward 2
Dean Kilburg, Ward 3
Mary Suro, Ward 3
Jim Rudecki, Ward 3
Ron Singer, Ward 4
Craig Malandra, Ward 5
Tom Simonian, Ward 5
Stephanie K. Dawkins,
City Administrator

The Comprehensive Annual Financial Report (CAFR) of the City of Geneva for the fiscal year ended April 30, 2016 is hereby submitted. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally-accepted auditing standards, include all of the accounts and funds of the City, and be completed within six months after the close of the fiscal year. The City is required to issue a report on its financial position and activity presented in conformance with generally-accepted accounting principles (GAAP). This report presents a comprehensive picture of the City's financial activities and has been published to fulfill the requirements for the fiscal year ended April 30, 2016.

The financial report consists of management's representations concerning the finances of the City of Geneva. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City of Geneva's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The independent auditor issued an unmodified ("clean") opinion on the City's financial statements for the year ended April 30, 2016. The independent auditor's report is located at the beginning of the financial section of this report.

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

Profile of the government

The City of Geneva, founded in 1835, is located in the Fox River Valley 40 miles west of Chicago and serves a population of 21,495. The City of Geneva is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Geneva operates under the mayor-council form of government. Policy-making and legislative authority are vested in the governing council (Council) consisting of the mayor and ten other members. The Mayor is elected at large while the Council is elected by ward. Council members serve four-year terms, with five members elected every two years. The Mayor is elected for a four-year term. The Mayor, with Council advice and consent, appoints the City Administrator as well as several other positions within the City. The City Administrator recommends the appointment of department heads.

The City of Geneva provides a full range of services, including police and fire protection; refuse collection; snow and leaf removal; traffic control; on- and off-street parking; building inspections; licenses and permits; construction and maintenance of streets and other infrastructure; cemetery maintenance; water and sewer service; and electric service.

The City Council is required to adopt an initial budget for the fiscal year no later than April 30 preceding the beginning of the fiscal year on May 1. This annual budget serves as the foundation for the City of Geneva's financial planning and control. The budget is prepared by fund and department. Department heads may transfer resources within a department as they see fit. The City Administrator may transfer resources between departments; however transfers between funds need approval from the City Council.

Local economy

The City of Geneva is a western suburb of Chicago and is the Kane County seat. Nearly 1,200 businesses call Geneva home, including many food industry partners including Peacock Engineering, Roquette, Power Packaging, On-Cor Frozen Foods and Flavors of North America. The City of Geneva is also known for its historic downtown business district (over 1.1 mil s.f. of commercial space), the Geneva Commons Lifestyle Shopping Center on Randall Road, the Geneva Business Park and Kane County Cougars (Arizona Diamondbacks Class A) minor league baseball. The City of Geneva works closely with the Chamber of Commerce to promote Geneva as a wonderful tourist destination.

During the past ten years, the unemployment rate for Kane County rose from a low of 3.9% (2006) to a high of 11.1% for 2010. The April 2016 unemployment rate for Kane County was 5.1%.

Long-term financial planning and major initiatives

Unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) in the General Fund at year end was 27% of General Fund expenditures. This amount was just above the policy guidelines set by the City Council for budgetary and planning purposes (i.e., three months of General Fund expenditures, 25%).

The fiscal year 2017 Capital Improvement Program anticipates \$9.7 in capital projects. Included in this \$9.7 million is \$.668 million for vehicles, \$2.2 million in street improvements, \$.975 million for the wastewater treatment plant upgrade (design and construction, phase 1) and \$.7 million for overhead/underground electrical line upgrades. The remainder of the program will finance improvements to City buildings, vehicle and equipment replacements and water and sewer and electrical service upgrades.

CITY OF GENEVA, ILLINOIS

OFFICERS AND OFFICIALS

APRIL 30, 2016

LEGISLATIVE

City Council

Kevin R. Burns, Mayor
Lynn Landberg, City Clerk
Patrick McQueeny, Treasurer

Tara Burghart	Ward 1	Dean Kilburg	Ward 3
Mike Bruno	Ward 1	Jim Radecki	Ward 4
Richard Marks	Ward 2	Ron Singer	Ward 4
Donald B. Cummings Jr.	Ward 2	Craig Maladra	Ward 5
Mary Seno	Ward 3	Tom Simonian	Ward 5

EXECUTIVE

Mary McKittrick, City Administrator
Stephanie Dawkins, Asst. City Administrator

FINANCE DIVISION

Rita Kruse, Finance Manager
Darshana Prakash, Accounting Supervisor
Susan Hendrickson, Accounts Payable Specialist
Kimberly Hillquist, Accounts Receivable Specialist
Amber Wilson, Utility Billing Specialist

Relevant financial policies

The City of Geneva has adopted a comprehensive set of financial policies that set forth the basic framework for the overall fiscal management of the City. These policies assist the decision making process of the City Council and the Administration. The policies provide guidelines for evaluating both current activities and proposals for future programs and budgets.

Financial policies aid the City by improving financial management, financial position and the credit worthiness of the City. They also serve to ensure that all financial transactions conducted by or on behalf of the City are made in a manner and method which provides for the most proficient and effective management of the financial resources and funds of the City. Several examples include: Fund Balance Policy (25% of operating expenditures); Investment Policy; Debt Policy and Internal Control Policy.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City for its annual budget document dated May 1, 2014, the fifth consecutive year. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to the City of Geneva for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2015. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized CAFR, the contents of which 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. The City received the Certificate of Achievement for the second consecutive year and we believe our current report continues to conform to the Certificate of Achievement program requirements. We are submitting the CAFR to GFOA to determine its eligibility for another certificate.

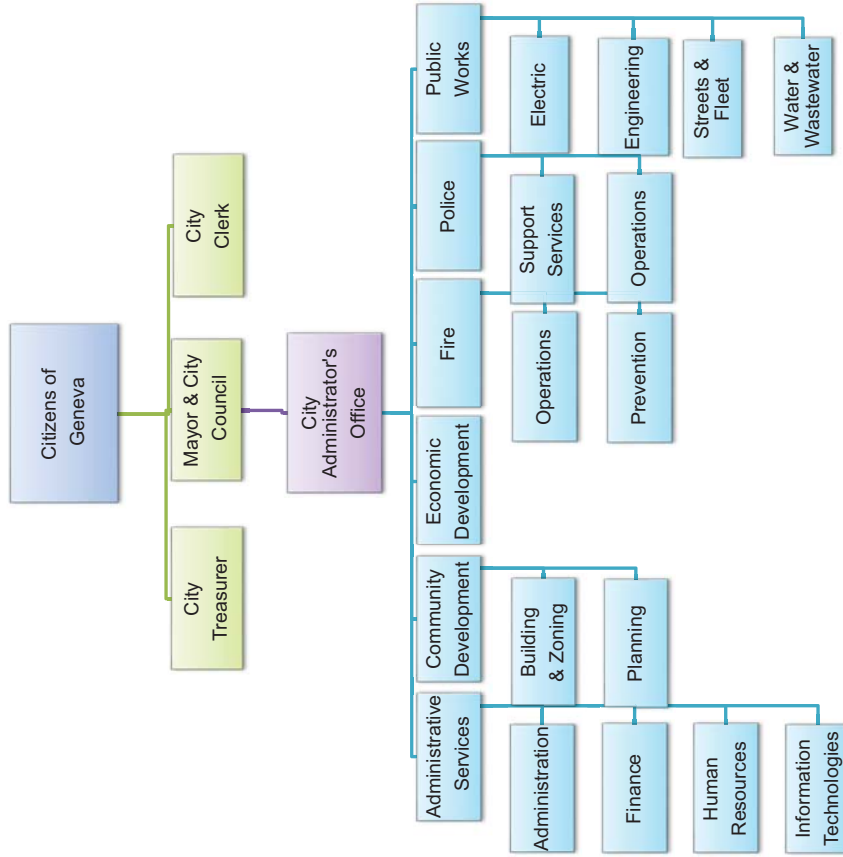
The preparation of the CAFR on a timely basis was made possible by the efficient and dedicated service of the entire staff of the Finance Division and the assistance provided by other staff in the Administrative Services Department. I especially would like to thank the Finance Division staff, Darshana Prakash, Kim Hillquist, Amber Wilson and Susan Hendrickson for their dedication and support and the leadership provided by City Administrator Mary McKittrick and Assistant City Administrator/Director of Administrative Services Stephanie Dawkins.

Respectively submitted,



Rita Kruse, CPA
Finance Manager

City of Geneva



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to
City of Geneva
Illinois

For its Comprehensive Annual
 Financial Report
 for the Fiscal Year Ended

April 30, 2015

Jeffrey R. Egan
 Executive Director/CEO



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

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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 Geneva, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 11, the City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; modified certain disclosures in the notes to financial statements; and the required supplementary information. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents 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 financial statements and schedules and statistical section as listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and statistical section 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.

Sieck LLP

Naperville, Illinois
September 20, 2016

Management's Discussion and Analysis

As management of the City of Geneva, we offer readers of the City of Geneva's financial statements this narrative overview and analysis of the financial activities of the City of Geneva for the fiscal year ended April 30, 2016. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages i-iii of this report.

Financial Highlights

- The City of Geneva adopted GASB pronouncement 68, which established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for defined-benefit pension plans. To record the liabilities for the City's police, fire and IMRF pensions required change in accounting principle adjustments. Combined with the current year change in net position, the City's governmental activities recognized a decrease to net position of \$20 million. The net change to business-type activities was an increase to net position of \$4 million.
- The City's total net position for 2016 was \$128.8 million, a decrease of \$9 million from the restated net position.
- Ending net position for the governmental activities decreased by \$2.6 million for an ending net position of \$28.5 million compared to the beginning restated balance of \$31.1 million.
- Business-type activities increased by \$1.7 million to \$100.3 million at the end of the year of which \$14.9 million is available for operations.
- The City collected \$2.3 million in program revenues and \$20.3 million in general revenues in its governmental activities in 2016. Governmental activities expenses were \$25.2 million.
- Charges for services for business type activities were \$51.3 million with \$.17 million of capital grants and contributions.
- The general fund has increase in fund balance to \$4.4 million due to higher than expected income and local use tax combined with lower than anticipated expenditures due to a milder winter.

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The Government-wide financial statements are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The City's Comprehensive Annual Financial Report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses accounting similar to full accrual accounting used in the private sector. Inter-fund activity is eliminated and the cost of assets with a long service life is spread out over future years so that capital expenditures are amortized (through depreciation) when the benefits are realized.

The first of these government-wide statements is the *Statement of Net Position*. This is the City-wide statement of position presenting information that includes all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. The focus of the Statement of Net Position, the Unrestricted Net Position, is designed to be similar to the bottom line results for the City and its governmental and business-type activities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, development, highways and streets and interest. Business-type activities reflect private sector-type operations where the fee for service typically covers all or most of the cost of operation, including depreciation. The City's business-type activities include electric, water and sewer utilities, refuse, parking, and cemetery. Fiduciary activities, such as employee pension plans, are not included in the government-wide statements since these assets are not available to fund City programs.

The government-wide financial statements are presented on pages 4-7 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining schedules in a later section of this report. The funds of the City are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of the short-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

The City maintains 17 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund which is the only major fund. Data from the other governmental funds are combined into a single, aggregate presentation. Budgetary comparison statements are included in the basic financial statements for the General Fund. Budgetary comparison schedules for other funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's budget.

The basic governmental fund financial statements are presented on pages 8-12 of this report.

Proprietary funds reported in the fund financial statements are for those services for which the City charges customers a fee. There are two kinds of proprietary funds, enterprise and internal service. Enterprise funds encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are primarily provided to customers external to the City organization. The City uses enterprise funds to account for electric, water and wastewater services, refuse, commuter lot parking and cemetery services. Internal service funds provide services and charge fees to customers within the City organization such as equipment maintenance or insurance. The City uses internal service funds to account for employee dental insurance, workers' compensation claims and compensated absences.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements, but with more detail for the major enterprise funds.

The basic proprietary fund financial statements are presented on pages 13-17 of this report.

Fiduciary funds such as the employee pension plans are reported in the fiduciary fund financial statements but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. Fiduciary fund financial statements are reported similar to proprietary funds. The City uses fiduciary funds to account for the police pension plan, the firefighters' pension plan and Tri-Com.

The basic fiduciary fund financial statements are presented on pages 18-19 of this report.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's funding of pension benefit obligations to its employees and budget information beginning on page 69.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 102.

Government-Wide Overall Financial Analysis

Statement of Net Position

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City of Geneva, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$128.8 million, at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position (in millions):

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Other Assets	\$ 18.4	\$ 31.8	\$ 18.8	\$ 22.1	\$ 37.2	\$ 53.9
Capital Assets	53.0	37.4	121.4	119.2	174.4	156.6
Total Assets	71.4	69.2	140.2	141.3	211.6	210.5
Deferred Outflows	-	6.1	1.1	2.2	1.1	8.3
Total Assets & Deferred Outflows	71.4	75.3	141.3	143.5	212.7	218.8
Long-Term Liabilities	13.9	37.1	38.2	38.9	52.1	76.0
Other Liabilities	1.5	1.7	4.3	4.3	5.8	6.0
Total Liabilities	15.4	38.8	42.5	43.2	57.9	82.0
Deferred Inflows	7.4	8.0	-	0.1	7.4	8.1
Total Liabilities & Deferred Inflows	22.8	46.8	42.5	43.3	65.3	90.1
Net Position						
Net Investment in Capital Assets,	13.8	42.7	84.1	85.2	97.9	127.9
Restricted	4.0	3.9	0.2	0.2	4.2	4.1
Unrestricted	0.7	(18.1)	15.4	14.9	16.1	(3.2)
Total Net Position	\$ 18.5	\$ 28.5	\$ 99.7	\$ 100.3	\$ 118.2	\$ 128.8

The largest portion of net position (99.3%) reflects the investment in capital assets including land, buildings, infrastructure and equipment, less any related debt used to acquire those assets that is still outstanding. Although the City's investment in its capital assets is reported net of related debt, resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate the liabilities.

An additional portion of the City of Geneva's net position (3.2%) represents resources that are subject to external restrictions on how they may be used, for example, Motor Fuel Tax Fund revenues. The remaining balance of \$(3.2) million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors or to fund future capital improvements.

The negative unrestricted net position is due to the implementation of GASB 68. Of net position, \$29.9 million reflects the net pension liabilities for the City's three pension plans.

Governmental Activities. During the fiscal year, net position for the governmental activities decreased \$2.6 million from the prior fiscal year for an ending balance of \$28.5 million. The decrease is mainly due to the net expenses for the three pension plans (\$2.0 million).

Business-type Activities. For the City of Geneva's business-type activities, the results for the fiscal year were positive in that overall net position increased to an ending balance of \$100.3 million. The total increase in net position was \$1.7 or 1.9% from the restated prior fiscal year. The growth is attributable to the Electric Fund reporting operating income of \$1.8 million.

Changes in Net Position

City of Geneva
 Changes in Net Position for the Fiscal Year Ended April 30, 2016 (in millions)

	Governmental Activities		Business-Type Activities		Total
	2015	2016	2015	2016	
Revenues and Net Transfers					
Program Revenues					
Charges for Services	\$ 1.8	\$ 1.7	\$ 50.0	\$ 51.3	\$ 53.0
Operating Grants	0.6	0.6	-	-	0.6
Capital Grants	-	-	5.9	0.2	5.9
Total	2.4	2.3	55.9	51.5	53.8
General Revenues					
Property Taxes	7.2	7.4	-	7.2	7.4
Utility Taxes	2.3	2.1	-	2.3	2.1
Hotel/Motel Taxes	0.2	0.2	-	0.2	0.2
Local Use Taxes	0.4	0.5	-	0.4	0.5
Other Taxes	0.1	0.1	-	0.1	0.1
Intergovernmental	9.0	9.6	-	9.0	9.6
Investment Income	0.0	0.0	0.1	0.1	0.1
Miscellaneous	0.4	0.3	-	0.4	0.3
Gain (loss) on sale of capital assets	0.1	0.1	0.0	-	0.1
Total Revenues	22.1	22.6	56.0	51.6	74.2
Expenses					
General Government	1.7	1.8	-	1.7	1.8
Public Works	1.3	1.2	-	1.3	1.2
Economic Development	0.4	0.5	-	0.4	0.5
Community Development	0.9	1.0	-	0.9	1.0
Public Safety	11.1	12.8	-	11.1	12.8
Highways & Streets	7.3	7.6	-	7.3	7.6
Interest	0.4	0.3	-	0.4	0.3
Electric	-	-	37.7	39.7	39.7
Water and Sewer	-	-	8.1	9.0	9.0
Other	-	-	1.0	1.2	1.2
Total Expenses	23.1	25.2	46.8	49.9	75.1
Changes in Net Position	(1.0)	(2.6)	9.2	1.7	(0.9)
Net Position, May 1	49.6	48.6	90.7	99.9	140.3
Change in Accounting Principle	-	(17.4)	-	(1.3)	- (18.7)
Net Position April 30	\$ 48.6	\$ 28.5	\$ 99.9	\$ 100.3	\$ 148.4

Financial Analysis of Governmental Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Geneva itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Geneva's City Council.

At April 30, 2016, the City of Geneva's governmental funds reported combined ending fund balances of \$8.9 million, an increase of \$2 million from the prior year. Approximately 23.1% of this amount (\$4.0 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either, nonspendable, restricted or assigned to indicate that it is 1) not in spendable form (\$2 million), 2) restricted for particular purposes (\$3.9 million) or 3) assigned for particular purposes (\$2 million). The increase in the governmental funds combined ending fund balance can be traced to a combination of the increase in the General Fund (\$5 million) and the increases in the Motor Fuel Tax fund (\$.1 million) and the decrease in the General Capital Projects fund (\$.5) and in the Infrastructure Capital Projects fund (.3 million). Revenues exceeded expenditures by \$.4 million in the General Fund, however the City transferred \$.4 million to the Infrastructure Capital Projects fund for street improvements and \$.09 million to SSA #1 for operating assistance. The Capital Equipment fund received funds from the sale of multiple vehicles that the City owned. The remaining funds had modest increases or decreases in fund balance.

The General Fund is the chief operating fund of the City of Geneva. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4.0 million, and total fund balance increased to \$4.4 million. As a measure of the General Fund's liquidity it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 25.3% of total General Fund expenditures while total fund balance represents approximately 27.5% of that same amount.

Proprietary Funds. The City of Geneva's proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term financial status information.

Major Proprietary Funds

The major proprietary funds operated by the City are the Electric and Waterworks & Sewerage Funds. In the Electric Fund, continued use of the Power Cost Adjustment (PCA) resulted in Electric Sales revenues exceeding the prior fiscal year by 1.4% or \$6 million. The PCA is calculated monthly and automatically passes through any incremental changes in the City's cost of power for the month. Electric Fund operating expenses increased 5.9% or \$2.2 million over the prior fiscal year, but that was mainly due to increased prices paid for electricity, \$1.3 million or 4.0% over FY 2015. Significant capital projects included the overhead/underground cable replacement program, substation improvements and vehicle replacements. For the fiscal year, the Electric Fund reported a \$1.6 million increase in Net Position compared to \$3.5 million in the prior fiscal year. In the Waterworks and Sewerage Fund, sales of water and sewer went up by \$6 million or 7.9%. The water rates were increased in December to cover costs of production and transportation and include a larger fixed charge component so that the Waterworks and Sewerage Fund would be less dependent on consumption. The rate also includes a fix rates to fund future infrastructure needs. The operating expenses of the Waterworks & Sewerage Fund increased \$1.8 million or 11.1% over the prior fiscal year mainly due to an increase in capital outlay compared to the prior fiscal year.

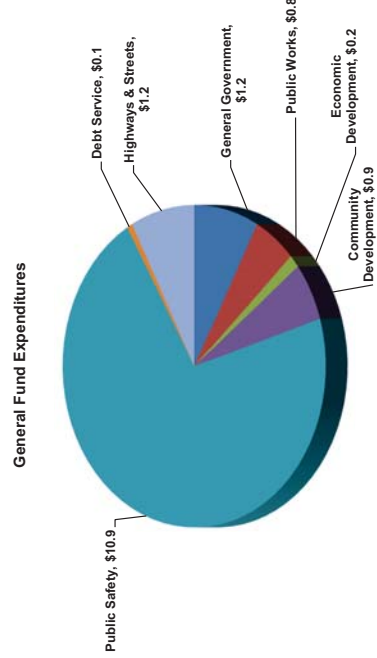
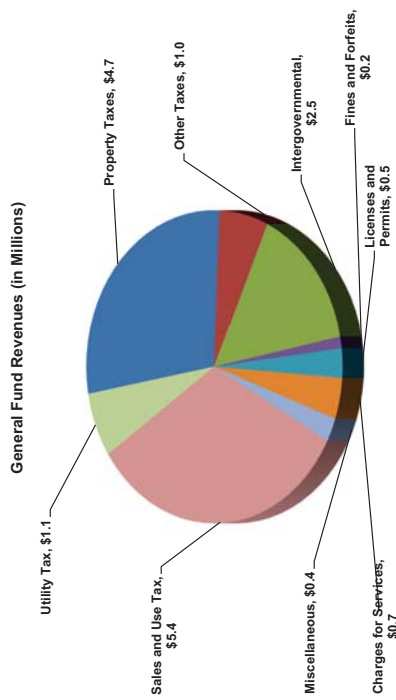
General Fund Budgetary Highlights

Original budget compared to final budget. During the year there was one amendment to increase the original General Fund budgeted appropriations. The first amendment increased appropriations to increase revenue and related expenditures for reimbursement of expenses which covered the repair costs of a city vehicle. Budget adjustments were made throughout the year to move appropriations within departments.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Sales Tax	\$5,042,730	\$4,952,394	(\$90,336)
Telecom Tax	1,000,000	898,149	(101,851)
Charges for Services	598,400	697,584	99,184
Fines and Forfeits	220,000	189,804	(30,194)

The lower Sales Tax revenue cannot be traced to any specific business or business classification. The decrease in Simplified Telecommunications Tax (Telecom Tax) continues a declining trend over the last several fiscal years. Charges for Services were higher due to an increase in Cable Franchise Fee revenues and an increase in Community Development Review Fees. Fines and Forfeits were less than expected due to lower than expected Court Fines.



A review of actual expenditures compared to the appropriations in the final budget reveals no significant variances other than highway and streets. Highway and Streets saw a decrease due to staff turnover and a mild winter. Community Development Department had increased costs for contractual inspection services which is offset by increased permit revenue.

Department	Original Budget	Final Budget	Actual	Difference
General Government	\$1,254,142	\$1,275,424	\$1,206,514	\$(68,910)
Public Works	844,091	842,591	779,508	(63,083)
Community Development	884,982	884,982	902,962	17,980
Economic Development	165,982	165,892	138,832	(27,060)
Police	6,711,068	6,711,068	6,767,686	56,618
Fire	4,138,451	4,138,451	4,162,402	23,951
Highway & Streets	1,975,814	1,977,314	1,218,056	(759,258)
Transfers Out	637,040	637,040	569,971	(67,069)

Capital Assets and Debt Administration

Capital Assets. The City of Geneva's investment in capital assets for its governmental and business-type activities as of April 30, 2016, amounts to \$169.4 million (net of accumulated depreciation) with \$50.2 million in governmental activities and \$119.2 million in business-type activities. Capital assets include land, buildings, equipment and infrastructure. Capital assets have a useful life greater than one year with an initial, individual cost of more than \$50,000 for streets, bridges and storm sewers, electric and water and sewer infrastructure; \$20,000 for sidewalks; and \$5,000 for all other capital assets.

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
Land Improvements	\$14.3	\$14.3	\$2.0	\$2.0	\$16.3	\$16.3
Buildings	0.6	1.0	0	0	0.6	1.0
Vehicles	9.1	8.8	0	0	9.1	8.8
Machinery & Equipment	1.0	1.3	0	0	1.0	1.3
Infrastructure	0.5	0.4	0	0	0.5	0.4
Electric System	27.5	24.4	0	0	27.5	24.4
Water & Sewer System	0	0	37.2	37.1	37.2	37.2
Cemetery	0	0	70.6	68.9	70.6	68.9
Commuter Parking Lots	0	0	11.5	11.2	11.5	11.2
Construction in Progress	0	0	0	0	0	0
Total	\$53.0	\$50.2	\$121.4	\$119.2	\$174.4	\$169.4

Major capital asset events during the current fiscal year included the following:

- The improvements for \$.4 million in the downtown district parking lot for 3rd Street shoppers.
- The ongoing replacement of overhead cable replacement and burial of electric cable totaled \$.9 million and other electric service projects totaled \$.6 million.
- The purchase of various vehicles at a total cost of \$.7, including \$.5 in the Governmental Activities and \$.2 million in the Business-Type Activities.
- Water main replacement in the amount of \$.6 million.

Additional information on the City of Geneva's capital assets can be found in Note 4 on pages 35-36 of this report.

Long-Term Debt. At the end of the current fiscal year, the City of Geneva had \$76.0 million in long-term debt outstanding. Of this total, \$23.0 million represents general obligation bonds, \$1.0 million in revenue bonds, \$.1 million in Tax Increment Financing Bonds, \$.2 million in Special Service Area Bonds and \$18.0 million in notes payable. Reductions amounted to \$6.8 during the year due to principal payments. Issuances increased due to GASB 68, with the net pension liabilities increasing by \$9.1 million. As a non-home rule government, under Illinois law, the City is limited in issuing debt.

	Governmental Activities		Business-Type Activities		Total	
	2015, restated	2016	2015, restated	2016	2015, restated	2016
GO Bonds	\$6.8	\$7.3	\$17.2	\$15.7	\$26.0	\$23.0
Unauthorized discount (premium) on bonds	0	0	0.4	0.4	.4	0.4
Special Service Area Debt	0.2	0.2	0	0	0.2	.2
Revenue Bonds	0.1	0	1.1	1.0	1.1	1.0
TIF Bonds	0	0	0	0	0	0.1
Notes Payable	0	0	19.6	18.0	19.6	18.0
Certificates of Participation	0.4	0.3	0	0	0.4	.3
Compensated Absences	2.3	2.0	.9	.9	3.2	2.9
Net Pension Liability	14.9	27.0	1.4	2.9	1.9	29.9
Net OPEB Obligation	.2	.2	0	0	0	0
Total	\$27.0	\$37.1	\$39.5	\$38.9	\$53.1	\$76.0

Moody's Investors Service has assigned an Aa2 rating to the City's bonds.

Additional information on the City of Geneva's long-term debt can be found in Note 6 on pages 37-45 of this report.

Economic Factors and Next Year's Budgets and Rates

The City of Geneva is primarily a residential community and its General Fund relies on sales taxes from its two major business districts, property taxes, municipal tax from the City's electric and water utilities and income tax from the State of Illinois. The City's official population currently stands at 21,495 representing a 1.9% decrease from the 2004 special census.

The overall financial position of the City is sound. The General Fund's fund balance increased due to increased income and local use tax. Expenditure constraints included a hiring freeze, voluntary employee furlough program, limited professional development and deferred capital projects. Utility rates in the City's Proprietary Funds are monitored to ensure operating and capital costs are adequately covered. The City passed a three year water/sewer rate plan in December 2015 to ensure proper funding for the water/sewer utility.

The FY 2017 balanced budget was passed in April 2016 totaling \$88.1 million in revenue and \$87.3 in expenses. The General Fund provided for slight increase in revenue with increases in personnel services.

CITY OF GENEVA, ILLINOIS
STATEMENT OF NET POSITION

April 30, 2016

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have any questions about this report or would like to request additional financial information, contact the City's Finance Manager, at the City of Geneva, 15 S. 1st Street, Geneva, Illinois 60134 or access the City's website at www.geneva.il.us.

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 8,363,626	\$ 13,348,894	\$ 21,712,520
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	7,551,509	-	7,551,509
Other taxes	144,217	-	144,217
Accounts	40,941	7,058,285	7,099,226
Accrued interest	1,574	16,082	17,656
Other	148,874	150,421	299,295
Prepaid expenses	3,441	2,919	6,360
Inventories	214,949	1,487,662	1,702,611
Due from other governments	2,392,518	-	2,392,518
Capital assets			
Not depreciated	14,292,255	2,409,931	16,702,186
Depreciated (net of accumulated depreciation)	35,951,788	116,839,377	152,791,165
Total assets	69,105,692	141,313,571	210,419,263
DEFERRED OUTFLOWS OF RESOURCES			
Pension items	6,161,502	1,243,519	7,405,021
Deferred charge on refunding	-	1,000,244	1,000,244
Total deferred outflows of resources	6,161,502	2,243,763	8,405,265
Total assets and deferred outflows of resources	75,267,194	143,557,334	218,824,528

CITY OF GENEVA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2016

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	\$ 359,773	\$ 3,686,054	\$ 4,045,827
Retainage payable	1,332	22,761	24,093
Accrued payroll	211,036	90,743	301,779
Accrued interest payable	99,044	331,072	430,116
Deposits payable	-	105,902	105,902
Due to others	189,805	29,139	218,944
Unearned revenue	169,135	49,000	218,135
Claims payable	659,098	-	659,098
Long-term liabilities			
Due within one year	2,774,614	4,055,863	6,830,477
Due in more than one year	34,348,176	34,844,132	69,192,308
Total liabilities	38,812,013	43,214,666	82,026,679
DEFERRED INFLOWS OF RESOURCES			
Pension items	430,515	59,327	489,842
Deferred property taxes	7,551,509	-	7,551,509
Total deferred inflows of resources	7,982,024	59,327	8,041,351
Total liabilities and deferred inflows of resources	46,794,037	43,273,993	90,068,030
NET POSITION			
Net investment in capital assets	42,666,918	85,209,970	127,876,888
Restricted for			
Capital projects	941,810	-	941,810
Social Security	107,410	-	107,410
Highways and streets	856,534	-	856,534
Public safety	82,073	-	82,073
Subdivision maintenance	490,994	-	490,994
Special purpose	482,776	-	482,776
Economic development	668,594	-	668,594
Debt service	312,845	-	312,845
Perpetual care	-	190,770	190,770
Unrestricted (deficit)	(18,136,797)	14,882,601	(3,254,196)
TOTAL NET POSITION	\$ 28,473,157	\$ 100,283,341	\$ 128,756,498

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,823,872	\$ 771,842	\$ 10,800	\$ -
Public works	1,179,980	38,737	-	-
Economic development	498,728	-	-	-
Community development	1,002,720	578,670	-	-
Public safety	12,797,783	325,545	43,757	-
Highways and streets	7,582,392	-	549,818	-
Interest	357,579	-	-	-
Total governmental activities	25,243,054	1,714,794	604,375	-
Business-Type Activities				
Waterworks and sewerage	8,959,572	8,967,808	-	-
Electric	39,708,530	41,224,418	-	-
Commuter parking	660,495	507,604	-	175,585
Refuse	496,294	510,979	-	-
Cemetery	50,322	85,531	-	-
Total business-type activities	49,875,213	51,296,340	-	175,585
TOTAL PRIMARY GOVERNMENT	\$ 75,118,267	\$ 53,011,134	\$ 604,375	\$ 175,585

CITY OF GENEVA, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2016

Net (Expense) Revenue and Change in Net Position			
Governmental Activities	Primary Government Business-Type Activities	Total	
\$ (1,041,230)	\$ -	\$ (1,041,230)	
(1,141,243)	-	(1,141,243)	
(498,728)	-	(498,728)	
(424,050)	-	(424,050)	
(12,428,481)	-	(12,428,481)	
(7,032,574)	-	(7,032,574)	
(357,579)	-	(357,579)	
(22,923,885)	-	(22,923,885)	
-	8,236	8,236	
-	1,515,888	1,515,888	
-	22,694	22,694	
-	14,685	14,685	
-	35,209	35,209	
-	1,596,712	1,596,712	
(22,923,885)	1,596,712	(21,327,173)	
7,402,104	-	7,402,104	
2,087,453	-	2,087,453	
244,513	-	244,513	
498,691	-	498,691	
72,076	-	72,076	
2,290,774	-	2,290,774	
7,175,993	-	7,175,993	
97,268	-	97,268	
17,698	50,689	68,387	
315,802	-	315,802	
85,072	46,881	131,953	
20,287,444	97,570	20,385,014	
(2,636,441)	1,694,282	(942,159)	
48,539,963	99,863,910	148,403,873	
(17,430,365)	(1,274,851)	(18,705,216)	
31,109,598	98,589,059	129,698,657	
\$ 28,473,157	\$ 100,283,341	\$ 128,756,498	

ASSETS			
General	Nonmajor Governmental Funds	Total Governmental Funds	
\$ 2,723,371	\$ 4,191,993	\$ 6,915,364	
4,715,932	2,835,577	7,551,509	
144,217	-	144,217	
40,654	-	40,654	
277	979	1,256	
103,170	45,704	148,874	
3,441	-	3,441	
214,949	-	214,949	
1,832,378	560,140	2,392,518	
\$ 9,778,389	\$ 7,634,393	\$ 17,412,782	

TOTAL ASSETS

General Revenues			
Governmental Activities	Primary Government Business-Type Activities	Total	
7,402,104	-	7,402,104	
2,087,453	-	2,087,453	
244,513	-	244,513	
498,691	-	498,691	
72,076	-	72,076	
2,290,774	-	2,290,774	
7,175,993	-	7,175,993	
97,268	-	97,268	
17,698	50,689	68,387	
315,802	-	315,802	
85,072	46,881	131,953	
20,287,444	97,570	20,385,014	
(2,636,441)	1,694,282	(942,159)	
48,539,963	99,863,910	148,403,873	
(17,430,365)	(1,274,851)	(18,705,216)	
31,109,598	98,589,059	129,698,657	
\$ 28,473,157	\$ 100,283,341	\$ 128,756,498	

CHANGE IN NET POSITION

NET POSITION, MAY 1

Change in accounting principle

NET POSITION, MAY 1, RESTATED

NET POSITION, APRIL 30

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS

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

April 30, 2016

FUND BALANCES OF GOVERNMENTAL FUNDS		\$ 8,934,952
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		50,244,043
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date (IMRF only) are recognized as deferred outflows and inflows of resources on the statement of net position		963,050
Illinois Municipal Retirement Fund		2,942,456
Police Pension Fund		1,825,481
Firefighters' Pension Fund		(99,044)
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		(1,171,921)
Interest payable		(7,584,243)
Compensated absences payable		(203,487)
Bonds payable		(2,403,020)
Net other postemployment benefit obligation		(18,511,422)
Net pension liability for the Illinois Municipal Retirement Fund		(6,120,340)
Net pension liability for the Police Pension Fund		(252,125)
Net pension liability for the Firefighters' Pension Fund		(91,223)
Certificates of participation		
The net position of the internal service funds are included in the governmental activities in the statement of net position		
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 28,473,157

	General	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 165,543	\$ 189,470	\$ 355,013
Retainage payable	-	1,332	1,332
Accrued payroll	205,942	5,094	211,036
Due to other governments	146,844	42,961	189,805
Unearned revenue	166,015	3,120	169,135
Total liabilities	684,344	241,977	926,321
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	4,715,932	2,835,577	7,551,509
Total deferred inflows of resources	4,715,932	2,835,577	7,551,509
Total liabilities and deferred inflows of resources	5,400,276	3,077,554	8,477,830
FUND BALANCES			
Nonspendable	3,441	-	3,441
Prepaid items	214,949	-	214,949
Inventory	-	-	-
Restricted	107,410	-	107,410
Social Security	-	856,534	856,534
Highways and streets	6,748	75,325	82,073
Public safety	-	941,810	941,810
Capital projects	-	490,994	490,994
Subdivision maintenance	-	668,594	668,594
Economic development	21,000	461,776	482,776
Special purposes	-	312,845	312,845
Debt service	-	-	-
Assigned	-	42,375	42,375
Special purpose	-	706,586	706,586
Capital projects	-	-	-
Unassigned	4,024,565	-	4,024,565
Total fund balances	4,378,113	4,556,839	8,934,952
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,778,389	\$ 7,634,393	\$ 17,412,782

See accompanying notes to financial statements.

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 6,800,443	\$ 3,004,701	\$ 9,805,144
Intergovernmental	7,896,053	2,817,174	10,713,227
Recovery of costs	-	103,205	103,205
Licenses and permits	535,388	-	535,388
Charges for services	697,584	37,642	735,226
Fines and forfeitures	189,804	17,555	207,359
Investment income	8,177	9,521	17,698
Miscellaneous	221,126	183,168	404,294
Total revenues	16,348,575	6,172,966	22,521,541
EXPENDITURES			
Current			
General government	1,206,514	425,078	1,631,592
Public works	779,508	-	779,508
Economic development	138,832	300,324	439,156
Community development	902,962	20,765	923,727
Public safety	10,930,088	95,505	11,025,593
Highways and streets	1,218,056	659,416	1,877,472
Capital outlay	-	3,654,779	3,654,779
Debt service	125,897	1,616,691	1,742,588
Principal retirement	2,964	375,320	378,284
Interest and fiscal charges	-	-	-
Total expenditures	15,304,821	7,147,878	22,452,699
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,043,754	(974,912)	68,842
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	200,000	200,000
Payment to escrow agent	-	(195,545)	(195,545)
Transfers in	-	569,971	569,971
Transfers (out)	(569,971)	-	(569,971)
Sale of capital assets	1,015	84,057	85,072
Total other financing sources (uses)	(568,956)	658,483	89,527
NET CHANGE IN FUND BALANCES	474,798	(316,429)	158,369
FUND BALANCES, MAY 1	3,903,315	4,873,268	8,776,583
FUND BALANCES, APRIL 30	\$ 4,378,113	\$ 4,556,839	\$ 8,934,952

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	158,369
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		1,044,287
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities		(200,000)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities		1,742,588
The change in the net pension liabilities are only reported only in the statement of activities		(1,246,651)
Illinois Municipal Retirement Fund		(3,936,739)
Police Pension Fund		(2,386,600)
Firefighters' Pension Fund		
The change in deferred inflows and outflows of resources for net pension liabilities are reported only in the statement of activities		843,460
Illinois Municipal Retirement Fund		2,942,456
Police Pension Fund		1,825,481
Firefighters' Pension Fund		
The payment to escrow agent for the refunding of long-term debt is reported as an other financing use in the governmental funds but as a decrease in principal outstanding on the statement of net position		195,545
Loss on refunding amortized over the life of the bonds		(5,545)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		(3,846,044)
Depreciation		262,500
Accrued interest		286,136
Compensated absences		(36,160)
Net other postemployment benefit obligation		
The change in net position of internal service funds is reported with governmental activities		(43,274)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	(2,656,441)

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2016

	Business-Type Activities			Governmental Activities Internal Service Funds
	Electric	Waterworks and Sewerage	Nonmajor Funds	
CURRENT ASSETS				
Cash and investments	\$ 9,691,886	\$ 2,441,459	\$ 1,215,549	\$ 1,448,262
Receivables - net of allowances				
Accounts	5,895,284	1,094,946	68,055	287
Accrued interest	12,810	2,638	634	318
Other	150,421	-	-	-
Prepaid expenses	250	-	2,669	2,919
Inventory	1,416,117	71,545	-	1,487,662
Total current assets	17,166,768	3,610,588	1,286,907	1,448,867
CAPITAL ASSETS				
Nondepreciable	1,421,945	987,986	-	2,409,931
Depreciable	62,720,735	115,087,066	13,385,706	191,193,507
Accumulated depreciation	(26,012,759)	(46,150,226)	(2,191,145)	(74,354,130)
Net capital assets	38,129,921	69,924,826	11,194,561	119,249,308
Total assets	55,296,689	73,535,414	12,481,468	141,313,571
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	681,696	535,767	26,056	1,243,519
Deferred charge on refunding	522,667	477,577	-	1,000,244
Total deferred outflows of resources	1,204,363	1,013,344	26,056	2,243,763
Total assets and deferred outflows of resources	56,501,052	74,548,758	12,507,524	143,557,334

(This statement is continued on the following page.)

CITY OF GENEVA, ILLINOIS
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2016

	Business-Type Activities			Governmental Activities Internal Service Funds
	Electric	Waterworks and Sewerage	Nonmajor Funds	
CURRENT LIABILITIES				
Accounts payable	\$ 3,321,636	\$ 308,054	\$ 56,364	\$ 4,760
Retainage payable	22,761	-	-	22,761
Accrued interest	49,087	39,910	1,746	90,743
Accrued interest payable	121,617	206,358	3,097	331,072
Deposits payable	105,902	-	-	105,902
Due to others	25,722	3,417	-	29,139
Unearned revenue	49,000	-	-	49,000
Compensated absences payable	218,400	150,468	5,368	374,236
Claims payable	-	-	-	876,232
IEPA loan payable	-	1,671,627	-	1,671,627
General obligation bonds payable	1,845,000	20,000	-	1,865,000
Revenue bonds payable	-	-	145,000	-
Total current liabilities	5,759,125	2,399,834	211,575	8,370,534
LONG-TERM LIABILITIES				
Compensated absences payable	263,053	261,214	7,085	531,352
IEPA loan payable	-	16,304,781	-	16,304,781
General obligation bonds payable	8,808,803	5,389,374	-	14,198,177
Revenue bonds payable	-	-	855,000	855,000
IMRF net pension liability	1,619,830	1,273,077	61,915	2,954,822
Total long-term liabilities	10,691,686	23,228,446	924,000	34,844,132
Total liabilities	16,450,811	25,628,280	1,135,575	43,214,666
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	32,523	25,561	1,243	59,327
Total deferred inflows of resources	32,523	25,561	1,243	59,327
Total liabilities and deferred inflows of resources	16,483,334	25,653,841	1,136,818	43,273,993
NET POSITION (DEFICIT)				
Net investment in capital assets	27,998,788	47,016,621	10,194,561	85,209,970
Restricted - perpetual care	-	-	190,770	190,770
Unrestricted	12,018,930	1,878,296	983,375	14,882,601
TOTAL NET POSITION (DEFICIT)	\$ 40,017,718	\$ 48,894,917	\$ 11,370,706	\$ 100,283,341
				\$ (91,223)

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended April 30, 2016

	Business-Type Activities			Governmental Activities Internal Service Funds
	Electric	Waterworks and Sewerage	Nonmajor Funds	
OPERATING REVENUES				
Charges for services	\$ 40,818,178	\$ 8,433,816	\$ 1,058,446	\$ 50,310,440
Recovery of costs	-	-	22,881	22,881
Service fees	-	148,429	-	148,429
Fines and forfeitures	251,299	80,974	-	332,273
Miscellaneous	154,941	304,589	22,787	482,317
Total operating revenues	41,224,418	8,967,808	1,104,114	51,296,340
OPERATING EXPENSES				
Operations	2,746,206	-	647,199	3,393,405
Water production	-	312,372	-	312,372
Water distribution	-	1,232,758	-	1,232,758
Water treatment	-	1,139,419	-	1,139,419
Wastewater treatment	-	984,441	-	984,441
Wastewater collection	-	779,626	-	779,626
Industrial wastewater	-	112,377	-	112,377
GIS	95,004	100,177	-	195,181
Electric purchases	32,603,168	-	32,603,168	65,206,336
Electric generation	790,249	-	790,249	1,580,498
Fiber optics	46,419	-	46,419	92,838
New service	29,423	-	29,423	58,846
Customer accounting	128,834	-	128,834	257,668
Substations	27,549	-	27,549	55,098
Repairs and maintenance	226,211	1,281,679	131,334	1,539,224
Administration	81,135	1,313,347	387,566	1,502,048
Depreciation and amortization	1,797,187	2,377,417	387,566	4,562,170
Total operating expenses	39,381,585	8,320,266	1,166,099	48,867,950
OPERATING INCOME (LOSS)	1,843,033	647,542	(61,985)	2,428,590
NON-OPERATING REVENUES (EXPENSES)				
Gain on sale of capital assets	19,595	18,061	9,225	46,881
Interest income	37,185	9,823	3,681	50,689
Interest and fiscal changes	(327,145)	(639,306)	(41,012)	(1,007,463)
Total non-operating revenues (expenses)	(270,365)	(611,422)	(28,106)	(909,893)
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	1,572,668	36,120	(90,091)	1,518,697
Capital grants and contributions	-	-	175,585	175,585
CHANGE IN NET POSITION	1,572,668	36,120	85,494	1,694,282
NET POSITION (DEFICIT), MAY 1	39,143,922	49,408,063	11,311,925	99,863,910
Change in accounting principle	(698,872)	(549,266)	(26,713)	(1,274,851)
NET POSITION (DEFICIT), MAY 1, RESTATED	38,445,050	48,858,797	11,285,212	98,589,059
NET POSITION (DEFICIT), APRIL 30	\$ 40,017,718	\$ 48,894,917	\$ 11,370,706	\$ 100,283,341

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2016

	Business-Type Activities			Governmental Activities Internal Service Funds
	Electric	Waterworks and Sewerage	Nonmajor Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 40,431,239	\$ 8,453,644	\$ 1,072,621	\$ 49,957,504
Receipts from vendors	-	-	22,881	22,881
Receipts from interfund services transactions	-	-	-	611,731
Receipts from miscellaneous	154,941	304,589	-	459,530
Payments to suppliers	(34,428,956)	(3,325,144)	(966,337)	(38,720,437)
Payments to employees	(2,643,466)	(2,225,312)	(88,643)	(4,987,421)
Net cash from operating activities	3,513,758	3,177,777	40,522	6,732,057
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Amounts to/from other funds	1,417,812	-	(1,417,812)	-
Net cash from noncapital financing activities	1,417,812	-	(1,417,812)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(1,732,648)	(660,158)	-	(2,392,806)
Capital grants and contributions	-	-	2,117,265	2,117,265
Proceeds from disposal of capital assets	19,595	18,061	9,225	46,881
Principal payments on long-term debt	(1,525,000)	(1,650,030)	(125,000)	(3,300,030)
Interest payments on long-term debt	(305,813)	(652,508)	(41,374)	(999,695)
Net cash from capital and related financing activities	(3,543,866)	(2,944,635)	1,960,116	(4,528,385)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	(280,623)	-	(280,623)
Sale of investments	468,619	531,610	-	1,000,229
Interest received on investments	33,917	10,889	4,420	49,226
Net cash from investing activities	502,536	261,876	4,420	768,832
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,890,240	495,018	587,246	2,972,504
CASH AND CASH EQUIVALENTS, MAY 1	7,801,646	1,665,818	628,303	10,095,767
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 9,691,886	\$ 2,160,836	\$ 1,215,549	\$ 13,068,271

(This statement is continued on the following page.)

CITY OF GENEVA, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

April 30, 2016

	Pension Trust	Agency
ASSETS		
Cash and short-term investments	\$ 661,443	\$ 2,892,288
Investments, at fair value		
Money market mutual funds	497,171	-
U.S. Government and agency securities	7,482,154	-
Municipal bonds	358,536	-
Corporate bonds	3,114,487	-
Negotiable certificates of deposits	303,020	-
Equity mutual funds	12,268,561	-
Domestic corporate equities	6,205,054	-
Receivables		
Accrued interest	73,760	-
Prepaid expenses	15,449	-
Total assets	30,979,635	2,892,288
LIABILITIES		
Accounts payable	3,493	-
Due to others	-	2,892,288
Total liabilities	3,493	2,892,288
NET POSITION RESTRICTED FOR PENSIONS	\$ 30,976,142	\$ -

CITY OF GENEVA, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities		Governmental Activities
	Electric	Waterworks and Sewerage	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 1,843,033	\$ 647,542	\$ 2,428,590
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation and amortization	1,797,187	2,377,417	-
Changes in assets and liabilities			
Accounts receivable	(574,807)	(205,375)	(788,394)
Other receivables	(60,421)	-	(60,421)
Prepaid expenses	(250)	-	(465)
Inventories	13,008	(367)	12,641
Accounts payable	405,583	209,637	350,594
Retainage payable	(99,174)	(20,176)	(119,350)
Accrued payroll	(60,381)	(66,074)	(131,488)
Deposits payable	32,995	-	32,995
Due to others	(29,005)	(4,200)	(33,205)
Claims payable	-	-	314,958
Unearned revenue	(7,000)	-	(7,400)
Pension amounts	271,785	213,605	495,779
Compensated absences	1,205	25,768	(16,962)
NET CASH FROM OPERATING ACTIVITIES	\$ 3,513,758	\$ 3,177,777	\$ 6,732,057
CASH AND INVESTMENTS			
Cash and cash equivalents	\$ 9,691,886	\$ 2,160,836	\$ 13,068,271
Investments	-	280,623	1,448,262
TOTAL CASH AND INVESTMENTS	\$ 9,691,886	\$ 2,441,459	\$ 13,348,894

See accompanying notes to financial statements.

See accompanying notes to financial statements.

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

ADDITIONS	
Contributions	
Employer contributions	\$ 1,500,045
Employee contributions	553,450
	<u>2,053,495</u>
Total contributions	
Investment income	
Net depreciation in fair value of investments	(1,453,641)
Interest	838,188
	<u>(615,453)</u>
Total investment income	
Less investment expense	(113,821)
	<u>(729,274)</u>
Net investment income	
Total additions	1,324,221
DEDUCTIONS	
Benefits and refunds	1,678,167
Administration	50,028
	<u>1,728,195</u>
Total deductions	
CHANGE IN NET POSITION	(403,974)
NET POSITION RESTRICTED FOR PENSIONS	
May 1	31,380,116
April 30	<u>\$ 30,976,142</u>

CITY OF GENEVA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Geneva, 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, founded in 1835, is located in the Fox River Valley, approximately 40 miles west of Chicago. The City is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time-to-time.

The City operates under a Mayor-Council form of government. Policy-making and legislative authority are vested in the governing council (Council) consisting of the Mayor and ten other members. The Mayor is elected at large while the Council is elected by ward. Council members serve four-year terms, with five members elected every two years. The Mayor is elected for a four-year term. The Mayor, with Council advice and consent, appoints the City Administrator as well as several other positions within the City. The City Administrator recommends the appointment of department heads.

The City is one of the largest municipalities in what is commonly referred to as the tri-city metropolitan area, others being the cities of Batavia and St. Charles. The 2010 Bureau of the Census data indicated the City to have a population of 21,495.

The City provides the following services as authorized by its charter: public safety (police and fire); refuse collection; snow and leaf removal; traffic control; on and off-street parking; building inspections; licenses and permits; construction and maintenance of streets and other infrastructure; cemetery maintenance; water and sewer service; and electric service. As required by generally accepted accounting principles, these financial statements present the City (the primary government). 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 based upon the significance of its operational or financial relationship with the primary government. There are no component units that are required to be included in the City's general purpose external financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful 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 pension trust funds and agency funds which are generally used to account for assets that the City holds in a fiduciary or agent capacity (police and firefighter pension).

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 other than interfund service transactions has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following major governmental fund:

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 City reports the following major proprietary funds:

The Electric Fund accounts for the provision of electric 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 Waterworks and Sewerage Fund accounts for the provision of potable water 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 pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

The City uses an agency fund to account for assets held by the City on behalf of others (Tri-Com Central Dispatch). Additional information is included later in the report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
- The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except for the agency funds which do not have a measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing proprietary 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 90 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.
- Sales and use taxes, utility taxes, state income taxes, franchise fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source within 60 days of year end. All other revenue items 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 (e.g., 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 recognized based upon the expenditures/expenses 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 eligibility criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)
- The City reports unearned revenue and deferred/unavailable revenue on its financial statements. Unearned revenue and deferred/unavailable revenue arises when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenue also arises when resources are received by the City before it has a legal claim to them, 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 or deferred inflow of resources for unearned revenue or deferred/unavailable revenue is removed from the financial statements and revenue is recognized.
- e. Cash and Investments
- Cash and Cash Equivalents
- For purposes of the statement of cash flows, the City's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.
- Investments
- Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is based on prices listed on national exchanges as of April 30, 2016 for debt and equity securities. Insurance separate accounts are valued at contract value as of April 30, 2016.
- f. Interfund Receivables/Payables
- During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the financial statements. Interfund loans, if any, are classified as advances to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes

Property taxes for 2015 attach as an enforceable lien on January 1, 2015 on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a Tax Levy Ordinance). Tax bills are payable in two installments on June 1, 2016 and September 1, 2016 subsequent to the year of levy. The County collects such taxes and remits them periodically.

The City has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the entire 2015 tax levy has been recorded as deferred/unavailable revenue on the financial statements.

The 2016 tax levy has not been recorded as a receivable at April 30, 2016, as the tax attached as a lien on property as of January 1, 2016; however, the tax will not be levied until December 2016 and, accordingly, is not measurable at April 30, 2016.

h. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and merchandise. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

i. Prepaid Items/Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/items in both the government-wide and fund financial statements. Prepaid items in the governmental fund financial statements are classified as nonspendable fund balance. The cost of prepaid expenses/items is recorded as expenditures/expenses when consumed rather than when purchased.

j. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, storm sewers and similar items) and intangible assets, 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 having a useful life greater than one year with an initial, individual cost of more than \$50,000 for streets, bridges and storm sewers, \$20,000 for sidewalks, and \$5,000 for all other capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. 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 is depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	50
Land improvements	20
Infrastructure	20-50
Production and distribution system	20-50
Machinery and equipment	4-20

k. Compensated Absences

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from city service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirement. The liability for compensated absences includes salary related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists, except in cases of retirement in which they would receive payment.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Long-Term Obligations

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

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

m. Fund 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 or 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 to the City's Administrator and Finance Manager. Any outstanding residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund, is reported as unassigned. The General Fund has a target unassigned fund balance of 25% of operating expenditures.

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 funds and then unassigned funds.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net positions are 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 issued to acquire or construct the capital assets.

None of the restricted net position or restricted fund balances resulted from enabling legislation adopted by the City.

n. Deferred Outflows/Inflows of Resources

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

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

o. 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.

p. Self-Insurance

The City is self-insured to certain limits for dental and workers' compensation insurance. A liability is recorded when it is probable that a loss has occurred and that the amount of the loss can be reasonably estimated. Claims liabilities are based on estimates of the ultimate costs of reported claims including future claims and adjustment expenses. Dental and workers' compensation claims are paid out of their respective funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Estimates

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

2. DEPOSITS AND INVESTMENTS

a. City Investments

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. The deposits and investments of the pension trust funds are held separately from those of other funds and are controlled by the respective pension boards.

The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). The City's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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, safety and risk avoidance 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, legality, safety of principal, liquidity and rate of return.

2. DEPOSITS AND INVESTMENTS (Continued)

a. City Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a 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, of the fair market value of the funds secured, with the collateral held by the City or an independent third party in the City's name.

Investments

The following table presents the investments and maturities of the City's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 47,486	\$ -	\$ 47,486	\$ -	\$ -
U.S. Treasury obligations	749,372	-	749,372	-	-
Negotiable CDs	4,625,184	2,236,947	2,388,237	-	-
TOTAL	\$ 5,422,042	\$ 2,236,947	\$ 3,185,095	\$ -	\$ -

In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds. The investment policy limits the maximum maturity length of investments to one year from date of purchase unless matched to a specific cash flow. Investments in reserve funds may be purchased with maturities to match future projects or liability requirements.

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 primarily investing in U.S. Treasury and agency obligations and negotiable certificates of deposit.

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 by a third party acting as the City's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the City's name. Illinois Funds and the money market funds are not subject to custodial credit risk.

2. DEPOSITS AND INVESTMENTS (Continued)

- a. City Investments (Continued)
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 investment to avoid unreasonable risk.

- b. Police Pension Investments

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

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds. The primary objectives of the policy are, in order of priority, safety of principal, rate of return and liquidity.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund's investment policy does require pledging of collateral for its deposits in excess of federal depository insurance.

2. DEPOSITS AND INVESTMENTS (Continued)

- b. Police Pension Investments (Continued)
Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities in Years				
		Less Than 1	1-5	6-10	Greater than 10	
U.S. Treasury securities	\$ 2,231,794	\$ -	\$ 969,311	\$ 696,644	\$ 565,539	
U.S. agency securities	871,040	-	508,200	131,534	231,306	
Municipal bonds	358,536	50,067	175,336	-	133,133	
Corporate bonds	3,114,487	207,443	921,461	1,281,689	703,894	
TOTAL	\$ 6,575,857	\$ 257,510	\$ 2,574,308	\$ 2,109,867	\$ 1,634,172	

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations and corporate bonds rated as investment grade. The municipal bonds are rated Aa2 - Aaa. The corporate bonds are rated Baa2 to Aaa.

The Police Pension Fund's investment policy does not address interest rate risk or custodial credit risk. The Police Pension Fund's investments are exposed to custodial credit risk to the extent not covered by insurance provided by the Securities Investor Protection Corporation (SIPC) at April 30, 2016, as the Police Pension Fund's counterparty also serves as the custodian.

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk.

- c. Firefighters' Pension Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations,

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and Illinois Funds. The Firefighters' Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

It is the policy of the Firefighters' Pension Fund 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 Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. The Firefighters' Pension Fund's investment policy requires pledging of collateral for its deposits in excess of federal depository insurance.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 2,032,592	\$ 350,867	\$ 1,366,717	\$ 315,008	\$ -
U.S. agency securities	2,346,728	-	1,138,222	917,644	290,862
Negotiable CDs	303,020	-	303,020	-	-
TOTAL	\$ 4,682,340	\$ 350,867	\$ 2,807,959	\$ 1,232,652	\$ 290,862

In accordance with its investment policy, the Firefighters' Pension Fund 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.

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

Investments (Continued)

The pension fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury and U.S. agency obligations. The U.S. agency obligations are all rated AA+. The negotiable CDs are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' Pension Fund's policy does not address custodial credit risk over investments. However, the Firefighters' Pension Fund has a custodian, separate from the counterparty, to hold the investments in the Firefighters' Pension Fund's name.

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. The Firefighters' Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk.

3. DUE FROM OTHER GOVERNMENTS

Due from other governments consisted of the following amounts at April 30, 2016.

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 1,155,796
Non-HR sales tax	511,221
Income tax	342,446
Local use tax	117,856
Motor fuel tax	48,919
Simplified telecommunications tax	216,280
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,392,518

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

4. CAPITAL ASSETS

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

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated	\$ 14,292,255	\$ -	\$ -	\$ 14,292,255
Land	14,292,255	-	-	14,292,255
Total capital assets not being depreciated	14,292,255	-	-	14,292,255
Capital assets being depreciated				
Buildings	15,032,306	42,803	-	15,075,109
Machinery and equipment	1,646,549	7,508	-	1,654,057
Vehicles	4,801,824	505,558	269,547	5,037,835
Land improvements	1,296,313	458,418	-	1,754,731
Infrastructure	124,120,501	30,000	-	124,150,501
Total capital assets being depreciated	146,897,493	1,044,287	269,547	147,672,233
Less accumulated depreciation for				
Buildings	5,960,698	293,478	-	6,254,176
Machinery and equipment	1,126,079	72,838	-	1,198,917
Vehicles	3,778,330	219,680	269,547	3,728,463
Land improvements	657,643	58,397	-	716,040
Infrastructure	96,621,198	3,201,651	-	99,822,849
Total accumulated depreciation	108,143,948	3,846,044	269,547	111,720,445
Total capital assets being depreciated, net	38,753,545	(2,801,757)	-	35,951,788
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 53,045,800	\$ (2,801,757)	\$ -	\$ 50,244,043
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated	\$ 2,003,607	\$ -	\$ -	\$ 2,003,607
Construction in progress	-	406,324	-	406,324
Total capital assets not being depreciated	2,003,607	406,324	-	2,409,931
Capital assets being depreciated				
Refuse equipment	79,695	-	20,650	59,045
Electric system, buildings and equipment	61,443,913	1,326,322	49,500	62,720,735
Water and sewer plant, system and sewers	114,426,909	660,157	-	115,087,066
Cemetery buildings and equipment	119,193	-	-	119,193
Commuter parking lots and vehicles	13,207,468	-	-	13,207,468
Total capital assets being depreciated	189,277,178	1,986,479	70,150	191,193,507

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

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES (Continued)				
Less accumulated depreciation for				
Refuse equipment	\$ 79,695	\$ -	\$ 20,650	\$ 59,045
Electric system, buildings and equipment	24,265,071	1,797,187	49,500	26,012,758
Water and sewer plant, system and sewers	43,772,810	2,377,417	-	46,150,227
Cemetery buildings and equipment	77,663	5,384	-	83,047
Commuter parking lots and vehicles	1,666,871	382,182	-	2,049,053
Total accumulated depreciation	69,862,110	4,562,170	70,150	74,354,130
Total capital assets being depreciated, net	119,415,068	(2,575,691)	-	116,839,377
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 121,418,675	\$ (2,169,367)	\$ -	\$ 119,249,308

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 125,399
Public health and safety	362,611
Public works, including depreciation of general infrastructure assets	264,291
Community development	1,126
Highway and streets	3,092,617
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	\$ 3,846,044

5. LONG-TERM DEBT

a. General Obligation Bonds

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

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$4,905,000 General Obligation Refunding Bond Series of 2006B, due in annual installments of \$5,000 to \$510,000, plus interest of 3.9% to 5.0% payable each June 15 and December 15 through December 15, 2021.		\$ 4,590,000	\$ -	\$ 765,000	\$ 3,825,000	\$ 800,000

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

5. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired by	Balance May 1	Issuances	Retirements	Balance April 30	Current Portion
\$4,580,000 General Obligation Refunding Bond Series of 2008A, due in annual installments of \$10,000 to \$965,000, plus interest of 3% to 4% payable each March 1 and September 1 through March 1, 2018.	Debt Service	\$ 2,625,000	\$ -	\$ 775,000	\$ 1,850,000	\$ 885,000
\$2,355,000 General Obligation Refunding Bond Series of 2012A, due in annual installments of \$95,000 to \$1,340,000, plus interest of 2% to 3% payable each June 15 and December 15 through December 15, 2018.	Debt Service	1,650,000	-	-	1,650,000	-
TOTAL GENERAL OBLIGATION BONDS		\$ 8,865,000	\$ -	\$ 1,540,000	\$ 7,325,000	\$ 1,685,000

b. Tax Incremental Revenue Bonds

Bonds where a tax increment financing district is established and the sales tax revenue generated in that district is used to pay the debt. Tax increment revenue bonds currently outstanding are as follows:

	Fund Debt Retired by	Balance May 1	Additions	Retirements	Balance April 30	Current Portion
\$450,000 Tax Increment Revenue Bond Series of 2006, due in annual installments of \$25,000 to \$50,000, plus interest of 4.5% payable each October 1 through October 1, 2016.	TIF #2	\$ 115,934	\$ -	\$ 56,691	\$ 59,243	\$ 59,243

c. Special Service Area Bonds

The City also issues bonds where the City pledges property taxes from a separately created special service area. These bonds are not an obligation of the government and are secured by the levy of an annual tax on the real property within the special service area. However, the City advanced funds to cover a short fall in the revenue stream thereby becoming obligated in some manner for the debt. Special service area bonds currently outstanding are as follows:

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

5. LONG-TERM DEBT (Continued)

c. Special Service Area Bonds (Continued)

	Fund Debt Retired by	Balance May 1	Additions	Retirements/ Refundings	Balance April 30	Current Portion
\$400,000 Ad Valorem Special Service Area #1 Bonds Series of 2001; due in annual installments of \$13,000 to \$210,000, plus interest of 4.10% to 5.15% payable each August 1 through August 1, 2016.	SSA Funds	\$ 210,000	\$ -	\$ 210,000	\$ -	\$ -
\$200,000 Unlimited Ad Valorem Special Service Area #1 Bonds Series of 2016; due in annual installments of \$26,000 to \$29,000, plus interest of 2.42% payable each August 1 through August 1, 2022.	SSA Funds	-	200,000	-	200,000	29,000
TOTAL		\$ 210,000	\$ 200,000	\$ 210,000	\$ 200,000	\$ 29,000

d. Certificates of Participation

The City, through private financing, entered into a certificate of participation to finance the purchase of a fire truck. Certificates of participation currently outstanding are as follows:

	Fund Debt Retired by	Balance May 1	Additions	Retirements	Balance April 30	Current Portion
\$378,022 Certificate of Participation issued November 3, 2014, due in annual installments of \$128,861, including interest at 1.467% payable each May 15 through May 15, 2017.	General	\$ 378,022	\$ -	\$ 125,897	\$ 252,125	\$ 125,139

e. Alternate Revenue Bonds

The City has also issued general obligation alternate revenue bonds where the City has pledged certain revenues from the electric and waterworks and sewerage system and/or property tax revenues for the payment of bond principal and interest. Alternate revenue bonds are direct obligations and pledge the full faith and credit of the City. Alternate revenue bonds currently outstanding are as follows:

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

5. LONG-TERM DEBT (Continued)

e. Alternate Revenue Bonds (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Retirements	Balances April 30	Current Portion
\$9,935,000 General Obligation Alternate Revenue Bond Series of 2011, due in semiannual installments of \$35,000 to \$650,000, plus interest of 2% to 3% payable each May 1 and November 1 through May 1, 2021.	Electric	\$ 9,200,000	\$ -	\$ 1,170,000	\$ 8,030,000	\$ 1,445,000
\$5,250,000 General Obligation Alternate Revenue Bond Series of 2012B, due in annual installments of \$20,000 to \$700,000, plus interest of 2.0% to 3.5% payable each February 1 and August 1 through February 1, 2030.	Waterworks and Sewerage	5,180,000	-	20,000	5,160,000	20,000
\$1,505,000 General Obligation Alternate Revenue Bond Series of 2013, due in semiannual installments of \$55,000 to \$450,000, plus interest of 0.75% to 3.00% payable each May 1 and November 1 through May 1, 2021.	Electric	1,000,000	-	130,000	870,000	155,000
\$1,815,000 General Obligation Refunding Alternate Revenue Bond Series of 2014, due in semiannual installments of \$225,000 to \$425,000, plus interest of 2% to 3% payable each February 1 and August 1 through February 1, 2021.	Electric	1,815,000	-	225,000	1,590,000	245,000
TOTAL		\$ 17,195,000	\$ -	\$ 1,545,000	\$ 15,650,000	\$ 1,865,000

f. Revenue Bonds

Revenue bonds are limited obligations of the City and are payable solely from the revenue streams or trusts that are securing the obligations. Revenue bonds currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Additions	Retirements/Refunding	Balances April 30	Current Portion
\$1,670,000 Refunding Revenue Bond Series of 2008, due in annual installments of \$40,000 to \$185,000, plus interest of 2.75% to 4.05% payable each April 1 and October 1 through October 1, 2021.	Parking	\$ 1,125,000	\$ -	\$ 125,000	\$ 1,000,000	\$ 145,000

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

5. LONG-TERM DEBT (Continued)

g. IEPA Loans

The City, through the Illinois Environmental Protection Agency (IEPA), received low interest loans for the construction of waterworks and sewerage facilities systems. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
IEPA Sewer Series of 2001 due in semiannual installments of \$174,695 including interest at 2.625% through August 1, 2020.	Waterworks and Sewerage	\$ 1,778,537	\$ -	\$ 304,689	\$ 1,473,848	\$ 312,739
IEPA Sewer Series of 2004 due in semiannual installments of \$180,188 including interest at 2.57% through June 1, 2023.	Waterworks and Sewerage	2,736,013	-	291,924	2,444,089	299,475
IEPA Water Series of 2007 due in semiannual installments of \$317,063 including interest at 2.5% through July 1, 2027.	Waterworks and Sewerage	2,125,778	-	156,934	1,968,844	160,882
IEPA Water Series of 2008 due in semiannual installments of \$104,552 including interest at 2.5% through December 9, 2026.	Waterworks and Sewerage	6,194,520	-	408,742	5,785,778	419,024
IEPA Water Series of 2008-1 due in semiannual installments of \$280,533 including interest at 2.5% through December 3, 2027.	Waterworks and Sewerage	6,771,590	-	467,741	6,303,849	479,507
TOTAL		\$ 19,606,438	\$ -	\$ 1,630,030	\$ 17,976,408	\$ 1,671,627

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

5. LONG-TERM DEBT (Continued)

h. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds		Governmental Activities TIF Revenue Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 1,685,000	\$ 288,475	\$ 59,243	\$ 2,666
2018	1,790,000	213,075	-	-
2019	1,905,000	139,425	-	-
2020	610,000	77,190	-	-
2021	680,000	53,400	-	-
2022	655,000	26,200	-	-
TOTAL	\$ 7,325,000	\$ 797,765	\$ 59,243	\$ 2,666

Fiscal Year	Governmental Activities SSA Bonds		Governmental Activities Certificate of Participation	
	Principal	Interest	Principal	Interest
2017	\$ 29,000	\$ 2,097	\$ 125,139	\$ 3,722
2018	29,000	4,138	126,986	1,875
2019	29,000	3,436	-	-
2020	29,000	2,735	-	-
2021	29,000	2,033	-	-
2022	29,000	1,331	-	-
2023	26,000	630	-	-
TOTAL	\$ 200,000	\$ 16,400	\$ 252,125	\$ 5,597

Fiscal Year	Business-Type Activities Alternate Revenue Bonds		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 1,865,000	\$ 420,263	\$ 145,000	\$ 36,410
2018	1,910,000	382,763	155,000	30,644
2019	1,950,000	342,600	165,000	24,584
2020	2,150,000	294,888	170,000	18,050
2021	2,170,000	233,325	180,000	11,093
2022	875,000	170,850	185,000	3,746
2023	365,000	155,025	-	-
2024	565,000	144,075	-	-
2025	585,000	127,125	-	-
2026	590,000	109,575	-	-
2027	615,000	91,875	-	-
2028	640,000	70,350	-	-
2029	670,000	47,950	-	-
2030	700,000	24,500	-	-
TOTAL	\$ 15,650,000	\$ 2,615,164	\$ 1,000,000	\$ 124,527

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

5. LONG-TERM DEBT (Continued)

h. Debt Service Requirements to Maturity (Continued)

Fiscal Year	Business-Type Activities IEPA Loans	
	Principal	Interest
2017	\$ 1,671,627	\$ 442,432
2018	1,714,288	399,772
2019	1,738,037	356,026
2020	1,802,903	311,157
2021	1,674,221	265,145
2022	1,539,804	224,868
2023	1,578,781	185,891
2024	1,438,556	145,927
2025	1,292,368	111,928
2026	1,324,879	79,416
2027	1,317,076	46,088
2028	863,868	14,262
TOTAL	\$ 17,976,408	\$ 2,582,912

i. Changes in Long-Term Liabilities

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

	Balances May 1, Restated	Issuances	Retirements/ Refundings	Balances April 30	Current Portion
General obligation bonds payable	\$ 8,865,000	\$ -	\$ 1,540,000	\$ 7,325,000	\$ 1,685,000
TIF revenue bonds payable	115,934	-	56,691	59,243	59,243
SSA bonds payable	210,000	200,000	210,000	200,000	29,000
Certificate of participation	378,022	-	125,897	252,125	125,139
Compensated absences payable - governmental (General) funds	1,458,057	5,475	291,611	1,171,921	-
Compensated absences payable - internal service funds	866,721	876,232	866,721	876,232	876,232
Net pension liabilities (General Fund)	19,044,792	7,569,990	-	27,044,782	-
Net OPEB obligation (General Fund)	167,327	36,160	-	203,487	-
TOTAL	\$ 31,525,853	\$ 8,687,857	\$ 3,090,920	\$ 37,122,790	\$ 2,774,614

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

5. LONG-TERM DEBT (Continued)

i. Changes in Long-Term Liabilities (Continued)

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

	Balances May 1, Restated	Retirements/ Refunded	Issuances	Balances April 30	Current Portion
General obligation alternate revenue bonds payable	\$ 17,195,000	\$ -	\$ 1,545,000	\$ 15,650,000	\$ 1,865,000
Unamortized (discount) premium on bonds payable	437,787	-	24,610	413,177	-
Revenue bonds	1,125,000	-	125,000	1,000,000	145,000
IEPA loans payable	19,606,438	-	1,630,030	17,976,408	1,671,627
Net pension liability	1,421,903	-	1,532,919	2,954,822	-
Compensated absences payable	895,577	-	10,011	905,588	374,236
TOTAL	\$ 40,681,705	\$ 1,542,930	\$ 3,324,640	\$ 38,899,995	\$ 4,055,863

j. Conduit Debt

The City has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of April 30, 2016, there were two series of IDRBs outstanding. The aggregate principal amount payable for the IDRBs outstanding could not be determined at April 30, 2016. The original principal balance is \$17,300,000.

k. Advance Refunding

On February 25, 2016, the City issued \$200,000 Unlimited Ad Valorem Tax Bonds, Series 2016 to refund \$190,000 Ad Valorem Tax Bonds, Series 2001. The proceeds of the advance refunded bonds were placed in an irrevocable trust to provide all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements. The bonds are scheduled to be called and paid from escrow on August 1, 2016. As a result of the refunding, which extended the repayment date of the bonds, the City's future cash flows increased by \$16,615 which was equal to the economic loss on the transaction.

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

5. LONG-TERM DEBT (Continued)

i. Revenue Bond Disclosures

Parking Fund - The revenue bond ordinances require that all monies held in the Parking Fund be segregated and restricted in special reserve accounts, in the priority indicated by the order of the following:

Accounts	Amounts	Nature of Authorized Expenditures
Operation and maintenance	Sufficient amount to pay reasonable expenses	Expense of operating, maintaining and repairing the system
Senior bond and interest	Amount sufficient to pay a portion of the current bond and interest	Paying principal and interest on the senior bonds
Senior bond reserve	Amount sufficient to pay a portion of the bond and interest on the issuance of additional bonds	Paying principal and interest on the bonds if there is additional bonds issued
Junior bond and interest	Amount sufficient to pay a portion of the current bond and interest	Paying principal and interest on the bonds
Junior bond reserve	Amount sufficient to pay a portion of the current bond and interest	Paying principal and interest on the bond and interest
Depreciation, improvement and extension	Sufficient amount to pay reasonable expenses	Paying principal and interest on the bond and interest account or bond reserve account; cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, or for improvements, repairs or replacements to the system
Surplus	The amount remaining after payment into the above four accounts	Improvement and extension of the parking system, or any other lawful corporate purpose
m. Legal Debt Margin		

The City is subject to a legal debt limit which is 8.625% of the Estimated Actual Valuation (EAV). At April 30, 2016, that amount was \$77,676,356 and the outstanding applicable debt was \$7,325,000 or 9.4% of the total debt limit.

5. LONG-TERM DEBT (Continued)

- n. Alternate Revenue Source Bonds
- The City issued General Obligation Alternate Revenue Bonds (Series 2011, 2013 and 2014) to provide funds for electric capital improvements. These bonds are payable from a pledge of the City's electric revenues and are being repaid by the Electric Fund. The bonds are payable solely from electric revenues and are payable through 2021. The total principal and interest remaining to be paid on the bonds as of April 30, 2016 is \$11,341,838. Principal and interest paid for the current year was \$1,829,159 or 4.48% of total customer net revenues of \$40,818,178.
- The City issued General Obligation Alternate Revenue Bonds, Series 2012B to provide funds for waterworks and sewerage improvements. These bonds are payable from a pledge of the City's waterworks and sewerage revenues and are being repaid by the Waterworks and Sewerage Fund. The bonds are payable solely from waterworks and sewerage revenues and are payable through 2030. The total principal and interest remaining to be paid on the bonds as of April 30, 2016 is \$6,923,325. Principal and interest paid for the current year was \$187,725 or 2.23% of total customer net revenues of \$8,433,816.

o. Revenue Bonds

The City issued Parking Refunding Revenue Bonds, Series 2008 to refund the Parking Revenue Bonds, Series 2006. These bonds are payable from a pledge of the City's commuter parking revenues and are being repaid by the Commuter Parking Fund. The bonds are payable solely from commuter parking revenues and are payable through 2021. The total principal and interest remaining to be paid on the bonds as of April 30, 2016 is \$1,124,527. Principal and interest paid for the current year was \$166,374 or 32.78% of total customer net revenues of \$507,604.

6. RISK MANAGEMENT

The City is exposed to various risks including, but not limited to, losses from workers' compensation, employee health and general liability/property. The City purchases insurance from outside carriers for all types of coverage except for dental claims and workers' compensation claims up to a maximum of \$500,000 per claim. The City has purchased reinsurance for any claims that exceed the \$500,000 amount. There was one settlement in excess of insurance coverage in any of the three prior fiscal years.

The City has established internal service funds to account for these activities and are funded by charges to the City's other funds and is based on dental insurance rates and the contributing funds' employees' risk assessment. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs).

6. RISK MANAGEMENT (Continued)

The City has recorded a liability for claims which were reported but unpaid as of the end of the fiscal year as well as an estimated liability for claims incurred but not reported. A reconciliation of claims payable for the fiscal years ended April 30, 2016 and 2015 is as follows:

	2016	2015
CLAIMS PAYABLE, MAY 1	\$ 344,140	\$ 181,290
Add claims incurred	756,665	604,752
Less claims paid	441,707	441,902
CLAIMS PAYABLE, APRIL 30	\$ 659,098	\$ 344,140

7. INDIVIDUAL FUND DISCLOSURES

Interfund transfers during the year ended April 30, 2016 were as follows:

	Transfers In	Transfers Out
General	\$ -	\$ 569,971
Nonmajor Governmental		
General	569,971	-
TOTAL	\$ 569,971	\$ 569,971

Major interfund transfers resulted from the following:

- \$569,971 transfer from the General Fund to Nonmajor Governmental Funds. This transaction includes payments to the Infrastructure Capital Projects Fund (\$425,150) and General Capital Projects Funds (\$31,646) for capital projects and transfers to the Special Services Area funds (\$103,175), Beautification Fund (\$5,000) and Strategic Planning Advisory Committee fund (\$5,000) for operating subsidies.

The following funds reported deficit fund balances/net position at April 30, 2016:

Fund	Deficit Balance
Workers' Compensation Insurance Fund	\$ 149,414

8. CONTINGENT LIABILITIES

- a. Commuter Parking Fund
The Commuter Parking Fund leases parking areas from the Union Pacific Railway Company. Pursuant to the terms of this lease agreement, rental payments are equal to 1/3 of the gross meter receipts. The current lease is on a month-to-month basis, pending a Metra buy-out of the leased facility.
- b. Litigation
The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the City.
- c. Grants
Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
- d. Economic Development Incentives
The City has entered into several agreements outstanding at April 30, 2016, expiring through January 2023. These agreements provide for the City to reimburse the respective companies a percentage of the actual sales taxes collected from these companies. As of and for the year ended April 30, 2016, a liability of \$10,200 has been accrued and payments of \$63,887 have been made under these agreements. As of April 30, 2016, the City has incurred total incentives of \$1,077,867.

9. OTHER POSTEMPLOYMENT BENEFITS

- a. Plan Description
In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- a. Plan Description (Continued)
established to account for the plan. The plan does not issue a separate report. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The cost of retiree health care and life insurance benefits as well as an administrative fee is fully paid by the retirees.
- b. Benefits Provided
The City provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans or meet COBRA requirements.
All health care benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees.
- c. Membership
At April 30, 2015 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	26
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	144
TOTAL	170
- d. Funding Policy
The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay as you go) which results in an implicit subsidy to the City as defined by the GASB Statement No. 45.
For the fiscal year ended April 30, 2016, contributions to the plan were \$60,953. The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- e. Annual OPEB Costs and Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 73,409	\$ 33,395	45.49%	\$ 139,690
2015	93,238	65,601	70.36%	167,327
2016	97,113	60,953	62.76%	203,487

The net OPEB obligation (NOPEBO) as of April 30, 2016 was calculated as follows:

Annual required contribution	\$ 95,998
Interest on net OPEB obligation	6,693
Adjustment to annual required contribution	(5,578)
Annual OPEB cost Contributions made	97,113
Increase in net OPEB obligation	36,160
Net OPEB obligation, beginning of year	167,327
NET OPEB OBLIGATION, END OF YEAR	\$ 203,487

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2015 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	\$ 1,181,568
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	1,181,568
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 13,166,394
UAAL as a percentage of covered payroll	8.97%

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2015 actuarial valuation (most recent information available), the entry-age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate starting at 6.90% in the first year of the projection and 7.00% in the second year. Long-term, ultimate increases have been set at 5.50%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a 30-year open basis.

10. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan and Firefighters' Pension Plan both issue separate reports on the pension plans. These reports can be obtained from the Treasurer of the Plans.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration and Benefits Provided

IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or www.imrf.org. In addition, IMRF includes two employers, the City of Geneva and Tri-Com Central Dispatch (Tri-Com). Therefore, IMRF is treated as a cost-sharing plan.

All employees (other than those covered by the Police Pension Plan or the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. 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.

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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	86
Currently Receiving Benefits	87
Inactive Employees Entitled to but not yet Receiving Benefits	112
Active Employees	
TOTAL	285

Note: The IMRF data included in the table above includes membership of both the City of Geneva and the Tri-Com.

Contributions

These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the calendar year ended December 31, 2015 was 12.26% of covered payroll.

Net Pension Liability

The City's net pension liability was measured as of April 30, 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, 2015
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability (Continued)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at rates equal to 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 not 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 of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation bonds rated AA or better at April 30, 2016 to arrive at a discount rate of 7.48% used to determine the total pension liability.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 45,119,767	\$ 41,982,672	\$ 3,137,095
Changes for the period			
Service cost	876,371	-	876,371
Interest	3,341,545	-	3,341,545
Difference between expected and actual experience	(166,995)	-	(166,995)
Changes in assumptions	121,990	-	121,990
Employer contributions	-	1,025,464	(1,025,464)
Employee contributions	-	377,391	(377,391)
Net investment income	-	208,400	(208,400)
Benefit payments and refunds	(2,008,032)	(2,008,032)	-
Administrative expense	-	-	-
Other (net transfer)	-	(820,368)	820,368
Net changes	2,164,879	(1,217,145)	3,382,024
BALANCES AT DECEMBER 31, 2015	\$ 47,284,646	\$ 40,765,527	\$ 6,519,119

The table presented above includes amounts for both the City and Tri-Com. The City's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and the net pension liability at December 31, 2015 was \$2,572,418, \$840,880 and \$5,345,678, respectively. Tri-Com's proportionate share of the net pension liability at January 1, 2015, the employer contributions and the net pension liability at December 31, 2015 was \$564,677, \$184,584 and \$1,173,441, respectively.

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2016, the City recognized pension expense of \$1,720,961.

At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 130,890
Changes in assumption	95,615	-
Net difference between projected and actual Earnings on pension plan investments	2,309,474	-
Contributions made subsequent to the measurement date	338,444	-
TOTAL	\$ 2,743,533	\$ 130,890

The deferred outflows and inflows presented in the table above include amounts for both the City and Tri-Com. The City's proportionate share of the deferred outflows of resources at April 30, 2016 was \$2,249,697. Tri-Com's proportionate share of the deferred outflows of resources at April 30, 2016 was \$493,836. The City's proportionate share of the deferred inflows of resources at April 30, 2016 was \$107,330. Tri-Com's proportionate share of the deferred inflows of resources at April 30, 2016 was \$23,560.

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

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

Year Ending April 30,	
2017	\$ 742,987
2018	465,463
2019	465,463
2020	468,454
2021	-
Thereafter	-
TOTAL	\$ 2,142,367

Discount Rate Sensitivity

The following is a sensitive 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 7.48% 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 (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net pension liability (City)	\$ 10,782,482	\$ 5,345,678	\$ 899,000
Net pension liability (Tri-Com)	2,366,886	1,173,441	197,341
Net pension liability (Total)	\$ 13,149,368	\$ 6,519,119	\$ 1,096,341

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

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.

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, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

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

Inactive plan members currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>35</u>
TOTAL	<u><u>58</u></u>

Benefits Provided

The Police Pension Plan provides retirement 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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up 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 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the preceding calendar year. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. Contributions are recognized in the period in which amounts are due pursuant to ILCS. 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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions (Continued)

necessary to finance the Police Pension Plan, including the costs of administering the Police Pension Plan as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2016, the City's contribution was 36.55% of covered payroll.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 32,907,966	\$ 18,333,282	\$ 14,574,684
Changes for the period			
Service cost	669,111	-	669,111
Interest	2,422,628	-	2,422,628
Difference between expected and actual experience	(250,837)	-	(250,837)
Changes in assumptions	2,194,645	-	2,194,645
Employer contributions	-	1,144,355	(1,144,355)
Employee contributions	-	365,178	(365,178)
Net investment income	-	(380,287)	380,287
Benefit payments and refunds	(1,212,510)	(1,212,510)	-
Administrative expense	-	(30,437)	30,437
Net changes	3,823,037	(113,701)	3,936,738
BALANCES AT APRIL 30, 2016	\$ 36,731,003	\$ 18,219,581	\$ 18,511,422

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date

April 30, 2016

Actuarial Cost Method

Entry-Age Normal

Assumptions

Inflation

2.50%

Salary Increases

5.00%

Interest Rate

7.50%

Cost of Living Adjustments

3.00%

Asset Valuation Method

Market

Mortality rates were based on the RP 2014 BCHA Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City determined contribution rates and the member rate. Based on those assumptions, the Police Pension Plan'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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)
Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	Current	
	1% Decrease (6.50%)	1% Increase (8.50%)
Net pension liability	\$ 23,676,289	\$ 18,511,422
		\$ 14,275,374

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

For the year ended April 30, 2016, the City recognized police pension expense of \$2,138,638. At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 197,467
Changes in assumption	1,727,699	-
Net difference between projected and actual earnings on pension plan investments	1,412,224	-
TOTAL	\$ 3,139,923	\$ 197,467

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)
Police Pension Plan (Continued)

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

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

Year Ending April 30,	
2017	\$ 608,177
2018	608,177
2019	608,177
2020	608,177
2021	509,748
TOTAL	\$ 2,942,456

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' 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 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Firefighters' 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 firefighter employees.

The Firefighters' 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, benefits and refunds are recognized as an expense and liability when due and payable.

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

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

Inactive plan members currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>20</u>
TOTAL	<u>30</u>

Benefits Provided

The Firefighters' Pension Plan provides retirement 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 at the date of retirement. 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 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 covered employee 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 firefighter 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. Firefighters' 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). The monthly benefit of

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

A Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. Contributions are recognized in the period in which amounts are due pursuant to ILCS. 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 finance the Firefighters' Pension Plan, including the costs of administering the Firefighters' Pension Plan, as actuarially determined by an enrolled actuary.

However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2016, the City's contribution was 18.71% of covered payroll.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 16,780,573	\$ 13,046,834	\$ 3,733,739
Changes for the period			
Service cost	389,913	-	389,913
Interest	1,241,081	-	1,241,081
Difference between expected and actual experience	(225,868)	-	(225,868)
Changes in assumptions	1,156,859	-	1,156,859
Employer contributions	-	355,690	(355,690)
Employee contributions	-	188,272	(188,272)
Net investment income	-	(348,987)	348,987
Benefit payments and refunds	(465,657)	(465,657)	-
Administrative expense	-	(19,591)	19,591
Net changes	2,096,328	(290,273)	2,386,601
BALANCES AT APRIL 30, 2016	\$ 18,876,901	\$ 12,756,561	\$ 6,120,340

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date April 30, 2016

Actuarial Cost Method Entry-Age Normal

Assumptions
Inflation 2.50%

Salary Increases 5.00%

Interest Rate 7.50%

Cost of Living Adjustments 3.00%

Asset Valuation Method Market

Mortality rates were based on the RP 2014 BCHA Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the 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 Firefighters' Pension Plan'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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 8,922,036	\$ 6,120,340	\$ 3,816,131

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

For the year ended April 30, 2016, the City recognized firefighters' pension expense of \$916,809. At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 184,801
Changes in assumption	946,521	-
Net difference between projected and actual earnings on pension plan investments	1,063,761	-
TOTAL	\$ 2,010,282	\$ 184,801

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

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

Year Ending April 30,	
2017	\$ 351,428
2018	351,428
2019	351,428
2020	351,428
2021	351,427
Hereafter	68,342
TOTAL	\$ 1,825,481

11. CHANGE IN ACCOUNTING PRINCIPLE

CHANGE IN ACCOUNTING PRINCIPLE -
GOVERNMENTAL ACTIVITIES

	Increase (Decrease)
Change in Accounting Principle	
To write-off the Police Pension Plan net pension obligation	\$ 1,564,209
To write-off the Firefighters' Pension Plan net pension obligation	197,601
To write-off IMRF net pension obligation	153,027
To record the Police Pension Plan net pension liability	(14,574,683)
To record the Firefighters' Pension Plan net pension liability	(3,733,740)
To record deferred outflows for employer contributions made after the measurement date of the IMRF total pension liability	119,590
To record the IMRF net pension liability	(1,156,369)
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	\$ (17,430,365)

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

11. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

	Increase (Decrease)
CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	
To record deferred outflows for employer contributions made after the measurement date of the IMRF total pension liability	\$ 147,052
To record the IMRF net pension liability	<u>(1,421,903)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	<u>\$ (1,274,851)</u>

With the implementation of GASB Statement No. 68 and GASB Statement No. 71, the City is required to retroactively record the net pension liability and deferred outflows of resources for contributions subsequent to the measurement date and write off any net pension obligations previously reported.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 7,086,530	\$ 7,086,530	\$ 6,800,443
Intergovernmental	7,744,040	7,744,040	7,896,053
Licenses and permits	540,215	540,215	535,388
Charges for services	598,400	598,400	697,584
Fines and forfeitures	220,000	220,000	189,804
Investment income	7,500	7,500	8,177
Miscellaneous	311,000	332,282	221,126
Total revenues	16,507,685	16,528,967	16,348,575
EXPENDITURES			
Current			
General government	1,254,142	1,275,424	1,206,514
Public works	844,091	842,591	779,508
Economic development	165,892	165,892	138,832
Community development	884,982	884,982	902,962
Public safety	10,849,519	10,849,519	10,930,088
Highways and streets	1,975,814	1,977,314	1,218,056
Debt service			
Principal retirement	125,900	125,900	125,897
Interest and fiscal charges	2,965	2,965	2,964
Total expenditures	16,103,305	16,124,587	15,304,821
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	404,380	404,380	1,043,754
OTHER FINANCING SOURCES (USES)			
Transfers in	511,110	511,110	-
Transfers (out)	(637,040)	(637,040)	(569,971)
Sale of capital assets	5,000	5,000	1,015
Total other financing sources (uses)	(120,930)	(120,930)	(568,956)
NET CHANGE IN FUND BALANCE	\$ 283,450	\$ 283,450	474,798
FUND BALANCE, MAY 1			3,903,315
FUND BALANCE, APRIL 30			<u>\$ 4,378,113</u>

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2016

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	\$ -	\$ 815,857	0.00%	\$ 815,857	\$ 12,945,429	6.30%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	-	1,181,568	0.00%	1,181,568	13,166,394	8.97%
2016	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2011	\$ 19,927	\$ 53,036	37.57%
2012	19,927	53,264	37.41%
2013	33,395	52,713	63.35%
2014	33,395	72,745	45.91%
2015	65,601	92,306	71.07%
2016	60,953	95,998	63.49%

N/A - Information not available

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

Actuarially determined contribution	\$ 825,909
Contributions in relation to the actuarially determined contribution	<u>825,909</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>
Covered-employee payroll	\$ 6,736,615
Contributions as a percentage of covered-employee payroll	12.26%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 and December 31, 2014. 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 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2016

Actuarially determined contribution	\$ 1,144,355
Contributions in relation to the actuarially determined contribution	<u>1,144,355</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>
Covered-employee payroll	\$ 3,130,603
Contributions as a percentage of covered-employee payroll	36.55%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year average market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2016

	<u>2016</u>
Actuarially determined contribution	\$ 355,686
Contributions in relation to the actuarially determined contribution	<u>355,690</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>(4)</u></u>
Covered-employee payroll	\$ 1,900,740
Contributions as a percentage of covered-employee payroll	18.71%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year average market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF THE CITY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY

ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

Employer's proportion of net pension liability	82.00%
Employer's proportionate share of net pension liability	\$ 5,345,678
Employer's covered-employee payroll	6,736,615
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	79.35%
Plan fiduciary net position as a percentage of the total pension liability	86.21%

*IMRF's measurement date is December 31, 2015; therefore information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY AND RELATED RATIOS

POLICE PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service cost	\$ 633,473	\$ 669,111
Interest	2,152,823	2,422,628
Changes of benefit terms	-	-
Differences between expected and actual experience	(135,905)	(250,837)
Changes to mortality assumptions	2,096,902	2,194,645
Benefit payments, including refunds of member contributions	(1,087,272)	(1,212,510)
Net change in total pension liability	3,660,021	3,823,037
Total pension liability - beginning	29,247,945	32,907,966
TOTAL PENSION LIABILITY - ENDING	\$ 32,907,966	\$ 36,731,003
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 1,247,900	\$ 1,144,355
Contributions - member	314,018	365,178
Net investment income	1,080,768	(380,287)
Benefit payments, including refunds of member contributions	(1,087,272)	(1,212,510)
Administrative expense	(28,154)	(30,437)
Net change in plan fiduciary net position	1,527,260	(113,701)
Plan fiduciary net position - beginning	16,806,022	18,333,282
PLAN FIDUCIARY NET POSITION - ENDING	\$ 18,333,282	\$ 18,219,581
EMPLOYER'S NET PENSION LIABILITY	\$ 14,574,684	\$ 18,511,422
Plan fiduciary net position as a percentage of the total pension liability	55.7%	49.6%
Covered-employee payroll	\$ 3,148,322	\$ 3,130,603
Employer's net pension liability as a percentage of covered-employee payroll	462.9%	591.3%

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY AND RELATED RATIOS

FIREFIGHTERS' PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service cost	\$ 402,141	\$ 389,913
Interest	1,097,019	1,241,081
Changes of benefit terms	-	-
Differences between expected and actual experience	350,386	(225,868)
Changes to mortality assumptions	486,371	1,156,859
Benefit payments, including refunds of member contributions	(364,529)	(465,657)
Net change in total pension liability	1,971,388	2,096,328
Total pension liability - beginning	14,809,185	16,780,573
TOTAL PENSION LIABILITY - ENDING	\$ 16,780,573	\$ 18,876,901
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 345,865	\$ 355,690
Contributions - member	179,157	188,272
Net investment income	523,181	(348,987)
Benefit payments, including refunds of member contributions	(364,529)	(465,657)
Administrative expense	(15,818)	(19,591)
Net change in plan fiduciary net position	667,856	(290,273)
Plan fiduciary net position - beginning	12,378,978	13,046,834
PLAN FIDUCIARY NET POSITION - ENDING	\$ 13,046,834	\$ 12,756,561
EMPLOYER'S NET PENSION LIABILITY	\$ 3,733,739	\$ 6,120,340
Plan fiduciary net position as a percentage of the total pension liability	77.7%	67.6%
Covered-employee payroll	\$ 1,788,389	\$ 1,900,740
Employer's net pension liability as a percentage of covered-employee payroll	208.8%	322.0%

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

BUDGETS

Annual budgets are adopted for all governmental and proprietary funds except for the Compensated Absences Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual budgets lapse at fiscal year end.

All departments of the City submit requests for their department to the City's Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested expenditures for the next fiscal year. The proposed budget is presented to the City Council for review. The City Council holds public hearings and may add to, subtract from or change commitments/assignments but may not change the form of the budget.

The City Administrator, as the budget officer, can transfer amounts between departments within any fund; however, transfers between funds must be approved by the City Council. Expenditures may not legally exceed budgeted amounts at the fund level. During the year, there were several budget amendments and transfers.

Expenses exceeded budget by \$112,848 in the Workers' Compensation Fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
MAJOR GOVERNMENTAL FUNDS			
TAXES			
Property taxes	\$ 4,660,230	\$ 4,660,230	\$ 4,640,915
Simplified telecommunications tax	1,000,000	1,000,000	898,149
Municipal utility tax	-	-	7,488
Municipal utility tax - electricity	750,000	750,000	647,572
Municipal utility tax - water	240,000	240,000	241,626
Municipal utility tax - natural gas	360,000	360,000	292,618
Township fire tax	75,000	75,000	71,315
Auto rental tax	1,000	1,000	760
Charitable games tax	300	300	-
Total taxes	7,086,530	7,086,530	6,800,443
LICENSES AND PERMITS			
Business licenses	162,215	162,215	168,215
Building permits	362,500	362,500	356,288
Sign permits	10,500	10,500	9,425
Overweight permits	5,000	5,000	1,460
Total licenses and permits	540,215	540,215	535,388
INTERGOVERNMENTAL			
Sales tax	5,042,730	5,042,730	4,952,394
State income tax	2,128,005	2,128,005	2,290,774
Replacement tax	95,000	95,000	97,268
Local use tax	390,360	390,360	498,691
Reimbursements	85,445	85,445	46,126
State grants	2,500	2,500	10,800
Total intergovernmental	7,744,040	7,744,040	7,896,053
MISCELLANEOUS			
Donations	500	500	366
Miscellaneous	45,000	45,000	9,845
Rental income	37,500	37,500	42,093
Insurance and property damage	6,000	27,282	27,207
Reimbursed expenditures	222,000	222,000	141,615
Total miscellaneous	311,000	332,282	221,126

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
General government fees	\$ 375,750	\$ 375,750	\$ 402,607
Community development fee	114,000	114,000	182,720
Public safety fee	108,650	108,650	112,257
Total charges for services	598,400	598,400	697,584
FINES AND FORFEITS			
Traffic fines	70,000	70,000	75,911
Police fines	75,000	75,000	23,971
Community development fines	-	-	3,061
Court fines	75,000	75,000	86,861
Total fines and forfeits	220,000	220,000	189,804
INVESTMENT INCOME	7,500	7,500	8,177
TOTAL REVENUES	\$ 16,507,685	\$ 16,528,967	\$ 16,348,575
GENERAL GOVERNMENT			
Mayor and council			
Personal services	63,600	63,600	64,746
Wages - part-time/seasonal	920	920	939
Medicare	3,941	3,941	4,014
Social Security			
Total personal services	68,461	68,461	69,699
Contractual services			
Legal services	-	-	1,094
Publishing	6,500	6,500	5,305
Printing	2,000	2,000	273
Publications	500	500	-
Travel	3,500	3,500	1,854
Training	3,100	3,100	(75)
Dues	15,000	15,000	12,148
Other professional services	15,000	15,000	17,015
Total contractual services	45,600	45,600	37,614

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Mayor and council (Continued)			
Commodities	\$ 2,000	\$ 2,000	\$ 1,912
Office supplies	500	500	-
Office equipment	1,500	1,500	790
Telephone	150	150	225
Recording fees	500	500	688
Per copy charges	2,000	2,000	664
Operating supplies	150	150	-
Janitorial supplies	-	-	97
Clothing	-	-	18
Employee awards	500	500	-
Books	800	800	346
Postage	3,000	3,000	554
Community relations			
Total commodities	11,100	11,100	5,294
Total Mayor and council	125,161	125,161	112,607
Police and fire commission			
Contractual services			
Professional services	11,500	11,500	7,448
Publishing	650	650	433
Travel and meals	100	100	146
Training	450	450	335
Dues	425	425	375
Total contractual services	13,125	13,125	8,737
Commodities			
Printing	3,000	3,000	-
Postage	150	150	12
Operating supplies	2,000	2,000	-
Total commodities	5,150	5,150	12
Total police and fire commission	18,275	18,275	8,749

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
City administrator's office			
Personal services			
Wages - regular	\$ 108,989	\$ 108,989	\$ 117,353
Wages - part-time/seasonal	19,968	19,968	18,550
Medicare	1,871	1,871	1,858
Social Security	7,525	7,525	7,431
IMRF	15,853	15,853	16,182
Total personal services	154,206	154,206	161,374
Contractual services			
Medical service	100	100	-
Other professional services	750	750	145
Training	3,500	3,500	1,000
Travel	2,500	2,500	2,050
Group insurance	30,200	30,200	27,248
Publishing	4,000	4,000	-
Printing	700	700	-
Dues	1,500	1,500	1,420
Public transportation	35,000	35,000	16,198
Total contractual services	78,250	78,250	48,061
Commodities			
Office supplies	1,400	1,400	829
Office equipment and furniture	1,500	1,500	39
Telephone	1,600	1,600	1,739
Operating supplies	250	250	278
Publications	100	100	79
Employee awards	400	400	100
Per copy charges	550	550	571
Postage	300	300	152
Motor and fuel lubricants	220	220	72
Books	50	50	142
Computer software	50	50	-
Total commodities	6,420	6,420	4,001
Total city administrator's office	238,876	238,876	213,436

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Administrative services			
Administration			
Personnel services			
Regular wages	\$ 118,197	\$ 118,197	\$ 133,307
Medicare	1,714	1,714	1,649
Social Security	7,328	7,328	7,052
IMRF	14,530	14,530	14,229
Total personnel services	141,769	141,769	156,237
Contractual services			
Group insurance	18,255	18,255	17,891
Travel	600	600	324
Training	750	750	672
Dues	405	405	435
Total contractual services	20,010	20,010	19,322
Commodities			
Office supplies	500	500	128
Operating supplies	275	275	15
Office equipment	250	250	-
Per copy charges	400	400	212
Postage	50	50	45
Total commodities	1,475	1,475	400
Total administration	163,254	163,254	173,959
Information technology			
Personnel services			
Regular wages	35,197	35,197	35,174
Medicare	510	510	488
Social Security	2,183	2,183	2,086
IMRF	4,327	4,327	4,230
Total personnel services	42,217	42,217	41,978
Contractual services			
Maintenance service	24,875	24,875	27,173
Group insurance	8,862	8,862	8,640
Telephone	5,000	5,000	5,283
Internet	2,680	2,680	2,256

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Administrative services (Continued)			
Information technology (Continued)			
Contractual services (Continued)	\$ -	\$ -	\$ 15
Travel and meals	1,500	1,500	-
Training	180	180	234
Utilities	2,315	2,315	2,274
Rentals			
Total contractual services	45,412	45,412	45,875
Commodities			
Office supplies	250	250	7
Office equipment	500	500	1,790
Per copy charges	50	50	-
Maintenance supplies	500	500	361
Postage	100	100	26
Total commodities	1,400	1,400	2,184
Total information technology	89,029	89,029	90,037
Human resources			
Personnel services			
Regular wages	60,312	60,312	64,952
Wages - part-time/seasonal	11,011	11,011	13,407
Medicare	1,035	1,035	1,130
Social Security	4,422	4,422	4,832
IMRF	7,414	7,414	7,807
Total personnel services	84,194	84,194	92,128
Contractual services			
Medical service	2,000	2,000	-
Group insurance	4,328	4,328	4,539
Travel and meals	700	700	671
Training	3,750	3,750	3,467
Publishing	35	35	85
Printing	300	300	318
Dues	600	600	580
Total contractual services	11,713	11,713	9,660

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Administrative services (Continued)			
Human resources (Continued)			
Commodities			
Office supplies	\$ 1,250	\$ 1,250	\$ 878
Office equipment	-	-	120
Operating supplies	2,500	2,500	986
Per copy charges	900	900	579
Postage	300	300	311
Employee awards	1,200	1,200	800
Total commodities	6,150	6,150	3,674
Total human resources	102,057	102,057	105,462
Finances			
Personnel services			
Regular wages	120,548	120,548	100,366
Medicare	1,747	1,747	1,565
Social Security	7,473	7,473	6,692
IMRF	14,819	14,819	13,601
Total personnel services	144,587	144,587	122,224
Contractual services			
Group insurance	19,323	19,323	19,788
Accounting and auditing service	13,015	13,015	17,161
Medical services	100	100	85
Training	1,000	1,000	1,389
Banking service	9,415	9,415	12,619
Travel	300	300	-
Other	-	-	330
Printing	4,500	4,500	3,045
Rentals	-	-	2,239
Dues	1,800	1,800	1,810
Total contractual services	49,453	49,453	58,466
Commodities			
Office supplies	2,500	2,500	1,711
Office equipment	500	500	916
Office furniture	-	-	37
Per copy charges	50	50	358
Postage	1,875	1,875	1,696

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Administrative services (Continued)			
Finances (Continued)			
Commodities (Continued)			
Computer software	\$ -	\$ -	\$ 1,000
Bad debt	-	-	75
Books	250	250	-
Total commodities	5,175	5,175	5,793
Total finances	199,215	199,215	186,483
City-wide services general	100,000	100,000	74,452
Contractual services	-	-	3,050
Legal service	5,020	5,020	3,748
Professional services	-	-	1,053
Telephone	-	-	480
Property taxes	480	480	512
Maintenance service	6,500	6,500	5,532
Utilities	2,000	2,000	-
Garbage disposal waste collection	194,250	215,532	218,388
General insurance	-	-	-
Tri-Com Ambulance	-	-	-
Rentals	5,025	5,025	5,091
Total contractual services	313,275	334,557	311,826
Commodities	5,000	5,000	1,955
Rentals	318,275	339,557	313,781
Total city-wide services general	871,830	893,112	871,722
Total administrative services	1,254,142	1,275,424	1,206,514
Total general government			
COMMUNITY DEVELOPMENT			
Building			
Personnel services	319,983	319,983	324,563
Regular wages	4,641	4,641	4,343
Medicare	19,838	19,838	18,571
Social Security	39,335	39,335	38,485
IMRF	383,797	383,797	385,962
Total personnel services			

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
COMMUNITY DEVELOPMENT (Continued)			
Building (Continued)			
Contractual services	\$ 15,400	\$ 15,400	\$ 3,634
Maintenance service	9,250	9,250	17,058
Janitorial service	2,010	2,010	2,798
Other professional service	78,184	78,184	75,549
Group insurance	3,600	3,600	4,602
Telephone	1,600	1,600	1,718
Publishing	430	430	276
Printing	1,300	1,300	490
Dues	1,500	1,500	1,218
Travel	3,075	3,075	1,337
Training	3,360	3,360	2,076
Rentals	69,400	79,030	112,953
Other contractual services	189,109	198,739	223,709
Total contractual services			
Commodities	7,200	7,200	1,570
Maintenance supplies	2,000	2,000	958
Office supplies	1,300	1,300	1,165
Office equipment and furniture	200	200	26
Janitorial supplies	600	600	-
Recording fees	200	200	58
Operating supplies	800	800	624
Postage	700	700	1,558
Books	1,000	1,000	1,108
Per copy charges	850	850	393
Clothing	450	450	265
Small tools	4,200	4,200	2,661
Motor fuel and lubricants	19,500	19,500	10,386
Total commodities	592,406	602,036	620,057
Total building			
Planning			
Personnel services	116,610	116,610	117,498
Regular wages	-	-	540
Overtime wages	65,829	71,239	68,954
Wages - part-time/seasonal	2,645	2,645	2,593
Medicare	11,311	11,311	11,087
Social Security	22,427	22,427	22,260
IMRF	218,822	224,232	222,932
Total personnel services			

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
COMMUNITY DEVELOPMENT (Continued)			
Contractual services			
Planning (Continued)			
Other professional service	\$ 8,500	\$ 8,500	\$ 14,926
Publishing	3,320	3,000	1,932
Group insurance	26,929	26,929	26,826
Printing	1,000	-	-
Recording fees	1,000	1,000	48
Dues	2,495	2,495	2,301
Travel	200	200	195
Training	11,310	11,610	9,178
Medical service	85	85	85
Rentals	-	285	283
Other contractual services	15,040	660	656
Total contractual services	69,879	54,764	56,430
Commodities			
Office supplies	800	400	384
Telephone	700	1,310	1,279
Office equipment	-	400	326
Books	-	190	185
Per copy charges	900	650	657
Community relations	450	100	50
Operating supplies	-	600	590
Postage	1,025	300	72
Total commodities	3,875	3,950	3,543
Total planning	292,576	282,946	282,905
Total community development	884,982	884,982	902,962
ECONOMIC DEVELOPMENT			
General			
Personnel services			
Regular wages	73,649	73,649	71,885
Wages - part-time/seasonal	19,968	19,968	6,405
Medicare	1,358	1,358	1,042
Social Security	5,804	5,804	4,454
IMRF	11,508	11,508	9,462
Total personnel services	112,287	112,287	93,248

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
ECONOMIC DEVELOPMENT (Continued)			
General (Continued)			
Contractual services			
Medical services	\$ 85	\$ 85	\$ 255
Advertising	12,000	12,000	25
Group insurance	19,485	19,485	19,388
Data programming service	1,000	1,000	1,190
Other professional services	2,000	2,000	14,238
Telephone	1,440	1,440	2,004
Publishing	450	450	-
Printing	2,040	2,040	802
Dues	2,245	2,245	1,739
Travel	765	765	622
Training	2,690	2,690	-
Other contractual services	2,525	2,525	2,573
Total contractual services	46,725	46,725	42,836
Commodities			
Office supplies	900	900	609
Office equipment	250	250	-
Office furniture	400	400	-
Per copy charges	1,200	1,200	520
Operating supplies	450	450	23
Community relations	2,480	2,480	1,527
Postage	1,200	1,200	69
Total commodities	6,880	6,880	2,748
Total economic development	165,892	165,892	138,832
PUBLIC SAFETY			
Police			
Sworn			
Personnel services			
Regular wages	3,246,582	3,246,582	3,356,579
Overtime	367,525	362,270	355,698
Stand-by	20,290	20,000	18,913
Medicare	45,525	51,070	49,471
Pension contributions	1,144,355	1,144,355	1,144,355
Total personnel services	4,824,277	4,824,277	4,925,016

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police (Continued)			
Sworn (Continued)			
Contractual services	\$ 587,921	\$ 587,921	\$ 584,683
Group insurance	23,505	23,005	16,486
Maintenance service	19,800	19,800	35,419
Janitorial service	6,700	6,700	5,314
Printing	295,540	295,540	295,565
Tri-Com	2,190	2,190	2,075
Dues	2,400	2,400	964
Travel	19,500	18,000	15,988
Training	850	850	471
Publications			
Total contractual services	958,406	956,406	956,965
Commodities			
Operating supplies	1,150	1,150	214
Maintenance supplies	12,480	12,480	13,101
Motor fuel and lubricants	71,450	68,209	42,133
Ammunition	11,175	11,175	9,093
Clothing	22,330	22,330	23,017
Periodicals	350	350	290
Total commodities	118,935	115,694	87,848
Total sworn	5,901,618	5,896,377	5,969,829
Records			
Personnel services			
Regular wages	430,282	430,282	422,238
Seasonal wages	7,640	7,640	5,453
Overtime	-	-	655
Medicare	6,348	6,348	6,062
Social Security	27,151	27,151	25,919
IMRF	52,894	52,894	53,084
Total personnel services	524,315	524,315	513,411

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police (Continued)			
Records (Continued)			
Contractual services	\$ 2,510	\$ 2,510	\$ 2,849
Medical service	15,855	17,995	16,470
Maintenance service	2,030	3,090	3,924
Other professional services	19,320	19,320	19,266
Telephone	81,301	81,301	92,767
Group insurance	80	80	76
Utilities	7,770	7,770	5,862
Rentals	19,185	19,185	14,552
Other contractual services			
Total contractual services	148,051	151,251	155,766
Commodities			
Office supplies	10,545	10,545	11,544
Maintenance supplies	-	-	35
Office equipment	2,000	1,860	2,113
Per copy charges	3,200	3,200	3,157
Office furniture	2,350	2,350	393
Operating supplies	8,005	8,005	8,618
Computer software	1,575	1,575	398
Clothing	3,100	3,100	2,139
Employee awards	2,120	2,120	1,143
Postage	3,300	3,300	3,035
Total commodities	36,195	36,055	32,575
Total records	708,561	711,621	701,752
Community service			
Personnel services			
Regular wages	37,778	37,778	32,194
Wages - part-time/seasonal	36,010	33,450	34,335
Overtime and stand-by	-	-	535
Medicare	548	2,623	1,128
Social Security	2,342	2,827	4,016
IMRF	4,644	4,644	5,957
Total personnel services	81,322	81,322	76,165

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police (Continued)			
Community service (Continued)			
Contractual services	\$ 10,437	\$ 10,437	\$ 9,465
Group insurance	8,530	8,530	7,695
Other contractual services	18,967	18,967	17,160
Total contractual services			
Commodities	600	2,781	2,780
Clothing	600	2,781	2,780
Total commodities	100,889	103,070	96,105
Total community service	6,711,068	6,711,068	6,767,686
Total police			
Fire			
Command			
Personnel services	716,708	716,708	748,066
Regular wages	8,384	8,384	8,350
Medicare	2,792	2,792	2,560
Social Security	5,535	5,535	5,389
IMRF	733,419	733,419	764,365
Total personnel services	8,015	8,015	7,312
Contractual services	500	500	194
Maintenance service	158,072	158,072	156,233
Other professional services	9,760	9,760	9,403
Group insurance	350	350	372
Telephone	4,400	4,400	4,448
Printing	4,500	4,500	1,703
Dues	500	500	79
Travel	2,660	2,660	2,149
Training	317,645	317,645	301,624
Rentals	506,402	506,402	483,517
Tri-City ambulance			
Total contractual services			

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Fire (Continued)			
Command (Continued)			
Commodities	\$ 1,500	\$ 1,500	\$ 1,972
Per copy charge	1,500	1,500	1,494
Office supplies	150	150	200
Office equipment	1,200	1,200	928
Operating supplies	1,000	1,000	749
Maintenance supplies	9,900	9,900	6,674
Clothing	1,200	1,200	2,147
Employee awards	565	565	478
Postage	17,015	17,015	14,642
Total commodities	1,256,836	1,256,836	1,262,524
Total command			
Personnel services	1,272,076	1,272,076	1,277,684
Regular wages	182,610	180,000	164,317
Overtime	5,330	4,950	8,472
Wages - meetings	5,450	5,060	7,585
POC holiday	468,280	435,000	443,053
Overnight duty	18,443	28,313	27,381
Medicare	-	31,025	31,266
Social Security	-	-	12
IMRF	355,690	355,690	355,690
Pension contributions	2,307,879	2,312,114	2,315,460
Total personnel services	18,000	18,000	9,550
Contractual services	345,816	345,816	414,927
Training	15,075	14,000	7,545
Group insurance	11,200	11,200	11,666
Medical service	1,000	1,000	-
Engineering services	1,000	1,000	343
Travel	392,091	391,016	444,031
Total contractual services			

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Fire (Continued)			
Fire services (Continued)			
Commodities			
Stiff alarms	\$ 44,425	\$ 41,265	\$ 36,198
Operating supplies	20,750	20,750	10,876
Clothing	14,500	14,500	11,178
Total commodities	79,675	76,515	58,252
Total fire services	2,779,645	2,779,645	2,817,743
Facility maintenance			
Contractual services	30,305	30,305	31,992
Maintenance service	1,000	1,000	742
Other contractual services			
Total contractual services	31,305	31,305	32,734
Commodities			
Maintenance supplies	12,800	12,800	12,309
Operating supplies	1,450	1,450	758
Rentals	500	500	-
Janitorial supplies	3,770	3,770	3,621
Motor fuel and lubricants	20,000	20,000	14,045
Total commodities	38,520	38,520	30,733
Total facility maintenance	69,825	69,825	63,467
Total fire	4,106,306	4,106,306	4,143,734
ESDA			
Contractual services			
Maintenance service	5,250	5,250	5,410
Other professional services	18,445	18,445	3,563
Telephone	5,000	5,000	9,009
Printing	100	100	-
Training	1,000	1,000	-
Total contractual services	29,795	29,795	17,982

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
ESDA (Continued)			
Commodities			
Operating supplies	\$ 750	\$ 750	\$ 90
Motor fuel and lubricants	300	300	558
Clothing	1,300	1,300	38
Total commodities	2,350	2,350	686
Total ESDA	32,145	32,145	18,668
Total public safety	10,849,519	10,849,519	10,930,088
HIGHWAY AND STREETS			
Streets			
General maintenance			
Personnel services			
Wages - regular	844,639	844,639	798,632
Wages - part-time/seasonal	12,920	12,000	-
Overtime	88,495	73,800	49,379
Stand-by	72,650	60,500	78,610
Medicare	12,247	28,997	13,052
Social Security	52,367	61,437	55,807
IMRF	103,829	105,774	112,601
Total personnel services	1,187,147	1,187,147	1,108,081
Contractual services			
Maintenance service	66,380	66,380	66,839
Medical services	1,230	1,240	1,237
Group insurance	255,987	255,987	235,650
Janitorial service	2,000	2,440	2,437
Other professional services	3,000	3,000	1,537
Telephone	2,800	3,050	3,043
Publishing	100	100	-
Printing	400	400	153
Dues	1,100	1,100	533
Travel	750	960	959
Training	3,100	4,555	4,772
Utilities	-	-	4
Street lighting	480	525	523
Landfill charges	7,000	4,495	2,571
Rentals	4,570	4,570	4,019
Other contractual services	4,200	4,200	370
Total contractual services	353,097	353,002	324,647

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
HIGHWAY AND STREETS (Continued)			
Streets (Continued)			
General maintenance (Continued)			
Commodities			
Maintenance supplies	\$ 33,600	\$ 33,600	\$ 31,059
Office supplies	800	800	829
Per copy charges	480	480	363
Office equipment	500	500	1,295
Operating supplies	46,690	46,690	21,271
Postage	500	500	123
Employee awards	1,000	1,000	350
Computer software	-	1,500	1,500
Small tools	6,000	6,000	3,397
Janitorial supplies	200	295	294
Motor fuel and lubricants	63,000	63,000	13,126
Clothing	6,500	6,500	5,630
Film/video	800	800	-
Total commodities	160,070	161,665	79,237
Less reimbursements from the Motor Fuel Tax Fund	-	-	(425,150)
Total general maintenance	1,700,314	1,701,814	1,086,815
Snow control			
Contractual services			
Other professional services	1,800	2,060	2,059
Total contractual services	1,800	2,060	2,059
Commodities			
Maintenance service	273,000	272,740	128,950
Operating supplies	700	700	232
Total commodities	273,700	273,440	129,182
Total snow control	275,500	275,500	131,241
Total highway and streets	1,975,814	1,977,314	1,218,056

PUBLIC WORKS

Streets			
Forestry			
Contractual services			
Maintenance service	2,000	2,000	768
Other professional services	5,000	3,342	298

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Streets (Continued)			
Forestry (Continued)			
Contractual services (Continued)			
Dues and subscriptions	\$ -	\$ 575	\$ 575
Printing	500	561	560
Mosquito abatement	60,000	60,000	45,474
Total contractual services	67,500	66,478	47,675
Commodities			
Maintenance supplies	500	1,285	1,283
Operating supplies	600	837	648
Motor fuel and lubricants	100	100	67
Small tools	4,100	4,100	183
Total commodities	5,300	6,322	2,181
Total forestry	72,800	72,800	49,856
Fleet services			
Personnel services			
Wages - regular	147,734	147,734	127,046
Overtime	1,205	865	677
Medicare	2,141	2,291	1,820
Social Security	9,159	9,224	7,781
IMRF	18,161	18,286	15,387
Total personnel services	178,400	178,400	152,711
Contractual services			
Maintenance service	71,700	71,700	63,448
Dues	550	550	499
Publications	-	60	60
Group insurance	22,689	22,689	20,527
Training	450	450	7
Rentals	1,600	1,600	1,029
Other contractual services	1,000	1,000	135
Total contractual services	97,989	98,049	85,705
Commodities			
Maintenance supplies	78,000	72,275	73,151
Operating supplies	10,100	10,100	5,585
Office supplies	-	105	104

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Streets (Continued)			
Fleet services (Continued)			
Commodities (Continued)			
Small tools	\$ 700	\$ 700	445
Janitorial supplies	14,100	16,785	16,781
Motor fuel and lubricants	250	1,625	1,622
Clothing			
Total commodities	104,650	103,090	98,609
Total fleet services	381,039	379,539	337,025
Total streets	453,839	452,339	386,881
Engineering			
General			
Personnel services	194,883	194,883	198,805
Wages - regular	2,827	2,827	2,714
Medicare	12,086	12,086	11,605
Social Security	23,963	23,963	23,448
IMRF			
Total personnel services	233,759	233,759	236,572
Contractual services			
Maintenance service	5,000	2,440	1,905
Engineering service	10,000	20,260	23,942
Group insurance	36,759	36,759	36,642
Janitorial service	2,000	2,440	2,437
Other professional services	1,500	1,955	453
Telephone	4,000	4,115	4,115
Publishing	400	425	423
Printing	460	460	49
Recording fees	400	400	214
Dues	715	715	551
Travel	1,000	1,000	1,131
Training	3,500	1,812	2,265
Rentals	630	680	638
Other contractual services	125	125	30
Total contractual services	66,489	73,586	74,795

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (Continued)
 GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Engineering (Continued)			
General (Continued)			
Commodities			
Maintenance supplies	\$ 5,000	\$ 35	34
Office supplies	1,000	1,000	742
Per copy charges	200	340	363
Janitorial supplies	-	45	41
Books	50	50	-
Employee awards	250	250	150
Office equipment	1,800	1,800	1,174
Operating supplies	3,305	553	322
Motor fuel and lubricants	4,000	1,404	1,404
Clothing	1,025	1,275	1,007
Postage	500	541	540
Total commodities	17,130	7,293	5,777
Total general	317,378	314,638	317,144
GIS			
Personnel services			
Wages - regular	10,068	10,068	13,473
Medicare	146	146	187
Social Security	624	624	797
IMRF	1,238	1,238	1,617
Medical service	100	100	-
Total personnel services	12,176	12,176	16,074
Contractual services			
Group insurance	1,980	1,980	2,297
Maintenance service	250	5,915	5,664
Training	385	1,090	1,088
Printing	50	50	-
Publishing	100	100	35
Other contractual services	1,100	100	-
Travel	175	175	78
Total contractual services	4,040	9,410	9,162
Commodities			
Dues	-	-	40
Office supplies	75	75	326
Rentals	750	-	-

(This schedule is continued on the following pages.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Engineering (Continued)			
GIS (Continued)			
Commodities (Continued)			
Small tools	\$ 2,000	\$ 55	\$ -
Operating supplies	-	65	64
Maintenance	50	50	-
Total commodities	2,875	245	430
Total GIS	19,091	21,831	25,666
Storm drainage			
Personnel services			
Wages - regular	25,471	25,471	22,235
Overtime	-	-	1
Stand-by	-	-	30
Medicare	370	370	309
Social Security	1,579	1,579	1,319
IMRF	3,132	3,132	2,518
Total personnel services	30,552	30,552	26,412
Contractual services			
Group insurance	6,731	6,731	7,278
Other contractual services	-	-	1,000
Total contractual services	6,731	6,731	8,278
Commodities			
Maintenance supplies	14,000	13,249	11,876
Operating supplies	2,000	2,751	2,751
State/federal permit fees	500	500	500
Total commodities	16,500	16,500	15,127
Total storm drainage	53,783	53,783	49,817
Total engineering	390,252	390,252	392,627
Total public works	844,091	842,591	779,508

(This schedule is continued on the following page.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
DEBT SERVICE			
Principal	\$ 125,900	\$ 125,900	\$ 125,897
Interest	2,965	2,965	2,964
Total debt service	128,865	128,865	128,861
TOTAL EXPENDITURES	\$ 16,103,305	\$ 16,124,587	\$ 15,304,821

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue			
	Motor Fuel Tax	Combined Special Service Area	Foreign Fire Insurance Board	Mental Health
ASSETS				
Cash and investments	\$ 807,615	\$ 525,035	\$ 52,271	\$ 150,981
Receivables	-	457,947	-	153,629
Property taxes	-	40	-	29
Accrued interest	-	-	-	-
Other	-	-	-	-
Due from other governments	48,919	-	-	-
TOTAL ASSETS	\$ 856,534	\$ 983,022	\$ 52,271	\$ 304,639
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	-	\$ 28,058	-	\$ 439
Retainage payable	-	-	-	-
Wages payable	-	3,323	-	-
Due to other governments	-	2,700	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	34,081	-	439
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	-	457,947	-	153,629
Total deferred inflows of resources	-	457,947	-	153,629
Total liabilities and deferred inflows of resources	-	492,028	-	154,068
FUND BALANCES				
Restricted	856,534	-	-	-
Highways and streets	-	-	-	-
Capital projects	-	-	-	-
Subdivision maintenance	-	490,994	-	-
Public safety	-	-	52,271	-
Economic development	-	-	-	-
Debt service	-	-	-	-
Special purposes	-	-	-	150,571
Assigned	-	-	-	-
Special purpose	-	-	-	-
Capital projects	-	-	-	-
Total fund balances	856,534	490,994	52,271	150,571
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 856,534	\$ 983,022	\$ 52,271	\$ 304,639

CITY OF GENEVA, ILLINOIS
 COMBINING BALANCE SHEET (Continued)
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue				Debt Service		Capital Projects			Total Nonmajor Governmental Funds		
	Cultural Arts	Strategic Planning Advisory Committee	Beautification	Tourism	Restricted Police Fines	PEG Fees	Debt Service	Infrastructure Capital Projects	TIF #2 East State Street		General Capital Projects	Prairie Green
\$	71,770	43,029	41,311	100,854	23,771	105,988	311,984	566,480	9,965	319,955	379,919	4,191,993
	-	-	-	-	-	-	1,993,217	-	-	-	-	2,835,577
	-	-	-	34,226	-	8,927	861	-	-	-	49	979
	-	-	-	-	-	-	-	-	-	-	-	45,704
	-	-	-	-	-	-	-	-	-	-	-	560,140
\$	71,770	43,029	41,311	135,080	23,771	114,915	2,306,062	1,077,701	9,965	319,955	379,968	7,634,393
ASSETS												
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES												
	315	654	153	6,168	717	4,552	-	134,559	-	-	-	189,470
	-	-	-	-	-	-	-	1,332	-	-	-	1,332
	-	-	-	422	-	-	-	-	-	-	182	5,094
39	-	-	-	40,222	-	-	-	-	-	-	-	42,961
	-	-	-	-	-	-	-	-	-	-	-	3,120
354	654	153	46,812	717	4,552	-	-	135,891	3,120	-	182	241,977
	-	-	-	-	-	-	1,993,217	-	-	-	-	2,835,577
	-	-	-	-	-	-	1,993,217	-	-	-	-	2,835,577
354	654	153	46,812	717	4,552	-	-	135,891	3,120	-	182	3,077,554
FUND BALANCES												
	-	-	-	-	-	-	-	-	-	-	-	856,534
	-	-	-	-	-	-	-	941,810	-	-	-	941,810
	-	-	-	-	-	-	-	-	-	-	-	490,994
	-	-	-	23,054	-	-	-	-	-	-	-	75,325
	-	-	-	-	-	-	-	-	-	-	-	668,594
	-	-	-	-	-	-	312,845	-	-	-	-	312,845
71,416	-	41,158	88,268	-	110,363	-	-	-	-	-	-	461,776
	-	42,375	-	-	-	-	-	-	6,845	319,955	-	42,375
	-	-	-	-	-	-	-	-	6,845	319,955	379,786	706,586
71,416	42,375	41,158	88,268	23,054	110,363	312,845	-	-	6,845	319,955	379,786	4,556,839
\$	71,770	43,029	41,311	135,080	23,771	114,915	2,306,062	1,077,701	9,965	319,955	379,968	7,634,393

(This statement is continued on the following page.)

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue				Special Revenue				Debt Service		Capital Projects	
	Motor Fuel Tax	Combined Special Service Area	Foreign Fire Insurance Board	Memorial Health	Cultural Arts	Strategic Planning Advisory Committee	Beautification	Tourism	Restricted Police Fines	PEG Fees	Debt Service	Infrastructure Capital Projects
REVENUES												
Taxes	\$ 549,818	\$ 449,493	\$ 43,757	\$ 154,362	-	-	\$ 244,513	-	\$ -	\$ 1,914,427	\$ -	2,223,599
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	6,526
Recovery of costs	-	-	1,600	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	17,555	36,042	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	400	931	6	630	62	11	51	-	-	1,820	-	1,262
Miscellaneous	-	-	38	3	23,842	21,630	8,615	-	-	16,040	-	7,000
Total revenues	550,218	450,424	45,401	154,995	23,904	21,641	8,666	244,513	17,555	36,042	1,932,287	2,238,387
EXPENDITURES												
Current												
General government	-	220,277	-	141,735	46,382	6,722	9,962	-	-	-	-	-
Economic development	-	-	-	-	-	-	205,564	-	-	-	-	-
Community development	-	-	-	-	-	-	-	7,706	-	-	-	-
Public safety	-	-	87,799	-	-	-	-	-	-	-	-	-
Highway and streets	425,150	234,266	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	10,901	-	2,985,436
Debt service	-	-	-	-	-	-	-	-	-	-	1,540,000	-
Principal retirement	-	20,000	-	-	-	-	-	-	-	-	359,381	-
Interest and fiscal charges	-	10,826	-	-	-	-	-	-	-	-	-	-
Total expenditures	425,150	485,369	87,799	141,735	46,382	6,722	9,962	205,564	7,706	10,901	1,899,381	2,985,436
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	125,068	(34,945)	(42,398)	13,260	(22,478)	14,919	(1,296)	38,949	9,849	25,141	32,906	(747,049)
OTHER FINANCING SOURCES (USES)												
Issuance of bonds	-	200,000	-	-	-	-	-	-	-	-	-	-
Payment to escrow agent	-	(195,545)	-	-	-	-	-	-	-	-	-	-
Transfers in	-	103,175	-	-	-	5,000	-	-	-	-	-	425,150
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	107,630	-	-	-	5,000	-	-	-	-	-	425,150
NET CHANGE IN FUND BALANCES	125,068	72,685	(42,398)	13,260	(22,478)	19,919	3,704	38,949	9,849	25,141	32,906	(321,899)
FUND BALANCES, MAY 1	731,466	418,309	94,669	137,311	93,894	22,456	37,454	49,319	13,205	85,222	279,939	1,263,709
FUND BALANCES, APRIL 30	\$ 856,534	\$ 490,994	\$ 52,271	\$ 150,571	\$ 71,416	\$ 42,375	\$ 41,158	\$ 88,268	\$ 23,054	\$ 110,363	\$ 312,845	\$ 941,810

(This statement is continued on the following page.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
State motor fuel tax	\$ 510,510	\$ 510,510	\$ 549,818
Interest income	600	600	400
Total revenues	511,110	511,110	550,218
EXPENDITURES			
Highways and streets	511,110	511,110	425,150
Total expenditures	511,110	511,110	425,150
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	125,068
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	125,068
FUND BALANCE, MAY 1			731,466
FUND BALANCE, APRIL 30			\$ 856,534

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Capital Projects				Total Nonmajor Governmental Funds
	TIF #2 East State Street	General Capital Projects	Capital Equipment	Prairie Green	
REVENUES					
Taxes	\$ 241,906	\$ -	\$ -	\$ -	\$ 3,004,701
Intergovernmental	-	-	-	-	2,817,174
Recovery of costs	-	96,679	-	-	103,205
Changes for services	-	-	-	-	37,642
Fines and forfeitures	-	-	-	-	17,555
Interest income	1,013	20	1,503	1,812	9,521
Miscellaneous	-	-	-	106,000	183,168
Total revenues	242,919	96,699	1,503	107,812	6,172,966
EXPENDITURES					
Current					
General government	-	-	-	-	425,078
Economic development	94,760	-	-	-	300,324
Community development	-	-	-	20,765	20,765
Public safety	-	-	-	-	95,505
Highway and streets	-	-	-	-	659,416
Capital outlay	23,663	633,494	-	1,285	3,654,779
Debt service	-	-	-	-	1,616,691
Principal retirement	56,691	-	-	-	375,320
Interest and fiscal charges	5,113	-	-	-	-
Total expenditures	180,227	633,494	-	22,050	7,147,878
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	62,692	(536,795)	1,503	85,762	(974,912)
OTHER FINANCING SOURCES (USES)					
Issuance of bonds	-	-	-	-	200,000
Payment to escrow agent	-	-	-	-	(195,545)
Transfers in	-	31,646	-	-	569,971
Sale of capital assets	-	-	84,057	-	84,057
Total other financing sources (uses)	-	31,646	84,057	-	658,483
NET CHANGE IN FUND BALANCES	62,692	(505,149)	85,560	85,762	(316,429)
FUND BALANCES, MAY 1	605,902	511,994	234,395	294,024	4,873,268
FUND BALANCES, APRIL 30	\$ 668,594	\$ 6,845	\$ 319,955	\$ 379,786	\$ 4,556,839

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMBINED SPECIAL SERVICE AREA FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 450,610	\$ 450,610	\$ 449,493
Interest income	545	545	931
Miscellaneous	1,000	1,000	-
Total revenues	452,155	452,155	450,424
EXPENDITURES			
Current			
General government			
Personal services	25,892	30,317	27,180
Commodities	11,150	11,650	10,658
Contractual services	226,907	226,407	182,439
Highway and streets			
Personal services	160,292	160,292	160,765
Commodities	27,807	27,807	16,702
Contractual services	82,656	82,656	56,799
Debt Service			
Principal retirement	20,000	210,000	20,000
Interest and fiscal charges	10,800	16,375	10,826
Total expenditures	565,504	765,504	483,369
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(113,349)	(313,349)	(34,945)
OTHER FINANCING SOURCES (USES)			
Transfers in			
Issuance of bonds	90,000	90,000	103,175
Payment to escrow agent	-	200,000	200,000
Reappropriation	43,874	43,874	(195,545)
Prior year budgeted surplus	(20,525)	(20,525)	-
Total other financing sources (uses)	113,349	313,349	107,630
NET CHANGE IN FUND BALANCE	\$ -	\$ -	72,685
FUND BALANCE, MAY 1			418,309
FUND BALANCE, APRIL 30			<u>\$ 490,994</u>

(See independent auditor's report.)

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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE BOARD FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ 42,000	\$ 42,000	\$ 43,757
Charges for services	850	850	1,600
Interest income	5	5	6
Miscellaneous	1,600	1,600	38
Total revenues	44,455	44,455	45,401
EXPENDITURES			
Current			
Public safety			
Commodities	5,375	5,375	3,621
Contractual services	39,080	89,080	84,178
Total expenditures	44,455	94,455	87,799
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(50,000)	(42,398)
OTHER FINANCING SOURCES (USES)			
Reappropriation	-	50,000	-
Total other financing sources (uses)	-	50,000	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(42,398)
FUND BALANCE, MAY 1			94,669
FUND BALANCE, APRIL 30			<u>\$ 52,271</u>

(See independent auditor's report.)

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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MENTAL HEALTH FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 155,000	\$ 155,000	\$ 154,362
Interest income	300	300	630
Miscellaneous	-	-	3
Total revenues	155,300	155,300	154,995
EXPENDITURES			
Current			
General government	142,175	142,175	141,735
Contractual services	142,175	142,175	141,735
Total expenditures	13,125	13,125	13,260
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,125)	(13,125)	-
OTHER FINANCING SOURCES (USES)			
Prior year budgeted surplus	(13,125)	(13,125)	-
Total other financing sources (uses)	(13,125)	(13,125)	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	13,260
FUND BALANCE, MAY 1			137,311
FUND BALANCE, APRIL 30			\$ 150,571

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CULTURAL ARTS COMMISSION FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 60	\$ 60	\$ 62
Miscellaneous	59,450	59,450	23,842
Total revenues	59,510	59,510	23,904
EXPENDITURES			
Current			
General government	11,075	11,075	2,932
Commodities	66,850	66,850	43,450
Contractual services	77,925	77,925	46,382
Total expenditures	(18,415)	(18,415)	(22,478)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,415	18,415	-
OTHER FINANCING SOURCES (USES)			
Reappropriation	18,415	18,415	-
Total other financing sources (uses)	18,415	18,415	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(22,478)
FUND BALANCE, MAY 1			93,894
FUND BALANCE, APRIL 30			\$ 71,416

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STRATEGIC PLANNING ADVISORY COMMITTEE FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 10	\$ 10	\$ 11
Miscellaneous	11,775	11,775	21,630
Total revenues	11,785	11,785	21,641
EXPENDITURES			
Current			
General government	15,910	15,910	5,424
Commodities	875	875	1,298
Contractual services			
Total expenditures	16,785	16,785	6,722
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,000)	(5,000)	14,919
OTHER FINANCING SOURCES (USES)			
Transfers in	5,000	5,000	5,000
Total other financing sources (uses)	5,000	5,000	5,000
NET CHANGE IN FUND BALANCE	\$ -	\$ -	19,919
FUND BALANCE, MAY 1			22,456
FUND BALANCE, APRIL 30			\$ 42,375

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 50	\$ 50	\$ 51
Miscellaneous	5,300	5,300	8,615
Total revenues	5,350	5,350	8,666
EXPENDITURES			
Current			
General government	12,000	12,000	9,454
Commodities	850	850	508
Contractual services			
Total expenditures	12,850	12,850	9,962
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,500)	(7,500)	(1,296)
OTHER FINANCING SOURCES (USES)			
Transfers in	5,000	5,000	5,000
Reappropriation	2,500	2,500	-
Total other financing sources (uses)	7,500	7,500	5,000
NET CHANGE IN FUND BALANCE	\$ -	\$ -	3,704
FUND BALANCE, MAY 1			37,454
FUND BALANCE, APRIL 30			\$ 41,158

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 225,000	\$ 225,000	\$ 244,513
Hotel/motel			
Total revenues	225,000	225,000	244,513
EXPENDITURES			
Current			
Economic development			
Personal services	22,307	22,307	20,287
Commodities	1,150	1,150	174
Contractual services	201,543	201,543	185,103
Total expenditures	225,000	225,000	205,564
NET CHANGE IN FUND BALANCE	\$ -	\$ -	38,949
FUND BALANCE, MAY 1			49,319
FUND BALANCE, APRIL 30			<u>\$ 88,268</u>

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RESTRICTED POLICE FINES FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Fines and forfeitures	\$ 14,200	\$ 14,200	\$ 17,555
Total revenues	14,200	14,200	17,555
EXPENDITURES			
Current			
Public safety			
Personnel services	2,500	2,500	-
Contractual services	12,705	12,705	7,706
Commodities	5,950	5,950	-
Total expenditures	21,155	21,155	7,706
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,955)	(6,955)	9,849
OTHER FINANCING SOURCES (USES)			
Reappropriation	6,955	6,955	-
Total other financing sources (uses)	6,955	6,955	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	9,849
FUND BALANCE, MAY 1			13,205
FUND BALANCE, APRIL 30			<u>\$ 23,054</u>

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PEG FEES FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services	\$ 32,600	\$ 32,600	\$ 36,042
Total revenues	32,600	32,600	36,042
EXPENDITURES			
Current			
Community development	-	-	-
Commodities	12,000	12,000	10,901
Capital outlay	12,000	12,000	10,901
Total expenditures	20,600	20,600	25,141
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,600	20,600	25,141
OTHER FINANCING SOURCES (USES)			
Prior year budgeted surplus	20,600	20,600	-
Total other financing sources (uses)	20,600	20,600	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	25,141
FUND BALANCE, MAY 1			85,222
FUND BALANCE, APRIL 30			<u>\$ 110,363</u>

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 1,897,725	\$ 1,897,725	\$ 1,914,427
Interest	5,000	5,000	1,820
Miscellaneous	5,000	5,000	16,040
Total revenues	1,907,725	1,907,725	1,932,287
EXPENDITURES			
Debt service			
Principal retirement	1,540,000	1,540,000	1,540,000
Interest and fiscal charges	367,725	367,725	359,381
Total expenditures	1,907,725	1,907,725	1,899,381
NET CHANGE IN FUND BALANCE	\$ -	\$ -	32,906
FUND BALANCE, MAY 1			279,939
FUND BALANCE, APRIL 30			<u>\$ 312,845</u>

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental	\$ 3,402,455	\$ 3,402,455	\$ 2,223,599
Recovery of costs	5,000	5,000	6,526
Interest income	1,000	1,000	1,262
Miscellaneous	1,025,000	1,025,000	7,000
Total revenues	4,433,455	4,433,455	2,238,387
EXPENDITURES			
Capital outlay	5,444,565	5,444,565	2,985,436
Total expenditures	5,444,565	5,444,565	2,985,436
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,011,110)	(1,011,110)	(747,049)
OTHER FINANCING SOURCES (USES)			
Reappropriation	500,000	500,000	-
Transfers in	511,110	511,110	425,150
Total other financing sources (uses)	1,011,110	1,011,110	425,150
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(321,899)
FUND BALANCE, MAY 1			1,263,709
FUND BALANCE, APRIL 30			\$ 941,810

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING #2
(EAST STATE STREET CONSTRUCTION) FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 253,680	\$ 253,680	\$ 241,906
Investment income	2,500	2,500	1,013
Total revenues	256,180	256,180	242,919
EXPENDITURES			
Economic development			
Personnel services	56,712	56,712	65,761
Commodities	2,075	2,075	1,678
Contractual services	21,322	21,322	27,321
Capital outlay	65,000	65,000	23,663
Debt service			
Principal	56,695	56,695	56,691
Interest	5,250	5,250	5,113
Total expenditures	207,054	207,054	180,227
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	49,126	49,126	62,692
OTHER FINANCING SOURCES (USES)			
Prior year budgeted surplus	(49,126)	(49,126)	-
Total other financing sources (uses)	(49,126)	(49,126)	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	62,692
FUND BALANCE, MAY 1			605,902
FUND BALANCE, APRIL 30			\$ 668,594

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 20
Recovery of costs	-	96,679	96,679
Total revenues	-	96,679	96,699
EXPENDITURES			
Current			
Economic development	-	96,479	-
Contractual services	531,955	537,905	633,494
Capital outlay			
Total expenditures	531,955	634,384	633,494
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(531,955)	(537,705)	(536,795)
OTHER FINANCING SOURCES (USES)			
Reappropriation	506,025	511,775	-
Transfers in	25,930	25,930	31,646
Total other financing sources (uses)	531,955	537,705	31,646
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(505,149)
FUND BALANCE, MAY 1			511,994
FUND BALANCE, APRIL 30	\$ 6,845	\$ 6,845	\$ 6,845

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ 350	\$ 350	\$ 1,503
Total revenues	350	350	1,503
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	350	350	1,503
OTHER FINANCING SOURCES (USES)			
Prior year budgeted surplus	(50,350)	(50,350)	-
Sale of capital assets	50,000	50,000	84,057
Total other financing sources (uses)	(350)	(350)	84,057
NET CHANGE IN FUND BALANCE	\$ -	\$ -	85,560
FUND BALANCE, MAY 1			234,395
FUND BALANCE, APRIL 30	\$ 319,955	\$ 319,955	\$ 319,955

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PRAIRIE GREEN FUND

For the Year Ended April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Interest income	\$ 200	\$ 200	\$ 1,812
Miscellaneous			
Farm rent	107,250	107,250	106,000
Total revenues	<u>107,450</u>	<u>107,450</u>	<u>107,812</u>
EXPENDITURES			
Current			
Economic development	9,390	9,390	10,509
Personnel services	7,255	7,255	7,447
Commodities	11,686	11,686	2,809
Contractual services	25,000	25,000	1,285
Capital outlay			
Total expenditures	<u>53,331</u>	<u>53,331</u>	<u>22,050</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>54,119</u>	<u>54,119</u>	<u>85,762</u>
OTHER FINANCING SOURCES (USES)			
Prior year budgeted surplus	<u>(54,119)</u>	<u>(54,119)</u>	<u>-</u>
Total other financing sources (uses)	<u>(54,119)</u>	<u>(54,119)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>85,762</u>
FUND BALANCE, MAY 1			<u>294,024</u>
FUND BALANCE, APRIL 30			<u>\$ 379,786</u>

MAJOR ENTERPRISE FUNDS

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 39,580,930	\$ 39,580,930	\$ 40,818,178
Service fees	500	500	-
Fines and forfeits	298,800	298,800	251,299
Other revenues	142,000	167,000	154,941
Total operating revenues	40,022,230	40,047,230	41,224,418
OPERATING EXPENSES			
Operations and maintenance	2,981,314	2,986,706	2,746,206
Electric purchases	31,255,800	31,255,800	32,603,168
Electric generation	1,126,014	1,116,117	790,249
GIS	96,586	96,586	95,004
Substations	21,700	31,229	27,549
Administration	884,614	878,470	861,135
Fiber optics	20,000	46,120	46,419
New services	140,410	140,410	29,423
Customer accounting	4,576,205	4,576,205	1,988,857
Capital outlay			
Total operating expenses	41,102,643	41,127,643	39,316,844
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	(1,080,413)	(1,080,413)	1,907,574
Depreciation and amortization	2,000,000	2,000,000	1,797,187
OPERATING INCOME (LOSS)	(3,080,413)	(3,080,413)	110,387
NON-OPERATING REVENUES (EXPENSES)			
Investment income	30,000	30,000	37,185
Gain on sale of capital assets	0,000	10,000	19,595
Principal payments	(1,525,000)	(1,525,000)	(1,525,000)
Interest and fiscal charges	(306,865)	(306,865)	(327,145)
Prior year budgeted surplus	4,872,278	4,872,278	-
Total non-operating revenues (expenses)	3,080,413	3,080,413	(1,795,365)
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	\$ -	\$ -	(1,684,978)
Capital grants and contributions			
CHANGE IN NET POSITION - BUDGET BASIS			(1,684,978)
Principal paid			1,525,000
Capital outlay capitalized			1,732,646
CHANGE IN NET POSITION - GAAP BASIS			1,572,668
NET POSITION, MAY 1			39,143,922
Change in accounting principle			(698,872)
NET POSITION, MAY 1, RESTATED			38,445,050
NET POSITION, APRIL 30			\$ 40,017,718

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 8,120,320	\$ 8,130,520	\$ 8,433,816
Service fees	165,660	165,660	148,429
Fines and forfeits	120,000	120,000	80,974
Miscellaneous income	303,420	293,220	304,589
Total operating revenues	8,709,400	8,709,400	8,967,808
OPERATING EXPENSES			
Water production	335,660	335,760	312,372
Water distribution	1,342,857	1,317,114	1,232,758
Water treatment	1,118,566	1,120,194	1,139,419
Wastewater treatment	942,871	963,454	984,441
Wastewater collection	753,859	758,900	779,626
Industrial wastewater	108,655	109,530	112,377
GIS	108,822	108,822	100,177
Capital outlay	2,620,335	2,617,651	1,942,204
Total operating expenses	7,328,425	7,328,425	6,603,374
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	1,380,975	1,380,975	2,364,434
Depreciation and amortization	2,500,000	2,500,000	2,377,417
OPERATING INCOME (LOSS)	(1,119,025)	(1,119,025)	(12,983)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	6,100	6,100	9,823
Gain on sale of capital assets	-	-	18,061
Principal payments	(1,650,040)	(1,650,040)	(1,650,030)
Interest and fiscal charges	(653,215)	(653,215)	(639,306)
Prior year budgeted surplus	3,416,180	3,416,180	-
Total non-operating revenues (expenses)	1,119,025	1,119,025	(2,261,452)
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	\$ -	\$ -	(2,274,435)
Capital grants and contributions			
CHANGE IN NET POSITION - BUDGET BASIS			(2,274,435)
Principal paid			1,650,030
Capital outlay capitalized			660,525
CHANGE IN NET POSITION - GAAP BASIS			36,120
NET POSITION, MAY 1			49,408,063
Change in accounting principle			(549,266)
NET POSITION, MAY 1, RESTATED			48,858,797
NET POSITION, APRIL 30			\$ 48,894,917

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

April 30, 2016

	Commuter Parking	Refuse	Cemetery	Total
CURRENT ASSETS				
Cash and investments	\$ 621,507	\$ 228,395	\$ 365,647	\$ 1,215,549
Accounts receivable	-	68,055	-	68,055
Accrued interest receivable	-	-	634	634
Prepays	-	2,669	-	2,669
Total current assets	621,507	299,119	366,281	1,286,907
NONCURRENT ASSETS				
Capital assets				
Depreciable	13,207,468	59,045	119,193	13,385,706
Accumulated depreciation	(2,049,054)	(59,045)	(83,046)	(2,191,145)
Total noncurrent assets	11,158,414	-	36,147	11,194,561
Total assets	11,779,921	299,119	402,428	12,481,468
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	18,129	7,927	-	26,056
Total deferred outflows of resources	18,129	7,927	-	26,056
Total assets and deferred outflows of resources	11,798,050	307,046	402,428	12,507,524
CURRENT LIABILITIES				
Accounts payable	24,811	26,176	5,377	56,364
Accrued payroll	1,176	570	-	1,746
Accrued interest payable	3,097	-	-	3,097
Compensated absences payable	2,660	2,708	-	5,368
Alternate revenue bonds payable	145,000	-	-	145,000
Total current liabilities	176,744	29,454	5,377	211,575
NONCURRENT LIABILITIES				
Compensated absences payable	3,056	4,029	-	7,085
Alternate revenue bonds payable	855,000	-	-	855,000
IMRF net pension liability	43,077	18,838	-	61,915
Total noncurrent liabilities	901,133	22,867	-	924,000
Total liabilities	1,077,877	52,321	5,377	1,135,575
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	865	378	-	1,243
Total deferred inflows of resources	865	378	-	1,243
Total liabilities and deferred inflows of resources	1,078,742	52,699	5,377	1,136,818
NET POSITION				
Net investment in capital assets	10,158,414	-	36,147	10,194,561
Restricted - perpetual care	-	-	190,770	190,770
Unrestricted	560,894	254,347	170,134	985,375
TOTAL NET POSITION	\$ 10,719,308	\$ 254,347	\$ 397,051	\$ 11,370,706

NONMAJOR ENTERPRISE FUNDS

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities			Total
	Commuter Parking	Refuse	Cemetery	
OPERATING REVENUES				
Charges for services	\$ 507,604	\$ 488,192	\$ 62,650	\$ 1,058,446
Recovery of costs	-	-	22,881	22,881
Miscellaneous	-	22,787	-	22,787
Total operating revenues	507,604	510,979	85,531	1,104,114
OPERATING EXPENSES				
Administration	70,888	36,138	24,308	131,334
Operations	166,413	460,156	20,630	647,199
Depreciation	382,182	-	5,384	387,566
Total operating expenses	619,483	496,294	50,322	1,166,099
OPERATING INCOME (LOSS)	(111,879)	14,685	35,209	(61,985)
NON-OPERATING REVENUES (EXPENSES)				
Gain on sale of capital assets	-	9,225	-	9,225
Interest income	173	-	3,508	3,681
Interest and fiscal charges	(41,012)	-	-	(41,012)
Total non-operating revenues (expenses)	(40,839)	9,225	3,508	(28,106)
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(152,718)	23,910	38,717	(90,091)
Capital grants and contributions	175,585	-	-	175,585
CHANGE IN NET POSITION	22,867	23,910	38,717	85,494
NET POSITION, MAY 1	10,715,026	238,565	358,334	11,311,925
Change in accounting principle	(18,585)	(8,128)	-	(26,713)
NET POSITION, MAY 1, RESTATED	10,696,441	230,437	358,334	11,285,212
NET POSITION, APRIL 30	\$ 10,719,308	\$ 254,347	\$ 397,051	\$ 11,370,706

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities			Total
	Commuter Parking	Refuse	Cemetery	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 507,604	\$ 502,767	\$ 62,250	\$ 1,072,621
Payments to vendors	(452,881)	(468,498)	(44,958)	(966,337)
Payments to suppliers	(61,837)	(26,806)	-	(88,643)
Payments to employees	(7,114)	7,463	40,173	40,522
Net cash from operating activities				
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Repayment of amounts from other funds	(1,417,812)	-	-	(1,417,812)
Net cash from noncapital financing activities	(1,417,812)	-	-	(1,417,812)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital grants and contributions	2,117,265	-	-	2,117,265
Proceeds from sale of capital assets	-	9,225	-	9,225
Principal payments on long-term debt	(125,000)	-	-	(125,000)
Interest payments on long-term debt	(41,374)	-	-	(41,374)
Net cash from capital and related financing activities	1,950,891	9,225	-	1,960,116
Interest received on investments	174	-	4,246	4,420
Net cash from investing activities	174	-	4,246	4,420
NET INCREASE IN CASH AND CASH EQUIVALENTS	526,139	16,688	44,419	587,246
CASH AND CASH EQUIVALENTS, MAY 1	95,368	211,707	321,228	628,303
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 621,507	\$ 228,395	\$ 365,647	\$ 1,215,549

(This statement is continued on the following page.)

CITY OF GENEVA, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS (Continued)
 NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities			
	Commuter Parking	Refuse	Cemetery	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (111,879)	\$ 14,685	\$ 35,209	\$ (61,985)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	382,182	-	5,384	387,566
Changes in assets and liabilities				
Accounts receivable	-	(8,212)	-	(8,212)
Prepaid expenses	-	(215)	-	(215)
Accounts payable	(266,696)	2,090	(20)	(264,626)
Accrued payroll	(3,719)	(1,314)	-	(5,033)
Unearned revenue	-	-	(400)	(400)
Pension amounts	7,228	3,161	-	10,389
Compensated absences	(14,230)	(2,732)	-	(16,962)
NET CASH FROM OPERATING ACTIVITIES	\$ (71,114)	\$ 7,463	\$ 40,173	\$ 40,522
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 621,507	\$ 228,395	\$ 365,647	\$ 1,215,549
TOTAL CASH AND INVESTMENTS	\$ 621,507	\$ 228,395	\$ 365,647	\$ 1,215,549

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION - BUDGET AND ACTUAL
 COMMUTER PARKING FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 621,078	\$ 621,078	\$ 507,604
Total operating revenues	621,078	621,078	507,604
OPERATING EXPENSES			
Administration	71,914	71,914	70,888
Operations	127,799	127,799	127,535
Capital outlay	70,000	70,000	38,878
Total operating expenses	269,713	269,713	237,301
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	351,365	351,365	270,303
Depreciation and amortization	280,000	280,000	382,182
OPERATING INCOME (LOSS)	71,365	71,365	(111,879)
NON-OPERATING REVENUES (EXPENSES)			
Interest income	600	600	173
Reappropriation	24,410	24,410	-
Principal payments	(125,000)	(125,000)	(125,000)
Interest and fiscal charges	(41,375)	(41,375)	(41,012)
Total non-operating revenues (expenses)	(141,365)	(141,365)	(165,839)
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(70,000)	(70,000)	(277,718)
Capital grants and contributions	70,000	70,000	175,585
CHANGE IN NET POSITION - BUDGET BASIS	\$ -	\$ -	(102,133)
Principal paid			125,000
CHANGE IN NET POSITION - GAAP BASIS			22,867
NET POSITION, MAY 1			10,715,026
Change in accounting principle			(18,585)
NET POSITION, MAY 1, RESTATED			10,696,441
NET POSITION, APRIL 30			\$ 10,719,308

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 477,495	\$ 477,495	\$ 488,192
Miscellaneous	38,000	38,000	22,787
Total operating revenues	515,495	515,495	510,979
OPERATING EXPENSES			
Administration	34,180	34,180	36,138
Operations	477,320	477,320	460,156
Total operating expenses	511,500	511,500	496,294
OPERATING INCOME	3,995	3,995	14,685
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	-	-	9,225
Prior year budgeted surplus	(3,995)	(3,995)	-
Total non-operating revenues (expenses)	(3,995)	(3,995)	9,225
CHANGE IN NET POSITION	\$ -	\$ -	23,910
NET POSITION, MAY 1			238,565
Change in accounting principle			(8,128)
NET POSITION, MAY 1, RESTATED			230,437
NET POSITION, APRIL 30			\$ 254,347

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

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

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 56,750	\$ 56,750	\$ 62,650
Recovery of costs	-	-	22,881
Total operating revenues	56,750	56,750	85,531
OPERATING EXPENSES			
Administration	26,300	26,300	24,308
Operations	27,200	27,200	20,650
Total operating expenses	53,500	53,500	44,958
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	3,250	3,250	40,593
Depreciation and amortization	7,000	7,000	5,384
OPERATING INCOME (LOSS)	(3,750)	(3,750)	35,209
NON-OPERATING REVENUES (EXPENSES)			
Interest income	3,750	3,750	3,508
Total non-operating revenues (expenses)	3,750	3,750	3,508
CHANGE IN NET POSITION	\$ -	\$ -	38,717
NET POSITION, MAY 1			358,334
NET POSITION, APRIL 30			\$ 397,051

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

April 30, 2016

	Group Dental Insurance	Workers' Compensation Insurance	Compensated Absences	Total
CURRENT ASSETS				
Cash and investments	\$ 62,749	\$ 506,821	\$ 878,692	\$ 1,448,262
Accounts receivable	287	-	-	287
Accrued interest receivable	-	-	318	318
Total current assets	63,036	506,821	879,010	1,448,867
CURRENT LIABILITIES				
Accounts payable	-	4,760	-	4,760
Claims payable	7,623	651,475	-	659,098
Compensated absences payable	-	-	876,232	876,232
Total current liabilities	7,623	656,235	876,232	1,540,090
NET POSITION (DEFICIT)				
Unrestricted	55,413	(149,414)	2,778	(91,223)
TOTAL NET POSITION (DEFICIT)	\$ 55,413	\$ (149,414)	\$ 2,778	\$ (91,223)

INTERNAL SERVICE FUNDS

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2016

	Group Dental	Workers' Compensation Insurance	Compensated Absences	Total Internal Service
OPERATING REVENUES				
Contributions				
Employer	\$ 100,672	\$ 486,393	\$ -	\$ 587,065
City	12,791	1,886	-	14,677
Tri-Com				
Employee	40,276	-	-	40,276
City	4,905	-	-	4,905
Tri-Com	21,485	-	-	21,485
Retiree	478	-	-	478
Other				
Recovery of costs	-	141,186	-	141,186
Charges for services	-	-	111,778	111,778
Total operating revenues	180,607	629,465	111,778	921,850
OPERATING EXPENSES				
Administration				
Contractual services	9,875	12,034	-	21,909
Commodities	-	940	-	940
Operations	-	-	111,778	111,778
Insurance				
Claims	150,125	606,540	-	756,665
Contractual services	-	76,299	-	76,299
Total operating expenses	160,000	695,813	111,778	967,591
OPERATING INCOME (LOSS)	20,607	(66,348)	-	(45,741)
NON-OPERATING REVENUES (EXPENSES)				
Investment income				
Total non-operating revenues (expenses)	-	(311)	2,778	2,467
CHANGE IN NET POSITION	20,607	(66,659)	2,778	(43,274)
NET POSITION (DEFICIT), MAY 1	34,806	(82,755)	-	(47,949)
NET POSITION (DEFICIT), APRIL 30	\$ 55,413	\$ (149,414)	\$ 2,778	\$ (91,223)

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2016

	Group Dental	Workers' Compensation Insurance	Compensated Absences	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 66,682	\$ -	\$ -	\$ 66,682
Receipts from interfund services transactions	115,941	488,279	9,511	611,731
Payments from vendors	-	141,186	-	141,186
Payments to suppliers	(156,093)	(380,012)	-	(536,095)
Net cash from operating activities	24,540	249,453	9,511	283,504
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
None	-	-	-	-
Net cash from noncapital financing activities	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received on investments	-	-	2,460	2,460
Net cash from investing activities	-	-	2,460	2,460
NET INCREASE IN CASH AND CASH EQUIVALENTS	24,540	249,453	11,971	285,964
CASH AND CASH EQUIVALENTS, MAY 1	38,209	257,368	866,721	1,162,298
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 62,749	\$ 506,821	\$ 878,692	\$ 1,448,262
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 20,607	\$ (66,348)	\$ -	\$ (45,741)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Changes in assets and liabilities				
Accounts receivable	16	-	-	16
Accounts payable	3,917	4,760	-	8,677
Claims payable	-	311,041	-	311,041
Compensated absences payable	-	-	9,511	9,511
NET CASH FROM OPERATING ACTIVITIES	\$ 24,540	\$ 249,453	\$ 9,511	\$ 283,504
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 62,749	\$ 506,821	\$ 878,692	\$ 1,448,262
TOTAL CASH AND INVESTMENTS	\$ 62,749	\$ 506,821	\$ 878,692	\$ 1,448,262

(See independent auditor's report.)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
GROUP DENTAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Contributions			
Employer			
City	\$ 103,010	\$ 103,010	\$ 100,672
Tri-Com	15,715	15,715	12,791
Employee			
City	40,305	40,305	40,276
Tri-Com	6,200	6,200	4,905
Retiree	19,035	19,035	21,485
Other	1,000	1,000	478
Total operating revenues	185,265	185,265	180,607
OPERATING EXPENSES			
Administration			
Contractual services	9,725	9,725	9,875
Insurance and claims			
Claims	175,540	175,540	150,125
Total operating expenses	185,265	185,265	160,000
CHANGE IN NET POSITION	\$ -	\$ -	20,607
NET POSITION, MAY 1			34,806
NET POSITION, APRIL 30			\$ 55,413

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WORKERS' COMPENSATION FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Contributions			
Employer			
City	\$ 579,985	\$ 579,985	\$ 486,393
Tri-Com	1,980	1,980	1,886
Recovery of costs	-	141,186	141,186
Total operating revenues	581,965	723,151	629,465
OPERATING EXPENSES			
Administration			
Contractual services	11,700	11,700	12,034
Commodities	1,800	1,800	940
Insurance and claims			
Claims	489,465	489,465	606,540
Contractual services	80,000	80,000	76,299
Total operating expenses	582,965	582,965	695,813
OPERATING INCOME (LOSS)	(1,000)	140,186	(66,348)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,000	1,000	(311)
Total non-operating revenues (expenses)	1,000	1,000	(311)
CHANGE IN NET POSITION	\$ -	\$ 141,186	(66,659)
NET POSITION (DEFICIT), MAY 1			(82,755)
NET POSITION (DEFICIT), APRIL 30			\$ (149,414)

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF PLAN NET POSITION
PENSION TRUST FUNDS

April 30, 2016

FIDUCIARY FUNDS

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and cash equivalents	\$ 329,774	\$ 331,669	\$ 661,443
Investments, at fair value			
Money market mutual funds	480,317	16,854	497,171
U.S. Government and agency securities	3,102,834	4,379,320	7,482,154
Municipal bonds	358,536	-	358,536
Corporate bonds	3,114,487	-	3,114,487
Negotiable certificates of deposits	-	303,020	303,020
Equity mutual funds	4,566,710	7,701,851	12,268,561
Domestic corporate equities	6,205,054	-	6,205,054
Receivables			
Accrued interest	48,694	25,066	73,760
Prepaid expenses	14,329	1,120	15,449
Total assets	18,220,735	12,758,900	30,979,635
LIABILITIES			
Accounts payable	1,154	2,339	3,493
Total liabilities	1,154	2,339	3,493
NET POSITION RESTRICTED FOR PENSIONS	\$ 18,219,581	\$ 12,756,561	\$ 30,976,142

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUNDS

For the Year Ended April 30, 2016

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,144,355	\$ 355,690	\$ 1,500,045
Employee	365,178	188,272	553,450
Total contributions	1,509,533	543,962	2,053,495
Investment income			
Net appreciation (depreciation) in fair value of investments	(712,973)	(740,668)	(1,453,641)
Interest	418,504	419,684	838,188
Total investment income	(294,469)	(320,984)	(615,453)
Less investment expense	(85,818)	(28,003)	(113,821)
Net investment income	(380,287)	(348,987)	(729,274)
Total additions	1,129,246	194,975	1,324,221
DEDUCTIONS			
Benefits and refunds	1,212,510	465,657	1,678,167
Administration	30,437	19,591	50,028
Total deductions	1,242,947	485,248	1,728,195
CHANGE IN NET POSITION	(113,701)	(290,273)	(403,974)
NET POSITION RESTRICTED FOR PENSIONS			
May 1	18,333,282	13,046,834	31,380,116
April 30	\$ 18,219,581	\$ 12,756,561	\$ 30,976,142

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND

For the Year Ended April 30, 2016

	Balances May 1	Additions	Deletions	Balances April 30
Tri-Com				
ASSETS				
Cash and investments	\$ 2,074,741	\$ 3,987,947	\$ 3,170,400	\$ 2,892,288
TOTAL ASSETS	\$ 2,074,741	\$ 3,987,947	\$ 3,170,400	\$ 2,892,288
LIABILITIES				
Due to others	\$ 2,074,741	\$ 3,987,947	\$ 3,170,400	\$ 2,892,288
TOTAL LIABILITIES	\$ 2,074,741	\$ 3,987,947	\$ 3,170,400	\$ 2,892,288

(See independent auditor's report.)
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CITY OF GENEVA, ILLINOIS
NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 76,156,149	\$ 72,027,030	\$ 62,545,670	\$ 60,003,371
Restricted	998,287	1,137,814	1,274,590	1,396,115
Unrestricted	72,431	(1,451,059)	3,633,383	2,329,682
TOTAL GOVERNMENTAL ACTIVITIES	\$ 77,226,867	\$ 71,713,785	\$ 67,453,643	\$ 63,729,168
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 62,370,823	\$ 69,573,701	\$ 72,349,114	\$ 74,778,219
Restricted	1,634,039	2,112,531	2,157,132	1,883,764
Unrestricted	9,675,671	8,256,835	8,977,755	6,786,497
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 73,680,533	\$ 79,943,067	\$ 83,484,001	\$ 83,448,480
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 138,526,972	\$ 141,600,731	\$ 134,894,784	\$ 134,781,590
Restricted	2,632,326	3,250,345	3,431,722	3,279,879
Unrestricted	9,748,102	6,805,776	12,611,138	9,116,179
TOTAL PRIMARY GOVERNMENT	\$ 150,907,400	\$ 151,656,832	\$ 150,937,644	\$ 147,177,648

*The City implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

STATISTICAL SECTION

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

Contents	<u>Page(s)</u>
Financial Trends	141-150
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	151-154
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity	155-158
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.	
Demographic and Economic Information	159-160
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	161-164
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.	

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

CITY OF GENEVA, ILLINOIS
CHANGE IN NET POSITION
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	*2016
\$	55,723,306	\$ 54,561,399	\$ 51,923,184	\$ 45,642,029	\$ 43,802,778	\$ 42,666,918
	3,699,249	2,741,354	2,842,833	3,698,489	4,033,861	3,943,036
	1,683,407	166,350	1,874,472	254,564	701,324	(18,136,797)
\$	61,105,962	\$ 57,469,103	\$ 56,640,489	\$ 49,595,082	\$ 48,539,963	\$ 28,473,157
\$	74,968,737	\$ 76,419,590	\$ 76,291,419	\$ 77,696,265	\$ 84,132,637	\$ 85,209,970
	1,670,684	1,542,308	1,601,767	78,886	201,836	190,770
	6,898,432	7,860,144	11,209,785	12,927,309	15,529,437	14,882,601
\$	83,537,853	\$ 85,822,042	\$ 89,102,971	\$ 90,702,460	\$ 99,863,910	\$ 100,283,341
\$	130,692,043	\$ 130,980,989	\$ 128,214,603	\$ 123,338,294	\$ 127,935,415	\$ 127,876,888
	5,369,933	4,283,662	4,444,600	3,777,375	4,237,697	4,133,806
	8,581,839	8,026,494	13,084,257	13,181,873	16,230,761	(3,254,196)
\$	144,643,815	\$ 145,291,145	\$ 145,743,460	\$ 140,297,542	\$ 148,403,873	\$ 128,756,498

	2007	2008	2009	2010
EXPENSES				
Governmental activities				
General government	\$ 2,012,262	\$ 1,980,725	\$ 1,604,626	\$ 1,039,852
Public works	864,144	879,034	888,377	884,350
Economic development	-	-	-	-
Community development	758,792	803,020	1,409,196	1,684,875
Development	11,334,701	11,668,914	11,676,469	11,627,570
Public safety	9,114,585	10,965,260	11,790,968	8,624,447
Highways and streets	965,302	921,930	856,593	813,157
Interest on long-term debt	-	-	-	-
Total governmental activities expenses	25,053,786	27,224,883	28,226,629	24,704,151
Business-type activities				
Electric	28,755,755	28,823,420	28,836,691	28,502,925
Waterworks and sewerage	5,573,216	6,872,992	7,421,327	7,477,183
Commuter parking	209,995	495,445	517,141	413,708
Refuse	160,225	152,840	292,097	266,755
Cemetery	94,983	101,019	92,549	92,296
Total business-type activities expenses	34,794,174	36,445,716	37,159,805	36,752,867
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 59,847,960	\$ 63,670,599	\$ 65,386,134	\$ 61,457,018
PROGRAM REVENUES				
Governmental activities				
Charges for services	\$ 1,129,808	\$ 1,220,016	\$ 1,838,956	\$ 1,483,325
General government	298,755	424,701	337,778	2,400
Public works	-	-	-	-
Economic development	-	-	-	-
Community development	-	-	-	-
Development	-	-	-	129,397
Public safety	1,988,155	2,003,625	2,760,687	2,681,756
Highways and streets	59,583	61,709	67,037	66,021
Operating grants and contributions	730,059	634,649	594,276	582,543
Capital grants and contributions	232,214	103,811	-	-
Total governmental activities program revenues	4,438,574	4,448,511	5,598,734	4,945,442
Business-type activities				
Charges for services	31,493,842	29,343,253	31,865,017	29,615,042
Electric	5,974,020	6,482,156	6,227,139	6,202,477
Waterworks and sewerage	1,477,492	348,399	437,975	404,175
Commuter parking	147,106	153,244	321,562	326,330
Refuse	80,251	58,450	55,680	63,645
Cemetery	442,368	273,956	126,613	113,222
Capital grants and contributions	-	4,311,941	449,527	-
Total business-type activities program revenues	39,615,079	40,971,399	39,483,513	36,724,891
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 44,053,653	\$ 45,419,910	\$ 45,082,247	\$ 41,670,333

CITY OF GENEVA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	*2016
\$	933,183	1,194,569	2,695,638	2,449,005	1,686,801	1,823,872
	909,987	885,751	1,098,516	1,429,367	1,315,376	1,179,980
	-	-	389,649	464,969	427,991	498,728
	-	-	737,321	812,087	903,188	1,002,720
	1,638,834	1,827,441	13,112,620	10,825,539	11,180,522	12,797,783
	12,436,545	13,482,162	7,852,256	8,253,041	7,297,168	7,582,392
	8,949,448	7,558,469	578,811	454,059	424,162	337,579
	734,687	598,743	26,464,811	24,688,047	23,235,208	25,245,054
	25,602,684	25,547,125	26,464,811	24,688,047	23,235,208	25,245,054
	30,247,413	28,318,658	31,552,066	34,302,376	37,613,364	39,708,530
	7,473,557	7,485,022	7,828,320	8,436,896	8,163,867	8,959,572
	4,761,111	4,332,258	4,304,935	4,361,448	4,771,494	6,601,495
	374,125	382,998	374,799	462,111	465,625	496,294
	119,997	103,931	54,722	51,935	54,092	50,322
	38,691,203	36,723,347	40,240,842	43,689,466	46,774,442	49,875,213
	\$ 64,293,887	\$ 62,270,472	\$ 66,705,653	\$ 68,377,513	\$ 70,009,680	\$ 75,118,267

	2007	2008	2009	2010
NET (EXPENSE) REVENUE	\$ (20,615,212)	\$ (22,776,372)	\$ (22,627,895)	\$ (19,758,709)
Governmental activities	4,820,905	4,525,683	2,334,008	(27,976)
Business-type activities	-	-	-	-
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (15,794,307)	\$ (18,250,689)	\$ (20,303,887)	\$ (19,786,685)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Property taxes	\$ 6,081,063	\$ 6,241,584	\$ 6,355,386	\$ 6,512,069
Replacement taxes	93,466	155,092	99,796	84,978
Intergovernmental taxes	7,466,036	7,637,423	9,116,699	8,209,893
Utility taxes	1,994,981	2,611,287	2,356,639	2,305,888
Other taxes	-	-	-	-
Investment income	371,236	279,111	90,021	39,858
Miscellaneous	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Transfers	335,503	338,793	349,212	319,166
	16,342,285	17,263,290	18,367,753	17,471,852
Total governmental activities				
Business-type activities				
Investment income	619,572	415,645	116,331	78,246
Miscellaneous	8,355	1,659,999	1,449,807	233,375
Gain (loss) on disposal of capital assets	-	-	(349,212)	-
Transfers	(335,503)	(338,793)	-	(319,166)
	292,424	1,736,851	1,216,926	(7,545)
Total business-type activities				
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 16,634,709	\$ 19,000,141	\$ 19,584,679	\$ 17,464,307
CHANGE IN NET POSITION	\$ (4,272,927)	\$ (5,513,082)	\$ (4,260,142)	\$ (2,286,857)
Governmental activities	5,113,329	6,262,534	3,540,934	(35,521)
Business-type activities	-	-	-	-
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 840,402	\$ 749,452	\$ (719,208)	\$ (2,322,378)

*The City implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

CITY OF GENEVA, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2011	2012	2013	2014	2015	*2016
\$ (20,723,825)	\$ (20,142,482)	\$ (19,330,229)	\$ (22,459,639)	\$ (20,896,170)	\$ (22,092,885)	
126,134	2,185,145	3,293,272	2,441,278	9,091,523	1,596,712	
\$ (20,597,691)	\$ (17,957,337)	\$ (16,036,957)	\$ (20,018,361)	\$ (11,804,647)	\$ (21,327,173)	
\$ 6,665,655	\$ 7,040,929	\$ 7,001,929	\$ 7,064,303	\$ 7,203,817	\$ 7,402,104	
94,457	85,211	84,481	96,681	94,430	97,268	
8,346,654	8,866,868	6,990,864	8,860,884	8,960,283	9,466,767	
2,453,278	2,274,963	2,318,740	2,367,764	2,294,892	2,087,453	
-	-	-	589,644	819,167	815,280	
14,804	12,556	17,057	15,242	15,722	17,698	
175,000	-	88,534	236,899	391,621	315,802	
351,821	225,106	-	-	61,219	85,072	
18,101,069	18,505,633	16,501,605	19,231,417	19,841,051	20,287,444	
19,384	27,564	18,472	22,201	62,427	50,689	
295,676	296,386	(30,815)	1,663	7,500	46,881	
(651,821)	(225,106)	-	-	-	-	
(36,761)	99,044	(12,343)	23,864	69,927	97,570	
\$ 18,064,308	\$ 18,604,677	\$ 16,489,262	\$ 19,255,281	\$ 19,910,978	\$ 20,385,014	
\$ (2,622,756)	\$ (1,636,849)	\$ (2,828,624)	\$ (3,228,222)	\$ (1,055,119)	\$ (2,636,441)	
89,373	2,284,189	3,280,929	2,465,142	9,161,450	1,694,282	
\$ (2,533,383)	\$ 647,340	\$ 452,305	\$ (763,080)	\$ 8,106,331	\$ (942,159)	

	2007	2008	2009	2010
GENERAL FUND				
Reserved	\$ -	\$ -	\$ -	\$ 120,696
Unreserved	3,288,020	2,761,202	1,397,074	2,478,987
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL GENERAL FUND	\$ 3,288,020	\$ 2,761,202	\$ 1,397,074	\$ 2,599,683
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 998,287	\$ 1,137,814	\$ 1,274,590	\$ 1,396,115
Unreserved, reported in	1,399,805	800,935	1,641,265	1,499,773
Special Revenue Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	1,087,574	461,937	252,812	148,273
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 3,485,666	\$ 2,400,686	\$ 3,168,667	\$ 3,044,161

Note: The City implemented GASB Statement No. 54 for the year ended April 30, 2011.

Data Source
 Audited Financial Statements

	2011	2012	2013	2014	2015	2016
\$ 142,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,702,498	-	-	-	-	-	-
-	163,445	186,543	93,518	135,571	218,390	218,390
-	-	278,469	212,287	135,158	135,158	135,158
-	-	-	-	-	-	-
-	3,408,505	4,417,124	4,029,632	3,542,282	4,024,565	4,024,565
\$ 3,845,285	\$ 3,571,950	\$ 4,603,667	\$ 4,401,619	\$ 3,890,140	\$ 4,378,113	\$ 4,378,113
\$ 1,700,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,998,878	-	-	-	-	-	-
(11,636)	-	-	-	-	-	-
-	3,969,241	2,842,833	3,420,020	3,823,574	3,807,878	3,807,878
-	772,113	1,276,053	403,589	934,869	748,961	748,961
-	-	(15,318)	(13,175)	(13,175)	(13,175)	(13,175)
\$ 3,687,613	\$ 4,741,354	\$ 4,103,568	\$ 3,810,434	\$ 4,873,268	\$ 4,556,839	\$ 4,556,839

CITY OF GENOVA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
REVENUES										
Property taxes	\$ 6,651,053	\$ 6,321,584	\$ 6,355,586	\$ 6,513,609	\$ 6,665,655	\$ 7,040,029	\$ -	\$ -	\$ -	\$ -
Rent	85,466	154,502	90,786	34,878	94,457	85,211	-	-	-	-
Intergovernmental tax	7,466,036	7,637,423	9,116,699	8,209,893	8,346,054	8,866,868	-	-	-	-
Utility tax	1,964,981	2,611,287	2,356,639	2,305,888	2,453,238	2,274,963	-	-	-	-
Intergovernmental revenues	666,959	604,649	394,276	574,151	575,224	538,248	9,949,943	11,744,768	9,879,251	9,805,144
Taxes	375,876	432,830	396,147	334,497	373,351	435,586	587,003	501,386	461,850	535,388
Intergovernmental revenues	236,526	188,839	204,688	177,766	560,723	272,053	7,153,147	8,000,335	10,328,453	10,713,229
Recovery of costs	371,736	289,711	609,211	39,746	-	-	-	249,971	540,373	56,370
Service fees	3,128,113	3,191,193	4,404,223	3,858,984	3,433,810	4,027,584	474,634	557,641	799,117	735,226
Miscellaneous	20,445,536	21,373,008	23,617,275	22,098,128	22,627,656	23,574,698	23,653,187	21,459,835	22,118,870	22,521,541
Total revenues	20,445,536	21,373,008	23,617,275	22,098,128	22,627,656	23,574,698	23,653,187	21,459,835	22,118,870	22,521,541
EXPENDITURES										
General government	803,530	302,502	332,770	579,746	591,728	652,713	1,484,866	1,506,481	1,514,340	1,631,592
Public works	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Police	707,941	749,609	1,353,608	1,130,443	1,306,831	1,402,093	883,143	735,649	906,388	923,727
Community development	-	-	-	-	-	-	1,821,570	2,123,263	1,976,400	1,871,472
Legislative	399,855	405,738	389,828	179,219	171,750	177,369	-	-	-	-
Administrative services	1,076,387	1,171,870	831,220	645,119	550,928	589,347	-	-	-	-
Street maintenance	289,348	274,000	271,388	263,720	246,228	267,100	-	-	-	-
Police	4,622,113	4,612,229	4,702,447	4,461,444	4,731,407	5,214,798	-	-	-	-
Fire	2,969,501	3,088,174	3,019,122	3,173,117	3,224,840	3,605,528	-	-	-	-
Police and fire	502,011	530,155	509,957	478,660	462,407	662,369	-	-	-	-
Pension - IMRF	567,308	632,675	654,729	676,267	692,927	714,313	-	-	-	-
Police and firefighters pension	2,825,586	3,035,611	3,571,111	3,244,591	3,511,118	3,844,313	-	-	-	-
Insurance	2,612,341	4,845,977	1,498,743	2,072,659	1,740,848	1,170,255	3,994,603	3,924,527	3,524,424	3,654,779
Capital outlay	1,351,627	1,464,402	1,410,003	1,046,512	1,121,348	1,165,276	1,655,025	1,369,044	1,493,250	1,758,568
Debt service	1,001,550	926,237	864,866	822,112	752,313	662,741	544,115	483,389	433,440	378,284
Principal retirement	20,778,044	23,918,599	24,865,915	21,339,191	21,090,423	23,023,359	22,841,290	21,650,501	21,993,581	22,452,699
Interest and front charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	20,778,044	23,918,599	24,865,915	21,339,191	21,090,423	23,023,359	22,841,290	21,650,501	21,993,581	22,452,699

CITY OF GENEVA, ILLINOIS
EQUALIZED ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Fiscal Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Actual Value	Total Direct Tax Rate
2007	\$ 721,523,877	\$ 227,653	\$ 200,454,817	\$ 46,678,932	\$ 968,885,279	\$ 474,240	\$ 969,359,519	\$ 2,908,078,557	0.6209
2008	770,542,588	237,165	219,204,914	49,797,685	1,039,782,352	523,886	1,040,306,238	3,120,918,714	0.5859
2009	811,651,726	248,482	229,253,879	51,927,913	1,093,082,000	572,917	1,093,654,917	3,280,964,751	0.5559
2010	809,352,036	135,634	221,392,825	52,037,302	1,082,917,797	690,393	1,083,608,190	3,250,854,570	0.5419
2011	778,329,312	141,754	209,350,259	48,648,943	1,036,470,268	863,656	1,037,333,904	3,112,001,712	0.5499
2012	737,753,764	84,650	187,145,172	45,898,853	970,882,439	917,812	971,800,251	2,915,400,753	0.6037
2013	702,448,048	90,947	188,598,425	45,099,838	936,237,258	1,088,505	937,275,763	2,811,827,289	0.6463
2014	667,051,145	2,408,489	180,377,219	46,200,397	896,021,250	1,283,337	897,304,587	2,691,913,761	0.6783
2015	683,317,381	2,279,984	184,600,132	45,704,458	915,901,955	1,671,371	917,573,326	2,752,979,978	0.7282
2016	666,227,302	2,422,086	186,130,959	44,411,334	899,191,681	1,403,751	900,595,432	2,701,786,266	0.7479

Data Source:

Office of the Kane County Clerk

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (332,688)	\$ (2,545,591)	\$ (1,248,640)	\$ 538,937	\$ 1,337,213	\$ 551,339	\$ 793,897	\$ (190,676)	\$ 125,289	\$ 68,842
OTHER FINANCING SOURCES (USES)										
Debt issuance	73,942	450,000	250,000	-	-	-	-	-	378,022	200,000
State of capital assets	5,091,000	145,000	4,646,770	-	-	2,530,136	-	13,898	61,219	85,072
Transfers in	(5,091,000)	-	(4,593,489)	1,179,207	2,128,370	(2,526,174)	788,978	(1,359,049)	1,247,717	(185,545)
Transfers out	(1,054,087)	(1,245,370)	(1,741,669)	(606,941)	(1,178,549)	(1,245,340)	(1,193,970)	(1,245,117)	(569,971)	(599,971)
Total other financing sources (uses)	409,445	933,793	652,493	319,166	351,821	229,068	-	13,898	439,241	89,527
NET CHANGE IN FUND BALANCES	\$ 76,757	\$ (1,611,798)	\$ (586,147)	\$ 1,078,103	\$ 1,889,034	\$ 780,407	\$ 793,897	\$ (176,778)	\$ 564,530	\$ 158,369
DEBT SERVICE AS A PERCENTAGE OF NON-CAPITAL EXPENDITURES	13.99%	11.09%	10.99%	11.99%	11.00%	10.00%	9.00%	8.85%	9.29%	9.91%

* Debt issuance premiums are included in the debt issuance line for years before 2014.

Data Source:

Audited Financial Statements

CITY OF GENEVA, ILLINOIS
PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayers	2014			2016			Percentage of Total Assessed Valuation		
	Assessed Valuation	Rank	Valuation	Assessed Valuation	Rank	Valuation	Assessed Valuation	Rank	Valuation
LPF Geneva Commons LLC	\$ 34,392,190	1	3.83%	\$ 29,414,249	1	3.31%			
Delnor Community Health Care Foundation	8,963,957	2	1.00%	14,415,927	2	1.62%			
In Retail Fund Randall Square LLC	8,115,177	3	0.90%	7,893,749	3	0.89%			
Lineage II Geneva Re LLC	6,358,177	4	0.71%						
Ashford at Geneva LLC	6,063,014	5	0.68%						
SHERS Real Estate Corp KK	6,051,168	6	0.67%	7,011,449	4	0.79%			
Duke Realty Limited Partnership	4,718,912	7	0.53%						
Delnor Community Health System	4,687,897	8	0.52%						
CF Eagle Brook ARCIS LLC	4,388,996	9	0.49%						
ARC GMGVAIL001 LLC	4,346,308	10	0.48%						
Brittany Court Limited Partnership				6,658,352	5	0.75%			
Millard Refrigerated Services - Atlanta II, Inc				5,036,269	6	0.57%			
Sentry Realty Corp				4,009,504	7	0.45%			
Geneva Realty Inc				3,929,907	8	0.44%			
Wauconda LLC				3,856,264	9	0.43%			
Credit Suisse Leasing 92A Ltd Partnership				3,180,429	10	0.36%			
TOTAL				\$ 88,085,796		9.81%	\$ 85,406,099		9.61%

(1) Previously Inland Real Estate Illinois LLC.

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2014 EAV is the most current available.

Data Source

Office of the Kane County Clerk

CITY OF GENEVA, ILLINOIS
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DIRECT CITY RATE										
Kane County	0.4411	0.4273	0.4460	0.4609	0.4692	0.4412	0.4730	0.4926	0.5246	0.5307
District #516	0.1798	0.1635	0.1489	0.1380	0.1407	0.1624	0.1733	0.1857	0.2014	0.2172
City of Geneva	0.0209	0.0389	0.0559	0.0549	0.0499	0.0337	0.0463	0.0783	0.1262	0.1479
OVERLAPPING RATES										
Kane County	0.1367	0.1452	0.1322	0.1316	0.1398	0.1370	0.3990	0.4336	0.4623	0.4686
Forest Preserve District	0.0000	0.1747	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Geneva Township	0.0432	0.0415	0.0401	0.0401	0.0406	0.0422	0.0458	0.0475	0.0505	0.0512
Geneva Township Road District	0.0220	0.0211	0.0204	0.0203	0.0206	0.0214	0.0232	0.0241	0.0252	0.02568
Geneva Park District	0.4385	0.4298	0.4135	0.4097	0.4207	0.4574	0.4949	0.5266	0.5595	0.56671
Geneva Library District	0.2851	0.2740	0.2649	0.2649	0.2696	0.2918	0.3162	0.3129	0.3482	0.35398
School District #12	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Community College District #516	0.3933	0.3984	0.3950	0.3955	0.4043	0.4070	0.4710	0.5312	0.5807	0.59543
TOTAL DIRECT AND OVERLAPPING TAX RATE	7.2874	7.0714	6.8820	6.9032	7.0920	7.7205	8.3907	8.9283	9.5116	9.7026

*Rates are per \$100 of assessed value

Note: Tax Levy Year 2014 is payable in Fiscal Year 2016

Data Source

Office of the Kane County Clerk

CITY OF GENEVA, ILLINOIS

PROPERTY TAX RATES, LEVIES AND COLLECTIONS

Last Ten Levy Years

Fiscal Year Ended April 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 5,513,987	\$ 5,484,966	99.47%	\$ 5,122	\$ 5,490,088	99.57%
2008	5,679,128	5,657,003	99.61%	5,843	5,662,846	99.71%
2009	5,783,052	5,778,501	99.92%	2,620	5,781,121	99.97%
2010	5,926,811	5,892,466	99.42%	5,300	5,897,766	99.51%
2011	5,958,794	5,946,193	99.79%	753	5,946,946	99.80%
2012	6,261,928	6,251,452	99.83%	867	6,252,319	99.85%
2013	6,281,192	6,260,545	99.67%	-	6,260,545	99.67%
2014	6,357,841	6,342,263	99.75%	-	6,342,263	99.75%
2015	6,516,145	6,503,963	99.81%	-	6,503,963	99.81%
2016	6,712,876	6,709,704	99.95%	-	6,709,704	99.95%

Note: Levies for all Special Service Areas and TIF Districts have been excluded from this table.
Tax Levy Year 2014 is payable in Fiscal Year 2016.

Data Source

Office of the Kane County Treasurer and City Records

CITY OF GENEVA, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended April 30,	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (D)	Per Capita (D)			
	General Obligation Bonds	Certificates of Participation	Notes Payable	Special Service Area Bonds	Tax Incremental Financing Bonds	Revenue Bonds	General Obligation Bonds	Notes Payable				Unamortized Premium	EPA Loan	
2007	\$ 16,669,450	\$ -	\$ -	\$ 537,564	\$ 370,000	\$ 508,655	\$ 19,720,000	\$ 7,590,550	\$ 1,668,000	\$ -	\$ 16,923,234	\$ 65,982,503	7.10%	\$ 3,013
2008	17,562,150	-	-	530,387	575,000	608,733	18,725,000	9,872,850	1,668,000	-	20,200,927	77,751,047	8.36%	3,550
2009	16,478,900	-	-	624,869	511,000	515,698	17,765,000	9,696,100	834,000	-	20,552,643	74,978,210	8.06%	3,424
2010	15,361,300	-	-	457,669	446,000	419,265	18,130,000	7,838,700	-	-	27,167,968	69,820,302	7.51%	3,448
2011	14,260,000	-	-	308,067	380,000	314,809	16,770,000	7,605,000	-	-	25,730,904	65,388,780	7.16%	3,041
2012	15,924,350	-	-	314,000	271,000	271,777	4,520,000	19,015,650	-	-	24,257,166	61,302,343	6.72%	2,852
2013	16,846,000	-	-	249,000	228,000	249,000	10,285,000	10,285,000	-	-	21,188,000	51,945,088	5.69%	2,417
2014	10,285,000	-	-	-	200,000	170,184	1,125,000	17,195,000	-	-	19,606,438	47,933,181	5.25%	2,210
2015	8,865,000	378,022	-	-	210,000	115,944	1,000,000	15,650,000	-	437,787	19,606,438	42,875,853	4.70%	1,595
2016	7,325,000	252,125	-	-	200,000	59,243	1,000,000	15,650,000	-	413,177	17,976,408	42,875,853	4.70%	1,595

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 for personal income and population data.

CITY OF GENEVA, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended April 30,	Governmental Activities		Business-Type Activities		Less: Amounts Available in Debt Service Fund	Net General Obligation Bonds	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	Gross General Obligation Bonds	Gross General Obligation Bonds	Unamortized Premium	Less: Amounts Available in Debt Service Fund				
2007	\$ 18,669,450	\$ 7,590,550	\$ -	\$ 256,957	\$ 26,003,043	2.68%	\$ 1,187	
2008	17,562,150	9,872,850	-	285,219	27,149,781	2.61%	1,240	
2009	16,478,900	9,696,100	-	352,414	25,822,586	2.36%	1,179	
2010	15,361,300	7,838,700	-	344,271	22,855,729	2.11%	1,063	
2011	14,260,000	7,605,000	-	457,987	21,407,013	2.06%	996	
2012	12,924,350	19,015,650	-	349,118	31,590,882	3.25%	1,470	
2013	11,585,000	18,175,000	-	336,373	29,423,627	3.14%	1,369	
2014	10,285,000	18,820,000	-	305,160	28,799,840	3.21%	1,340	
2015	8,865,000	17,195,000	437,787	279,939	26,217,848	2.86%	1,220	
2016	7,325,000	15,650,000	413,177	312,845	23,075,332	2.56%	1,074	

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

(1) See Equalized Assessed Value and Actual Value of Taxable Property schedule for actual taxable value of property data.

(2) See Demographic and Economic Information for population data.

CITY OF GENEVA, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2016

Governmental Unit	Debt Outstanding	Percentage of Debt Applicable to the City ¹	City's Share of Debt
City of Geneva	\$ 7,836,368	100.00%	\$ 7,836,368
Overlapping Debt			
School District #304	129,531,080	71.29%	92,342,707
Community College District #516	6,675,000	11.24%	750,270
Kane County	41,855,000	7.63%	3,193,537
Kane County Forest Preserve District	150,780,000	7.63%	11,504,514
Geneva Park District	14,235,840	68.48%	9,748,703
Special Service Area #1	200,000	100.00%	200,000
Subtotal of Overlapping Debt	343,276,920		117,739,731
Total Direct and Overlapping Debt	\$ 351,113,288		\$ 125,576,099

¹ Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in the City.

Data Source

Kane County Clerk

CITY OF GENEVA, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2016

2016 Equalized assess valuation	\$ 900,595,432
Statutory debt limitation (8.625% of EAV)	77,676,356
General obligation debt	
Series 2006B	\$ 3,825,000
Series 2008A	1,850,000
Series 2011 (1)	8,030,000
Series 2012A	1,650,000
Series 2012B (1)	5,160,000
Series 2013 (1)	870,000
Series 2014 (1)	1,590,000
Less alternate revenue bonds (1)	<u>(15,650,000)</u>
Total general obligation debt	7,325,000
Total applicable debt	<u>7,325,000</u>
LEGAL DEBT MARGIN	<u>\$ 70,351,356</u>

(1) The Series 2011 Bonds, Series 2012B Bonds, Series 2013 Bonds and the Series 2014 Bonds are alternate revenue bonds and not subject to the legal debt margin calculation.

Data Source

City Records

CITY OF GENEVA, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate (1)
2007	21,901	\$ 930,004,000	\$ 42,464	3.40%
2008	21,901	930,004,000	42,464	4.40%
2009	21,901	930,004,000	42,464	7.50%
2010	21,495	930,004,000	43,266	7.90%
2011	21,495	912,764,000	42,464	7.40%
2012	21,495	912,764,000	42,464	8.80%
2013	21,495	912,764,000	42,464	9.00%
2014	21,495	912,764,000	42,464	7.20%
2015	21,495	912,764,000	42,464	4.80%
2016	21,495	912,764,000	42,464	4.90%

(1) Illinois Department of Employment Security (using annual averages)

Data Source

U.S. Census Bureau

CITY OF GENEVA, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2016 (1)		2007 (2)		% of Total City Employment
	Rank	Employees	Rank	Employees	
Dehon-Community Hospital	1	1,650	1	1,022	10.85%
Kane County	2	1,260			
Geneva School District 304	3	858			
Peacock Engineering	4	350	3	600	6.37%
Burgess-Norton Mfg	5	300	2	900	9.56%
Johnson Controls, Inc.	6	300	4	300	3.19%
Houghton Mifflin	7	250	5	160	1.70%
FONA International	8	250	10	120	1.27%
Power Packaging	9	200			
Continental Envelope		125	8	125	1.33%
Miner Enterprises			6	150	1.59%
Carlton Home Healthcare			7	130	1.38%
			9	125	1.33%
		3,893		2,610	21.35%

Data Sources

- (1) 2015 Illinois Manufacturers Directory, 2015 Illinois Services Directory and a selective telephone survey.
- (2) 2007 Illinois Manufacturers Directory, 2007 Illinois Services Directory and a selective telephone survey.

CITY OF GENEVA, ILLINOIS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES

Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CITY ADMINISTRATOR'S OFFICE	2	2	2	2	2	2	2	3	3	3
ADMINISTRATIVE SERVICES										
Administration	2	2	2	2	2	2	2	2	2	2
Information technology	3	3	3	2	2	2	2	2	2	2
Human resources	1	1	2	2	1	1	1	1	1	2
Finance	5	5	4	4	4	5	5	5	5	5
COMMUNITY DEVELOPMENT										
Planning	3.75	3.75	3.75	3.75	3.50	3	2	2	2	2
Building/zoning	5	5	4	4	4	4	4	4	4	4
ECONOMIC DEVELOPMENT	2.25	2.25	2.25	2.25	2.50	2	2	2	2	3
PUBLIC SAFETY										
Fire	22	22	22	22	22	21	21	21	21	21
Police										
Sworn	37	37	37	35	35	35	35	35	35	37
Civilians	11	11	11	11	11	11	10	10	10	12
PUBLIC WORKS										
Administration	1	1	1	1	1	1	1	1	1	1
Engineering	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6
Street and fleet	20.50	20.50	21.50	19.50	19.50	19.50	17.50	17.50	17.50	18
Electric	18	18	17	16	16	15	14	14	14	15
Water/wastewater	20	20	17	18	17	17	17	17	17	17
TOTAL	169	160	156	152	149	147	142	143	143	149

Data Source:

Various City Departments

CITY OF GENEVA, ILLINOIS
OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC WORKS										
Total number of parkway trees	N/A	11,480	11,603	11,541	10,539	10,040	9,971	9,675	8,532	9,354
Number of parkway trees planted	N/A	156	173	149	150	295	236	271	180	60
PUBLIC SAFETY										
Fire										
Number of fire calls	1,161	1,178	1,183	1,237	1,211	1,183	1,174	1,351	N/A	1,255
Number of EMS calls	1,297	1,273	1,272	1,303	1,368	1,297	1,288	1,336	N/A	1,486
Number of training hours	11,909	9,506	9,306	8,531	7,535	7,974	11,650	13,425	N/A	16,689
ISO rating	3	3	3	3	3	3	3	3	N/A	3
Police										
Part I crimes	365	371	347	323	235	276	242	187	N/A	N/A
Part II crimes	N/A	1,036	763	753	698	786	1,130	897	N/A	N/A
Calls for service	N/A	11,446	10,841	10,503	9,776	10,346	10,786	10,681	10,663	12,434
Traffic stops	8,271	4,927	5,863	6,083	5,399	5,604	6,504	6,025	6,024	5,876
State tickets issued	2,049	1,354	1,434	1,578	1,178	1,085	1,376	1,525	N/A	N/A
Warning tickets issued	7,139	4,745	5,659	5,898	5,371	5,191	5,949	5,348	N/A	N/A
Compliance tickets issued	278	395	388	353	283	320	305	170	N/A	N/A
Compliance warnings issued	15	3	3	7	2	44	10	1	N/A	N/A
Parking tickets issued	8,212	6,932	5,756	6,098	5,391	5,547	5,679	5,977	5,978	8,335
Parking ticket warnings issued	2,417	1,770	1,758	1,411	926	1,190	1,227	1,338	N/A	N/A
Accident reports	1,059	1,070	1,034	995	1,039	994	1,049	1,000	1,000	1,004
COMMUNITY DEVELOPMENT										
Number of building permits issued	1,003	1,288	1,366	1,150	1,440	1,442	1,484	1,625	1,725	1,934
Number of building inspections	1,375	1,519	1,553	1,627	2,154	2,191	2,232	2,947	4,343	4,945
HIGHWAYS AND STREETS										
Sidewalk replaced (sq. ft.)	10,997	14,752	9,338	12,720	3,466	1,990	6,289	8,267	N/A	4,500
Annual resurfacing program (\$)	1,946,528	2,465,317	963,116	892,581	1,249,697	1,228,079	1,465,532	1,788,205	N/A	1,700,000
Creek sealing (lbs. installed)	47,641	51,630	23,560	50,598	70,553	65,680	34,320	31,020	N/A	31,000
WATER AND SEWER										
Water main breaks	24	22	68	49	30	26	59	34	32	24
Hydrants flushed	3,664	3,664	1,832	1,863	1,863	1,863	1,863	1,863	1,863	1,863
Water meters read	N/A	N/A	96,172	96,744	96,924	97,188	97,188	97,444	97,512	97,668
Water meter service requests	201	189	373	394	452	492	513	519	515	499
Finals Reads	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,667	838	847
Water meters replaced	536	680	368	133	103	442	938	691	736	937
Total distribution pumpage (1,000 gallons)	1,100,860	1,163,208	1,043,087	932,464	960,669	1,011,685	1,027,957	1,061,108	1,081,558	1,009,172
Average daily pumpage (1,000 gallons)	3,016	3,187	2,858	2,554	2,632	2,772	2,816	2,907	2,963	2,764

Note: Indicators are not available for the general government function.

N/A - Not available

Data Source

Various City Departments

CITY OF GENEVA, ILLINOIS
CAPITAL ASSET STATISTICS
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC SAFETY										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
PUBLIC WORKS										
Streets/miles	125	125	125	125	125	125	125	125	125	125
WATERWORKS										
Water mains (miles)	149	153	155	155	155	155	155	155	155	155
Fire hydrants	1,806	1,814	1,832	1,832	1,838	1,863	1,863	1,863	1,863	1,863
Sanitary sewers (miles)	125	123	126	126	126	123	123	123	123	123
Manholes	2,961	2,964	2,981	2,981	2,981	2,987	2,987	2,987	2,987	2,987
ELECTRIC										
Miles of line	459	459	183	183	183	183	183	183	183	183

Data Source:

Various City Departments

APPENDIX B

DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX C

PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

SERIES 2016A BONDS

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

We hereby certify that we have examined certified copy of the proceedings (the "*Proceedings*") of the City Council of the City of Geneva, Kane County, Illinois (the "*City*"), passed preliminary to the issue by the City of its fully registered Taxable General Obligation Refunding Bonds, Series 2016A (the "*Bonds*"), to the amount of \$_____, dated _____, 2016, due serially on December 15 of the years and in the amounts and bearing interest as follows:

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the City and is payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that under present law, interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their own tax advisors concerning tax consequences of ownership of the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the City with respect to certain material facts within the City's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

SERIES 2016B BONDS
PROPOSED FORM OF OPINION OF BOND COUNSEL
[LETTERHEAD OF CHAPMAN AND CUTLER LLP]
[TO BE DATED CLOSING DATE]

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the City Council of the City of Geneva, Kane County, Illinois (the “*City*”), passed preliminary to the issue by the City of its fully registered General Obligation Refunding Bonds, Series 2016B (the “*Bonds*”), to the amount of \$_____, dated _____, 2016, due serially on December 15 of the years and in the amounts and bearing interest as follows:

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the City and is payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the City’s compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the “*Code*”), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such City covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the City with respect to certain material facts within the City’s knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX D

**CITY OF GENEVA
KANE COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2016 AUDITED FINANCIAL STATEMENTS
RELATING TO THE CITY'S PENSION PLANS**

8. CONTINGENT LIABILITIES

- a. Commuter Parking Fund
The Commuter Parking Fund leases parking areas from the Union Pacific Railway Company. Pursuant to the terms of this lease agreement, rental payments are equal to 1/3 of the gross meter receipts. The current lease is on a month-to-month basis, pending a Metra buy-out of the leased facility.
- b. Litigation
The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the City.
- c. Grants
Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
- d. Economic Development Incentives
The City has entered into several agreements outstanding at April 30, 2016, expiring through January 2023. These agreements provide for the City to reimburse the respective companies a percentage of the actual sales taxes collected from these companies. As of and for the year ended April 30, 2016, a liability of \$10,200 has been accrued and payments of \$63,887 have been made under these agreements. As of April 30, 2016, the City has incurred total incentives of \$1,077,867.

9. OTHER POSTEMPLOYMENT BENEFITS

- a. Plan Description
In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- a. Plan Description (Continued)
established to account for the plan. The plan does not issue a separate report. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The cost of retiree health care and life insurance benefits as well as an administrative fee is fully paid by the retirees.
- b. Benefits Provided
The City provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans or meet COBRA requirements.
All health care benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees.
- c. Membership
At April 30, 2015 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	26
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	144
TOTAL	170
- d. Funding Policy
The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay as you go) which results in an implicit subsidy to the City as defined by the GASB Statement No. 45.
For the fiscal year ended April 30, 2016, contributions to the plan were \$60,953. The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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

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

In the April 30, 2015 actuarial valuation (most recent information available), the entry-age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate starting at 6.90% in the first year of the projection and 7.00% in the second year. Long-term, ultimate increases have been set at 5.50%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a 30-year open basis.

10. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan and Firefighters' Pension Plan both issue separate reports on the pension plans. These reports can be obtained from the Treasurer of the Plans.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- e. Annual OPEB Costs and Net OPEB Obligation

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

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 73,409	\$ 33,395	45.49%	\$ 139,690
2015	93,238	65,601	70.36%	167,327
2016	97,113	60,953	62.76%	203,487

The net OPEB obligation (NOPEBO) as of April 30, 2016 was calculated as follows:

Annual required contribution	\$ 95,998
Interest on net OPEB obligation	6,693
Adjustment to annual required contribution	(5,578)
Annual OPEB cost	97,113
Contributions made	60,953
Increase in net OPEB obligation	36,160
Net OPEB obligation, beginning of year	167,327
NET OPEB OBLIGATION, END OF YEAR	\$ 203,487

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2015 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	\$ 1,181,568
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	1,181,568
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 13,166,394
UAAL as a percentage of covered payroll	8.97%

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration and Benefits Provided

IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or www.imrf.org. In addition, IMRF includes two employers, the City of Geneva and Tri-Com Central Dispatch (Tri-Com). Therefore, IMRF is treated as a cost-sharing plan.

All employees (other than those covered by the Police Pension Plan or the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. 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.

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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	86
Currently Receiving Benefits	87
Inactive Employees Entitled to but not yet Receiving Benefits	112
Active Employees	285
TOTAL	285

Note: The IMRF data included in the table above includes membership of both the City of Geneva and the Tri-Com.

Contributions

These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the calendar year ended December 31, 2015 was 12.26% of covered payroll.

Net Pension Liability

The City's net pension liability was measured as of April 30, 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, 2015
Actuarial Cost Method	Entry-age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability (Continued)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. 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 not 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 of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation bonds rated AA or better at April 30, 2016 to arrive at a discount rate of 7.48% used to determine the total pension liability.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 45,119,767	\$ 41,982,672	\$ 3,137,095
Changes for the period			
Service cost	876,371	-	876,371
Interest	3,341,545	-	3,341,545
Difference between expected and actual experience	(166,995)	-	(166,995)
Changes in assumptions	121,990	-	121,990
Employer contributions	-	1,025,464	(1,025,464)
Employee contributions	-	377,391	(377,391)
Net investment income	-	208,400	(208,400)
Benefit payments and refunds	(2,008,032)	-	2,008,032
Administrative expense	-	-	-
Other (net transfer)	-	(820,368)	820,368
Net changes	2,164,879	(1,217,145)	3,382,024
BALANCES AT DECEMBER 31, 2015	\$ 47,284,646	\$ 40,765,527	\$ 6,519,119

The table presented above includes amounts for both the City and Tri-Com. The City's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and the net pension liability at December 31, 2015 was \$2,572,418, \$840,880 and \$5,345,678, respectively. Tri-Com's proportionate share of the net pension liability at January 1, 2015, the employer contributions and the net pension liability at December 31, 2015 was \$564,677, \$184,584 and \$1,173,441, respectively.

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2016, the City recognized pension expense of \$1,720,961.

At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 130,890
Changes in assumption	95,615	-
Net difference between projected and actual Earnings on pension plan investments	2,309,474	-
Contributions made subsequent to the measurement date	338,444	-
TOTAL	\$ 2,743,533	\$ 130,890

The deferred outflows and inflows presented in the table above include amounts for both the City and Tri-Com. The City's proportionate share of the deferred outflows of resources at April 30, 2016 was \$2,249,697. Tri-Com's proportionate share of the deferred outflows of resources at April 30, 2016 was \$493,836. The City's proportionate share of the deferred inflows of resources at April 30, 2016 was \$107,330. Tri-Com's proportionate share of the deferred inflows of resources at April 30, 2016 was \$23,560.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

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

Year Ending April 30,	
2017	\$ 742,987
2018	465,463
2019	465,463
2020	468,454
2021	-
Thereafter	-
TOTAL	\$ 2,142,367

Discount Rate Sensitivity

The following is a sensitive 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 7.48% 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 (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net pension liability (City)	\$ 10,782,482	\$ 5,345,678	\$ 899,000
Net pension liability (Tri-Com)	2,366,886	1,173,441	197,341
Net pension liability (Total)	\$ 13,149,368	\$ 6,519,119	\$ 1,096,341

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

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.

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, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

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

Inactive plan members currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	35
TOTAL	58

Benefits Provided

The Police Pension Plan provides retirement 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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the preceding calendar year. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. Contributions are recognized in the period in which amounts are due pursuant to ILCS. 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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions (Continued)

necessary to finance the Police Pension Plan, including the costs of administering the Police Pension Plan as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2016, the City's contribution was 36.55% of covered payroll.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 32,907,966	\$ 18,333,282	\$ 14,574,684
Changes for the period			
Service cost	669,111	-	669,111
Interest	2,422,628	-	2,422,628
Difference between expected and actual experience	(250,837)	-	(250,837)
Changes in assumptions	2,194,645	-	2,194,645
Employer contributions	-	1,144,355	(1,144,355)
Employee contributions	-	365,178	(365,178)
Net investment income	-	(380,287)	380,287
Benefit payments and refunds	(1,212,510)	(1,212,510)	-
Administrative expense	-	(30,437)	30,437
Net changes	3,823,037	(113,701)	3,936,738
BALANCES AT APRIL 30, 2016	\$ 36,731,003	\$ 18,219,581	\$ 18,511,422

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial Valuation Date	April 30, 2016
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	5.00%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates were based on the RP 2014 BCHA Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at rates equal to the current contribution rate and that the City determined contribution rates and the member rate. Based on those assumptions, the Police Pension Plan'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.

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)
Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	Current	
	1% Decrease (6.50%)	1% Increase (8.50%)
Net pension liability	\$ 23,676,289	\$ 18,511,422
		\$ 14,275,374

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

For the year ended April 30, 2016, the City recognized police pension expense of \$2,138,638. At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 197,467
Changes in assumption	1,727,699	-
Net difference between projected and actual earnings on pension plan investments	1,412,224	-
TOTAL	\$ 3,139,923	\$ 197,467

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

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

Year Ending April 30,	
2017	\$ 608,177
2018	608,177
2019	608,177
2020	608,177
2021	509,748
TOTAL	\$ 2,942,456

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' 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 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Firefighters' 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 firefighter employees.

The Firefighters' 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, benefits and refunds are recognized as an expense and liability when due and payable.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

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

Inactive plan members currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>20</u>
TOTAL	<u><u>30</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement 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 at the date of retirement. 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 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 covered employee 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 firefighter 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. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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 1/2 of the change in the Consumer Price Index for the preceding calendar year. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. Contributions are recognized in the period in which amounts are due pursuant to ILCS. 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 finance the Firefighters' Pension Plan, including the costs of administering the Firefighters' Pension Plan, as actuarially determined by an enrolled actuary.

However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City has adopted a funding policy that will result in funding of 100% of the past service cost by 2040. For the year ended April 30, 2016, the City's contribution was 18.71% of covered payroll.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)
Firefighters' Pension Plan (Continued)
Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 16,780,573	\$ 13,046,834	\$ 3,733,739
Changes for the period			
Service cost	389,913	-	389,913
Interest	1,241,081	-	1,241,081
Difference between expected and actual experience	(225,868)	-	(225,868)
Changes in assumptions	1,156,859	-	1,156,859
Employer contributions	-	355,690	(355,690)
Employee contributions	-	188,272	(188,272)
Net investment income	-	(348,987)	348,987
Benefit payments and refunds	(465,657)	(465,657)	-
Administrative expense	-	(19,591)	19,591
Net changes	2,096,328	(290,273)	2,386,601
BALANCES AT APRIL 30, 2016	\$ 18,876,901	\$ 12,756,561	\$ 6,120,340

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

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

- a. Plan Descriptions (Continued)
Firefighters' Pension Plan (Continued)
Actuarial Assumptions

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

Actuarial Valuation Date April 30, 2016

Actuarial Cost Method Entry-Age Normal

Assumptions
Inflation 2.50%
Salary Increases 5.00%
Interest Rate 7.50%
Cost of Living Adjustments 3.00%
Asset Valuation Method Market

Mortality rates were based on the RP 2014 BCHA Mortality Table. The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the 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 Firefighters' Pension Plan'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 GENEVA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 8,922,036	\$ 6,120,340	\$ 3,816,131

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

For the year ended April 30, 2016, the City recognized firefighters' pension expense of \$916,809. At April 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 184,801
Changes in assumption	946,521	-
Net difference between projected and actual earnings on pension plan investments	1,063,761	-
TOTAL	\$ 2,010,282	\$ 184,801

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

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

Year Ending April 30,	
2017	\$ 351,428
2018	351,428
2019	351,428
2020	351,428
2021	351,427
Thereafter	68,342
TOTAL	\$ 1,825,481

11. CHANGE IN ACCOUNTING PRINCIPLE

CHANGE IN ACCOUNTING PRINCIPLE -
GOVERNMENTAL ACTIVITIES

	Increase (Decrease)
Change in Accounting Principle	\$ 1,564,209
To write-off the Police Pension Plan net pension obligation	197,601
To write-off the Firefighters' Pension Plan net pension obligation	153,027
To write-off IMRF net pension obligation	(14,574,683)
To record the Police Pension Plan net pension liability	(3,733,740)
To record the Firefighters' Pension Plan net pension liability	119,590
To record deferred outflows for employer contributions made after the measurement date of the IMRF total pension liability	(1,156,369)
To record the IMRF net pension liability	

TOTAL CHANGE IN ACCOUNTING PRINCIPLE -
GOVERNMENTAL ACTIVITIES

\$ (17,430,365)

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAAL) (2) - (1)	(5) Covered Payroll	(6) UAAAL as a Percentage of Covered Payroll (4) / (5)
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	\$ -	\$ 815,857	0.00%	\$ 815,857	\$ 12,945,429	6.30%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	-	1,181,568	0.00%	1,181,568	13,166,394	8.97%
2016	N/A	N/A	N/A	N/A	N/A	N/A

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2011	\$ 19,927	\$ 53,036	37.57%
2012	19,927	53,264	37.41%
2013	33,395	52,713	63.35%
2014	33,395	72,745	45.91%
2015	65,601	92,306	71.07%
2016	60,953	95,998	63.49%

N/A - Information not available

Actuarially determined contribution	\$ 825,909
Contributions in relation to the actuarially determined contribution	<u>825,909</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>
Covered-employee payroll	\$ 6,736,615
Contributions as a percentage of covered-employee payroll	12.26%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 and December 31, 2014. 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 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2016

	<u>2016</u>
Actuarially determined contribution	\$ 1,144,355
Contributions in relation to the actuarially determined contribution	<u>1,144,355</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ -</u>
Covered-employee payroll	\$ 3,130,603
Contributions as a percentage of covered-employee payroll	36.55%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year average market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

CITY OF GENEVA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

April 30, 2016

	<u>2016</u>
Actuarially determined contribution	\$ 355,686
Contributions in relation to the actuarially determined contribution	<u>355,690</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (4)</u>
Covered-employee payroll	\$ 1,900,740
Contributions as a percentage of covered-employee payroll	18.71%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year average market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 5.00% compounded annually.

CITY OF GENEVA, ILLINOIS

SCHEDULE OF THE CITY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY

ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

Employer's proportion of net pension liability	82.00%
Employer's proportionate share of net pension liability	\$ 5,345,678
Employer's covered-employee payroll	6,736,615
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	79.35%
Plan fiduciary net position as a percentage of the total pension liability	86.21%

*IMRF's measurement date is December 31, 2015; therefore information above is presented for the calendar year ended December 31, 2015.

CITY OF GENEVA, ILLINOIS

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

POLICE PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service cost	\$ 633,473	\$ 669,111
Interest	2,152,823	2,422,628
Changes of benefit terms	-	-
Differences between expected and actual experience	(135,905)	(250,837)
Changes to mortality assumptions	2,096,902	2,194,645
Benefit payments, including refunds of member contributions	(1,087,272)	(1,212,510)
Net change in total pension liability	3,660,021	3,823,037
Total pension liability - beginning	29,247,945	32,907,966
TOTAL PENSION LIABILITY - ENDING	\$ 32,907,966	\$ 36,731,003

PLAN FIDUCIARY NET POSITION

Contributions - employer	\$ 1,247,900	\$ 1,144,355
Contributions - member	314,018	365,178
Net investment income	1,080,768	(380,287)
Benefit payments, including refunds of member contributions	(1,087,272)	(1,212,510)
Administrative expense	(28,154)	(30,437)

Net change in plan fiduciary net position

1,527,260

(113,701)

Plan fiduciary net position - beginning

16,806,022

18,333,282

PLAN FIDUCIARY NET POSITION - ENDING

\$ 18,333,282

\$ 18,219,581

EMPLOYER'S NET PENSION LIABILITY

\$ 14,574,684

\$ 18,511,422

Plan fiduciary net position

55.7%

49.6%

as a percentage of the total pension liability

Covered-employee payroll

\$ 3,148,322

\$ 3,130,603

Employer's net pension liability

462.9%

591.3%

as a percentage of covered-employee payroll

CITY OF GENEVA, ILLINOIS

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

FIREFIGHTERS' PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service cost	\$ 402,141	\$ 389,913
Interest	1,097,019	1,241,081
Changes of benefit terms	-	-
Differences between expected and actual experience	350,386	(225,868)
Changes to mortality assumptions	486,371	1,156,859
Benefit payments, including refunds of member contributions	(364,529)	(465,657)
Net change in total pension liability	1,971,388	2,096,328
Total pension liability - beginning	14,809,185	16,780,573
TOTAL PENSION LIABILITY - ENDING	\$ 16,780,573	\$ 18,876,901
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 345,865	\$ 355,690
Contributions - member	179,157	188,272
Net investment income	523,181	(348,987)
Benefit payments, including refunds of member contributions	(364,529)	(465,657)
Administrative expense	(15,818)	(19,591)
Net change in plan fiduciary net position	667,856	(290,273)
Plan fiduciary net position - beginning	12,378,978	13,046,834
PLAN FIDUCIARY NET POSITION - ENDING	\$ 13,046,834	\$ 12,756,561
EMPLOYER'S NET PENSION LIABILITY	\$ 3,733,739	\$ 6,120,340
Plan fiduciary net position as a percentage of the total pension liability	77.7%	67.6%
Covered-employee payroll	\$ 1,788,389	\$ 1,900,740
Employer's net pension liability as a percentage of covered-employee payroll	208.8%	322.0%

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**SERIES 2016A BONDS
OFFICIAL BID FORM**
(Open Speer Auction)

City of Geneva
22 South First Street
Geneva, Illinois 60134

November 7, 2016
Speer Financial, Inc.

Mayor and City Council:

For the \$380,000* Taxable General Obligation Refunding Bonds, Series 2016A (the "2016A Bonds") of the City of Geneva, Kane County, Illinois (the "City"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ _____ (no less than par). The Series 2016A Bonds are dated the date of delivery, expected to be on or about November 22, 2016. The Series 2016A Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$ _____ gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 15

\$65,000.....	2017	\$80,000.....	2020
75,000.....	2018	80,000.....	2021
80,000.....	2019		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2016A Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The City will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Series 2016A Bonds with the CUSIP numbers as entered on the Series 2016A Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Notice of Sale for the Series 2016A Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the City in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Series 2016A Bonds.

Form of Deposit

Check One:

- Certified/Cashier's Check
- Financial Surety Bond
- Wire Transfer

Within TWO hours of Bidding:

- Wire Transfer

Amount: \$7,600

Account Manager Information

Name _____

Address _____

By _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

We have purchased insurance from:

Name of Insurer
(Please fill in)

Premium: _____

Maturities: (Check One)

_____ Years

All

The foregoing bid was accepted and the Series 2016A Bonds sold pursuant to an ordinance of the City adopted by the City Council of the City on November 7, 2016, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CITY OF GENEVA, KANE COUNTY, ILLINOIS

*Subject to change.

Mayor

----- **NOT PART OF THE BID** -----
(Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	1,199.28	
AVERAGE LIFE	3.156 Years	

SERIES 2016A
OFFICIAL NOTICE OF SALE

\$380,000*
CITY OF GENEVA
Kane County, Illinois
Taxable General Obligation Refunding Bonds, Series 2016A
(Open Speer Auction)

The City of Geneva, Kane County, Illinois (the "City"), will receive open auction electronic bids on the SpeerAuction ("*SpeerAuction*") website address "www.SpeerAuction.com" for its \$380,000* Taxable General Obligation Refunding Bonds, Series 2016A (the "Series 2016A Bonds"), on an all or none basis between 9:30 A.M. and 9:45 A.M., C.S.T., Monday, November 7, 2016. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). Award will be made or all bids rejected on that date. The City reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2016A Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2016A Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Series 2016A Bonds and the enforceability of the Series 2016A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2016A Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2016A Bonds at the rates and prices of the winning bid, if acceptable to the City, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the City.
- (2) Neither the City, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the City exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.

**Subject to change.*

- (6) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2016A Bonds are definitively awarded to the winning bidder only upon official award by the City. If, for any reason, the City fails to: (i) award Series 2016A Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2016A Bonds to winning bidder at settlement, neither the City, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The City reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the City reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2016A Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2016A Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Series 2016A Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Series 2016A Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date. The principal of the Series 2016A Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2017, and is payable by US Bank National Association, Chicago, Illinois (the "Bond Registrar"). The Series 2016A Bonds are dated the date of delivery thereof, expected to be on or about November 22, 2016.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2016A Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the City will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

MATURITIES* – DECEMBER 15

\$65,000	2017	\$80,000	2020
75,000	2018	80,000	2021
80,000	2019		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2016A Bonds are **not** subject to optional redemption prior to maturity.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2016A Bonds, must be for not less than par.

Award of the Series 2016A Bonds: The Series 2016A Bonds will be awarded on the basis of true interest cost, determined in the following manner. **True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2016A Bonds from the payment dates thereof to the dated date and to the bid price.** For the purpose of calculating true interest cost, the Series 2016A Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

*Subject to change.

The Series 2016A Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the City as determined by the City's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2016A Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Series 2016A Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2016A Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Series 2016A Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Series 2016A Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the City pending delivery of the Series 2016A Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2016A Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the City caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2016A Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street, 38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Geneva, Kane County, Illinois bid for
\$380,000* Taxable General Obligation Refunding Bonds, Series 2016A

Contemporaneously with such wire transfer, the bidder shall send an email to biddingscrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2016A Bonds. The City and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the City; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

**Subject to change.*

The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Series 2016A Bonds on or before the date of delivery of the Series 2016A Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2016A Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Series 2016A Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Series 2016A Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Series 2016A Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about November 22, 2016. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2016A Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2016A Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Series 2016A Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2016A Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2016A Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2016A Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Series 2016A Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2016A Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Series 2016A Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2016A Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Series 2016A Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2016A Bonds: (1) the unqualified opinion of Bond Counsel that the Series 2016A Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except as the rights of the owners of the Series 2016A Bonds and the enforceability of the Series 2016A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; and (2) a no litigation certificate by the City.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Series 2016A Bonds. Copies of such Official Statement or additional information may be obtained from Rita Kruse, Finance Manager, City of Geneva, 22 South First Street, Geneva, Illinois 60134 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the City, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **KEVIN R. BURNS**
Mayor
CITY OF GENEVA
Kane County, Illinois

/s/ **STEPHANIE DAWKINS**
City Administrator
CITY OF GENEVA
Kane County, Illinois

*Subject to change.

SERIES 2016B
OFFICIAL BID FORM
(Open Speer Auction)

City of Geneva
 22 South First Street
 Geneva, Illinois 60134

November 7, 2016
 Speer Financial, Inc.

Mayor and City Council:

For the \$2,745,000* General Obligation Refunding Bonds, Series 2016B (the "2016B Bonds") of the City of Geneva, Kane County, Illinois (the "City"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ _____ (no less than \$2,735,000). The Series 2016B Bonds are dated the date of delivery, expected to be on or about November 22, 2016. The Series 2016B Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$ _____ gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 15

\$500,000.....	2017	\$605,000.....	2020
525,000.....	2018	560,000.....	2021
555,000.....	2019		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2016B Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The City will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Series 2016B Bonds with the CUSIP numbers as entered on the Series 2016B Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Notice of Sale for the Series 2016B Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the City in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Series 2016B Bonds.

Form of Deposit

Check One:

- Certified/Cashier's Check
- Financial Surety Bond
- Wire Transfer

Within TWO hours of Bidding:

- Wire Transfer

Amount: \$54,900

Account Manager Information

Name _____

Address _____

By _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

<p align="center">We have purchased insurance from:</p> <p align="center"><u>Name of Insurer</u> <i>(Please fill in)</i></p> <p>_____</p> <p>Premium: _____</p> <p>Maturities: (Check One)</p> <p><input type="checkbox"/> _____ Years</p> <p><input type="checkbox"/> All</p>

The foregoing bid was accepted and the Series 2016B Bonds sold pursuant to an ordinance of the City adopted by the City Council of the City on November 7, 2016, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CITY OF GENEVA, KANE COUNTY, ILLINOIS

*Subject to change.

 Mayor

----- **NOT PART OF THE BID** -----
 (Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	8,610.38	
AVERAGE LIFE	3.137 Years	

SERIES 2016B
OFFICIAL NOTICE OF SALE

\$2,745,000*
CITY OF GENEVA
Kane County, Illinois
General Obligation Refunding Bonds, Series 2016B
(Open Speer Auction)

The City of Geneva, Kane County, Illinois (the "City"), will receive open auction electronic bids on the SpeerAuction ("*SpeerAuction*") website address "www.SpeerAuction.com" for its \$2,745,000* General Obligation Refunding Bonds, Series 2016B (the "Series 2016B Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.S.T., Monday, November 7, 2016. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). Award will be made or all bids rejected on that date. The City reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2016B Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2016B Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except that the rights of the owners of the Series 2016B Bonds and the enforceability of the Series 2016B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2016B Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2016B Bonds at the rates and prices of the winning bid, if acceptable to the City, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the City.
- (2) Neither the City, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the City exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.

**Subject to change.*

- (6) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Preliminary Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2016B Bonds are definitively awarded to the winning bidder only upon official award by the City. If, for any reason, the City fails to: (i) award Series 2016B Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2016B Bonds to winning bidder at settlement, neither the City, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The City reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the City reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2016B Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thompson Municipal News*.

The Series 2016B Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Series 2016B Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Series 2016B Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date. The principal of the Series 2016B Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2017, and is payable by US Bank National Association, Chicago, Illinois (the "Bond Registrar"). The Series 2016B Bonds are dated the date of delivery thereof, expected to be on or about November 22, 2016.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2016B Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the City will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

MATURITIES* – DECEMBER 15

\$500,000	2017	\$605,000	2020
525,000	2018	560,000	2021
555,000	2019		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2016B Bonds are **not** subject to optional redemption prior to maturity.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2016B Bonds, must be for not less than \$2,735,000.

Award of the Series 2016B Bonds: The Series 2016B Bonds will be awarded on the basis of true interest cost, determined in the following manner. **True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2016B Bonds from the payment dates thereof to the dated date and to the bid price.** For the purpose of calculating true interest cost, the Series 2016B Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

*Subject to change.

The Series 2016B Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the City as determined by the City's Financial Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2016B Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Series 2016B Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2016B Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Series 2016B Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Series 2016B Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the City pending delivery of the Series 2016B Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2016B Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the City caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2016B Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street, 38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Geneva, Kane County, Illinois bid for
\$2,745,000* General Obligation Refunding Bonds, Series 2016B

Contemporaneously with such wire transfer, the bidder shall send an email to biddingscrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2016B Bonds. The City and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the City; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

**Subject to change.*

The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Series 2016B Bonds on or before the date of delivery of the Series 2016B Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2016B Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Series 2016B Bonds.

The winning bidder shall provide a certificate, in form as drafted by or acceptable to Chapman and Cutler LLP, Chicago, Illinois, ("Bond Counsel"), to evidence the issue price of each maturity of the Series 2016B Bonds, form of which certificate is available upon request.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Series 2016B Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder consents to and waives any conflict of interest arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Series 2016B Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about November 22, 2016. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2016B Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2016B Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Series 2016B Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2016B Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2016B Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2016B Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Series 2016B Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2016B Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Series 2016B Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2016B Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Series 2016B Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2016B Bonds: (1) the unqualified opinion of Bond Counsel, that the Series 2016B Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, except as the rights of the owners of the Series 2016B Bonds and the enforceability of the Series 2016B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; (2) the opinion of said attorneys that the interest on the Series 2016B Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Series 2016B Bonds; and (3) a no litigation certificate by the City.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Series 2016B Bonds. Copies of such Official Statement or additional information may be obtained from Rita Kruse, Finance Manager, City of Geneva, 22 South First Street, Geneva, Illinois 60134 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Sales Calendar" from the Independent Public Finance Consultants to the City, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **KEVIN R. BURNS**
Mayor
CITY OF GENEVA
Kane County, Illinois

/s/ **STEPHANIE DAWKINS**
City Administrator
CITY OF GENEVA
Kane County, Illinois