

Final Official Statement Dated October 11, 2016

Subject to compliance by the City with certain covenants and assuming the accuracy of certain representations, in the opinion of Arnstein & Lehr LLP, Bond Counsel, under present law, interest on the Bonds (i) is excludable from the gross income of their owners for federal income tax purposes, (ii) is not treated as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, and (iii) is taken into account in computing adjusted current earnings in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from income taxes presently imposed by the State of Illinois. See "TAX EXEMPTION" herein for a more complete discussion. The 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" herein.



\$5,800,000
UNITED CITY OF YORKVILLE
Kendall County, Illinois
General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016

Dated Date of Delivery Book-Entry Non-Callable Bank Qualified Due Serially December 30, 2017-2022

The \$5,800,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016 (the "Bonds"), are being issued by the United City of Yorkville, Kendall County, Illinois (the "City"). Interest on the Bonds is payable semiannually on June 30 and December 30 of each year, commencing June 30, 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. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will mature on December 30, in the years and amounts as detailed below.

AMOUNTS, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS⁽¹⁾

Principal Amount	Due Dec. 30	Interest Rate	Yield or Price	CUSIP Number (1)	Principal Amount	Due Dec. 30	Interest Rate	Yield or Price	CUSIP Number (1)
\$ 430,000	2017	4.000%	0.900%	987355 LF9	\$1,475,000	2020	4.000%	1.420%	987355 LJ1
470,000	2018	4.000%	1.120%	987355 LG7	1,040,000	2021	3.000%	1.560%	987355 LK8
1,470,000	2019	4.000%	1.300%	987355 LH5	915,000	2022	3.000%	1.640%	987355 LL6

NO 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 on December 30, 2016 a portion of the City's outstanding Refunding Debt Certificates, Series 2006A ("Series 2006A Certificates"), to currently refund on December 30, 2016 a portion of the City's outstanding General Obligation Refunding Bonds (Alternate Revenue Source), Series 2007A ("Series 2007A Bonds", and together with the Series 2006A Certificates, the "Refunded Securities") and to pay the costs of issuance of 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 as to principal and interest ratably and equally with the City's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2004B ("Series 2004B Bonds"), Series 2007A Bonds not being refunded by the Bonds, and the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2014C ("Series 2014C Bonds" and together with the Series 2004B Bonds and the Series 2007A Bonds not being refunded by the Bonds, the "Parity Bonds") from (a) (i) the money deposited to the credit of the Alternate Bond and Interest Subaccount within the Surplus Account of the Waterworks and Sewerage Fund of the City, said Surplus Account consisting of the funds remaining in said Waterworks and Sewerage Fund after the required monthly deposits and credits have been made under the provisions of certain ordinances of the City authorizing Waterworks and Sewerage Revenue Bonds, of various currently outstanding and future series, to certain prior lien accounts and purposes as set forth therein, (ii) all collections distributed to the City pursuant to the State Revenue Sharing Act from those taxes imposed by the State of Illinois pursuant to subsections (a) and (c) of Section 201 of the Illinois Income Tax Act, as supplemented and amended from time to time, or substitute taxes thereof as provided by the State of Illinois in the future, (iii) such other funds of the City as may be necessary and on hand from time to time and lawfully available for such purpose, and (b) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount. See "DESCRIPTION OF THE BONDS" herein.

This Final Official Statement is dated October 11, 2016, and has been prepared under the authority of the City. An electronic copy of this Final Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Historical Sales". Additional copies may be obtained from Mr. Bart Olson, City Administrator, United City of Yorkville, 800 Game Farm Road, Yorkville, Illinois 60560, or from the Independent Public Finance Consultants to the City:



(1) CUSIP numbers appearing in this Final Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw Hill Financial Inc. 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 Final Official Statement.

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 Final 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.

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BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Final Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

Issuer:	United City of Yorkville, Kendall County, Illinois (the “City”).
Issue:	\$5,800,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016 (the “Bonds”).
Dated Date:	Date of delivery (expected to be on or about October 27, 2016).
Interest Due:	Each June 30 and December 30, commencing June 30, 2017.
Principal Due:	Serially each December 30, commencing December 30, 2017 through 2022, as detailed on the front page of this Final Official Statement.
No Optional Redemption:	The Bonds are not subject to optional redemption prior to maturity.
Authorization:	By vote of the City Council and pursuant to the provisions of the Illinois Municipal Code (the “Municipal Code”) and the Local Government Debt Reform Act (the “Debt Reform Act”) of the State of Illinois.
Security:	The Bonds will constitute valid and legally binding obligations of the City payable as to principal and interest ratably and equally with the City’s outstanding General Obligation Bonds (Alternate Revenue Source), Series 2004B (“Series 2004B Bonds”), Series 2007A Bonds not being refunded by the Bonds, and the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2014C (“Series 2014C Bonds” and together with the Series 2004B Bonds and the Series 2007A Bonds not being refunded by the Bonds, the “Parity Bonds”) from (a) (i) the money deposited to the credit of the Alternate Bond and Interest Subaccount within the Surplus Account of the Waterworks and Sewerage Fund of the City, said Surplus Account consisting of the funds remaining in said Waterworks and Sewerage Fund after the required monthly deposits and credits have been made under the provisions of certain ordinances of the City authorizing Waterworks and Sewerage Revenue Bonds, of various currently outstanding and future series, to certain prior lien accounts and purposes as set forth therein, (ii) all collections distributed to the City pursuant to the State Revenue Sharing Act from those taxes imposed by the State of Illinois pursuant to subsections (a) and (c) of Section 201 of the Illinois Income Tax Act, as supplemented and amended from time to time, or substitute taxes thereof as provided by the State of Illinois in the future, (iii) such other funds of the City as may be necessary and on hand from time to time and lawfully available for such purpose, and (b) ad valorem taxes levied against all taxable property within the City without limitation as to rate or amount. See “ DESCRIPTION OF THE BONDS ” herein.
Credit Rating:	The Bonds are rated “AA/Stable” by S&P Global Ratings. See “ INVESTMENT RATING ” herein.
Purpose:	The Bond proceeds will be used to currently refund on December 30, 2016 a portion of the City’s outstanding Refunding Debt Certificates, Series 2006A (“Series 2006A Certificates”), to currently refund on December 30, 2016 a portion of the City’s outstanding General Obligation Refunding Bonds (Alternate Revenue Source), Series 2007A (“Series 2007A Bonds”, and together with the Series 2006A Certificates, the “Refunded Securities”) and to pay the costs of issuance of the Bonds. See “ PLAN OF FINANCING ” herein.
Tax Exemption:	Arnstein & Lehr LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the Bonds as discussed under “ TAX EXEMPTION ” in this Final Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
Bank Qualified:	The 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 ” herein.
Bond Registrar/Paying Agent/ Escrow Agent:	Amalgamated Bank of Chicago, Chicago, Illinois.
Delivery:	The Bonds are expected to be delivered on or about October 27, 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.

UNITED CITY OF YORKVILLE
Kendall County, Illinois

Gary J. Golinski
Mayor

Aldermen

Carlo Colosimo
Joel Frieders
Chris Funkhouser

Ken Koch
Larry Kot

Jacquelyn Milschewski
Seaver Tarulis
Diane Teeling

Officials

Beth Warren
City Clerk

Bart Olson
City Administrator

Eric Dhuse
Director of Public Works

Rob Fredrickson
Finance Director/Deputy Treasurer

Kathleen Field Orr, Esq.
City Attorney

DESCRIPTION OF THE BONDS

Security: Alternate Revenue Sources and Tax Levy

The Bonds are payable both as to principal and interest ratably and equally with the City's outstanding Series 2004B Bonds, Series 2007A Bonds not being refunded by the Bonds and Series 2014C Bonds from (a) (i) the money deposited to the credit of the Alternate Bond and Interest Subaccount within the Surplus Account of the Waterworks and Sewerage Fund of the City, said Surplus Account consisting of the funds remaining in said Waterworks and Sewerage Fund after the required monthly deposits and credits have been made under the provisions of certain ordinances of the City authorizing Waterworks and Sewerage Revenue Bonds, of various currently outstanding and future series, to certain prior lien accounts and purposes as set forth therein, (ii) all collections distributed to the City pursuant to the State Revenue Sharing Act from those taxes imposed by the State of Illinois pursuant to subsections (a) and (c) of Section 201 of the Illinois Income Tax Act, as supplemented and amended from time to time, or substitute taxes thereof as provided by the State of Illinois in the future, (iii) such other funds of the City as may be necessary and on hand from time to time and lawfully available for such purpose (collectively, the "Pledged Revenues"), and (b) ad valorem taxes levied against all of the taxable property within the City without limitation as to rate or amount (the "Pledged Taxes"). Pursuant to the Debt Reform Act, the City will pledge such monies to the payment of the Bonds and shall covenant to provide for and apply such Pledged Revenues to the payment of the Bonds and the provision of not less than an additional 0.25 times debt service, which pledge and covenant shall constitute a continuing obligation of the City and continuing appropriation of the amounts received. For the prompt payment of the Bonds, the full faith, credit and resources of the City are irrevocably pledged.

The Bonds are issued on a parity with the Parity Bonds.

In the ordinance authorizing the Bonds (the “Bond Ordinance”), the City covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect the Pledged Revenues or, except for abatement of tax levies as permitted in the Bond Ordinance, to levy and collect the Pledged Taxes. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided in the Bond Ordinance and deposited in the Bond Fund hereinafter defined.

As provided in the Debt Reform Act, the City’s determination of the sufficiency of the Pledged Revenues will be based on the City’s audited financial statements for its fiscal year ended April 30, 2015, or on reports of the State of Illinois.

Highlights of Alternate Bonds

Section 15 of the Debt Reform Act provides that whenever revenue bonds have been duly authorized, a local government unit may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as “alternate bonds.” The Debt Reform Act also provides that whenever there exists an alternate revenue source, a local government unit may issue alternate bonds. Such bonds are general obligation debt payable from the pledged alternate revenues with the general obligation of the issuer acting as back-up security. The Debt Reform Act prescribes several conditions that must be met before alternate bonds may be issued.

First, alternate bonds must be issued for a lawful corporate purpose. If issued in lieu of revenue bonds, the alternate bonds must be authorized under applicable law. Alternate bonds may be issued payable from either enterprise revenues or other revenue sources, or both.

Second, the question of issuance must be submitted to referendum if, within thirty (30) days after publication of an authorizing ordinance and notice of intent to issue alternate bonds, a petition signed by the greater of (i) 7.5% of the registered voters in the government unit; or (ii) 200 of those registered voters or 15%, whichever is less, is filed. No legally sufficient petition has been filed in connection with the Bonds, and accordingly the City is now authorized to issue the Bonds.

Third, the issuer must determine that the pledged revenue source or sources are sufficient in each year to final maturity to provide not less than 1.25 times debt service of the proposed alternate bonds and all other outstanding alternate bonds of the issuer payable from the same revenue source. To the extent payable from enterprise revenues, such revenues shall have been determined by the governing body to be sufficient to provide for or pay in each year to final maturity of such alternate bonds all of the following: (1) costs of operation and maintenance of the utility or enterprise, but not including depreciation, (2) debt service on all outstanding revenue bonds payable from such enterprise revenues, (3) all amounts required to meet any fund or account requirements with respect to such outstanding revenue bonds, (4) other contractual or tort liability obligations, if any, payable from such enterprise revenues, and (5) in each year, an amount not less than 1.25 times debt service of all (i) alternate bonds payable from such enterprise revenues previously issued and outstanding and (ii) alternate bonds proposed to be issued. To the extent payable from one or more revenue sources, such sources shall have been determined by the governing body to provide in each year an amount not less than 1.25 times debt service on all alternate bonds payable from such revenue sources previously issued and outstanding and the alternate bonds proposed to be issued. The issuer must in fact pledge and covenant to provide for, collect and apply the pledged alternate enterprise revenues or revenue source(s).

Abatement of Pledged Taxes

Whenever funds are available to pay any principal of or interest on the Bonds when due, the City will direct the deposit of such funds into the Bond Fund created solely for such purpose. The City covenants in the Bond Ordinance, to deposit monthly into the Bond Fund an amount equal to one-sixth (1/6) of the next scheduled interest payment and one-twelfth (1/12) of the next scheduled principal payment. **The City pledges to abate the levy for the Bonds only upon full funding of the Bond Fund in the appropriate levy amount.**

Additional Bonds

The City is authorized to issue from time to time additional obligations payable from the Pledged Revenues as permitted by the Debt Reform Act and to determine the lien priority of any such obligations. Additional obligations shall be on a parity with or have a lien on the Pledged Revenues subordinate to the lien of the Bonds and the Parity Bonds.

Refunding Alternate Bonds

Section 15 of the Debt Reform Act, provides that alternate bonds may be issued to refund or advance refund alternate bonds without meeting any of the conditions set forth in such section, as would have applied to the Prior Bonds (see “**Highlights of Alternate Bonds**” above), if the term of the refunding bonds is no longer than the term of the refunded bonds and the debt service payable on the refunding bonds in each year is no more than the debt service payable in such year on the refunded bonds. These conditions will be met in connection with the issuance of the Bonds.

Bond Funds

The City will deposit the Pledged Revenues and the Pledged Taxes into a Bond Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by the Bond Ordinance (the “Bond Fund”). The Bonds are secured by a pledge of all of the monies on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the City are discharged under the Bond Ordinance.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Final Official Statement and its appendices and exhibits in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Pledged Revenues

The ability of the City to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the City. There is no guarantee that the Pledged Revenues will continue to be available at current levels. To the extent that Pledged Revenues may be insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of the Bonds, the amount of the Bonds then outstanding will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Bonds have been paid from the Pledged Revenues for a complete fiscal year.

Finances of the State of Illinois

The State of Illinois (the “State”) has experienced adverse economic conditions resulting in significant shortfalls between the State’s general fund revenues and spending demands. In addition, the underfunding of the State’s pension systems has contributed to the State’s poor financial health. Budget problems of the State may result in decreased or delayed distributions by the State to the City of certain of the Pledged Revenues. Please see “**DESCRIPTION OF THE BONDS – Security: Alternate Revenue Source and Tax Levy**” for further information on the Pledged Revenues which are received from the State.

Risks Regarding Collections of Pledged Taxes

A description of the remedies of the City in the event of nonpayment of taxes is contained in the section entitled “**REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES.**” No assurance can be given that the County of Kendall (the “County”), on behalf of the City, will be able to collect the taxes levied or that such collections, if made, will be made in a timely fashion.

In the event a taxpayer fails to pay his or her tax bill, the County may foreclose on property which is the subject of the bill. However, in the event the forfeited property sells for an amount less than the tax levied on the property, the City may be unable to meet the debt service requirements on the Bonds or may be unable to meet the debt service requirements on the Bonds in a timely fashion to the extent that Pledged Revenues may be insufficient to pay the Bonds.

In addition, potential purchasers of tax certificates for unpaid taxes may come to a conclusion that it is uneconomic to purchase the certificates representing back taxes, with the result that there may be no buyers of the tax certificates. If tax certificates are unmarketable, the land will be forfeited to the State and no tax receipts will be forthcoming. The past due, unpaid taxes on the land will bear interest and penalties. Annual taxes will continue to be levied and go unpaid; new taxes may be levied each year to cover prior debt service deficiencies and, if not timely paid, will bear interest and penalties.

No one can obtain merchantable title to the land from the State through the County without paying off the past due delinquent taxes, or at least becoming subject to the future taxes and the likely possibility of liability through a deficiency tax levy for unpaid bond debt service. This overhanging liability for taxes may have the effect of discouraging potential purchasers and causing title to the land to remain in the County for the benefit of the State and off the tax rolls.

FUTURE LEGISLATION, REGULATIONS, GOVERNMENTAL OR JUDICIAL INTERPRETATION OF REGULATIONS OR LEGISLATION OR PRACTICES AND PROCEDURES RELATED TO PROPERTY TAX ASSESSMENT, LEVY, COLLECTIONS OR DISTRIBUTION OR ON SALES TAX ASSESSMENTS, COLLECTIONS OR DISTRIBUTIONS COULD HAVE A MATERIAL EFFECT ON THE CALCULATION OR AVAILABILITY OF PLEDGED TAXES COLLECTED OR DISTRIBUTED. THE ABOVE IS NOT INTENDED TO BE A COMPREHENSIVE DISCUSSION OF ALL POTENTIAL RISKS ASSOCIATED WITH SUCH MATTERS OF TAX ASSESSMENT AND COLLECTION.

Local Economy

The financial health of the City is in part dependent on the strength of the local economy. Many factors affect the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the City.

Loss or Change of Bond Rating

The Bonds have received a credit rating from S&P Global Ratings. The rating can be changed or withdrawn at any time for reasons both under and outside the City's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the City to comply with the Undertaking for continuing disclosure (see **"THE UNDERTAKING"** herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine the Final Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City, or the taxing authority of the City. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State may affect the overall financial conditions of the City, the taxable value of property within the City, and the ability of the City to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Exemption

As discussed under “**TAX EXEMPTION**” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the 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. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the City’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the City.

The tax-exempt bond office of the Internal Revenue Service (the “IRS”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the IRS, 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 the IRS will commence any such audit. If an audit is commenced, under current procedures the IRS may treat the City as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the City could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds and the Bond Ordinance will be similarly qualified.

THE CITY

The site where the City is located was first settled in 1833; the City was officially incorporated as a Village on July 8, 1874. On April 16, 1957, the City and the Village of Bristol joined together to form one municipality known as the United City of Yorkville. The City has been the county seat of Kendall County since 1859. It is located in northeastern Illinois on the Fox River approximately 45 miles southwest of Chicago. Nearby communities include Oswego, Bristol, Plano, Millbrook, Helmar, Newark, Plattville, Montgomery, Sugar Grove and Plainfield. According to the 2000 Census, the City had a population of 6,189. A special census in December of 2003 resulted in a population total of more than 8,500; a special census completed in May of 2006 showed an increase in that total of 31.8% when the population increased to 11,204. The special census in 2008 recorded a population of 16,838 which increased to 16,921 at the 2010 Census.

City Government and Services

The City is at present non-home rule and follows a Mayor/City Council form of government in which the Mayor, Aldermen, and City Clerk are each elected to a four-year term. The City Council is comprised of the Mayor and eight Aldermen (two Aldermen elected from each of the City's four wards).

The City is served by the Bristol/Kendall Fire Protection District which carries a Protection Class 6. It maintains a 24 hour paramedics unit and is a member of the Mutual Aid Box Alarm System. The Police Department employs 30 full-time officers and 5 part-time officers, and emergency medical service is available 24 hours a day.

Transportation

The City is approximately 15 miles west of Interstate 55 (I-55); almost 20 miles north of Interstate 80 (I-80); and nearly 12 miles south of Interstate 88 (I-88). Illinois Route 47 and U.S. Route 34 intersect the City.

O'Hare International Airport is approximately 50 miles northeast of the City and Midway Airport is about 45 miles to the east in Chicago. Aurora Municipal Airport, approximately ten miles to the north provides lighted runways and aircraft tiedowns, hangar, power plant repair, air frame repair and navigator aids. Additionally it offers freight, charter and helicopter services.

The Burlington Northern Sante Fe Railroad in nearby Aurora provides commuter rail service.

Commerce and Industry

Businesses and retailers are attracted to the City because of its location near several major thoroughfares and the Fox River. The City features several shopping centers including Kendall Marketplace and the historic downtown area as well as the retail establishments found on both the north and south ends of the City. There are two tax increment finance (TIF) districts in the City referred to as the Countryside TIF and the Downtown TIF. Major private employers are found in a variety of fields including entertainment, retail, services and light industry. Some of the larger employers are the Raging Waves Water Park (450 employees), Wrigley Manufacturing Company LLC (450 employees), Super Target (225 employees), Jewel/Osco (150 employees), Newlyweds Foods (145 employees) and Menards Mega Store (130 employees).

Recent Economic Development

In November of 2013 a new 30,000 square foot multiplex movie theater, called NCG Cinemas, opened within the Countryside TIF district. This was followed in 2014 by a new 10,450 square foot day care center, called Lighthouse Academy, which is also located within the TIF district. More recently, in 2016 the Wrigley Manufacturing Co. expanded their factory in Yorkville, increasing their production facilities by 145,000 square feet and creating 75 new jobs. Additionally, in the summer of 2016 a new 3,500 square foot Sherwin-Williams Paint Store opened, which will soon be followed by the opening of a 7,442 square foot O'Reily Auto Parts Store; both of which are located in the Yorkville Marketplace Development. Development is also planned for the City's south side, with a new gas station and a Dunkin Donuts store, slated to open later this year in the Fountainview Development.

Community Life

The City contains approximately 288 acres of parks with picnic areas, a gazebo and recreational fields. Programs offered include aerobics, basketball, bus trips, bowling, crafts, dance, fishing, golf, soccer, sports club, street hockey, tee ball, tennis and tumbling. Residents also enjoy a golf course and forest preserves which are nearby but outside the City boundaries.

Raging Waves, the largest outdoor water park in Illinois, opened in 2009. Among its attractions are the Kangaroo Falls play structure with ladders and water spouts, the Cyclone Bowl and Boomerang Tornado rides as well as the Great Barrier Reef wave that imitates the action of the ocean.

Yorkville Public Library (the "Library") serves the residents of the City and is a member of the Heritage Trail Library System. In addition to its extensive collection of books, Library resources include dial-a-story, local history, newspapers, sheet music, audio books, large print books, paperbacks, magazines, and videos and DVDs. Services available to the community are homebound service, interlibrary loan, kits for brothers and sisters of new babies, kits for sick kids, loft meeting area, photocopier, computers, tax forms, talking books, typewriter and voter registration. The Library offers the following online resources: animals and the environment; arts and crafts; children's book and screen characters; children's books and stories online; educational resources; exploration and museums; history and geography; holidays and celebrations; literature online; math and science; music and poetry; reference tools and homework help; space; and sports and recreation.

Medical services are available at Rush/Copley Medical Center in the City and also at the Rush/Copley Medicine Center and Provena-Mercy Center, both located in Aurora. Additional facilities are provided by Sandwich Community Hospital in Sandwich, Illinois. These institutions are about fifteen miles from the City.

Education

Community Unit School District Number 115 (the "District") meets the elementary and secondary educational requirements of the City with two elementary schools, one junior high school and one high school. The District has a staff of approximately 425 teachers and administrators and approximately 5,500 students. The District has implemented a new computer curriculum, innovative interdisciplinary projects and advanced team building and support programs for students and staff. Higher education opportunities are offered by Aurora University in nearby Aurora and Northern Illinois University in DeKalb.

In addition, Waubensee Community College District No. 516 (the "College") offers a wide variety of transfer, vocational, continuing and community education, children's and corporate development and training classes. It has 24 programs designed for transfer to senior institutions, and also offers occupational-oriented programs ranging in length from one semester to two years. The College recently opened a state-of-the-art academic computing center that houses eight classrooms and a 120 personal computer work station open lab.

SOCIOECONOMIC INFORMATION

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

Major City Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Community Unit School District Number 115	Education	590
Raging Waves Water Park	Water Park	450
Wrigley Manufacturing Co., LLC	Sugar Confections, Bubble Gum, and Candy	450
Kendall County	County Government	350
Super Target	Retail Store	225
United City of Yorkville (2)	City Government	160
Jewel Osco	Grocery Store	150
Newlyweds Foods	Food Seasonings, Cures and Binders	140
Menards Mega Store	Home Improvement Store	130
Boombah, Inc.	Sports Equipment and Apparel	130
Kohl's	Retail Store	115
Home Depot	Home Improvement Store	110
United States Postal Service	Post Office	100
Hillside Health Care Center	Healthcare	90
Aurora Specialty Textiles Group, Inc.	Textile Finishers	85
Wheatland Title Guaranty Co.	Title Insurance	85
Bristol-Kendall Fire Department	Fire Protection	75
Yorkville Animal Hospital	Animal Hospital	65
Rush-Copley Medical Center	Hospital	65

Note: (1) Source: the City.

Major Area Employers(1)

<u>Location</u>	<u>Name</u>	<u>Business or Product</u>	<u>Approximate Employment</u>
Montgomery	Caterpillar, Inc.	Wheel Loaders and Excavators	2,300
Greater Fox Valley Area ...	Rush-Copley Medical Center (2)	Medical Center	2,000
Sugar Grove	Waubensee Community College #516	Education	1,460
Morris	Exelon Nuclear, Dresden Generating Station	Electric Service	900
Montgomery	PERFORMANCE Foodservice - Fox River	Wholesale Food	435
Morris	LyondellBassell Industries	Plastic Materials	400
Montgomery	Eby-Brown Co.	Wholesale Tobacco and Confectionery	400
Plano	Midwest Mfg., Inc.	Millwork	400
Plainfield	CB&I, Inc.	Storage Tank Insulation Equipment	400
Plainfield	Diageo North American, Inc.	Gin and Vodka Distilling	400
Montgomery	V F Illinois Services	Soap and Detergents	350
Morris	Northfield Block Co.	Architectural Concrete Blocks	300
Montgomery	Lyons LLC	Steel Storage Equipment	300
Montgomery	Aurora Bearing Co.	Ball and Roller Bearings	250
Oswego	Radiac Abrasives, Inc.	Diamond Grinding Wheels	250
Oswego	Coldwell Banker Honig-Bell	Residential Real Estate	225
Montgomery	Hormann Gadco LLC	Doors, Sash and Trim Metal	200
Plainfield	Walsh Landscape	Landscape Construction and Maintenance	185
Plainfield	Veolia Water Solutions & Technologies	Water Treatment Facility Equipment	160
Plano	Fox Valley Molding, Inc.	Compression Transfer and Injection Molding	150
Montgomery	Aurora Metals Div., L.L.C.	Copper foundries	140

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

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.....	40	0.4%	568	1.0%	63,558	1.1%
Construction.....	501	5.6%	3,088	5.2%	308,760	5.1%
Manufacturing.....	1,161	12.9%	8,118	13.6%	756,747	12.5%
Wholesale Trade.....	334	3.7%	2,199	3.7%	181,855	3.0%
Retail Trade.....	1,020	11.4%	7,018	11.8%	663,401	11.0%
Transportation and Warehousing, and Utilities.....	311	3.5%	4,128	6.9%	353,089	5.9%
Information.....	185	2.1%	945	1.6%	124,634	2.1%
Finance and Insurance, and Real Estate% and Rental and Leasing.....	751	8.4%	5,156	8.7%	442,091	7.3%
Professional, Scientific, and Management, Administrative, and Waste Management Services.....	611	6.8%	5,895	9.9%	681,276	11.3%
Educational Services and Health Care and Social Assistance...	2,442	27.2%	13,198	22.2%	1,391,310	23.1%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	552	6.1%	4,311	7.2%	544,222	9.0%
Other Services, Except Public Administration.....	595	6.6%	2,423	4.1%	288,596	4.8%
Public Administration.....	475	5.3%	2,434	4.1%	232,492	3.9%
Total.....	8,978	100.0%	59,481	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, Business, Science, and Art.....	3,669	40.9%	23,728	39.9%	2,204,363	36.5%
Service.....	1,708	19.0%	8,111	13.6%	1,048,478	17.4%
Sales and Office.....	2,043	22.8%	15,911	26.7%	1,500,220	24.9%
Natural Resources, Construction, and Maintenance.....	922	10.3%	4,877	8.2%	441,705	7.3%
Production, Transportation, and Material Moving.....	636	7.1%	6,854	11.5%	837,265	13.9%
Total.....	8,978	100.0%	59,481	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.

Annual Average Unemployment Rates(1)

Calendar Year	The City	The County	The State
2006.....	2.6%	4.0%	4.5%
2007.....	3.1%	4.5%	4.6%
2008.....	3.8%	5.8%	6.4%
2009.....	6.6%	9.9%	10.0%
2010.....	6.4%	9.8%	10.3%
2011.....	5.9%	8.7%	9.8%
2012.....	5.2%	7.8%	8.9%
2013.....	8.2%	8.3%	9.2%
2014.....	6.4%	6.3%	7.1%
2015.....	4.8%	5.1%	5.9%
2016(2).....	N/A	5.5%	6.2%

Notes: (1) Illinois Department of Employment Security.
 (2) Preliminary rates for the month of April 2016.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was \$229,200. This compares to \$204,100 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(I)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	144	3.1%	816	2.6%	243,163	7.6%
\$50,000 to \$99,999	177	3.8%	1,544	4.8%	508,867	15.9%
\$100,000 to \$149,999	624	13.5%	4,780	15.0%	525,634	16.5%
\$150,000 to \$199,999	814	17.6%	8,303	26.0%	533,202	16.7%
\$200,000 to \$299,999	2,112	45.6%	10,815	33.8%	663,672	20.8%
\$300,000 to \$499,999	679	14.7%	4,925	15.4%	486,000	15.2%
\$500,000 to \$999,999	83	1.8%	651	2.0%	188,718	5.9%
\$1,000,000 or more	0	0.0%	127	0.4%	45,451	1.4%
Total	4,633	100.0%	31,961	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)

	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units With a Mortgage	3,758	81.1%	26,514	83.0%	2,146,363	67.2%
Housing Units Without a Mortgage ..	875	18.9%	5,447	17.0%	1,048,344	32.8%
Total	4,633	100.0%	31,961	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 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(1)

Ill. County	Family Income	Ill. 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, American Community Survey, 2010-2014 estimates.

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of \$98,631. This compares to \$92,794 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(1)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	0	0.0%	562	1.9%	138,048	4.4%
\$10,000 to \$14,999	82	1.8%	279	0.9%	84,725	2.7%
\$15,000 to \$24,999	274	6.1%	1,088	3.6%	222,412	7.1%
\$25,000 to \$34,999	123	2.8%	1,341	4.5%	252,033	8.0%
\$35,000 to \$49,999	441	9.9%	2,901	9.6%	376,290	12.0%
\$50,000 to \$74,999	648	14.5%	5,119	17.0%	577,132	18.4%
\$75,000 to \$99,999	754	16.9%	5,337	17.8%	465,095	14.9%
\$100,000 to \$149,999	1,405	31.4%	7,996	26.6%	553,083	17.7%
\$150,000 to \$199,999	485	10.8%	3,383	11.3%	230,525	7.4%
\$200,000 or more	259	5.8%	2,060	6.9%	231,782	7.4%
Total	4,471	100.0%	30,066	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 \$86,387. This compares to \$83,844 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)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	108	1.8%	1,004	2.6%	341,784	7.2%
\$10,000 to \$14,999	175	2.9%	721	1.9%	218,422	4.6%
\$15,000 to \$24,999	333	5.6%	1,701	4.4%	479,384	10.0%
\$25,000 to \$34,999	371	6.2%	2,272	5.9%	455,890	9.5%
\$35,000 to \$49,999	659	11.0%	3,917	10.2%	614,706	12.9%
\$50,000 to \$74,999	920	15.3%	7,367	19.2%	852,342	17.8%
\$75,000 to \$99,999	1,001	16.7%	6,743	17.5%	612,247	12.8%
\$100,000 to \$149,999	1,576	26.3%	9,026	23.5%	671,103	14.0%
\$150,000 to \$199,999	561	9.4%	3,526	9.2%	265,693	5.6%
\$200,000 or more	296	4.9%	2,176	5.7%	267,062	5.6%
Total	6,000	100.0%	38,453	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

Following is a summary of the City's sales tax receipts as collected and disbursed by the State.

Retailers' Occupation, Service Occupation and Use Tax(I)

State Fiscal Year Ending June 30	State Sales Tax Distributions (2)	Annual Percent Change + (-)
2006	\$2,548,784	13.59% (3)
2007	2,676,261	5.00%
2008	2,506,434	(6.35%)
2009	2,500,285	(0.25%)
2010	2,446,099	(2.17%)
2011	2,569,233	5.03%
2012	2,552,483	(0.65%)
2013	2,490,503	(2.43%)
2014	2,586,460	3.85%
2015	2,704,651	4.57%
Growth from 2006 to 2015		6.12%

- 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 2006 percentage is based on a 2005 sales tax of \$2,243,867.

THE WATERWORKS AND SEWERAGE SYSTEM

Water and Sewer Charges(1)(2)

Water Rates

Effective May 1, 2014	Effective May 1, 2015	Effective May 1, 2016
Bi-monthly minimum user charge up to 350 Cu. Ft.* - \$14.00	Bi-monthly minimum user charge up to 350 Cu. Ft.* - \$16.00	Bi-monthly minimum user charge up to 350 Cu. Ft.* - \$17.00
\$2.97 per 100 Cu. Ft. thereafter	\$3.65 per 100 Cu. Ft. thereafter	\$4.30 per 100 Cu. Ft. thereafter

*1 Cubic foot = 7.48 gallons

Sewer Rates

Effective May 1, 2014	Effective May 1, 2015	Effective May 1, 2016
Residential, Commercial, Industrial, & Government \$18.54 per bi-monthly billing cycle per unit	Residential, Commercial, Industrial, & Government \$19.10 per bi-monthly billing cycle per unit	Residential, Commercial, Industrial, & Government \$19.67 per bi-monthly billing cycle per unit

Notes: (1) Source: the City.
 (2) The City passed increases in the water and sewer rates by ordinance through May 1, 2018 on April 22, 2014.

User Data(1)

Fiscal Year	Annual Water Consumption (Cubic Feet) Total	Number of Accounts
2011	62,574,451	6,051
2012	59,828,300	5,947
2013	66,401,150	6,189
2014	62,743,823	6,135
2015	56,658,370	6,361

Note: (1) Source: The City's 2015 Comprehensive Annual Financial Report.

Largest System Users(1)

User Name	Service/Product	2015-2016 Annual Usage (Cubic Feet)
Wrigley Manufacturing LLC.....	Confectionary	1,370,200
Yorkville Community School District.....	Education	1,245,800
Raging Waves	Water Park	1,013,200
Yorkville Bristol Bay Sanitary District.....	Utility	794,100
Meadowvale Inc	Ice Cream Factory	473,000
Kendall County Public Safety.....	County Jail	379,500
Aurora Specialty Textiles.....	Textiles	357,200
Paradise Car Wash	Car Wash	322,400
Hampton Inn	Hotel	295,900
Grande Reserve Club House.....	Club House	269,200
Total		6,520,500

Notes: (1) Source: the City.

PLAN OF FINANCING

Bond proceeds will be used to fund an escrow to refund the Refunded Securities as listed below and to pay the costs of issuance of the Bonds.

Series 2006A Certificates

<u>Maturities</u>	<u>Outstanding Principal Amount</u>	<u>Principal Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/30/2016	\$ 460,000	\$ 0	NA	NA
12/30/2017	475,000	475,000	100.00%	12/30/2016
12/30/2018	495,000	495,000	100.00%	12/30/2016
12/30/2019	850,000	850,000	100.00%	12/30/2016
12/30/2020	850,000	850,000	100.00%	12/30/2016
12/30/2021	390,000	390,000	100.00%	12/30/2016
12/30/2022	<u>255,000</u>	<u>255,000</u>	100.00%	12/30/2016
Total	\$3,775,000	\$3,315,000		

Series 2007A Bonds

<u>Maturities</u>	<u>Outstanding Principal Amount</u>	<u>Principal Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/30/2016	\$ 15,000	\$ 0	NA	NA
12/30/2017	15,000	15,000	100.00%	12/30/2016
12/30/2018	15,000	15,000	100.00%	12/30/2016
12/30/2019	680,000	680,000	100.00%	12/30/2016
12/30/2020	695,000	695,000	100.00%	12/30/2016
12/30/2021	725,000	725,000	100.00%	12/30/2016
12/30/2022	<u>750,000</u>	<u>750,000</u>	100.00%	12/30/2016
Total	\$2,895,000	\$2,880,000		

Bond proceeds 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 will be sufficient (i) to pay when due the interest on the Refunded Securities as stated above, and (ii) to pay principal of and call premium, if any, on the Refunded Securities on December 30, 2016. The remaining bond proceeds will be used to pay the costs of issuing the Bonds.

The Government Securities will be held in an escrow account created pursuant to an escrow agreement (the “Escrow Agreement”) dated as of day of delivery, between the City and Amalgamated Bank of Chicago, Chicago, Illinois, as Escrow Agent (the “Escrow Agent”).

All monies and Government Securities deposited for the payment of the Refunded Securities, including interest thereon, are required to be applied solely and irrevocably to the payment of the Refunded Securities.

Projected Debt Service Coverage

**Projected Debt Service Coverage Table
 Water and Sewer System and Income Tax Alternate Revenue Source Bonds**

Calendar Year	Pledged Revenues (1) (2)	Series 2004B	Series 2007A	Series 2014C	Outstanding Debt Service	The Bonds	Less: Refunded Bonds	Total Debt Service	Debt Service Coverage	Mandatory Coverage (3)
2016.....	\$3,463,093	\$ 462,000	\$ 136,163	\$ 150,150	\$ 748,313	\$ 0	\$ 0	\$ 748,313	4.63x	\$ 935,391
2017.....	3,463,093	470,600	135,525	147,750	753,875	679,629	(135,525)	1,297,979	2.67x	1,622,474
2018.....	3,463,093	473,200	134,888	155,350	763,438	665,250	(134,888)	1,293,800	2.68x	1,617,249
2019.....	3,463,093	0	799,250	147,750	947,000	1,646,450	(799,250)	1,794,200	1.93x	2,242,750
2020.....	3,463,093	0	785,350	150,250	935,600	1,592,650	(785,350)	1,742,900	1.99x	2,178,625
2021.....	3,463,093	0	785,813	151,350	937,163	1,098,650	(785,813)	1,250,000	2.77x	1,562,499
2022.....	3,463,093	0	780,000	147,300	927,300	942,450	(780,000)	1,089,750	3.18x	1,362,188
2023.....	3,463,093	0	0	148,250	148,250	0	0	148,250	23.36x	185,313
2024.....	3,463,093	0	0	139,050	139,050	0	0	139,050	24.91x	173,813
Total.....		\$1,405,800	\$3,556,988	\$1,337,200	\$6,299,988	\$6,625,079	\$(3,420,826)	\$9,504,241		

- Notes: (1) Based on the City's 2015 Comprehensive Annual Financial Report.
 (2) City's 2016 Comprehensive Annual Financial Report accepted after sale of the Bonds on October 11, 2016. Pledged revenues available for debt service increased to \$3,829,066. See below.
 (3) Equal to the mandatory 125% rate covenant.

Sources of Pledged Revenues(1)(2)

Income Taxes	\$1,735,422
Water Operating Fund	1,068,872
Sewer Maintenance Fund	658,799
Total	\$3,463,093

- Notes: (1) Sources of pledged revenues based on the City's 2015 Comprehensive Annual Financial Report.
 (2) Based on the City's 2016 Comprehensive Annual Financial Report, the revenue from Income Taxes is \$1,715,155 and revenue available from the Water Operating Fund is \$1,522,936 and from the Sewer Maintenance Fund is \$590,975.

DEBT INFORMATION

After issuance of the Bonds and the refunding of the Refunded Securities, the City will have outstanding \$38,560,000 principal amount of general obligation and debt certificate debt. For the 2015 levy year, the City, partially abated the Series 2014B Bonds. Going forward the City expects to gradually eliminate this practice by fiscal year 2019. The City also has outstanding \$86,349,000 of special service area (SSA) debt and \$1,504,139 for the fiscal year ended April 30, 2016 of IEPA loans. The debt service on the SSA debt is current and is being paid solely from SSA taxes; SSA debt is an obligation solely of the property owners located within the various SSAs and not an obligation of the City.

Outstanding General Obligation and Debt Certificate Debt (1) (Principal Only)

Calendar Year	Series 2003 Certificates	Series 2003A Certificates	Series 2004B (ARS) (2)	Series 2006 Certificates	Series 2006A Certificates	Series 2007A (ARS) (3)	Series 2011 (ARS) (4)	Series 2013
2016	\$100,000	\$ 110,000	\$ 410,000	\$ 50,000	\$ 460,000	\$ 15,000	\$ 745,000	\$ 500,000
2017	100,000	115,000	435,000	50,000	475,000	15,000	780,000	520,000
2018	300,000	120,000	455,000	50,000	495,000	15,000	810,000	565,000
2019	0	130,000	0	50,000	850,000	680,000	845,000	585,000
2020	0	135,000	0	75,000	850,000	695,000	885,000	610,000
2021	0	140,000	0	75,000	390,000	725,000	920,000	645,000
2022	0	150,000	0	75,000	255,000	750,000	960,000	675,000
2023	0	155,000	0	100,000	0	0	1,000,000	700,000
2024	0	0	0	100,000	0	0	1,045,000	730,000
2025	0	0	0	0	0	0	1,100,000	0
2026	0	0	0	0	0	0	0	0
2027	0	0	0	0	0	0	0	0
2028	0	0	0	0	0	0	0	0
2029	0	0	0	0	0	0	0	0
2030	0	0	0	0	0	0	0	0
2031	0	0	0	0	0	0	0	0
2032	0	0	0	0	0	0	0	0
2033	0	0	0	0	0	0	0	0
2034	0	0	0	0	0	0	0	0
Total	\$500,000	\$1,055,000	\$1,300,000	\$625,000	\$3,775,000	\$2,895,000	\$9,090,000	\$5,530,000

Calendar Year	Series 2014 (ARS) (5)	Series 2014A (ARS) (6)	Series 2014B (ARS) (7)	Series 2014C (ARS) (2)	Series 2015A (ARS) (6)	Total Debt	Cumulative Principal Retired	
							Amount	Percent
2016	\$ 0	\$ 185,000	\$ 270,000	\$ 120,000	\$ 100,000	\$ 3,065,000	\$ 3,065,000	7.87%
2017	0	190,000	275,000	120,000	155,000	3,230,000	6,295,000	16.16%
2018	0	190,000	285,000	130,000	160,000	3,575,000	9,870,000	25.34%
2019	0	195,000	290,000	125,000	395,000	4,145,000	14,015,000	35.98%
2020	0	200,000	295,000	130,000	405,000	4,280,000	18,295,000	46.96%
2021	0	200,000	310,000	135,000	425,000	3,965,000	22,260,000	57.14%
2022	0	210,000	320,000	135,000	440,000	3,970,000	26,230,000	67.33%
2023	0	210,000	0	140,000	460,000	2,765,000	28,995,000	74.43%
2024	230,000	220,000	0	135,000	475,000	2,705,000	31,700,000	81.38%
2025	235,000	225,000	0	0	215,000	1,770,000	33,470,000	85.92%
2026	245,000	230,000	0	0	220,000	685,000	34,155,000	87.68%
2027	255,000	245,000	0	0	230,000	720,000	34,875,000	89.53%
2028	270,000	250,000	0	0	240,000	745,000	35,620,000	91.44%
2029	0	265,000	0	0	250,000	785,000	36,405,000	93.45%
2030	0	275,000	0	0	260,000	535,000	36,940,000	94.83%
2031	0	280,000	0	0	270,000	550,000	37,490,000	96.24%
2032	0	290,000	0	0	280,000	570,000	38,060,000	97.70%
2033	0	300,000	0	0	290,000	590,000	38,650,000	99.22%
2034	0	0	0	0	305,000	305,000	38,955,000	100.00%
Total	\$1,235,000	\$4,160,000	\$2,045,000	\$1,170,000	\$5,575,000	\$38,955,000		

- Notes:
- (1) Source: the City.
 - (2) Payable from revenues from the Water and Sewer System and State Income Taxes.
 - (3) Payable from revenues from the Surplus Account of the Alternate Bond and Interest Subaccount of the Water and Sewer Fund, State Income Taxes and such other funds the City may have on hand which are lawfully available for debt service.
 - (4) Payable from Special Sales Taxes.
 - (5) Payable from revenues from Sales Taxes and the incremental taxes if any from the Countryside TIF. The 2014-2018 maturities were defeased/refunded by Series 2014.
 - (6) Payable from revenues from Sales Taxes and the incremental taxes if any from the Countryside TIF.
 - (7) Partially paid from tax levies.

General Obligation and Debt Certificate Debt After Sale of the Bonds(1)
 (Principal Only)

Calendar Year	Outstanding Debt	The Bonds	Less: Refunded Securities		Total Debt	Cumulative Principal Retired	
			Series 2006A	Series 2007A		Amount	Percent
2016.....	\$ 3,065,000	\$ 0	\$ 0	\$ 0	\$ 3,065,000	\$ 3,065,000	7.95%
2017.....	3,230,000	430,000	(475,000)	(15,000)	3,170,000	6,235,000	16.17%
2018.....	3,575,000	470,000	(495,000)	(15,000)	3,535,000	9,770,000	25.34%
2019.....	4,145,000	1,470,000	(850,000)	(680,000)	4,085,000	13,855,000	35.93%
2020.....	4,280,000	1,475,000	(850,000)	(695,000)	4,210,000	18,065,000	46.85%
2021.....	3,965,000	1,040,000	(390,000)	(725,000)	3,890,000	21,955,000	56.94%
2022.....	3,970,000	915,000	(255,000)	(750,000)	3,880,000	25,835,000	67.00%
2023.....	2,765,000	0	0	0	2,765,000	28,600,000	74.17%
2024.....	2,705,000	0	0	0	2,705,000	31,305,000	81.19%
2025.....	1,770,000	0	0	0	1,770,000	33,075,000	85.78%
2026.....	685,000	0	0	0	685,000	33,760,000	87.55%
2027.....	720,000	0	0	0	720,000	34,480,000	89.42%
2028.....	745,000	0	0	0	745,000	35,225,000	91.35%
2029.....	785,000	0	0	0	785,000	36,010,000	93.39%
2030.....	535,000	0	0	0	535,000	36,545,000	94.77%
2031.....	550,000	0	0	0	550,000	37,095,000	96.20%
2032.....	570,000	0	0	0	570,000	37,665,000	97.68%
2033.....	590,000	0	0	0	590,000	38,255,000	99.21%
2034.....	305,000	0	0	0	305,000	38,560,000	100.00%
Total.....	\$38,955,000	\$5,800,000	\$(3,315,000)	\$(2,880,000)	\$38,560,000		

Note: (1) Source: the City.

Detailed Overlapping Bonded Debt(1)

	Outstanding Debt (2)	Applicable to City	
		Percent (3)	Amount
Schools:			
Grade School District Number 66.....	\$ 1,340,000	0.42%	\$ 5,628
Unit School District Number 88.....	37,086,772	0.35%	129,804
Unit School District Number 115.....	76,449,474	59.80%	45,716,785
Community College District Number 516.....	67,145,000	5.16%	3,464,682
Total Schools.....			\$49,316,899
Other (4):			
Kendall County(5).....	\$33,413,762	15.97%	\$ 5,336,178
Kendall County Forest Preserve District.....	44,630,000	15.97%	7,127,411
Total Other.....			\$12,463,589
Total Schools and Other Overlapping Bonded Debt.....			\$61,780,488

- Notes: (1) Source: Kendall County Clerk and the City's Comprehensive Annual Financial Report for fiscal year ending April 30, 2015.
 (2) As of February 3, 2016.
 (3) Percentages are based on 2015 EAVs, the latest available.
 (4) The United City of Yorkville Special Service Areas (also includes Series 2007 revenue bonds) have \$86,349,000 in outstanding debt, which is expected to be paid from sources other than City revenues.
 (5) Bonded debt is self supporting; includes Public Building Commission.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2010 Census 16,921)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2015	\$ 421,322,327	100.00%	33.33%	\$24,899.38
Estimated Actual Value, 2015	\$1,263,966,981	300.00%	100.00%	\$74,698.13
Net Direct Bonded Debt (2) (3)	\$ 8,170,000	1.94%	0.65%	\$ 482.83
Overlapping Bonded Debt (4) :				
Schools	\$ 49,316,899	11.71%	3.90%	\$ 2,914.54
Other	12,463,589	2.96%	0.99%	736.58
Total Overlapping Bonded Debt	\$ 61,780,488	14.66%	4.89%	\$ 3,651.11
Total Net Direct and Overlapping Bonded Debt.....	\$ 69,950,488	16.60%	5.53%	\$ 4,133.95

- Notes: (1) Source: Kendall County Clerk.
 (2) Includes debt certificates and excludes alternate bonds and bonds to be refunded by this issue.
 (3) Excludes \$89,787,000 bonds as of April 30, 2015 of the United City of Yorkville Special Service Areas which are expected to be paid from sources other than City revenues.
 (4) As of February 3, 2016.

Legal Debt Margin(1)

2015 City Equalized Assessed Valuation.....	\$421,322,327
Statutory Debt Limitation (8.625% of EAV).....	\$ 36,339,051

Series 2003 Certificates	\$ 500,000
Series 2003A Certificates	1,055,000
Series 2004B Bonds (2)	1,300,000
Series 2006 Bonds	625,000
Series 2006A Certificates (3)	460,000
Series 2007A Bonds (ARS) (2) (3)	15,000
Series 2011 Bonds (ARS) (2)	9,090,000
Series 2013 Bonds	5,530,000
Series 2014 (ARS) (2)	1,235,000
Series 2014A (ARS) (2)	4,160,000
Series 2014B (ARS) (2)	2,045,000
Series 2014C (ARS) (2)	1,170,000
Series 2015A (ARS) (2)	5,575,000
The Bonds (ARS) (2)	5,800,000
Total Debt	\$38,560,000

Less:	
Series 2004B Bonds (ARS) (2)	\$(1,300,000)
Series 2007A Bonds (ARS) (2) (3)	(15,000)
Series 2011 Bonds (ARS) (2)	(9,090,000)
Series 2014 (ARS) (2)	(1,235,000)
Series 2014A (ARS) (2)	(4,160,000)
Series 2014B (ARS) (2)	(2,045,000)
Series 2014C (ARS) (2)	(1,170,000)
Series 2015A (ARS) (2)	(5,575,000)
The Bonds (ARS) (2)	(5,800,000)

Total Applicable Debt	\$ 8,170,000
Legal Debt Margin	\$ 28,169,051

- Notes: (1) Source: the City.
 (2) Series 2004B Bonds, Series 2007A Bonds, Series 2011 Bonds, Series 2014 Bonds, Series 2014A Bonds, Series 2014B Bonds, Series 2014C Bonds, Series 2015A Bonds and the Bonds (the "Alternate Bonds") are alternate bonds and do not constitute an indebtedness of the City within the meaning of any constitutional statutory limitation, unless the pledged taxes will have been extended pursuant to the general obligation, full faith and credit promise supporting the Alternate Bonds in which case the amount of the outstanding Alternate Bonds will be included in the computation of indebtedness of the City for purposes of all statutory provisions or limitations until such time as an audit of the City shows that the Alternate Bonds have been paid from their pledged revenues for a complete fiscal year.
 (3) Does not include securities expected to be refunded by the Bonds.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2015 levy year, the City's EAV was comprised of approximately 76% residential, 3% industrial, 20% commercial, and less than 1% farm and railroad property valuations.

Equalized Assessed Valuation(1)

By Property Class	Levy Years				
	2011	2012	2013	2014	2015
Residential	\$367,600,683	\$332,551,186	\$311,316,069	\$310,655,449	\$320,914,471
Farm	2,450,231	2,568,351	2,618,131	2,743,283	2,861,401
Commercial	112,753,206	101,264,981	99,434,012	90,744,145	84,529,087
Industrial	7,283,729	6,720,962	6,656,792	12,668,201	13,000,039
Railroad	17,328	17,328	17,328	17,328	17,329
Total	\$490,105,177	\$443,122,808	\$420,042,332	\$416,828,406	\$421,322,327
Percent Change	(9.08%) (2)	(9.59%)	(5.21%)	(0.77%)	1.08%

- Notes: (1) Source: Kendall County Clerk.
 (2) Percentage change based on 2010 EAV of \$539,068,780.

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

	Levy Year				
	2011	2012	2013	2014	2015
The City:					
Corporate	\$0.2108	\$ 0.2354	\$ 0.2484	\$ 0.2503	\$ 0.2380
Bonds and Interest	0.1477	0.1097	0.0797	0.0397	0.0113
IMRF	0.0918	0.1016	0.1071	0.1080	0.0000
Police Protection	0.0714	0.0790	0.0833	0.0840	0.2407
Police Pension	0.0900	0.1229	0.1493	0.1694	0.1959
Audit	0.0082	0.0068	0.0072	0.0072	0.0069
Liability Insurance	0.0082	0.0090	0.0095	0.0096	0.0091
Social Security	0.0612	0.0677	0.0714	0.0720	0.0342
School Cross Guard	0.0051	0.0057	0.0060	0.0060	0.0000
Unemployment Insurance	0.0102	0.0113	0.0119	0.0120	0.0000
Total City Rates(2)	\$0.7045	\$ 0.7490	\$ 0.7738	\$ 0.7581	\$ 0.7361
Kendall County	0.6999	0.7446	0.8009	0.8085	0.7909
Kendall County Forest Preserve	0.1205	0.1495	0.1640	0.1826	0.1787
Bristol Township	0.3693	0.3935	0.4239	0.4171	0.3960
Bristoll - Kendall Fire District	0.7176	0.7356	0.7718	0.8041	0.8077
Unit School District Number 115	5.9101	6.7561	7.4081	7.7083	7.8713
Community College District Number 516	0.4702	0.5306	0.5691	0.5973	0.5885
Yorkville Library	0.3042	0.3242	0.3241	0.3299	0.3287
Total Tax Rates(3)	\$9.2962	\$10.3831	\$11.2358	\$11.6059	\$11.6979

- Notes: (1) Source: Kendall County Clerk.
 (2) Statutory tax rate limits for the City are as follows: Corporate (\$0.4375); Police Protection (\$0.6000); Garbage (\$0.2000); School Crossing Guard (\$0.0200).
 (3) Representative tax rates for other government units are from Bristol Township tax code 005.

Tax Extensions and Collections(1)
 (Excludes Road, Bridge and Library Levies)

Levy Year	Coll. Year	Taxes Extended(2)	Taxes Collected(3)	
			Amount	Percent
2010	2011	\$4,862,185	\$4,849,681	99.74%
2011	2012	3,452,742	3,435,616	99.50%
2012	2013	3,318,990	3,193,672	96.22%
2013	2014	3,250,204	3,234,448	99.52%
2014	2015	3,159,893	3,146,278	99.57%
2015	2016	3,101,185	-----In Collection-----	

- Notes: (1) Source: Kendall County Treasurer and the City.
 (2) Tax extensions have been adjusted for abatements.
 (3) Total collections include back taxes, taxpayer refunds, interest, etc.

Principal Taxpayers(1)

Taxpayer Name	Business/Service	2015 EAV(2)
Menard, Inc.	Retail	\$ 5,864,781
Kendall Holdings I LLC(3)	Kendall Market Place	4,827,673
IREIT Yorkville Marketplace LLC(4)	Yorkville Shopping Center	4,742,852
Copley Ventures, Inc.	Real Property	3,726,607
Target Corporation	Retail	3,092,795
Boombah Properties LLC	Retail	2,924,928
Wrigley Manufacturing Co LLC	Gum and Candy	2,751,467
York Meadows LLC	Apartments	2,478,455
Yorkville Leased Housing Associates 1	Affordable Housing Investments	2,341,056
NGC Yorkville Inc.	Real Property	1,825,387
Total		\$34,576,001
Ten Largest Taxpayers as Percent of City's 2015 EAV (\$421,322,327)		8.21%

- Notes: (1) Source: Kendall County Clerk.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2015 EAV by PIN is the most current available.
 (3) Formerly Bank of America NA.
 (4) Formerly Yorkville Shopping Center I.

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 (such as the 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.

Local governments, including the City, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable 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

Financial Reports

The City’s financial statements are audited annually by certified public accountants and are in conformity with accounting principles generally accepted in the United States of America. 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. Government funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. See **APPENDIX A** for more detail.

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 Final 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 Final Official Statement. Other than as expressly set forth in this Final 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 Final 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 Information

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 the City’s 2016 Audit.

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

	Audited as of April 30 <u>2012</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents.....	\$ 4,395,719
Receivables:	
Property Taxes Receivable.....	4,623,354
Accounts Receivable	380,675
Other Taxes	2,577,391
Internal Balances	(1,145,614)
Prepaid Items	181,683
Other Assets	<u>400,000</u>
Total Current Assets	\$11,413,208
Capital Assets (Net of Accumulated Depreciation):	
Land, Land Improvements and CIP.....	\$30,224,292
Infrastructure	28,726,021
Building and Improvements.....	12,195,378
Equipment and Vehicles	<u>2,665,905</u>
Total Capital Assets	\$73,811,596
Other Assets:	
Deferred Charges	\$ 42,893
Total Other Assets	<u>\$ 42,893</u>
Total Assets	<u>\$85,267,697</u>
LIABILITIES AND NET ASSETS:	
Liabilities:	
Current Liabilities:	
Accounts Payable	\$ 527,054
Deposits Payable	66,584
Accrued Payroll	108,478
Interest Payable	213,875
Unearned Revenue	5,671,251
Current Portion of Long-Term Debt.....	1,098,099
Other Liabilities	<u>356,259</u>
Total Current Liabilities.....	\$ 8,041,600
Noncurrent Liabilities:	
Long-Term Obligations, Due within One Year:	
Compensated Absences	\$ 292,100
Long-Term Obligations, Due in more than One Year:	
Bonds Payable	13,025,000
Notes Payable	817,751
Net Pension Obligation	564,311
Other Post-employment Benefits.....	9,453
Other Liabilities	<u>1,890</u>
Total Noncurrent Liabilities.....	\$14,710,505
Total Liabilities	\$22,752,105
Net Assets:	
Invested in Capital Assets, Net of Related Debt.....	\$58,943,771
Restricted for Capital Projects.....	3,478,139(2)
Unrestricted Net Assets	<u>93,682</u>
Total Net Assets	<u>\$62,515,592</u>

Notes: (1) Reporting format changed from Net Assets to Net Position in 2013. See table on page 8.

(2) For fiscal year ending April 30, 2012, consisting of \$388,198 for Library Operations, \$29,259 for Special Service Areas, \$924,857 for Motor Fuel Tax and \$2,135,825 for Tax Increment Financing District.

Statement of Net Position Governmental Activities

	Audited as of April 30			
	2013	2014	2015	2016
ASSETS:				
Current Assets:				
Cash and Investments	\$ 7,752,435	\$ 5,996,255	\$ 11,302,208	\$ 9,895,812
Receivables - Net	7,364,633	7,687,961	7,654,109	7,234,099
Prepays	174,571	191,065	178,296	175,688
Internal Balances	(259,447)	0	0	0
Due from Other Governments	15	131,319	169,774	273,976
Total Current Assets	<u>\$ 15,032,207</u>	<u>\$ 14,006,600</u>	<u>\$ 19,304,387</u>	<u>\$ 17,579,575</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable Capital Assets	\$ 31,020,430	\$ 32,828,269	\$ 34,101,744	\$ 33,959,545
Depreciable Capital Assets	66,528,719	67,900,191	70,828,061	77,429,115
Accumulated Depreciation	<u>(21,705,810)</u>	<u>(23,592,200)</u>	<u>(25,287,830)</u>	<u>(27,233,762)</u>
Total Capital Assets	<u>\$ 75,843,339</u>	<u>\$ 77,136,260</u>	<u>\$ 79,641,975</u>	<u>\$ 84,154,898</u>
Total Assets	<u>\$ 90,875,546</u>	<u>\$ 91,142,860</u>	<u>\$ 98,946,362</u>	<u>\$ 101,734,473</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Items - IMRF	\$ 0	\$ 0	\$ 0	\$ 530,015
Deferred Items - Police Pension	0	0	0	1,584,702
Unamortized Loss on Refunding	0	197,291	121,659	6,331
Total Assets and Deferred Outflows of Resources	<u>\$ 90,875,546</u>	<u>\$ 91,340,151</u>	<u>\$ 99,068,021</u>	<u>\$ 103,855,521</u>
LIABILITIES:				
Current Liabilities:				
Accounts Payable	\$ 819,023	\$ 931,071	\$ 1,449,666	\$ 1,119,197
Retainage Payable	0	33,064	70,920	1,239
Deposits Payable	289,418	307,162	275,467	257,961
Accrued Payroll	137,178	200,721	185,862	221,038
Accrued Interest Payable	199,038	155,686	220,772	181,848
Other Liabilities	288,139	306,313	0	0
Other Payables	87,015	117,383	606,841	379,232
Current Portion of Long-Term Debt	<u>928,122</u>	<u>916,300</u>	<u>1,133,553</u>	<u>1,261,110</u>
Total Current Liabilities	<u>\$ 2,747,933</u>	<u>\$ 2,967,700</u>	<u>\$ 3,943,081</u>	<u>\$ 3,421,625</u>
Noncurrent Liabilities:				
Compensated Absences Payable	\$ 244,440	\$ 288,752	\$ 370,692	\$ 448,266
Net Pension Obligation Payable	653,423	626,585	605,245	0 ⁽¹⁾
Net Other Post-Employment Benefit Payable	7,927	6,306	0	0
Net Pension Liability - IMRF	0	0	0	948,614
Net Pension Liability - Police Pension	0	0	0	11,684,191
Notes Payable	823,589	826,229	786,027	820,482
General Obligation Bonds Payable	12,190,000	11,790,000	15,195,000	14,038,685
Other Liabilities	1,890	1,890	1,890	1,890
Total Noncurrent Liabilities	<u>\$ 13,921,269</u>	<u>\$ 13,539,762</u>	<u>\$ 16,958,854</u>	<u>\$ 27,942,128</u>
Total Liabilities	<u>\$ 16,669,202</u>	<u>\$ 16,507,462</u>	<u>\$ 20,901,935</u>	<u>\$ 31,363,753</u>
DEFERRED INFLOWS OF RESOURCES:				
Property and State Taxes	\$ 5,364,612	\$ 5,446,664	\$ 5,387,170	\$ 5,124,186
Total Liabilities and Deferred Inflows of Resources	<u>\$ 22,033,814</u>	<u>\$ 21,954,126</u>	<u>\$ 26,289,105</u>	<u>\$ 36,487,939</u>
NET POSITION:				
Net Investment in Capital Assets	\$ 61,962,738	\$ 63,873,210	\$ 66,706,243	\$ 70,624,870
Restricted:				
IMRF	0	0	984,526	1,216,288
Library Operations	453,630	489,178	474,074	507,881
Special Service Areas	22,864	13,708	15,462	0
Motor Fuel Tax	1,152,348	1,024,307	914,133	877,074
Land Cash	121,420	187,984	117,430	210,318
Tax Increment Financing Districts	1,787,605	230,911	238,478	253,085
Unrestricted	<u>341,127</u>	<u>3,566,727</u>	<u>3,328,570</u>	<u>(6,321,934)</u>
Total Net Position	<u>\$ 65,841,732</u>	<u>\$ 69,386,025</u>	<u>\$ 72,778,916</u>	<u>\$ 67,367,582</u>

Note: (1) No longer included due to the implementation of Governmental Accounting Standards Board Statement No. 68 (GASB 68).

**Statement of Activities
 Governmental Activities
 Statement of Net (Expense) Revenue and Changes in Net Assets**

	Year Ended April 30				
	2012	2013	2014	2015	2016
PRIMARY GOVERNMENT (1):					
Governmental Activities					
General Government.....	\$ (3,674,413)	\$ (1,308,913)	\$ (3,196,327)	\$ (1,126,402)	\$ (1,325,528)
Public Safety.....	(2,905,184)	(3,750,318)	(3,874,698)	(4,393,482)	(6,073,977)
Public Works.....	(1,275,841)	470,019	(1,702,793)	(1,608,766)	(166,429)
Library.....	(798,256)	(849,831)	(821,180)	(858,568)	(797,307)
Parks and Recreation.....	(1,161,266)	(1,072,532)	(1,360,104)	(1,938,526)	(1,676,164)
Community Development.....	(307,053)	(356,689)	(407,537)	(592,588)	(649,507)
Interest on Debt.....	(704,213)	(691,551)	(698,519)	(611,243)	(540,506)
Total Governmental Activities.....	<u>\$ (10,826,226)</u>	<u>\$ (7,559,815)</u>	<u>\$ (12,061,158)</u>	<u>\$ (11,129,575)</u>	<u>\$ (11,229,418)</u>
GENERAL REVENUES:					
Taxes:					
Property Taxes.....	\$ 4,953,862	\$ 4,743,599	\$ 4,670,934	\$ 4,850,981	\$ 4,901,983
Sales Tax.....	2,962,810	4,409,926	4,573,026	4,782,712	4,904,967
Income Tax.....	1,444,426	1,587,324	1,613,102	1,735,422	1,715,155
Utility Taxes.....	1,568,699	1,553,693	1,633,242	1,600,296	1,585,758
Other Taxes.....	963,524	922,439	988,822	1,127,859	1,265,439
Investment Earnings.....	10,388	16,368	14,895	(176,911)	9,828
Other General Revenues.....	667,637	652,606	737,693	1,736,079	761,857
Transfers.....	0	0	(1,626,263)	(1,133,972)	(1,134,654)
Total General Revenues.....	<u>\$ 12,571,346</u>	<u>\$13,885,955</u>	<u>\$ 12,605,451</u>	<u>\$ 14,522,466</u>	<u>\$ 14,010,333</u>
Change in Net Assets.....	\$ 1,745,120	\$ 6,326,140	\$ 544,293	\$ 3,392,891	\$ 2,780,915
Net Assets					
Beginning of Year, as Restated.....	<u>60,770,472</u>	<u>62,515,592</u>	<u>68,841,732</u>	<u>69,386,025</u>	<u>64,586,667 (2)</u>
End of Year.....	<u>\$ 62,515,592</u>	<u>\$68,841,732</u>	<u>\$ 69,386,025</u>	<u>\$ 72,778,916</u>	<u>\$ 67,367,582</u>

- Notes: (1) Expenses net of program revenues of Fees, Fines & Charges for Services, Operating Grants and Contributions, and Capital Grants and Contributions.
 (2) Restated due to GASB 68 implementation.

General Fund Balance Sheet

	Audited as of April 30				
	2012	2013	2014	2015	2016
ASSETS:					
Cash and Investments	\$ 0	\$3,139,755	\$2,351,670	\$3,207,295	\$ 4,339,484
Property Taxes Receivable	2,801,487	2,950,692	3,073,873	3,141,677	3,053,660
Other Governmental Receivables	0	15	3,900	2,073	2,948
Account Receivable	369,626	205,599	221,671	212,142	140,090
Other Taxes Receivable	2,543,802	2,328,040	2,386,979	2,486,423	2,405,104
Interfund Receivable	0	0	533,396	604,823	583,337
Prepaid Items	153,770	139,985	156,680	145,012	138,312
Other Assets	7,479	0	0	0	0
Total Assets	<u>\$5,876,164</u>	<u>\$8,764,086</u>	<u>\$8,728,169</u>	<u>\$9,799,445</u>	<u>\$10,662,935</u>
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Accounts Payable	\$ 477,374	\$ 586,758	\$ 728,907	\$ 784,538	\$ 859,973
Accrued Payroll	78,840	100,025	149,909	141,700	167,844
Deposits Payable	54,498	271,365	295,619	267,352	251,372
Other Payable	114,854	0	0	0	0
Due to Other Funds	497,989	17,448	0	0	125
Deferred Revenue	3,381,986	0	0	0	0
Total Liabilities	<u>\$4,605,541</u>	<u>\$ 975,596</u>	<u>\$1,174,435</u>	<u>\$1,193,590</u>	<u>\$ 1,279,314</u>
DEFERRED INFLOWS OF RESOURCES (1):					
Property and State Taxes	\$ 0	\$3,564,670	\$3,693,153	\$3,779,797	\$ 3,691,915
Total Liabilities and Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$4,540,266</u>	<u>\$4,867,588</u>	<u>\$4,973,387</u>	<u>\$ 4,971,229</u>
Fund Balances:					
Unassigned	\$ 784,353	\$4,083,835	\$3,703,901	\$3,696,520	\$ 4,337,106
Nonspendable	153,770	139,985	156,680	145,012	138,312
Restricted	0	0	0	984,526	1,216,288
Assigned	332,500	0	0	0	0
Total Fund Balance	<u>\$1,270,623</u>	<u>\$4,223,820</u>	<u>\$3,860,581</u>	<u>\$4,826,058</u>	<u>\$ 5,691,706</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances(1)	<u>\$5,876,164</u>	<u>\$8,764,086</u>	<u>\$8,728,169</u>	<u>\$9,799,445</u>	<u>\$10,662,935</u>

Note: (1) Change in reporting format.

General Fund Revenues and Expenditures

	Audited Fiscal Year Ending April 30				
	2012	2013	2014	2015	2016
REVENUES:					
Property Taxes	\$ 2,709,936	\$ 2,715,518	\$ 2,725,879	\$ 2,901,255	\$ 2,981,426
Township Road and Bridge Taxes	166,896	168,477	164,398	171,756	148,223
Sales Tax	2,552,483	2,490,503	2,586,460	2,704,651	2,778,116
Non-HR Sales	410,327	1,919,423	1,986,566	2,078,061	2,126,851
Income Tax	1,444,426	1,587,324	1,613,102	1,735,422	1,715,155
Utility Tax	828,426	835,972	926,857	913,447	896,635
Other Taxes	1,441,803	1,355,967	1,191,792	1,455,378	1,547,892
Intergovernmental	277,715	304,937	513,988	387,956	448,601
Charges for Services	1,561,554	1,199,908	1,175,166	1,290,493	1,401,384
Licenses, Permits & Fees	171,921	168,831	168,119	173,126	213,451
Fines	175,159	169,144	173,954	137,252	123,639
Interest Revenues	5,102	7,287	8,799	(60,469)	6,395
Other Revenue	433,605	391,519	207,592	190,995	134,943
Total Revenues	<u>\$12,179,353</u>	<u>\$13,314,810</u>	<u>\$13,442,672</u>	<u>\$14,079,323</u>	<u>\$14,522,711</u>
EXPENDITURES:					
General Government	\$ 4,814,105	\$ 3,296,379	\$ 3,752,982	\$ 3,743,738	\$ 3,763,313
Streets & Sanitation	1,703,802	1,647,589	2,045,049	1,977,692	2,129,784
Community Development	307,053	365,188	407,537	592,588	649,507
Public Safety	2,846,420	3,550,955	3,812,134	4,315,151	4,673,413
Total Expenditures	<u>\$ 9,671,380</u>	<u>\$ 8,860,111</u>	<u>\$10,017,702</u>	<u>\$10,629,169</u>	<u>\$11,216,017</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,507,973	\$ 4,454,699	\$ 3,424,970	\$ 3,450,154	\$ 3,306,694
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 0	\$ 2,479	\$ 2,209	\$ 7,077
Operating Transfers Out	(965,450) (1)	(1,501,502) (2)	(3,790,688) (3)	(2,486,886) (4)	(2,448,123) (5)
Total Other Financing Sources (Uses)	\$ (965,450)	\$ (1,501,502)	\$ (3,788,209)	\$ (2,484,677)	\$ (2,441,046)
Net Change in Fund Balances	\$ 1,542,523	\$ 2,953,197	\$ (363,239)	\$ 965,477	\$ 865,648
Fund Balance – Beginning of the Year	\$ (271,900)	\$ 1,270,623	\$ 4,223,820	\$ 3,860,581	\$ 4,826,058
Fund Balance – End of the Year	\$ 1,270,623	\$ 4,223,820	\$ 3,860,581	\$ 4,826,058	\$ 5,691,706

- Notes: (1) \$125,000 to Citywide Capital Fund for an installment payment; \$103,740 to Debt Service Fund; \$736,710 to Parks and Recreation Fund to supplement operations.
- (2) \$419,332 to City Wide Capital for ongoing capital projects; \$99,465 to Debt Service Fund; \$955,886 to Park and Recreation to supplement operations; \$26,819 to Library Fund for reimbursement of liability and unemployment insurance.
- (3) \$270,401 to City Wide Capital for ongoing capital projects; \$1,765,504 to Park and Recreation to supplement operations; \$1,137,220 to Sewer Fund to pay debt service on Series 2011; \$571,615 to close out Municipal Building Fund; \$45,948 to the Library to mitigate property tax losses and to reimburse the Fund for liability/unemployment expenses.
- (4) \$323 to Motor Fuel Tax - to reimburse street maintenance expenditures in a prior period; \$49,796 to City-Wide Capital for City buildings and grounds maintenance; \$1,133,972 to Sewer Fund for debt service on Series 2011; \$1,277,606 to Parks & Recreation to supplement operations; \$25,189 to Library to reimburse the fund for costs incurred for liability and unemployment insurance.
- (5) \$25,407 to Motor Fuel Tax to reimburse street maintenance expenditures in a prior period; \$58,060 to City-Wide Capital for City building and grounds maintenance; \$1,134,654 to Sewer Fund for debt service on Series 2011; \$1,076,831 to Parks & Recreation to supplement operations; \$25,928 to reimburse the General Fund for costs incurred for liability and unemployment insurance; \$127,243 to Debt Service Fund.

**General Fund
 Budget Financial Information**

	Actual Budget Fiscal Year Ending <u>4/30/2015</u>	Adopted Budget Fiscal Year Ending <u>4/30/2016</u>	Projected Budget Fiscal Year Ending <u>4/30/2016</u>	Adopted Budget Fiscal Year Ending <u>4/30/2017</u>
REVENUES:				
Taxes.....	\$10,052,792	\$10,229,937	\$10,229,475	\$10,384,836
Intergovernmental.....	2,295,134	2,178,100	2,386,728	2,313,586
Licenses and Permits.....	173,126	198,000	173,000	178,000
Fines and Forfeits.....	137,252	160,250	130,225	130,225
Charges for Services.....	1,290,493	1,319,950	1,388,948	1,423,175
Investment Earnings.....	8,909	4,000	5,000	5,000
Reimbursements.....	168,182	80,000	86,000	55,000
Miscellaneous.....	22,813	22,500	22,000	24,000
Other Financing Sources.....	2,209	7,900	5,000	3,000
Total Revenue.....	<u>\$14,150,910</u>	<u>\$14,200,637</u>	<u>\$14,426,376</u>	<u>\$14,516,822</u>
EXPENDITURES:				
Salaries.....	\$ 3,721,840	\$ 4,113,253	\$ 4,110,082	\$ 4,315,553
Benefits.....	2,334,546	2,545,610	2,477,220	2,798,284
Contractual Services.....	4,387,516	4,807,155	4,910,053	4,731,040
Supplies.....	254,650	284,861	284,861	326,761
Other Financing Uses.....	2,486,885	2,439,756	2,456,533	2,631,459
Total Expenditures.....	<u>\$13,185,437</u>	<u>\$14,190,635</u>	<u>\$14,238,749</u>	<u>\$14,803,097</u>
Surplus (Deficit).....	\$ 965,473	\$ 10,002	\$ 187,627	\$ (286,275)
Ending Fund Balance.....	\$ 4,826,059	\$ 4,110,607	\$ 5,013,686	\$ 4,727,411

Note: (1) Source: City's Fiscal Year 2017 Budget.

**Statement of Net Assets
 Proprietary Funds(1)**

	Audited as of April 30 <u>2012</u>
ASSETS:	
Cash and Cash Equivalents.....	\$ 2,577,612
Receivables:	
Property Taxes Receivable.....	397,304
Accounts Receivable	635,416
Interfund Receivable	1,370,421
Prepaid Items	10,405
Deferred Charges	894,863
Assets Held for Others	11,091,000
Capital Assets not being Depreciated.....	1,493,079
Capital Assets being Depreciated, Net.....	<u>54,058,225</u>
Total Assets	<u>\$72,528,325</u>
LIABILITIES AND NET ASSETS:	
Liabilities:	
Accounts Payable	\$ 114,167
Accrued Payroll	14,441
Interest Payable	376,543
Unearned Revenue	1,800
Long-Term Obligations, Due within One Year:	
Bonds Payable	1,498,138
Long-Term Obligations, Due in more than One Year:	
Bonds Payable	17,905,000
Debt Certificates Payable.....	7,465,000
Loans Payable	2,060,996
Compensated Absences	75,264
Other Liabilities	<u>2,065,958</u>
Total Liabilities	\$31,577,307
Net Assets:	
Invested in Capital Assets, Net of Related Debt.....	\$26,640,987
Restricted	683,147
Unrestricted	<u>13,626,884</u>
Total Net Assets	<u>\$40,951,018</u>

Note: (1) The Proprietary Fund consists of the Sewer Fund, the Water Fund and the Recreation Center Fund; the Recreation Fund was not included for the purposes of this table.

**Proprietary Funds(1)
 Statement of Net Position(2)**

	Audited as of April 30			
	2013	2014	2015	2016
ASSETS:				
Current Assets:				
Cash and Investments	\$ 3,414,866	\$ 3,724,217	\$ 2,294,678	\$ 6,425,809
Receivables – Net of Allowances:				
Property Taxes	157,967	5,235	0	0
Accounts	618,870	654,733	793,283	956,942
Due from Other Funds	568,315	0	0	0
Prepays	<u>37,633</u>	<u>43,250</u>	<u>42,844</u>	<u>44,630</u>
Total Current Assets	\$ 4,797,651	\$ 4,427,435	\$ 3,130,805	\$ 7,427,381
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	\$ 1,557,227	\$ 1,756,100	\$ 2,064,953	\$ 2,808,847
Depreciable	68,432,916	70,249,363	71,230,752	73,847,235
Accumulated Depreciation	(10,840,046)	(12,196,493)	(13,603,982)	(15,065,823)
Other Assets:				
Assets Held for Others	<u>11,091,000</u>	<u>11,091,000</u>	<u>11,091,000</u>	<u>11,091,000</u>
Total Noncurrent Assets	\$ 70,241,097	\$ 70,899,970	\$ 70,782,723	\$ 72,681,259
Total Assets	\$ 75,038,748	\$ 75,327,405	\$ 73,913,528	\$ 80,108,640
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Items - IMRF	\$ 0	\$ 0	\$ 0	\$ 141,579
Unamortized Loss on Refunding	<u>395,225</u>	<u>323,156</u>	<u>245,593</u>	<u>24,676</u>
Total Assets and Deferred Outflows of Resources	\$ 75,433,973	\$ 75,650,561	\$ 74,159,121	\$ 80,274,895
LIABILITIES:				
Current Liabilities:				
Accounts Payable	\$ 84,557	\$ 152,380	\$ 134,480	\$ 577,070
Retainage Payable	0	0	37,591	50,952
Deposits Payable	17,509	9,000	5,000	5,000
Accrued Payroll	15,773	28,855	22,233	25,248
Accrued Interest Payable	365,113	339,610	302,287	398,702
Other Payables	1,836	1,873	1,910	1,948
Current Portion of Long-Term Debt	<u>2,024,464</u>	<u>2,185,922</u>	<u>2,120,897</u>	<u>2,275,274</u>
Total Current Liabilities	\$ 2,509,252	\$ 2,717,640	\$ 2,624,398	\$ 3,334,194
Noncurrent Liabilities:				
Compensated Absences Payable	\$ 34,202	\$ 41,366	\$ 38,467	\$ 51,108
Net Pension Liability - IMRF	0	0	0	253,395
IEPA Loans Payable	1,880,084	1,694,504	1,504,139	1,308,862
General Obligation Bonds Payable	16,855,000	15,680,000	14,455,000	17,191,000
Debt Certificates Payable	6,680,000	5,865,000	5,220,000	4,545,000
Other Liabilities	<u>1,952,534</u>	<u>1,919,909</u>	<u>1,942,898</u>	<u>2,000,619</u>
Total Noncurrent Liabilities	\$ 27,401,820	\$ 25,200,779	\$ 23,160,504	\$ 25,349,984
Total Liabilities	\$ 29,911,072	\$ 27,918,419	\$ 25,784,902	\$ 28,684,178
DEFERRED INFLOWS OF RESOURCES (3):				
Unamortized Gain on Refunding	\$ 0	\$ 0	\$ 0	\$ 11,829
Total Liabilities and Deferred Infows of Resources	\$ 29,911,072	\$ 27,918,419	\$ 25,784,902	\$ 28,696,007
NET POSITION:				
Net Investment in Capital Assets	\$ 31,719,100	\$ 34,717,042	\$ 46,482,812	\$ 49,232,266
Unrestricted	<u>13,803,801</u>	<u>13,015,100</u>	<u>1,891,407</u>	<u>2,346,622</u>
Total Net Position	\$ 45,522,901	\$ 47,732,142	\$ 48,374,219	\$ 51,578,888

- Notes: (1) Proprietary Funds consist of the Sewer Fund and the Water Fund.
 (2) Reporting format changed from Net Assets to Net Position in 2013.
 (3) Reporting format change.

Statement of Revenues, Expenses and Changes in Net Assets/Net Position(1) - Proprietary Funds(2)

	Audited Fiscal Year Ending April 30				
	Net Assets	Net Position			
	2012	2013	2014	2015	2016
OPERATING REVENUES:					
Charges for Services	\$ 3,232,224	\$ 3,424,367	\$ 3,379,454	\$ 3,646,020	\$ 4,493,694
Total Operating Revenues	\$ 3,232,224	\$ 3,424,367	\$ 3,379,454	\$ 3,646,020	\$ 4,493,694
OPERATING EXPENSES:					
Operations	\$ 1,571,076	\$ 1,664,989	\$ 1,695,780	\$ 1,929,555	\$ 2,386,468
Depreciation and Amortization	1,382,002	1,372,445	1,428,516	1,471,406	1,500,865
Total Operating Expenses	\$ 2,953,078	\$ 3,037,434	\$ 3,124,296	\$ 3,400,961	\$ 3,887,333
Operating Income	\$ 279,146	\$ 386,933	\$ 255,158	\$ 245,059	\$ 606,361
NON-OPERATING REVENUES (EXPENSES) :					
Connection Fees	\$ 726,450	\$ 757,410	\$ 145,994	\$ 166,483	\$ 518,938
Interest Income	2,687	9,542	11,491	11,206	6,685
Interest Expense	(1,205,194)	(1,230,841)	(1,181,481)	(1,095,852)	(1,159,941)
Other Income	1,930,347	241,391	182,211	174,404	64,678
Total Operating Revenues (Expenses)	\$ 1,454,290	\$ (222,498)	\$ (841,785)	\$ (743,759)	\$ (569,640)
Income (Loss) Before Contributions and Transfers.....	\$ 1,733,436	\$ 164,435	\$ (586,627)	\$ (498,700)	\$ 36,721
Contributions - Capital Assets	\$ 2,433,079	\$ 4,829,491	\$ 1,658,648	\$ 6,805	\$ 2,029,848
Operating Transfers In	83,863	82,288	1,220,208	1,217,560	1,210,929
Operating Transfers Out	(83,863)	(82,288)	(82,988)	(83,588)	(76,275)
Total Operating Transfers	\$ 2,433,079	\$ 4,829,491	\$ 2,795,868	\$ 1,140,777	\$ 3,164,502
Change in Net Assets/Net Position(1)	\$ 4,166,515	\$ 4,993,926	\$ 2,209,241	\$ 642,077	\$ 3,201,223
Net Assets/Net Position at Beginning of Year, Restated(1) (3)....	\$36,784,503	\$40,528,975	\$45,522,901	\$47,732,142	\$48,377,665
Net Assets/Net Position at End of Year(1)	\$40,951,018	\$45,522,901	\$47,732,142	\$48,374,219	\$51,578,888

- Notes: (1) Reporting format changed from Net Assets to Net Position in 2013.
 (2) The Proprietary Fund consists of the Sewer Fund and the Water Fund; prior to 2015 it included the Recreation Center Fund which has been removed for the years 2011-2014 for purposes of this table.
 (3) Net Position restated due to the implementation of GASB 68.

**Water Fund and Sewer Fund
 Budget Financial Information(1)**

	Water Fund			
	Actual	Adopted	Projected	Adopted
	Budget	Budget	Budget	Budget
	Fiscal Year Ending <u>4/30/2015</u>	Fiscal Year Ending <u>4/30/2016</u>	Fiscal Year Ending <u>4/30/2016</u>	Fiscal Year Ending <u>4/30/2017</u>
REVENUES:				
Taxes.....	\$ 5,210	\$ 0	\$ 0	\$ 0
Licenses and Permits.....	112,323	0	0	0
Charges for Services.....	2,513,791	3,240,437	3,278,400	3,661,400
Investment Earnings.....	2,034	500	3,100	1,000
Reimbursements.....	3,970	0	0	0
Miscellaneous.....	57,775	56,307	56,307	57,433
Other Financing Sources.....	<u>1,373,687</u>	<u>4,376,275</u>	<u>4,369,998</u>	<u>75,075</u>
Total Revenue.....	<u>\$4,068,790</u>	<u>\$7,673,519</u>	<u>\$7,707,805</u>	<u>\$ 3,794,908</u>
EXPENDITURES:				
Salaries.....	\$ 354,098	\$ 411,332	\$ 411,332	\$ 416,844
Benefits.....	211,030	240,029	230,101	252,493
Contractual Services.....	609,139	816,370	789,626	544,927
Supplies.....	245,704	302,995	302,995	297,660
Capital Outlay.....	474,916	4,948,544	1,515,544	3,482,668
Debt Service.....	1,168,385	1,230,445	1,147,429	1,450,677
Other Financing Uses.....	<u>1,256,453</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures.....	<u>\$4,319,725</u>	<u>\$7,949,715</u>	<u>\$4,397,027</u>	<u>\$ 6,445,269</u>
Surplus (Deficit).....	\$ (250,935)	\$ (276,196)	\$3,310,778	\$ (2,650,361)
Ending Fund Balance Equivalent.....	\$1,099,988	\$ 558,007	\$4,410,766	\$ 1,760,405
	Sewer Fund			
	Actual	Adopted	Projected	Adopted
	Budget	Budget	Budget	Budget
	Fiscal Year Ending <u>4/30/2015</u>	Fiscal Year Ending <u>4/30/2016</u>	Fiscal Year Ending <u>4/30/2016</u>	Fiscal Year Ending <u>4/30/2017</u>
REVENUES:				
Licenses and Permits.....	\$ 35,000	\$ 0	\$ 0	\$ 0
Charges for Services.....	1,151,713	1,180,200	1,173,334	1,199,942
Investment Earnings.....	9,176	1,500	1,100	1,000
Reimbursements.....	2,360	200,000	201,175	200,000
Other Financing Sources.....	<u>1,243,972</u>	<u>1,134,654</u>	<u>1,134,654</u>	<u>1,134,052</u>
Total Revenue.....	<u>\$ 2,442,221</u>	<u>\$2,516,354</u>	<u>\$2,510,263</u>	<u>\$2,534,994</u>
EXPENDITURES:				
Salaries.....	\$ 187,301	\$ 205,003	\$ 205,003	\$ 216,289
Benefits.....	92,443	127,049	98,969	110,254
Contractual Services.....	164,251	82,845	102,377	119,463
Supplies.....	38,300	92,610	92,610	84,206
Capital Outlay.....	808,520	459,015	459,015	460,282
Developer Commitments.....	62,922	32,891	32,891	33,872
Debt Service.....	2,054,461	1,865,399	1,865,399	1,865,857
Other Financing Uses.....	<u>83,588</u>	<u>76,275</u>	<u>76,275</u>	<u>75,075</u>
Total Expenditures.....	<u>\$ 3,491,786</u>	<u>\$2,941,087</u>	<u>\$2,932,539</u>	<u>\$2,965,298</u>
Surplus (Deficit).....	\$ (1,049,565)	\$ (424,733)	\$ (422,276)	\$ (430,304)
Ending Fund Balance Equivalent.....	\$ 1,829,603	\$1,368,893	\$1,407,327	\$ 977,023

Note: (1) Source: City's Fiscal Year 2017 Budget.

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (“IMRF”), a defined benefit agent multiple-employer public employee retirement system, and the Police Pension Plan (“Plan”) which is a single-employer pension plan. A separate report is not issued for the Plan; financial information on the Plan is included in the City’s CAFR. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. See **APPENDIX D** herein for a discussion of the City’s employee retirement and other postemployment benefits obligations.

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. 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 15th 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 EXEMPTION

Federal Income Tax

Federal tax law contains a number of requirements and restrictions which apply to the 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 with them, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the 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 Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of their owners for federal income tax purposes, and thus will be exempt from present Federal income taxes based on gross income. Interest on the Bonds is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

The Internal Revenue Code of 1986, as amended (the "*Code*"), includes provisions for an alternative minimum tax ("*AMT*") for corporations in addition to the corporate regular 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 (excluding S Corporations, Regulated Investment Companies, Real Estate Investment Trusts, REMICS and FASITs) 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 all tax exempt interest, including interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, 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. Bond Counsel will express no opinion with respect to any such collateral consequences with respect to the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors regarding the collateral consequences arising with respect to the Bonds described in this paragraph.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity, the purchaser will be treated as having purchased a 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 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond for a price in excess of its stated principal amount at maturity. (Such Bond is referred to as a "*Premium Bond*"). 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 Premium Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a Premium Bond. The amortized bond premium is treated as a reduction in the amount of tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Premium Bond should consult their own tax advisors regarding the amortization of bond premium and its effect on the Premium Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of such Premium Bond.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from their issue price, or purchase Bonds subsequent to the initial public offering should consult their own tax advisors as to the federal, state or local tax consequences of such dispositions or purchases.

State and Local Taxes

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

Basis of Bond Counsel Opinion

The opinion of Bond Counsel to be delivered concurrently with the delivery of the Bonds and the descriptions of the tax law contained in this Final Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Bonds are issued. There can be no assurance that such law or those interpretations will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Bonds are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Bonds. Bond Counsel has not undertaken to provide advice with respect to any such future changes.

The opinion of Bond Counsel expresses the professional judgment of the attorneys rendering the opinion on the legal issues explicitly addressed in the opinion. By rendering a legal opinion, the opinion giver does not undertake to be an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Rendering an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

In rendering its opinion on tax exemption, Bond Counsel will receive and rely upon certifications and representations of facts, calculations, estimates and expectations furnished by the City and others which Bond Counsel will not have verified independently. Bond Counsel does not purport to be an expert in asset valuation and appraisal, financial analysis, financial projections or similar disciplines. Failure of any of these factual representations to be correct may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the original issuance date of the Bonds.

Certain requirements and procedures contained or referred to in the Bond Ordinance, the Tax Certificate relating to the Bonds and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Arnstein & Lehr LLP.

Risk of Audit

The Internal Revenue Service (“IRS”) conducts a program of audits of issues of tax-exempt obligations to determine whether, in the view of the IRS, interest on such obligations is properly excluded from the gross income of the owners of such obligations for federal income tax purposes. It cannot be predicted whether or not the IRS will decide to audit the Bonds. If the IRS begins an audit of the Bonds, under current IRS procedures, the IRS will treat the City as the taxpayer subject to the audit and the holders of the Bonds may not have the right to participate in the audit proceedings. The fact that an audit of the Bonds is pending could adversely affect the liquidity or market price of the Bonds until the audit is concluded even if the result of the audit is favorable, and may cause the City or the owners to incur significant expense. Bond Counsel is not obligated to defend the City regarding the tax-exempt status of the Bonds in the event of an examination by the IRS. Because obtaining judicial review in connection with an IRS examination of tax-exempt obligations is difficult, obtaining independent review of IRS positions with which the City legitimately disagrees may not be practicable.

Legislation

From time to time, there are legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to in this section or adversely affect the market price or liquidity of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to the Bonds issued prior to enactment. It cannot be predicted whether or in what form any such proposal might be introduced in Congress or enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation. Bond Counsel will express no opinion regarding any pending or proposed federal tax legislation.

Backup Withholding

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in most cases required to be reported to the IRS. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Payers Request for Taxpayer Identification Number, or a substantially identical form, or to any Bond owner who is notified by the IRS of a failure to report all interest and 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.

Original Issue Discount

The initial public offering prices of the Bonds of certain maturities may be different than their stated principal amounts, in which event the Bonds of such maturities are hereinafter collectively referred to as the “*OID Bonds*”. Under existing law, if (i) the initial offering price of each maturity of the Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of the *OID Bonds* is first sold is less than (ii) the principal amount at maturity of such *OID Bonds*, the difference, if any, between such initial offering price and the principal amount payable at maturity will constitute the original issue discount (“*OID*”) of such *OID Bonds*. The offering prices relating to the yields set forth on the inside of the front cover page of this Final Official Statement are expected to be the initial offering prices to the public at which a substantial amount of such maturity of the *OID Bonds* are sold. Under existing law, *OID* on the *OID Bonds* accrued and properly allocable to their owners under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an *OID Bond*, *OID* treated as having accrued while the owner holds the *OID Bond* will be added to the owner’s basis. *OID* will accrue on a constant-yield-to-maturity method based on regular compounding. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an *OID Bond*. For certain corporations (as defined for federal income tax purposes), a portion of the *OID* that accrues in each year to such an owner of an *OID Bond* will be included in the calculation of the corporation’s federal alternative minimum tax liability. As a result, ownership of an *OID Bond* by such a corporation may result in an alternative minimum tax liability even though such owner has not received a corresponding cash payment.

Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on *OID Bonds* is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year.

Prospective purchasers of *OID Bonds* should consult their own tax advisors as to the calculation of accrued *OID*, the accrual of *OID* in the cases of owners of the *OID Bonds* purchasing such Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such *OID Bonds*.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the City's compliance with certain covenants, in the opinion of Bond Counsel, the 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.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the Bondholder upon a default under the Bond Ordinance are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Bond Ordinance may not be readily available or may be limited. Under Federal and State environmental laws, certain liens may be imposed on property of the City from time to time, but the City does not have reason to believe, under existing law, that any such lien would have priority over the lien on the ad valorem property tax which is pledged to the owners of the Bonds under the Bond Ordinance.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the City, the State of Illinois and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law.)

These exceptions would encompass any exercise of Federal, State or local police powers (including the police powers of the City), in a manner consistent with the public health and welfare. Enforceability of the Bond Ordinance in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

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.**"

The City failed to file its audited financial statements for the 2010 fiscal year within the time period specified in prior continuing disclosure undertakings. As of April 23, 2013, the City had filed such audited financial statements. The City has established procedures to ensure that such audited financial statements will be filed in a timely manner in the future. A material event disclosure pertaining to bond and certificate insurance rating change required in prior undertakings was not submitted within the time frame required in the prior undertakings. On April 5, 2013, this material event disclosure was filed with the MSRB through EMMA. In the past five years there have been numerous rating actions reported by Moody's Investors Service, S&P Global Ratings and Fitch Ratings affecting the municipal bond insurance companies, some of which had insured bonds previously issued by the City. Due to widespread knowledge of these rating actions, material event notices were not filed by the City. The City failed to file audited financial statements and annual financial information and operating data for fiscal year 2012 (the "2012 Filings") under its general obligation CUSIP number 987355 within the time period specified in prior continuing disclosure undertakings; the 2012 Filings were made within the time period specified in prior continuing disclosure undertakings under CUSIP number 987354. On July 22, 2014, this disclosure was filed with the MSRB through EMMA and the 2012 Filings were transferred to CUSIP number 987355. A failure by the City to comply with the Undertaking will not constitute a default under the Bond 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.

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 on April 30). 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 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

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

United City of Yorkville, Kendall County, Illinois

\$5,800,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016

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.

NO 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.

FINAL OFFICIAL STATEMENT AUTHORIZATION

This Final 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 are rated "AA/Stable" by S&P Global Ratings. The City has supplied certain information and material concerning the Bonds and the City to the rating service shown on the cover page, including certain information and materials which may not have been included in this Final Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agencies assigning such rating and an explanation of the significance of such rating may be obtained from such rating agencies. Generally, each rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000. The City will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Arnstein & Lehr 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 Final 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 Final Official Statement, except that in its capacity as Bond Counsel, Arnstein & Lehr LLP, Chicago, Illinois, has, at the request of the City reviewed only those sections of this Final Official Statement involving the description of the Bonds, the security for the Bonds, the description of the federal tax exemption of interest on the Bonds and the “bank-qualified” status of 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.

DEFEASANCE

The Bonds are subject to legal defeasance by the irrevocable deposit of full faith and credit obligations of the United States of America, obligations the timely payment of which are guaranteed by the United States Treasury, or certificates of participation in a trust comprised solely of full faith and credit obligations of the United States of America (collectively, the “Government Obligations”) with a bank or trust company acting as escrow agent. Any such deposit must be of sufficient amount that the receipts from the Government Obligations plus any cash on deposit will be sufficient to pay debt service on the Bonds when due or as called for redemption.

UNDERWRITING

The Bonds were offered for sale by the City at a public, competitive sale on October 11, 2016. The best bid submitted at the sale was submitted by Fifth Third Securities, Inc., Cincinnati, Ohio (the “Underwriter”). The City awarded the contract for sale of the Bonds to the Underwriter at a price of \$6,249,022.70 (reflecting the par amount of \$5,800,000, plus a reoffering premium of \$468,195.30 and less an Underwriter’s discount of \$19,172.60). The Underwriter has represented to the City that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth on the cover of this 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 Final 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 obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Final Official Statement, nor is the Municipal Advisor obligated by the City’s continuing disclosure undertaking.

CERTIFICATION

We have examined this Final Official Statement dated October 11, 2016, for the \$5,800,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement 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/ **GARY J. GOLINSKI**
Mayor
UNITED CITY OF YORKVILLE
Kendall County, Illinois

/s/ **ROB FREDRICKSON**
Finance Director/Deputy Treasurer
UNITED CITY OF YORKVILLE
Kendall County, Illinois

APPENDIX A

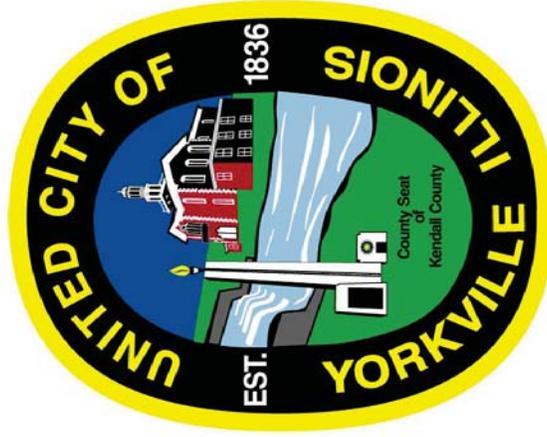
**UNITED CITY OF YORKVILLE
KENDALL COUNTY, ILLINOIS**

FISCAL YEAR 2016 AUDITED FINANCIAL STATEMENTS

2015

Comprehensive Annual Financial Report

Fiscal Year Ended April 30, 2015



UNITED CITY OF YORKVILLE
800 Game Farm Road
Yorkville, Illinois 60560
(630) 553-4350
www.yorkville.il.us

**UNITED CITY OF YORKVILLE,
ILLINOIS**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2015**

Prepared by:

Rob Fredrickson
Director of Finance

UNITED CITY OF YORKVILLE, ILLINOIS

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UNITED CITY OF YORKVILLE, ILLINOIS

Principal Officials

Fiscal Year Ended April 30, 2015

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the City including: List of Principal Officials, Organization Chart, Transmittal Letter and the Certificate of Achievement for Excellence in Financial Reporting.

EXECUTIVE

Mayor: Gary J. Golinski

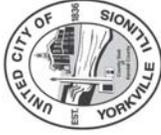
City Clerk: Beth Warren

LEGISLATIVE

Ward 1: Carlo Colosimo, Alderman
Ward 1: Ken Koch, Alderman
Ward 2: Jackie Milschewski, Alderman
Ward 2: Larry Kot, Alderman
Ward 3: Joel Frieders, Alderman
Ward 3: Chris Funkhouser, Alderman
Ward 4: Rose Spears, Alderman
Ward 4: Diane Teeling, Alderman

ADMINISTRATIVE

City Administrator: Bart Olson
Director of Finance/Deputy Treasurer: Rob Fredrickson
Director of Public Works: Eric Dhuse
Chief of Police: Rich Hart
Director of Community Development: Krysti Barksdale-Noble
Director of Parks & Recreation: Tim Evans
Library Director: Michelle Pfister



United City of Yorkville
 800 Game Farm Road
 Yorkville, Illinois 60560
 Telephone: (630) 553-4350
 www.yorkville.il.us

August 24, 2015

To The Honorable Gary J. Golinski, Mayor
 Members of the City Council
 Citizens of Yorkville, Illinois

The Comprehensive Annual Financial Report (CAFR) of the United City of Yorkville, Illinois, for the Fiscal Year ended April 30, 2015, is hereby submitted. The submittal of this report complies with Illinois state law which requires that the City issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of licensed certified public accountants.

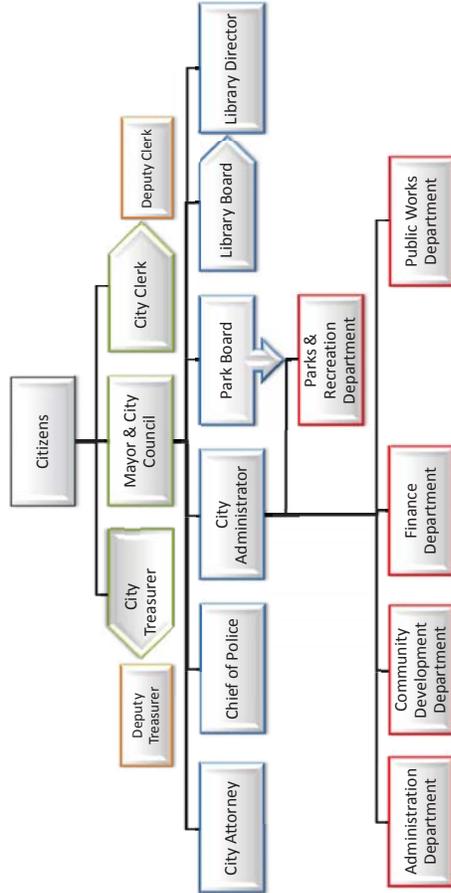
This report consists of management's representations concerning the finances of the City. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. We believe the data, as presented, is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial position of the United City of Yorkville. The results of operations as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial affairs have been included.

The City's financial statements have been audited by Lauterbach & Amen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the United City of Yorkville for the fiscal year ended April 30, 2015, are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluation of the overall financial statement presentation. The independent auditors concluded, based upon their audit procedures, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City's financial statements for the fiscal year ended April 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

This report includes all funds of the City (primary government), as well as its component unit, the Yorkville Public Library (blended). Component units are autonomous entities for which the primary government is financially accountable.

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

United City of Yorkville Organizational Chart



Profile of the United City of Yorkville

Yorkville was first settled in 1833 and has been the county seat of Kendall County since 1859. The Village of Yorkville was incorporated in 1874, with a population of approximately 500 people. At that time the Village of Yorkville only encompassed land on the south side of the Fox River; another village, called Bristol, was located directly across from Yorkville on the north side of the river. In 1957 the two villages merged, via referendum, to form the United City of Yorkville. The City, a non-home rule community as defined by the Illinois Constitution, covers approximately 22 square miles with a 2010 census population of 16,921 residents. The City is located in central Kendall County, about 45 miles southwest of Chicago, Illinois. The City is primarily residential and commercial in nature, with housing stock consisting of approximately 4,479 detached single family homes and 2,534 attached single family (includes townhomes, condominiums and duplexes) dwelling units.

The City operates under a Mayor/Council form of government, as defined in Illinois State Statutes. The legislative authority of the City is vested in an eight-member council, each elected from their respective wards to overlapping four-year terms. The Mayor, City Treasurer and City Clerk are elected at large. The Mayor appoints, with Council consent, a City Administrator to manage the day-to-day operations of the City.

The City provides a full range of municipal services with 76 full-time, and 80 part-time persons working in public safety, public works, planning and zoning, parks and recreation, library services and general administration. The City maintains approximately 80 miles of streets and over 250 acres of park and green space. The City operates its own water distribution system with sewage treatment provided by the Yorkville Bristol Sanitary District.

The Yorkville Public Library is operated under an appointed board, which is separate from the City Council. Library Board positions are appointed by the Mayor and expire on a rotating basis. Library operations are administered by the Library Board, however, the City is required by state statute to include within its property tax levy and budget, the Library's requests. The Library does not have authority to issue debt, and must do so through the City. Thus, the Library is a component unit of the City.

Accounting System and Budgetary Control

Management of the United City of Yorkville is responsible for establishing and maintaining an internal control structure. The internal control structure is designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, the United City of Yorkville maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund, special revenue funds, capital project funds, debt service funds and enterprise funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all budgeted funds.

Local Economy

Yorkville is home to several large and mid-sized manufacturers and retailers including the Wm. Wrigley Jr. Company, Boomhah, Inc., Newlywed Foods, Jewel/Osco, Target, Kohl's, Dick's Sporting Goods and Menards. It is also home to Raging Waves, Illinois largest water park. The City, along with the Yorkville Economic Development Corporation (YEDC), a quasi-public/private partnership partially funded by the City, continue to work on attracting and retaining commercial and industrial business to the City.

Early in fiscal year 2015, the Wm. Wrigley Jr. Company announced that it would be investing approximately \$50 million to expand its Yorkville production facility of Skittles candy. The expansion will increase the size of the plant by 145,000 square feet and add 75 jobs, with an average annual salary of \$70,000. The expansion is being supported by incentive agreements with the City and the Illinois Department of Commerce & Economic Opportunity (DCEO), through the State's Economic Development for a Growing Economy (EDGE) program.

Despite the many budgetary challenges facing the State of Illinois, including looming debt and pension obligations, the City has seen multiple signs that the local economy is continuing to strengthen. The local housing market continued to improve over the course of the current fiscal year, as the number of foreclosures in the City decreased by approximately 25% in comparison to fiscal year 2014. Building and development within the City remains steady, as building permit issuances increased slightly over prior year amounts. The City's B.U.L.L.D. (Buyers of Undeveloped Infill Lot Discount) program remained popular, posting a new high of 67 permits issued in fiscal year 2015. The B.U.L.L.D. program, which was implemented in January of 2012, is a comprehensive incentive and stimulus program aimed at newly constructed single-family detached homes. The program allows for delayed and reduced permit and impact fees for builders, and a building rebate fee to homebuyers. In addition, municipal sales tax exceeded \$2.705 million in the current fiscal year, which eclipsed the previous sales tax apex of \$2.676 million set in fiscal year 2007.

Major Initiatives

In fiscal year 2015 the City continued to pursue several major initiatives, including:

- **Southside Retail Study** – In July of 2014, staff engaged The Retail Coach, LLC to conduct a Commercial District Market Study for the purposes of attracting new retail development on the City's south side. The initial report was completed in December of 2014, in which demographics, psychographics and opportunities were identified for both the primary and secondary south side trade areas. For the remainder of the fiscal year, staff worked in conjunction with the consultant, in the development of a "Retail Action Plan", with the intent of enticing commercial enterprises to relocate to Yorkville's south side.
- **Bond Issuance and Refundings** - In August of 2014, the City issued \$4,295 million in bonds to finance the City's portion of the reconstruction and widening of Game Farm Road. This is a joint project, with funding coming from the City and Federal grant proceeds, which is scheduled to be completed towards the end of calendar year 2015. In addition to the new money issued, the City also refinanced the 2005A and 2005C bonds, which yielded present value savings of approximately \$140,000 and \$150,000, respectively.
- **Route 47 Expansion** – This is a multi-year, joint project between the City and the Illinois Department of Transportation, in which Illinois Route 47 will be expanded into five lanes. The road improvements start at Kennedy Road, continue through the downtown and culminate at Illinois Route 71. Currently the total cost of this project that is applicable to the City (including costs associated with the replacement and relocation of water and sewer lines) is approximately \$3.4

million, payable to the State in monthly installments over the next eight years. Most of the work in fiscal year 2015 consisted of replacing water and sanitary sewer mains north of the City's downtown area.

- **Comprehensive Plan Update** – In September of 2014, the City began the first phase of the Comprehensive Plan Update. This first phase, referred to as the "State of the City"/Community Engagement phase, focuses on existing conditions in the City regarding land use, transportation, infrastructure, parks and open space, community facilities, neighborhoods and housing, and commercial and industrial areas. Early in 2015 fieldwork studies were conducted, which included various focus group and stakeholder interviews for the purposes of gaining public insight into critical planning issues. Fieldwork results, along with other analysis, will be incorporated into a "State of the City Report", which will be reviewed by the Steering Committee, before being formally presented to City Council in the Fall of 2015.

- **Road to Better Roads (RTBR) Program** – Based on the findings of the road study conducted in 2013 and in an effort to address ongoing infrastructure needs, the City continued its annual capital improvement program in the current fiscal year, commonly referred to as the "Road to Better Roads" program. Construction costs in fiscal year 2015 totaled approximately \$1.1 million and consisted of pavement milling and overlays on several local streets; rehabilitation of roadway and the installation of new water main on Heustis Street; and water and sewer infrastructure improvements on State and Adrian Streets.

- **Park Improvements** – The City completed major improvements to two parks in fiscal year 2015. Improvements to Clark Park, which was partially funded by a grant from the Illinois Department of Natural Resources, include a new shelter and public sidewalk, paved off-street parking, a paved trail head, benches and interpretative signage. Grande Reserve Park B was further enhanced by the additions of a new castle themed playground, concrete trail, tetherball court, fabric shelter and a sled hill. These improvements were initially funded by the City and then partially reimbursed from the Developer.

Long-Term Financial Planning

Management annually develops five-year financial forecasts for all budgeted funds. These forecasts serve as the basis for identifying not only future capital needs, but future operational and personnel requirements as well. Revenue and expenditure trends will be evaluated and prioritized based on the goals set forth by the City Council. It is the intent of management that this five-year financial forecast will serve as the foundation for each year's corresponding budget document.

Relevant Financial Policies

In order to ensure that the City continues to meet its immediate and long term service goals, several financial policies and procedures have been implemented by management. Some of the more prescient policies include the following:

- Issue a Comprehensive Annual Financial Report (CAFR) within 180 days of the end of each fiscal year that complies with generally accepted accounting principles.
- Monthly revenue, expenditure and cash balance reporting for all funds. These financial reports ensure that the City Council is made aware of any variances from the appropriated budget. In addition, the City's budget document continues to be revised in order to enhance transparency.

- Maintain the "Information for Citizens" webpage on the City's website, which contains a wide array of financial information including: budget and audit information; annual treasurer's reports; bill lists; employee salary and benefit information; tax rates and fees; and other nonfinancial information.

- A fund balance policy establishing benchmark reserve levels to be maintained in the City's various funds, in order to promote financial stability and provide adequate cash flow for operations.
- A pension funding policy which defines the manner in which the City funds the long-term cost of benefits promised to plan participants and defines the calculation of the actuarial determined contribution (ADC) to the Yorkville Police Pension and Illinois Municipal Retirement Funds.
- An investment policy which invests public funds in a manner which protects principal, maximizes return for a given level of risk and meets the daily cash flow needs of the City.
- A capital asset policy which establishes the capitalization thresholds and estimated useful lives of capital assets.
- A purchasing policy to ensure that goods and services are obtained in a timely manner at the lowest possible cost.
- A credit card policy for all City related credit card purchases. All City employees are required to sign a credit card policy acknowledgement form prior to receiving a City issued credit card.

Pension Trust Funds and Post-Employment Benefits

Two pension plans are established by State Statute, which cover City employees. The benefits and funding of each plan are determined by state statute, and each plan provides retirement, disability and death benefits for participants.

The Police Pension Fund is funded through an annual property tax levy, employee contributions and investment earnings. The Illinois Municipal Retirement Fund (IMRF) pension plan covers civilian full-time employees. Funding for IMRF is made through contributions from the employer (actuarially determined annually by IMRF) and employees of the City (established at 4.5% of total compensation). Employees covered under both pension plans also contribute to Social Security (6.2% of salary capped annually) and Medicare (1.45% of total compensation).

The notes to the financial statement provide more information pertaining to employee pensions.

The City also provides post-retirement health care benefits for retirees and their dependents, which is financed on a pay-as-you-go basis, with retirees paying 100% of their health care premiums.

Awards and Acknowledgments

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the United City of Yorkville for its comprehensive annual financial report for the fiscal year ended April 30, 2014. This was the 4th year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must also satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive

annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report would not have been possible without the dedicated services of the City department heads and staff. The entire finance department staff is extended a special appreciation for all of their assistance in the completion of the annual audit.

Additionally, we would like to acknowledge the Mayor and City Council for their leadership and support in planning and conducting the financial operations of the City, which has made preparation of this report possible.

Respectfully submitted,



Bart Olson, ICMA-CM
City Administrator



Rob Fredrickson, CPA
Director of Finance



Government Finance Officers Association

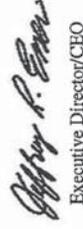
Certificate of Achievement for Excellence in Financial Reporting

Presented to

**United City of Yorkville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2014


Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the City's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

August 24, 2015

The Honorable City Mayor
Members of the City Council
United City of Yorkville, 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 United City of Yorkville, Illinois, as of and for the year ended April 30, 2015, and the related notes to the 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.

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 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 United City of Yorkville, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 United City of Yorkville, Illinois', financial statements as a whole. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

As management of the United City of Yorkville ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2015. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Letter of Transmittal on pages iii through viii and the City's financial statements (beginning on page 3).

Financial Highlights

- The assets/deferred outflows of the United City of Yorkville exceeded its liabilities/deferred inflows at the close of the fiscal year by \$121,153,135 (*net position*). Of this amount, \$113,189,055 was invested in capital assets, net of related debt; \$2,744,103 was restricted for specific activities such as IMRF, library operations, special service areas, highways and streets, TIF districts and land cash. Remaining net position, totaling \$5,219,977, was unrestricted.
- The City's aggregate net position increased by \$4,034,968 or 3.4% during the year ended April 30, 2015. Of this increase, \$3,392,891 is attributable to governmental activities and \$642,077 is attributable to business-type activities.
- Total revenues nominally decreased by 0.5% from \$24,775,766 to \$24,656,415. Overall expenses totaled \$20,621,447, which is a decrease of 5.1% from the preceding fiscal year.
- As of the culmination of the current fiscal year, the City's governmental funds reported combined fund balances of \$11,328,461, compared to \$6,664,222 reported on April 30, 2014.
- For the fiscal year ended April 30, 2015, the City's General Fund reported an increase in fund balance of \$965,477. Total ending fund balance in the General Fund was a positive \$4,826,058.
- Both the City's Water and Sewer funds reported positive changes in net position during the current fiscal year, reporting ending net position balances of \$23,078,404 and \$25,295,815, respectively.

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. The government-wide statements are divided between governmental activities and business-type activities, with the public library presented as a blended component unit. The perspective of the fund financial statements presents financial information for individual funds established by the City for specific purposes. They are categorized into three distinct groups: governmental, proprietary and fiduciary. 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 provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government (legislative, administration and finance), public safety (police), community development, public works (street operations, health and sanitation) and parks and recreation. Property taxes, shared state taxes and local utility taxes finance the majority of these services. Business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation. The business-type activities of the City include water and sewer operations.

The government-wide financial statements may be found on pages 3 through 6 of this report.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Library Fund, Parks and Recreation Fund and the Citywide Capital Fund, all of which are considered to be major funds. Information from the City's other eight governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

The United City of Yorkville adopts annual budgets for its General Fund, Library Fund, Parks and Recreation Fund and Citywide Capital Fund. A budgetary comparison schedule has been provided for all four funds to demonstrate compliance with this budget. The basic governmental fund financial statements may be found on pages 7 through 12 of this report.

Proprietary Funds

The City maintains one type of proprietary fund (enterprise funds). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund (major fund) and the Sewer Fund (major fund).

The basic proprietary fund financial statements may be found on pages 13 through 16 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's operations. The City maintains one fiduciary trust fund; the Police Pension Fund and two agency funds; one for fees held for other governmental agencies and one for developer deposits. The accounting used for fiduciary funds is similar to that used by proprietary funds.

The basic fiduciary fund financial statements may be found on pages 17 and 18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements may be found on pages 19 through 63 of this report.

Other Information

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

Required supplementary information may be found on pages 64 through 72 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules may be found on pages 73 through 107 of this report.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Assets:						
Current Assets	\$ 19.3	\$ 14.0	\$ 3.1	\$ 4.4	\$ 22.4	\$ 18.4
Capital Assets	79.6	77.1	59.7	59.8	139.3	136.9
Other Assets/Deferred Outflows	0.1	0.2	11.3	11.4	11.5	11.6
Total Assets/Deferred Outflows	99.1	91.3	74.2	75.6	173.2	167.0
Liabilities:						
Current Liabilities	3.9	3.0	2.6	2.7	6.6	5.7
Long-term Liabilities/Deferred Inflows	22.3	19.0	23.2	25.2	45.5	44.2
Total Liabilities/Deferred Inflows	26.3	22.0	25.8	27.9	52.1	49.9
Net Position:						
Net Investment in Capital Assets	66.8	63.9	46.5	34.7	113.3	98.6
Restricted	2.7	1.9	-	-	2.7	1.9
Unrestricted	3.3	3.6	1.9	13.0	5.2	16.6
Total Net Position	\$ 72.8	\$ 69.4	\$ 48.4	\$ 47.7	\$ 121.2	\$ 117.1

The City's combined net position increased by \$4.0 million, from \$117.1 to \$121.1 million, during the current fiscal year. This change is the result of \$3.4 million and \$0.7 million increases in the net position of governmental activities and business-type activities, respectively. The increase in the net position of governmental activities in fiscal year 2015 was due to better than expected operating results and an increase in capital assets, which consisted primarily of developer donations. City constructed roadway improvements and unfinished infrastructure that was still being constructed at fiscal year end. Restricted net position for governmental activities increased by \$0.8 million due to the accumulation of property tax proceeds that will be used in future fiscal periods to fund the City's contributions to the Illinois Municipal Retirement Fund (IMRF). The nominal increase in the net position of business-type activities was chiefly due to the continued amortization of water and sewer debt.

The largest portion of the United City of Yorkville's net position, or 91.8%, reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment), less any related debt used to acquire or construct those assets that are still outstanding. The City uses its capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the United City of Yorkville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The final component of the United City of Yorkville's net position, or 3.7%, represents resources that are subject to external restrictions on how they may be used. Total restricted net position is comprised as follows: 35.9% is for future IMRF expenses; 17.3% is for library operations; 0.6% is for the maintenance of special service areas; 33.3% is for future road maintenance and improvement projects relating to the

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

City's motor fuel tax (MFT) program; 8.7% is restricted for Tax Increment Financing (TIF) projects; and the remaining 4.3% is restricted for future land cash projects.

As of April 30, 2015, the City was able to report positive balances in all three categories of net position, both for the government as a whole, and for its separate governmental and business-type activities.

Additional information on the Statement of Net Position may be found on pages 3 and 4 of this report.

Activities

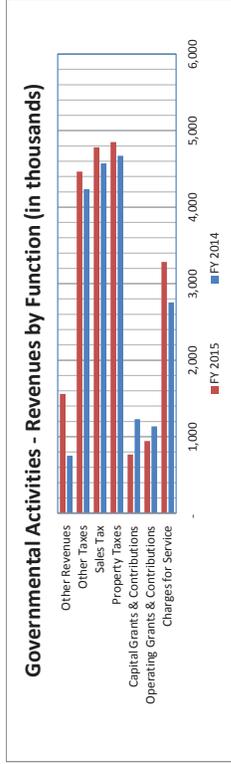
The following table reflects the revenue and expenses of the City's governmental and business-type activities (in millions).

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services	\$ 3.3	\$ 2.8	\$ 3.8	\$ 3.6	\$ 7.1	\$ 6.3
Operating Grants & Contributions	0.9	1.1	-	-	0.9	1.1
Capital Grants & Contributions	0.8	1.2	0.0	1.7	0.77	2.9
General Revenues:						
Property Taxes	4.9	4.7	-	-	4.9	4.7
Other Taxes	9.2	8.8	-	-	9.2	8.8
Other Revenue	1.6	0.8	0.2	0.2	1.7	0.9
Total Revenues	20.6	19.3	4.0	5.4	24.7	24.8
Expenses						
General Government	4.1	5.8	-	-	4.1	5.8
Public Safety	4.4	3.9	-	-	4.4	3.9
Community Development	0.6	0.4	-	-	0.6	0.4
Public Works	3.1	3.4	-	-	3.1	3.4
Library	0.9	0.9	-	-	0.9	0.9
Parks & Recreation	2.4	2.0	-	-	2.4	2.0
Interest Long-Term Debt	0.6	0.7	-	-	0.6	0.7
Water	-	-	2.8	2.7	2.8	2.7
Sewer	-	-	1.7	1.6	1.7	1.6
Recreation Center	-	-	-	0.2	-	0.2
Total Expenses	16.1	17.2	4.5	4.5	20.6	21.7
Transfers	(1.1)	(1.6)	1.1	1.6	-	-
Change in Net Position	\$ 3.4	\$ 0.5	\$ 0.6	\$ 2.5	\$ 4.0	\$ 3.2
Net Position, Beginning	\$ 69.4	\$ 68.8	\$ 47.7	\$ 45.2	\$ 117.1	\$ 114.2
Net Position, Ending	\$ 72.8	\$ 69.4	\$ 48.4	\$ 47.7	\$ 121.1	\$ 117.1

Additional information on the Statement of Net Position may be found on pages 5 and 6 of this report.

Governmental Activities

Revenues



Total governmental activities revenue for the current fiscal year was \$20,651,497, compared to \$19,352,505 in the previous fiscal year, an increase of 6.7%.

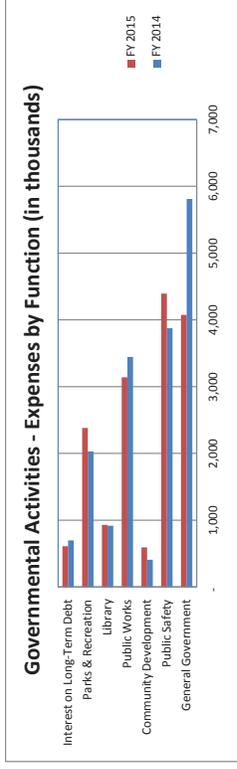
Property taxes, the City's largest single revenue source (23.5% of aggregate revenues), totaled \$4.85 million in fiscal year 2015. Property taxes support governmental activities, including the City's annual contribution to the Yorkville Police Pension Fund. The City contributed \$624,168 to the Police Pension Fund in the current fiscal year, exceeding the actuarial required contribution by \$52,731. Total property tax revenues increased by 3.9% in the current fiscal year, although it should be noted that last year's results were a bit skewed, due to higher than normal property tax rebate amounts.

The City received sales taxes in the amount of \$4.78 million in fiscal year 2015, which is a 4.6% increase over the prior year. The "other taxes" classification includes a number of revenue sources, including income, utility, business district, and amusement and admission taxes. The other tax classification increased by 5.4% in the current fiscal year, bolstered by income and use tax receipts which posted gains of 7.6% and 15.4%, respectively. Amusement taxes also increased by 19.7%, as the City received its first full year's worth of taxes generated by the movie theater complex that opened in November of 2013. Aggregate utility taxes decreased by 2.0%, as State excise tax receipts continue to deteriorate as a result of declining land line use.

The sharp increase (19.2%) in charges for services in fiscal year 2015 is the result of several factors including: increased recreation program revenues; the annual contractual increase in garbage surcharge fees; and the enhancement of chargeback revenues used to fund police, public works and park vehicle and equipment purchases.

Grant and contribution revenue decreased by a combined total of \$653,655, as less developer donated infrastructure was received by the City in the current fiscal year than in the year prior.

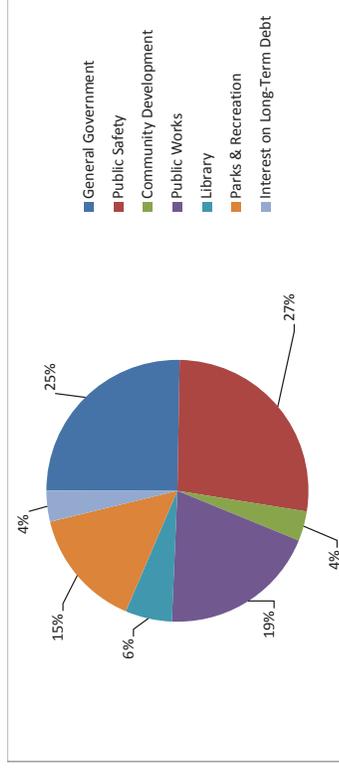
Expenses



Total expenses amounted to \$16,124,634 for governmental activities in fiscal year 2015. This reflects a decrease of 6.2% from the prior year. The public safety function comprises the greatest proportion of governmental activities expenses, accounting for approximately 27% of the total. Other primary functional areas include general government, public works and parks and recreation, which account for 25%, 19% and 15%, respectively, of total governmental activities expense.

In the previous fiscal year, general government expenses were unusually high due to a one-time incentive payout of \$1.8 million to the developer of the new movie theater located in the City's Countryside TIF district. Fiscal year 2015 general government expenses totaled \$4,075,153, which is reduction of \$1,733,801 in comparison with the previous year and more in-line with historical averages. Public safety expenses increased 13.4%, as a result of increased pension funding by the City and the hiring of additional police officers.

The following pie chart shows the breakdown of governmental activities expenses by function.



UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

Business-Type Activities

Business-type activities increased the City's net position by \$642,077. Approximately 95% of business-type activity revenue is generated from fees for services relating to the City's water and sewer utilities. Charges for services totaled \$3.81 million in fiscal year 2015, which represents an increase of \$242,164 (6.8%) over prior year amounts. This rise in charge for service revenue was due to City Council's planned decision to moderately increase water rates and sewer maintenance fees over the next several fiscal years, in order to fund much needed capital improvements to the City's underground utility system.

Capital grants and contributions were minimal at \$6,805, as no significant developer constructed infrastructure was accepted by the City in the current fiscal year. Other revenues, which consist primarily of rental income, reimbursements and miscellaneous items, totaled \$185,610, which is a decrease of 4.5% in comparison to the previous fiscal year. Transfers in for business-type activities totaled \$1.13 million, which was used to fund the debt service requirements of the 2011 refunding bond.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds - The focus of the United City of Yorkville's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the United City of Yorkville's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the United City of Yorkville's governmental funds reported combined ending fund balances of \$11,328,461, an increase of \$4,664,239 over last year's totals. The majority of fund balance for the governmental funds is identified between the restricted, assigned and unassigned categories. Restricted fund balance, which accounts for 24.3% of total fund balance, includes amounts restricted for IMRF, library operations, special service areas, TIF related projects and the City's motor fuel tax program. The bulk of unassigned fund balance, which accounts for 27.1% of total governmental fund balance, is in the General Fund (\$3.70 million). Remaining fund balance for the governmental funds is allocated as follows: \$178,296 (1.6%) is nonspendable (i.e. prepaids); \$537,853 (4.8%) is committed for parks and recreation activities; and \$4,788,775 (42.3%) is assigned for various capital projects, vehicles and equipment.

The Library Fund reported a positive fund balance of \$479,397 at the end of fiscal year 2015, which represents a slight decline in comparison to last year's fund balance amount of \$497,946. Property taxes used to finance library operations, which account for 87.1% of total library operational revenues, fell by \$15,888 or 2.5%. This reduction in property tax revenue was due to declining property values and being subject to a tax cap of \$0.15 per \$100 of assessed valuation. Library operational expenditures remained relatively flat, posting a slight increase of 1.6%, as a result of increased maintenance costs associated with the Library building.

The Parks and Recreation Fund reported a surplus amount of \$11,052 in the current year, thereby increasing fund balance from \$546,485 to \$557,537. Aggregate revenues posted year-over-year gains of approximately 3%, as special event and preschool fee revenues increased by \$24,280 and \$22,569, respectively, over prior year amounts. Expenditures in the Parks and Recreation Fund increased by 14.63%, as a result of increased spending in recreational programming and an operational chargeback for vehicle/equipment purchases and park improvements.

The Citywide Capital Fund ended fiscal year 2015 with a surplus of \$4,008,153, thus increasing fund balance from \$676,555 to \$4,684,708. This sizeable increase in fund balance can be directly attributed to

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

the issuance of the 2014A bonds in the amount of \$4,295,000, which will be used to finance the reconstruction of Game Farm Road in the upcoming fiscal year.

General Fund:

The chart below compares the fiscal year 2015 final budget to the actual results of the City's General Fund.

Fiscal Year 2015 General Fund Budgetary Highlights

	Final Budget	Actual	Over/Under	Actual as % Of Budget
Revenues				
Taxes	\$ 9,871,724	\$ 10,001,937	\$ 130,213	101%
Intergovernmental	2,177,200	2,345,989	168,789	108%
Licenses, Permits & Fees	193,000	173,126	(19,874)	90%
Charges for Services	1,203,201	1,290,493	87,292	107%
Fines & Forfeitures	175,250	137,252	(37,998)	78%
Interest	8,000	(60,469)	(68,469)	-756%
Miscellaneous	93,000	190,995	97,995	205%
Total Revenues	\$ 13,721,375	\$ 14,079,323	\$ 357,948	103%
Expenditures				
General Government	\$ 3,924,498	\$ 3,743,738	\$ (180,760)	95%
Public Safety	4,581,682	4,315,151	(266,531)	94%
Community Development	603,554	592,588	(10,966)	98%
Public Works	1,911,325	1,977,692	66,367	103%
Total Expenditures	\$ 11,021,059	\$ 10,629,169	\$ (391,890)	96%
Excess of Revenues over Expenditures	\$ 2,700,316	\$ 3,450,154	\$ 749,838	128%
Other Financing Sources (Uses)	\$ (2,543,703)	(2,484,677)	(59,026)	98%
Net Change in Fund Balance	\$ 156,613	\$ 965,477		
Fund Balance - Beginning of Year		3,860,581		
Fund Balance - End of Year		\$ 4,826,058		

The General Fund is the City's primary operating fund and the largest source of funding for the day-to-day activities of its various departments. Actual revenues exceed budgetary amounts by \$357,948, as tax and intergovernmental revenues proved to be more robust than initially anticipated. Interest earnings for the year were negative due to the losses incurred from the First Farmers Financial fraud involving the City's accounts at the Illinois Metropolitan Investment Fund (IMET). Nevertheless it is the continued expectation of management that the majority of this loss, in the General Fund as well as the other effected City Funds, will be recovered in future fiscal periods. Actual General Fund expenditures for the year were \$391,890 lower than budgeted (\$10,629,169 actual compared to \$11,021,059 budgeted). Furthermore, management is pleased to report that all functional departments within the General Fund (excluding Administrative Services and the Health & Sanitation Department included in the Public Works function) were under their respective appropriated budgets for the fiscal year ended 2015. The Health & Sanitation Department exceeded budgetary amounts by approximately \$70,000, as a result of the subsidy for refuse provided to senior citizens.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

As indicated by the table on the preceding page, current year operating results generated a surplus amount of \$965,477, which increased overall fund balance from \$3,860,581 at the beginning of the year, to \$4,826,058 at the end of fiscal year 2015. Fund balance for the General Fund is allocated as follows: \$145,012 is nonspendable (i.e. prepaids); \$984,526 is restricted for expenditures relating to IMRF in future fiscal periods; and \$3,696,520 is unassigned. At fiscal year end, unassigned fund balance as a percentage of total expenditures equated to 35%, which is the equivalent of approximately four to five months of operating reserves.

Proprietary Funds - The United City of Yorkville's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. The net position of the City's proprietary funds at the end of the year totaled \$48,374,219, allocated between the Water and Sewer Funds in the amounts of \$23,078,404 and \$25,295,815, respectively. Both Funds significantly increased capital spending in the current fiscal year, for a combined total of \$0.93 million, as part of a planned budgetary spend down of current assets.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The United City of Yorkville's investment in capital assets for its governmental and business-type activities as of April 30, 2015 totaled \$139,333,698 (net of accumulated depreciation). Investments in capital assets include land, land improvements, construction in progress (CIP), infrastructure (roadway improvements, sanitary sewer lines, storm sewers and water lines), buildings, equipment and vehicles. The following table summarizes the changes in the City's capital assets for governmental and business-type activities.

Change in Capital Assets - Governmental Activities (in millions)

	Balance May 1, 2014	Net Additions/ (Deletions)	Balance April 30, 2015
Non-Depreciable Assets:	\$ 32.8	\$ 1.3	\$ 34.1
Land and Construction in Progress			
Depreciable Capital Assets:			
Infrastructure	44.4	2.7	47.2
Buildings	14.6	-	14.6
Equipment	6.4	0.3	6.7
Vehicles	2.5	(0.1)	2.4
Accumulated Depreciation on Capital Assets	(23.6)	(1.7)	(25.3)
Total Capital Assets, Net	\$ 77.1	\$ 2.5	\$ 79.6

Total net capital assets for the City's governmental activities increased in fiscal year 2015 by \$2,505,715, due primarily to street infrastructure improvements and developer donations.

During the fiscal year depreciation expense totaling \$2,001,005 was charged to the following functions: General Government (\$68,399), Public Safety (\$77,249), Public Works (\$1,277,766), Library (\$181,119) and Parks and Recreation (\$396,472).

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

Change in Capital Assets - Business-Type Activities (in millions)

	Balance May 1, 2014	Net Additions/ Deletions	Balance April 30, 2015
Non-Depreciable Assets:	\$ 1.8	\$ 0.3	\$ 2.1
Land and Construction in Progress			
Depreciable Capital Assets:			
Infrastructure	51.3	0.6	52.0
Equipment	18.9	-	18.9
Vehicles	-	0.4	0.4
Accumulated Depreciation on Capital Assets	(12.2)	(1.4)	(13.6)
Total Capital Assets, Net	\$ 59.8	\$ (0.1)	\$ 59.7

Net capital assets decreased by \$117,247 in the current fiscal year, as depreciation expense exceeded additions. Capital asset additions for the year totaled \$658,873, which were comprised of City constructed water and sewer main improvements and a new tractor truck. During the fiscal year depreciation expense of \$572,879 and \$834,610 was charged to the Water and Sewer Fund functional expense categories, respectively. For more detailed information related to capital assets, see Note 3 to the financial statements, beginning on page 34.

Debt Administration

As of April 30, 2015, the United City of Yorkville had total debt outstanding of \$42,224,309, comprised of general obligation and alternative revenue source bonds, debt certificates, developer commitments and loans payable. This amount is partially comprised of eight alternative revenue bonds which pledge income, sales, incremental property taxes, and water/sewer revenues. In addition, these bonds can be reverted to the property tax rolls should the alternative revenue source prove to be inadequate.

	Governmental Activities	Business-Type Activities	Total
General Obligation & Alternative Revenue Source Bonds	\$ 16,120,000	\$ 15,700,000	\$ 31,820,000
Debt Certificates	-	5,865,000	5,865,000
Developer Commitments	-	1,942,898	1,942,898
Loans Payable	901,907	1,694,504	2,596,411
	\$ 17,021,907	\$ 25,202,402	\$ 42,224,309

The City's general obligation debt is rated AA- by Standard & Poor's Ratings Services, which was most recently affirmed in June of 2015. Fitch Ratings currently rates the City's unlimited tax general obligation bonds at A+. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the City is \$35,951,450. The amount of debt applicable to that limit is \$14,855,000. For more detailed information related to long-term debt, see Note 3 to the financial statements, beginning on page 37.

UNITED CITY OF YORKVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Despite major road improvements on Yorkville's main arterial roadways, the City's sales tax base continues to remain strong, as indicated by the fact that sales tax has grown an average of 4.2% per annum over the last two fiscal years. Other major revenues have proved resilient as well, with income tax, local use tax, and permit fees all surpassing prior year amounts. Thus, based on the overall operating results of fiscal year 2015, it would appear that the local economy continues to improve and that development in Yorkville continues to carry on in a positive manner, as the City continues to develop economic incentives and other measures to attract and retain businesses.

As the City moved forward into fiscal year 2016, management continued its practice of conservatively projecting revenues, while looking for ways to reduce expenditures, in order to maintain adequate fund balances and cash reserves. In addition, management continues to monitor the fiscal activities of the State of Illinois, in order to ascertain the impact, if any, of how potential State budget cuts would impact the local share of State revenues. Looking ahead into fiscal year 2016, the General Fund budget is expected to essentially break-even, yielding a minor surplus of approximately \$10,000. The upcoming fiscal year General Fund budget includes funding for several projects and initiatives including: increased capital spending for police and street department vehicles; the purchase of a new phone system; increased economic development funding; and the continuation of revisions to the City's comprehensive plan.

The preponderance of capital expenditures for the upcoming fiscal year will consist of the Game Farm Road and Countryside subdivision projects, budgeted at \$2.05 million and \$5.65 million, respectively. In July of 2015 the City issued \$5.575 million in bonds in order to finance water infrastructure improvements in the Countryside subdivision and refund the remaining principal of the 2005 Countryside bonds. Road infrastructure improvements for the Countryside subdivision will be funded by remaining Game Farm Road bond (2014A) proceeds, in the amount of \$1.4 million.

The City will also continue its "Road to Better Roads" program, with approximately \$1.3 million budgeted for water, sanitary sewer, storm sewer and roadway improvements. Other capital projects planned for the new fiscal year include: downtown streetscape improvements; sanitary sewer lining; Route 71 water main relocations; water well rehabilitations; and a water works systems master plan.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to the Director of Finance, United City of Yorkville, 800 Game Farm Road, Yorkville, Illinois 60560.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
 - Governmental Funds
 - Proprietary Funds
 - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Position
April 30, 2015

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 11,302,208	2,294,678	13,596,886
Receivables - Net	7,654,109	793,283	8,447,392
Prepays	178,296	42,844	221,140
Due from Other Governments	169,774	-	169,774
Total Current Assets	19,304,387	3,130,805	22,435,192
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	34,101,744	2,064,953	36,166,697
Depreciable Capital Assets	70,828,061	71,230,752	142,058,813
Accumulated Depreciation	(25,287,830)	(13,603,982)	(38,891,812)
Total Capital Assets	79,641,975	59,691,723	139,333,698
Other Assets			
Assets Held for Others	-	11,091,000	11,091,000
Total Noncurrent Assets	79,641,975	70,782,723	150,424,698
Total Assets	98,946,362	73,913,528	172,859,890
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	121,659	245,593	367,252
Total Assets and Deferred Outflows of Resources	99,068,021	74,159,121	173,227,142

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,449,666	134,480	1,584,146
Retainage Payable	70,920	37,591	108,511
Deposits Payable	275,467	5,000	280,467
Accrued Payroll	185,862	22,233	208,095
Accrued Interest Payable	220,772	302,287	523,059
Other Payables	606,841	1,910	608,751
Current Portion of Long-Term Debt	1,133,553	2,120,897	3,254,450
Total Current Liabilities	3,943,081	2,624,398	6,567,479
Noncurrent Liabilities			
Compensated Absences Payable	370,692	38,467	409,159
Net Pension Obligation Payable	605,245	-	605,245
Notes Payable	786,027	-	786,027
IEPA Loans Payable	-	1,504,139	1,504,139
General Obligation Bonds Payable	15,195,000	14,455,000	29,650,000
Debt Certificates Payable	-	5,220,000	5,220,000
Other Liabilities	1,890	1,942,898	1,944,788
Total Noncurrent Liabilities	16,958,854	23,160,504	40,119,358
Total Liabilities	20,901,935	25,784,902	46,686,837
DEFERRED INFLOWS OF RESOURCES			
Property and State Taxes	5,387,170	-	5,387,170
Total Liabilities and Deferred Inflows of Resources	26,289,105	25,784,902	52,074,007

	Governmental Activities	Business- Type Activities	Totals
NET POSITION			
Net Investment in Capital Assets			
Restricted	66,706,243	46,482,812	113,189,055
IMRF	984,526	-	984,526
Library Operations	474,074	-	474,074
Special Service Areas	15,462	-	15,462
Motor Fuel Tax	914,133	-	914,133
Land Cash	117,430	-	117,430
Tax Increment Financing Districts	238,478	-	238,478
Unrestricted	3,328,570	1,891,407	5,219,977
Total Net Position	72,778,916	48,374,219	121,153,135

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Position
April 30, 2015

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Activities
For the Fiscal Year Ended April 30, 2015

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/Contributions	Capital Grants/Contributions
Governmental Activities	\$ 4,075,153	2,885,990	-	62,761
General Government	930,024	44,522	26,934	-
Library	2,381,698	352,714	50,314	40,144
Parks and Recreation	4,393,482	-	-	-
Public Safety	592,588	-	-	-
Community Development	3,140,446	866,162	-	665,518
Public Works	611,243	-	-	-
Interest on Long-Term Debt	16,124,634	3,283,226	943,410	768,423
Total Governmental Activities				
Business-Type Activities	1,704,058	1,186,389	-	6,805
Sewer	2,792,755	2,626,114	-	-
Water	4,496,813	3,812,503	-	6,805
Total Business-Type Activities				
	20,621,447	7,095,729	943,410	775,228

General Revenues	
Taxes	
Property Taxes	4,850,981
Utility Taxes	1,600,296
Other Taxes	1,127,859
Intergovernmental - Unrestricted	
Sales Taxes	4,782,712
Income Taxes	1,735,422
Interest Income	(176,911)
Miscellaneous	1,736,079
Transfers - Internal Activity	(1,133,972)
Change in Net Position	3,392,891
Net Position - Beginning	69,386,025
Net Position - Ending	72,778,916

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues	
Primary Government	
Governmental Activities	(11,129,575)
Business Activities	(677,505)
Totals	(11,807,080)

Governmental Activities	(1,126,402)	-	(1,126,402)
	(858,568)	-	(858,568)
	(1,938,526)	-	(1,938,526)
	(4,393,482)	-	(4,393,482)
	(592,588)	-	(592,588)
	(1,608,766)	-	(1,608,766)
	(611,243)	-	(611,243)
	(11,129,575)	-	(11,129,575)
Business Activities	-	(510,864)	(510,864)
	-	(166,641)	(166,641)
	-	(677,505)	(677,505)
	(11,129,575)	(677,505)	(11,807,080)
Governmental Activities	4,850,981	-	4,850,981
	1,600,296	-	1,600,296
	1,127,859	-	1,127,859
	4,782,712	-	4,782,712
	1,735,422	-	1,735,422
	(176,911)	11,206	(165,705)
	1,736,079	174,404	1,910,483
	(1,133,972)	1,133,972	-
	14,522,466	1,319,582	15,842,048
Change in Net Position	3,392,891	642,077	4,034,968
Net Position - Beginning	69,386,025	47,732,142	117,118,167
Net Position - Ending	72,778,916	48,374,219	121,153,135

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2015

	General
Cash and Investments	\$ 3,207,295
Receivables - Net of Allowances	
Property Taxes	3,141,677
Accounts	212,142
Other Taxes	2,486,423
Due from Other Governments	2,073
Due from Other Funds	604,823
Prepays	145,012
Total Assets	9,799,445

ASSETS

	Special Revenue		Capital Projects		Totals
	Library	Parks and Recreation	Citywide Capital	Nonmajor	
	520,708	763,557	5,359,277	1,451,371	11,302,208
	1,441,846	-	-	165,527	4,749,050
	30	1,417	149,231	15,295	378,115
	1,163	-	-	39,355	2,526,941
	-	-	46,898	120,803	169,774
	-	-	12,266	7,842	624,931
	5,323	19,684	1,510	6,767	178,296
Total Assets	1,969,070	784,658	5,569,182	1,806,960	19,929,315

LIABILITIES

Accounts Payable	784,538
Retainage Payable	-
Deposit Payable	267,352
Accrued Payroll	141,700
Due to Other Funds	-
Other Payables	-
Total Liabilities	1,193,590

	8,060	86,447	390,546	180,075	1,449,666
	-	-	53,595	17,325	70,920
	-	8,115	-	-	275,467
	15,161	29,001	-	-	185,862
	-	-	-	624,928	624,928
	24,606	103,558	440,333	38,344	606,841
	47,827	227,121	884,474	860,672	3,213,684

DEFERRED INFLOWS OF RESOURCES

Property and State Taxes	3,779,797
Total Liabilities and Deferred Inflows of Resources	4,973,387

	1,441,846	-	-	165,527	5,387,170
	1,489,673	227,121	884,474	1,026,199	8,600,854

FUND BALANCES

Nonspendable	145,012
Restricted	984,526
Committed	-
Assigned	3,696,520
Unassigned	4,826,058
Total Fund Balances	9,799,445
Total Liabilities, Deferred Inflows of Resources and Fund Balances	9,799,445

	5,323	19,684	1,510	6,767	178,296
	474,074	-	-	1,293,345	2,751,945
	-	537,853	-	-	537,853
	-	-	4,683,198	105,577	4,788,775
	-	-	-	(624,928)	3,071,592
	479,397	557,537	4,684,708	780,761	11,328,461
Total Fund Balances	1,969,070	784,658	5,569,182	1,806,960	19,929,315

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Reconciliation of Total Governmental Fund Balance to
Net Position of Governmental Activities

April 30, 2015

Total Governmental Fund Balances \$ 11,328,461

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 funds.

79,641,975

See Following Page

Long-term liabilities are not due and payable in the current
period and, therefore, are not reported in the funds.

Accrued Interest Payable	(220,772)
Compensated Absences Payable	(463,365)
Net Pension Obligation Payable	(605,245)
Notes Payable	(901,907)
General Obligation Bonds Payable	(16,120,000)
Unamortized Loss on Refunding	121,659
Other Obligations Payable	(1,890)
	<u>72,778,916</u>

Net Position of Governmental Activities

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2015

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2015

	General	Special Revenue	Parks and Recreation	Capital Projects Citywide Capital	Nominal	Totals
Revenues						
Taxes	\$ 10,052,792	1,354,712	-	-	423,258	11,830,762
Intergovernmental	2,295,134	26,934	-	62,761	642,965	3,027,794
Licenses, Permits and Fees	173,126	25,325	-	105,266	75,525	379,242
Charges for Services	1,290,493	10,841	352,714	693,467	401,680	2,749,195
Fines and Forfeits	1,37,252	8,356	-	9,181	154,789	285,029
Grants and Donations	-	-	9,317	-	275,712	285,029
Interest	(60,469)	(7,940)	697	(110,207)	1,008	(176,911)
Miscellaneous	190,995	19,949	175,940	1,261,619	87,576	1,736,079
Total Revenues	14,079,323	1,438,177	538,668	2,012,906	1,916,905	19,985,979
Expenditures						
Current						
General Government	3,743,738	-	-	128,895	38,002	3,910,635
Library	-	748,905	-	-	-	748,905
Parks and Recreation	-	-	1,805,222	-	236,570	2,041,792
Public Safety	4,315,151	-	-	-	22,422	4,337,573
Community Development	592,588	-	-	-	-	592,588
Public Works	1,977,692	-	-	-	384,135	2,361,827
Capital Outlay	-	-	-	2,223,562	1,061,927	3,285,489
Debt Service	-	-	-	-	-	-
Principal Retirement	-	505,000	-	75,000	264,112	844,112
Interest and Fiscal Charges	-	228,010	-	52,025	216,055	496,090
Total Expenditures	10,629,169	1,481,915	1,805,222	2,479,482	2,223,223	18,619,011
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,450,154	(43,738)	(1,266,554)	(466,576)	(306,318)	1,366,968
Other Financing Sources (Uses)						
Debt Issuance	-	-	-	4,370,678	2,300,000	6,670,678
Premium on Debt Issuance	-	-	-	49,789	69,891	119,680
Payment to Escrow Agent	-	-	-	-	(2,359,115)	(2,359,115)
Transfers In	2,209	25,189	1,277,606	63,296	7,148	1,375,448
Transfers Out	(2,486,886)	-	-	(9,034)	(13,500)	(2,509,420)
	(2,484,677)	25,189	1,277,606	4,474,729	4,424	3,297,271
Net Change in Fund Balances	965,477	(18,549)	11,052	4,008,153	(301,894)	4,664,239
Fund Balances - Beginning	3,860,581	497,946	546,485	676,555	1,082,655	6,664,222
Fund Balances - Ending	4,826,058	479,397	557,537	4,684,708	780,761	11,328,461

The notes to the financial statements are an integral part of this statement.

	Special Revenue	Parks and Recreation	Capital Projects Citywide Capital	Nominal	Totals
Library	1,354,712	-	-	423,258	11,830,762
	26,934	-	62,761	642,965	3,027,794
	25,325	-	105,266	75,525	379,242
	10,841	352,714	693,467	401,680	2,749,195
	8,356	-	9,181	154,789	285,029
	-	9,317	-	275,712	285,029
	(7,940)	697	(110,207)	1,008	(176,911)
	19,949	175,940	1,261,619	87,576	1,736,079
	1,438,177	538,668	2,012,906	1,916,905	19,985,979
	-	-	128,895	38,002	3,910,635
	748,905	-	-	-	748,905
	-	1,805,222	-	236,570	2,041,792
	-	-	-	22,422	4,337,573
	-	-	-	-	592,588
	-	-	-	384,135	2,361,827
	-	-	2,223,562	1,061,927	3,285,489
	505,000	-	75,000	264,112	844,112
	228,010	-	52,025	216,055	496,090
	1,481,915	1,805,222	2,479,482	2,223,223	18,619,011
	(43,738)	(1,266,554)	(466,576)	(306,318)	1,366,968
	-	-	4,370,678	2,300,000	6,670,678
	-	-	49,789	69,891	119,680
	-	-	-	(2,359,115)	(2,359,115)
	25,189	1,277,606	63,296	7,148	1,375,448
	-	-	(9,034)	(13,500)	(2,509,420)
	25,189	1,277,606	4,474,729	4,424	3,297,271
	(18,549)	11,052	4,008,153	(301,894)	4,664,239
	497,946	546,485	676,555	1,082,655	6,664,222
	479,397	557,537	4,684,708	780,761	11,328,461

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 4,664,239

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	4,506,720
Depreciation Expense	(2,001,005)

See Following Page

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Loss on Refunding	(75,632)
Issuance of General Obligation Bonds	(6,595,000)
Issuance of Notes Payable	(75,678)
Additions to Compensated Absences Payable	(102,425)
Deductions to Net Pension Obligation Payable	21,340
Deductions to Net Other Post-Employment Benefit Obligation Payable	6,306
Retirement of Debt	3,109,112

Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

	(65,086)
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Changes in Net Position of Governmental Activities

	3,392,891
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The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2015

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2015

	Business-Type Activities - Enterprise		
	Sewer	Water	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 1,683,964	610,714	2,294,678
Receivables - Net of Allowances			
Accounts	185,839	607,444	793,283
Prepays	11,375	31,469	42,844
Total Current Assets	1,881,178	1,249,627	3,130,805
Noncurrent Assets			
Capital Assets			
Nondepreciable	191,983	1,872,970	2,064,953
Depreciable	30,023,677	41,207,075	71,230,752
Accumulated Depreciation	(3,642,681)	(9,961,301)	(13,603,982)
	26,572,979	33,118,744	59,691,723
Other Assets			
Assets Held for Others	11,091,000	-	11,091,000
Total Noncurrent Assets	37,663,979	33,118,744	70,782,723
Total Assets	39,545,157	34,368,371	73,913,528
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	29,763	215,830	245,593
Total Assets and Deferred Outflows of Resources	39,574,920	34,584,201	74,159,121

The notes to the financial statements are an integral part of this statements.

	Business-Type Activities - Enterprise		
	Sewer	Water	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 16,936	117,544	134,480
Retainage Payable	21,725	15,866	37,591
Deposits Payable	5,000	-	5,000
Accrued Payroll	7,913	14,320	22,233
Accrued Interest Payable	176,855	125,432	302,287
Other Payables	-	1,910	1,910
Current Portion of Long-Term Debt	1,331,140	789,757	2,120,897
Total Current Liabilities	1,559,569	1,064,829	2,624,398
Noncurrent Liabilities			
Compensated Absences Payable	11,763	26,704	38,467
IEPA Loans Payable	355,756	1,148,383	1,504,139
General Obligation Bonds Payable	10,390,000	4,065,000	14,455,000
Debt Certificates Payable	945,000	4,275,000	5,220,000
Other Liabilities	1,017,017	925,881	1,942,898
Total Noncurrent Liabilities	12,719,536	10,440,968	23,160,504
Total Liabilities	14,279,105	11,505,797	25,784,902
NET POSITION			
Net Investment in Capital Assets	23,401,165	23,081,647	46,482,812
Unrestricted	1,894,650	(3,243)	1,891,407
Total Net Position	25,295,815	23,078,404	48,374,219

The notes to the financial statements are an integral part of this statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2015

	Business-Type Activities - Enterprise		
	Sewer	Water	Totals
Operating Revenues			
Charges for Services	\$ 1,145,389	2,500,631	3,646,020
Operating Expenses			
Operations	495,763	1,433,792	1,929,555
Depreciation and Amortization	578,366	893,040	1,471,406
Total Operating Expenses	1,074,129	2,326,832	3,400,961
Operating Income	71,260	173,799	245,059
Nonoperating Revenues (Expenses)			
Interest Income	9,173	2,033	11,206
Connection Fees	41,000	125,483	166,483
Other Income	112,684	61,720	174,404
Interest Expense	(629,929)	(465,923)	(1,095,852)
	(467,072)	(276,687)	(743,759)
Income (Loss) Before Contributions and Transfers	(395,812)	(102,888)	(498,700)
Capital Contributions	6,805	-	6,805
Transfers In	1,133,972	83,588	1,217,560
Transfers Out	(83,588)	-	(83,588)
Change in Net Position	661,377	(19,300)	642,077
Net Position - Beginning	24,634,438	23,097,704	47,732,142
Net Position - Ending	25,295,815	23,078,404	48,374,219

The notes to the financial statements are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2015

	Business-Type Activities - Enterprise		
	Sewer	Water	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 1,292,647	2,561,351	3,853,998
Payments to Employees	(198,716)	(365,936)	(564,652)
Payments to Suppliers	(296,211)	(1,046,628)	(1,342,839)
	797,720	1,148,787	1,946,507
Cash Flows from Noncapital Financing Activities			
Transfers In	1,133,972	83,588	1,217,560
Transfers (Out)	(83,588)	-	(83,588)
	1,050,384	83,588	1,133,972
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(808,521)	(474,916)	(1,283,437)
Issuance of Capital Debt	-	1,290,000	1,290,000
Payment to Escrow Agent	-	(1,256,355)	(1,256,355)
Debt Repayment	(1,448,355)	(727,225)	(2,175,580)
Interest Payments	(629,929)	(465,923)	(1,095,852)
	(2,886,805)	(1,634,419)	(4,521,224)
Cash Flows from Investing Activities			
Interest Received	9,173	2,033	11,206
Net Change in Cash and Cash Equivalents	(1,029,528)	(400,011)	(1,429,539)
Cash and Cash Equivalents - Beginning	2,713,492	1,010,725	3,724,217
Cash and Cash Equivalents - Ending	1,683,964	610,714	2,294,678
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	71,260	173,799	245,059
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization Expense	578,366	893,040	1,471,406
Connection Fees/Other Income	153,684	187,203	340,887
(Increase) Decrease in Current Assets	(6,426)	(126,483)	(132,909)
Increase (Decrease) in Current Liabilities	836	21,228	22,064
Net Cash Provided by Operating Activities	797,720	1,148,787	1,946,507
Noncash Activity - Capital Contributions	6,805	-	6,805

The notes to the financial statement are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Net Position - Fiduciary Funds
April 30, 2015

	Police Pension Trust	Agency
ASSETS		
Cash and Cash Equivalents	\$ 254,659	427,885
Investments		
U.S. Government and Agency Securities	2,846,060	-
Mutual Funds	754,242	-
Corporate Bonds	485,868	-
Common Stocks	2,057,172	-
Receivables - Net of Allowances	-	656,332
Accrued Interest	26,393	-
Total Assets	6,424,394	1,084,217
LIABILITIES		
Accounts Payable	1,645	-
Other Liabilities	-	1,084,217
Due to Other Funds	3	-
Total Liabilities	1,648	1,084,217
NET POSITION		
Held in Trust for Pension Benefits	6,422,746	-

The notes to the financial statement are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Statement of Changes in Net Position - Fiduciary Fund
For the Fiscal Year Ended April 30, 2015

	Police Pension Trust
Additions	
Contributions - Employer	\$ 624,168
Contributions - Plan Members	214,237
Total Contributions	838,405
Investment Income	144,927
Interest Earned	216,931
Net Change in Fair Value	361,858
Less Investment Expenses	(18,268)
Net Investment Income	343,590
Total Additions	1,181,995
Deductions	
Administration	14,285
Benefits and Refunds	435,435
Total Deductions	449,720
Change in Net Position	732,275
Net Position Held in Trust for Pension Benefits	
Net Position - Beginning	5,690,471
Net Position - Ending	6,422,746

The notes to the financial statement are an integral part of this statement.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The United City of Yorkville (City) is an Illinois unit of local government. The financial statements include all functions, programs and activities under control of the City Council. The City's major operations include public safety, public works, library, parks and recreation, community development, water and sewer services, and general administration. The City Council has oversight responsibility for the City, the Public Library and the Park and Recreation Board. Oversight responsibility includes designation of management and all other control over operations of these entities.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the City's accounting policies established in GAAP and used by the City are described below.

REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government: United City of Yorkville

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the City. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary City because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's public safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, parks and recreation, planning and zoning, and general administrative services are classified as governmental activities. The City's sewer, and water services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, highways and streets, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either have debt outstanding or a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains eight special revenue funds. The Library Fund, a major fund, is used to account for the activity relating to the Yorkville Public Library. The revenue sources for the Library Fund are property taxes. The Parks and Recreation Fund, also a major fund, is used to account for the revenues and expenditures associated with Yorkville's Parks and Recreation departments. The revenue sources for the Parks and Recreation Fund are charges for services.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The City maintains one debt service fund.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains two capital projects funds. The Citywide Capital Fund, a major fund, is used to account for financial resources accumulated for maintenance of public infrastructure and to fund new capital improvements that benefit the public.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains two enterprise funds. The Sewer Fund, a major fund, is used to account for the operation and sewer infrastructure maintenance of the City-owned sewer system, as well as the construction of new sewer systems within City limits. Revenues are generated through a user maintenance fee. The Water Fund, also a major fund, is used to account for the operation and water infrastructure maintenance of the City-owned water distribution system, as well as the construction of new water systems. Revenues are generated through charges based on water consumption and user maintenance fees.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the City for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity by the City for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the government through an annual property tax levy.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds – Continued

Agency funds are used to account for assets held by the City in a purely custodial capacity. The Developer Deposit Fund is used to account for developer deposits that are used to reimburse the City for all expenses incurred as a result of processing developer applications and requests. The Escrow Deposit Fund is used to account for various funds collected on behalf of other governmental agencies.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70.

A sixty day availability is generally used for revenue recognition for all other governmental fund revenues. Income tax will exceed the sixty day recognition period due to the State of Illinois and the long delay with releasing these funds. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, state and utility taxes, franchise taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables balances for governmental activities include property taxes, state and utility taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Prepays

Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 to \$75,000 (see chart below) or more are reported at historical cost or estimated historical cost. Contributed assets are reported at estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Capital Asset	Capitalized Threshold	Estimated Useful Life
Land	\$ 25,000	N/A
Land Improvements	25,000	N/A
Buildings	35,000	10 - 50 Years
Building Improvements	25,000	10 - 20 Years
Machinery and Equipment	5,000	5 - 75 Years
Vehicles	5,000	5 - 15 Years
Software	25,000	2 - 5 Years
Infrastructure - Street and Storm Sewer	50,000	10 - 75 Years
Infrastructure - Water and Sewer	75,000	10 - 75 Years

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Compensated Absences

The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Assets Held for Others

In June of 2004, the City entered into an intergovernmental agreement with Yorkville-Bristol Sanitary District for design and construction of the Rob Roy Creek Interceptor. At the date of completion, the Yorkville-Bristol Sanitary District owns and maintains the Interceptor. All costs associated with the construction of the infrastructure asset are recorded as Assets Held for Others in the City's financial statements. As of April 30, 2015, the balance of this project was \$11,091,000 reported in the Sewer Fund. In connection with this project, the City issued General Obligation Alternate Revenue Source Bonds of 2005D in the fiscal year 2006 for \$11,300,000, which were refunded in 2008 and again in 2011. At April 30, 2015, the outstanding balance of the 2011 refunding bonds is \$9,805,000. See Note 3 for more information on this long-term debt issue.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types 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 debt service expenditures.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for all funds. All annual appropriations lapse at fiscal year end. During the year, several supplementary appropriations were necessary. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to May 1, the Mayor submits to the City Council the proposed budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at the City offices to obtain taxpayer comments.
- Prior to May 1, the budget is legally adopted by a vote of the City Council through passage of an ordinance.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

- The budget officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year.

Fund	Excess
Vehicle and Equipment	\$ 1,222

DEFICIT FUND BALANCE

The following funds had deficit fund balance/net position as of the date of this report:

Fund	Deficit
Countywide TIF	\$ 604,820
Sunflower Special Service Area	20,108

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust fund. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

Permitted Deposits and Investments – Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund (IMET).

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS – Continued

The deposits and investments of the Pension Fund are held separately from those of other City funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies and loan associations chartered by the United States of America or by the State of Illinois; to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

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

City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits: At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$9,399,183 and the bank balances totaled \$9,777,424. Additionally, the City has \$4,197,703 invested in the Illinois Fund at year-end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy states that a variety of financial instruments and maturities, properly balanced, will help to insure liquidity and reduce risk or interest rate volatility and

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

loss of principal. The policy does not state specific limits in investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year-end, the City's investment in the Illinois Funds have an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in management of their own affairs, no for speculation, but for investment, considering the safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the prudent person standard and shall be applied in the context of managing an overall portfolio. At year-end, the City's investment in the Illinois Funds is rated AAAAm by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this 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 that all amounts in excess of any insurance limits be collateralized by approved securities or surety bonds issued by top-rated insurers, having a value of at least 110% of the deposits. Collateral is required as security whenever deposits exceed the insurance limits of the FDIC. Repurchase agreements must also be collateralized in the amount of 105% of the market value of principal and accrued interest. Collateral shall be held at an independent, third party institution in the name of the City. The third party institution shall comply with all qualifications and requirements asset forth in the Illinois Compiled Statutes 30 ILCS 235/6. At year end, all deposits are collateralized.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the City's investment in the Illinois Funds are noncategorizable.

Concentration Risk. This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that a variety of financial instruments and maturities, properly balanced, will help to insure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying instruments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions. The City shall diversify to the best of its ability based on the type of funds invested and the cash flow needs of those funds. The City places no limit on the amount the City may invest in any one issuer. At year-end, the City's investment in Illinois Funds represent more than 5 percent of the total cash and investment portfolio.

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$254,659 and the bank balances totaled \$254,659.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. At year-end, the Fund has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 1,763,570	65,010	1,046,947	651,613	-
U.S. Agencies	1,082,490	207,858	688,309	138,869	47,454
Corporate Bonds	485,868	45,049	415,168	25,651	-
	3,331,928	317,917	2,150,424	816,133	47,454

Interest Rate Risk. The Fund's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Fund to meet all operating requirements which may be reasonable anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S. Government Agencies obligations were all rated triple A by Standard & Poor's or by Moody's Investors Services. Besides investing in securities issued by agencies of the United States Government, the Pension Fund's investment policy for reducing credit risk is by the Board conducting its responsibilities with the care, skill and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use the conduct of an activity of like character or purpose.

Custodial Credit Risk. The Fund's investment policy requires all deposits in excess of federally insured limits (other than bank managed money market mutual funds) to be no less than 110% of the fair market value and secured by some form of collateral. The Fund will accept (1) United States Treasury Bills, Notes or Bonds, or (2) United States Government Agency Notes or Bonds as authorized by the Public Funds Investment Act but excluding the government sponsored agencies prohibited by the DOI. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Pension Fund's investment in a single issuer. The Fund's investment policy states the Board should diversify investments to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions. In addition to the securities and fair values previously listed, the Fund also has \$754,242 invested in mutual funds and \$2,057,172 invested in common stocks. At year-end, there are no investments (other than U.S. Government and U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of net position available for retirement benefits.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	55% - 100%	1.5% - 2.0%
Equities	25% - 45%	6.3% - 6.6%
Real Estate	0% - 5%	9.10%
Cash and Cash Equivalents	0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in April 2015 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are listed in the table above.

Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2014 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Transfers (Out)	Ending Balances
Nondepreciable Capital Assets					
Land	\$ 30,266,179	-	-	-	30,266,179
Construction in Progress	2,562,090	3,262,380	1,988,905	-	3,835,565
	32,828,269	3,262,380	1,988,905	-	34,101,744
Depreciable Capital Assets					
Buildings	14,573,556	-	-	-	14,573,556
Equipment	6,402,552	402,083	85,000	-	6,719,635
Vehicles	2,475,523	102,365	-	(220,375)	2,357,513
Infrastructure	44,448,560	2,728,797	-	-	47,177,357
	67,900,191	3,233,245	85,000	(220,375)	70,828,061
Less: Accumulated Depreciation					
Buildings	2,961,120	291,471	-	-	3,252,591
Equipment	4,136,828	433,685	85,000	-	4,485,513
Vehicles	2,327,273	53,806	-	(220,375)	2,160,704
Infrastructure	14,166,979	1,222,043	-	-	15,389,022
	23,592,200	2,001,005	85,000	(220,375)	25,287,830
Total Net Depreciable Capital Assets	44,307,991	1,232,240	-	-	45,540,231
Total Net Capital Assets	77,136,260	4,494,620	1,988,905	-	79,641,975

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 68,399
Library	181,119
Parks and Recreation	396,472
Public Safety	77,249
Public Works	<u>1,277,766</u>
	<u>2,001,005</u>

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Transfers In	Ending Balances
Nondepreciable Capital Assets					
Land	\$ 615,376	-	-	-	615,376
Construction in Progress	1,140,724	423,239	114,386	-	1,449,577
	<u>1,756,100</u>	<u>423,239</u>	<u>114,386</u>	<u>-</u>	<u>2,064,953</u>
Depreciable Capital Assets					
Equipment	18,898,799	-	-	-	18,898,799
Vehicles	-	379,986	220,375	220,375	379,986
Infrastructure	51,350,564	601,403	-	-	51,951,967
	<u>70,249,363</u>	<u>981,389</u>	<u>220,375</u>	<u>220,375</u>	<u>71,230,752</u>
Less Accumulated Depreciation					
Equipment	5,653,319	434,603	-	-	6,087,922
Vehicles	-	27,142	220,375	220,375	271,142
Infrastructure	6,543,174	945,744	-	-	7,488,918
	<u>12,196,493</u>	<u>1,407,489</u>	<u>220,375</u>	<u>220,375</u>	<u>13,603,982</u>
Total Net Depreciable Capital Assets	58,052,870	(426,100)	-	-	57,626,770
Total Net Capital Assets	<u>59,808,970</u>	<u>(2,861)</u>	<u>114,386</u>	<u>-</u>	<u>59,691,723</u>

Depreciation expense was charged to business-type activities as follows:

Sewer	\$ 834,610
Water	<u>572,879</u>
	<u>1,407,489</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report is as follows:

Receivable Fund	Payable Fund	Amount
General	Countryside TIF	\$ 604,820
General	Police Pension	3
Citywide Capital	Nonmajor Governmental	12,266
Nonmajor Governmental	Nonmajor Governmental	<u>7,842</u>
		<u>624,931</u>

The purposes of the significant interfund receivables/payables are as follows:

- \$604,820 due from the Countryside TIF Fund to the General Fund representing cash borrowings which occurred during the year.

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Citywide Capital	\$ 2,209
Library	General	25,189
Parks and Recreation	General	1,277,606
Citywide Capital	General	49,796
Nonmajor Governmental	General	323
Citywide Capital	Nonmajor Governmental	13,500
Nonmajor Governmental	Citywide Capital	6,825
Sewer	General	1,133,972
Water	Sewer	83,588
		<u>2,593,008</u>

The purpose of significant interfund transfers are as follows:

- \$1,277,606 to the Parks and Recreation Fund to subsidize operations.
- \$1,133,972 to the Sewer Fund to fund debt service payments on the 2011 Refunding Bonds sourced from Non-Home Rule Sales Taxes.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Notes Payable

The City enters into notes payable to provide funds for acquisition of capital assets. Notes payable have been issued for the governmental activities. Notes payable are direct obligations and pledge the full faith and credit of the City. Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Betzweiser Development, LLC Adjustable Rate Note Payable of 2008, due in monthly installments of \$6,086, which includes an annualized interest rate of 4.43% through October 1, 2028.	Public Works Capital	\$ 783,528	-	39,112	744,416
Kendall County River Road Bridge Loan Payable of 2013, payable in annual installments equal to one-sixth of the amount borrowed through October 31, 2018.	Citywide Capital	156,813	75,678	75,000	157,491
		940,341	75,678	114,112	901,907

Illinois Environmental Protection Agency (IEPA) Loans Payable

The City has entered into loan agreements with the IEPA to provide low interest financing for sewer and water improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA (L17-115300) Loan Payable of 2000, due in semi-annual installments of \$37,166 to \$52,832 including interest at 2.625% through September 6, 2019.	Sewer	\$ 544,932	-	93,355	451,577

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Illinois Environmental Protection Agency (IEPA) Loans Payable – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA (L17-1156300) Loan Payable of 2007, due in semi-annual installments of \$28,263 to \$61,744 including interest at 2.50% through August 9, 2026.	Water	\$ 1,335,152	-	92,225	1,242,927
		1,880,084	-	185,580	1,694,504

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds issued for business-type activities are reported in the proprietary funds as they are expected to be repaid from proprietary revenues. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Bonds of 2004B, due in annual installments of \$120,000 to \$455,000 plus interest at 2.50% to 4.00% through December 30, 2018.					
General Obligation Alternate Revenue Source Bonds of 2005, due in annual installments of \$165,000 to \$300,000 plus interest at 3.50% to 4.35% through Countryside	Sewer	\$ 2,070,000	-	375,000	1,695,000

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Alternate Revenue Source Bonds of 2005A, due in annual installments of \$30,000 to \$335,000 plus interest at 4.00% to 4.375% through December 30, 2022.	Debt Service	\$ 2,490,000	-	2,265,000 *	-
General Obligation Alternate Revenue Source Bonds of 2005C, due in annual installments of \$35,000 to \$150,000 plus interest at 3.50% to 5.50% through December 30, 2024.	Water	1,370,000	-	1,270,000 *	-
General Obligation Library Bonds of 2006, due in annual installments of \$50,000 to \$100,000 plus interest at 4.75% to 4.80% through December 30, 2024.	Library	725,000	-	50,000	675,000
General Obligation Refunding Alternate Revenue Source Bonds of 2007A, due in annual installments of \$10,000 to \$750,000 plus interest at 4.00% to 4.25% through December 30, 2022.	Water	2,925,000	-	15,000	2,910,000
General Obligation Refunding Alternate Revenue Source Bonds of 2011, due in annual installments of \$660,000 to \$1,100,000 plus interest at 4.280% through December 30, 2025.	Sewer	10,490,000	-	685,000	9,805,000
* Refunded					

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Library Refunding Bonds of 2013, due in annual installments of \$155,000 to \$730,000 plus interest at 2.00% to 4.00% through December 30, 2024.	Library	\$ 6,470,000	-	455,000	6,015,000
General Obligation Refunding Alternate Revenue Source Bonds of 2014, due in annual installments of \$230,000 to \$270,000 plus interest at 4.00% to 4.30% through December 1, 2029.	Countryside TIF	1,235,000	-	-	1,235,000
General Obligation Refunding Alternate Revenue Source Bonds of 2014A, due in annual installments of \$135,000 to \$300,000 plus interest at 3.00% to 4.00% through December 1, 2033.	Citywide Capital	-	4,295,000	-	4,295,000
General Obligation Refunding Alternate Revenue Source Bonds of 2014B, due in annual installments of \$255,000 to \$320,000 plus interest at 2.00% to 3.00% through December 30, 2022.	Debt Service	-	2,300,000	-	2,300,000
General Obligation Refunding Alternate Revenue Source Bonds of 2014C, due in annual installments of \$120,000 to \$140,000 plus interest at 2.00% to 3.00% through December 30, 2024.	Water	-	1,290,000	-	1,290,000
		29,375,000	7,885,000	5,440,000	31,820,000

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Certificates

The City issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates have been issued for both governmental and business-type activities. Debt Certificates issued for business-type activities are reported in the proprietary funds as they are expected to be repaid from proprietary revenues. Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Rural Bond Bank Debt Certificates of 2003, due in annual installments of \$80,000 to \$155,000 plus interest at 1.60% to 5.20% through February 1, 2023.	Sewer	\$ 1,160,000	-	105,000	1,055,000
Debt Certificates of 2003, due in annual installments of \$100,000 to \$300,000 plus interest at 3.80% to 5.00% through December 15, 2018.	Water	700,000	-	100,000	600,000
Debt Certificates of 2004A, due in annual installments of \$135,000 to \$190,000 plus interest at 1.40% to 3.60% through December 30, 2014.	Sewer	190,000	-	190,000	-
Refunding Debt Certificates of 2006A, due in annual installments of \$5,000 to \$850,000 plus interest at 4.00% to 4.20% through December 30, 2022.	Water	4,630,000	-	420,000	4,210,000
		6,680,000	-	815,000	5,865,000

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Other Obligations

Other Obligations currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Conover Sewer Recapture owed to John Conover as reimbursement for sewer extension, due in one lump sum payment of \$1,890 in fiscal year 2023.	Governmental Activities	\$ 1,890	-	-	1,890

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 360,940	204,850	102,425	463,365	92,673
Net Pension Obligation	626,585	-	21,340	605,245	-
Net Other Post-Employment Benefit Obligation	6,306	-	6,306	-	-
Notes Payable	940,341	75,678	114,112	901,907	115,880
General Obligation Bonds	12,520,000	6,595,000	2,995,000	16,120,000	925,000
Other Obligations	1,890	-	-	1,890	-
	14,456,062	6,875,528	3,239,183	18,092,407	1,135,553

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 51,708	54,582	27,291	78,999	40,532
IEPA Loans Payable	1,880,084	-	185,580	1,694,504	190,365
General Obligation Bonds	16,855,000	1,290,000	2,445,000	15,700,000	1,245,000
Debt Certificates	6,680,000	-	815,000	5,865,000	645,000
Developer Agreements	1,919,909	85,911	62,922	1,942,898	-
	<u>27,386,701</u>	<u>1,430,493</u>	<u>3,535,793</u>	<u>25,281,401</u>	<u>2,120,897</u>

For the governmental activities, the compensated absences, the net pension obligation, and the net other post-employment benefit obligation are generally liquidated by the General Fund. The Citywide Capital and the Vehicle and Equipment Funds make payment on the notes payable. General obligation bonds are being liquidated by the Library, Countryside TIF, Citywide Capital and Debt Service Funds.

For the business-type activities, the Sewer and Water Funds liquidate compensated absences. The Sewer and Water Funds are making payments on the IEPA loans payable, general obligation bonds, debt certificates and developer agreements.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Principal	Interest	Notes Payable*		Governmental Activities	
			Principal	Interest	Principal	Interest
2016	\$ 40,880	32,154	925,000	584,819		
2017	42,728	30,306	1,005,000	515,846		
2018	44,660	28,374	1,035,000	492,519		
2019	46,679	26,355	1,090,000	468,025		
2020	48,790	24,245	1,355,000	441,537		
2021	50,995	22,039	1,425,000	400,094		
2022	53,301	19,733	1,490,000	353,091		
2023	55,711	17,324	1,555,000	303,957		
2024	58,229	14,805	1,295,000	245,808		
2025	60,862	12,172	1,350,000	194,502		
2026	63,614	9,421	455,000	140,852		
2027	66,490	6,545	465,000	124,902		
2028	69,496	3,539	490,000	108,315		
2029	41,981	622	505,000	88,593		
2030	-	-	535,000	68,010		
2031	-	-	275,000	45,800		
2032	-	-	280,000	34,800		
2033	-	-	290,000	23,600		
2034	-	-	300,000	12,000		
Total	744,416	247,634	16,120,000	4,647,070		

* - No final repayment schedule available for the River Road Bridge Loan

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year	IEPA		Business-Type Activities		Debt	
	Principal	Interest	General Obligation	Bonds	Principal	Interest
2016	\$ 190,365	41,714	1,245,000	639,822	645,000	250,926
2017	195,275	36,805	1,290,000	592,364	675,000	224,412
2018	200,313	31,767	1,350,000	541,042	695,000	196,398
2019	205,480	26,601	1,410,000	487,220	925,000	167,088
2020	157,255	21,300	1,650,000	431,114	985,000	127,674
2021	107,049	17,981	1,710,000	363,548	990,000	85,156
2022	109,742	15,288	1,780,000	292,232	540,000	42,316
2023	112,503	12,527	1,845,000	217,994	410,000	18,580
2024	115,334	9,697	1,140,000	142,856	-	-
2025	118,235	6,795	1,180,000	95,856	-	-
2026	121,209	3,821	1,100,000	47,080	-	-
2027	61,744	772	-	-	-	-
Total	1,694,504	225,068	15,700,000	3,851,128	5,865,000	1,112,550

Non-Commitment Debt

Special service area bonds outstanding as of the date of this report totaled \$75,863,000, Kendall Marketplace business district bonds totaled \$6,665,000 and Kendall Marketplace sales tax bonds totaled \$5,972,000. 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, business district taxes, and sales taxes, respectively. The government is in no way liable for repayment but is only acting as agent for the property owners in levying/assessing and collecting the tax, and forwarding the collections to bondholders.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2014	\$ 416,828,406
Legal Debt Limit - 8.625% of Assessed Value	35,951,450
Amount of Debt Applicable to Limit	14,855,000
General Obligation Bonds	21,096,450

Bond Defeasances

During the current year, the City issued \$7,885,000 par value General Obligation Refunding Alternate Revenue Source Bonds of 2014A, B, and C to fully refund \$2,265,000 of the General Obligation Alternate Revenue Source Bonds of 2005A and fully refund \$1,270,000 of the General Obligation Alternate Revenue Source Bonds of 2005C. The City defeased bonds by placing the proceeds of the 2014B and C new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the City decreased its total debt service by \$320,330 and obtained an economic gain of \$327,325.

In prior years, the government defeased general obligation and alternate revenue source bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$3,315,000 remain outstanding as of the date of this report.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2015:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 79,641,975
Plus Unspent Bond Proceeds	3,964,516
Less Capital Related Debt:	
Notes Payable of 2008	(744,416)
Loan Payable of 2013	(157,491)
General Obligation Alternate Revenue Source Bonds of 2005	(1,600,000)
General Obligation Library Bonds of 2006	(675,000)
General Obligation Library Refunding Bonds of 2013	(6,015,000)
General Obligation Refunding Alternate Revenue Source Bonds of 2014	(1,235,000)
General Obligation Refunding Alternate Revenue Source Bonds of 2014A	(4,295,000)
General Obligation Refunding Alternate Revenue Source Bonds of 2014B	(2,300,000)
Loss on Refunding	121,659
Net Investment in Capital Assets	66,706,243
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	59,691,723
Less Capital Related Debt:	
IEPA (L17-115300) Loan Payable of 2000	(451,577)
IEPA (L17-1156300) Loan Payable of 2007	(1,242,927)
General Obligation Alternate Revenue Source Bonds of 2004B	(1,695,000)
General Obligation Refunding ARS Bonds of 2007A	(2,910,000)
General Obligation Refunding Alternate Revenue Source Bonds of 2014C	(1,290,000)
Illinois Rural Bond Bank Debt Certificates of 2003	(1,055,000)
Debt Certificates of 2003	(600,000)
Refunding Debt Certificates of 2006A	(4,210,000)
Loss on Refunding	245,593
Net Investment in Capital Assets	46,482,812

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	Special Revenue		Capital Projects		Totals
	Library	Parks and Recreation	Citywide Capital	Capital	
Fund Balances					
Nonspendable					
Prepays	\$ 145,012	5,323	19,684	1,510	6,767
Restricted					
IMRF	984,526	-	-	-	984,526
Library Operations	-	474,074	-	-	474,074
Special Service Areas	-	-	-	-	15,462
Motor Fuel Tax	-	-	-	-	9,141,133
Land Cash	-	-	-	-	117,430
Tax Increment Financing Districts	-	-	-	-	238,478
Debt Service	-	-	-	-	7,842
	984,526	474,074	-	-	1,293,345
Committed					
Parks and Recreation	-	-	537,853	-	537,853
Programs and Facility Improvements	-	-	-	-	-
Assigned					
Capital Projects	-	-	-	4,683,198	105,577
	-	-	-	-	4,788,775
Unassigned					
	3,696,520	-	-	-	(624,928)
	3,696,520	-	-	-	3,071,592
Total Fund Balances	4,826,058	479,397	557,537	4,684,708	780,761
					11,328,461

Assigned Fund Balance. The City reports assigned fund balance in the Citywide Capital (major), and the Vehicle and Equipment (nonmajor) Funds. The Budget Officer, under authority granted in the City's fund balance policy, has assigned these two funds to future police, public works and parks and recreation improvement projects and equipment and vehicle purchases based on approved Council/management expenditures as determined through the annual budget process.

UNITED CITY OF YORKVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Committed Fund Balance. The City reports committed fund balance in the Parks and Recreation Fund, a major fund. Formal City Council action, through the passage of an ordinance, is required to establish, modify or rescind a fund balance commitment. The City's Council, through formal board action as part of the annual budget process, has committed these funds to future park and recreation programs, facilities and improvements.

Minimum Fund Balance Policy. The City's policy states that the General fund should maintain a minimum unrestricted fund balance of no less than 30% of the annual appropriations budget.

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. The City has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

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 attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

UNITED CITY OF YORKVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

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.

COMMITMENTS

Agreements with Developers – Governmental Activities

Under a Development/Economic Initiative Agreement entered into in March of 2001, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Route 34. Eligible costs of \$2,074,833 and accrued interest at 5% are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of eighteen years. Through April 30, 2015, the City has reimbursed \$1,992,179, including \$111,671 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development and Annexation Agreement entered into in July of 2000, amended in October of 2001, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Kennedy Road. Eligible costs of \$8,639,334 are to be reimbursed from 50% of the sales tax generated in the development. Through April 30, 2015, the City has reimbursed \$1,937,082, including \$141,075 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development/Economic Initiative Agreement entered into in June of 2002, the City agreed to reimburse eligible costs associated with a development located at Route 34 and Cannonball Trail. Eligible costs of \$166,055 and accrued interest at 5% are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of fifteen years. Through April 30, 2015, the City has reimbursed \$172,419, including \$16,834 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under an Annexation Agreement entered into in April of 2006, the City agreed to reimburse eligible costs associated with a development located at Route 47 between Base Line Road and Cornells Road. Eligible costs are to be reimbursed from 55% of City Admissions Taxes collected, limited to a period of ten years. Through April 30, 2015, the City has reimbursed \$412,582, including \$104,066 in the current year. All payments have been recorded as an expenditure of the General Fund. The agreement was amended in August of 2011 to rebate 100% of admissions tax received by the City from the developer for a period of ten years, and the admissions tax rate was decreased from 5% to 2.75%. The 100% rebate went into effect beginning with the 2013 fiscal year.

UNITED CITY OF YORKVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS – Continued

Agreements with Developers – Governmental Activities – Continued

Under a Development/Economic Initiative Agreement entered into in January of 2007, the City agreed to reimburse eligible costs associated with a development located at Route 47 and Cornells Road. Eligible costs of \$287,392 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of twenty years. Through April 30, 2015, the City has reimbursed \$23,404, including \$0 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a Development Agreement entered into in June of 2007, the City agreed to create a business district in the area around Route 34 and Cannonball Trail. Under the agreement, 50% of sales tax and 100% of the business district tax generated in the district are remitted by the City to an escrow agent to pay the debt service on the Special Service Area Revenue Bonds of 2007. The bonds are secured solely by the pledged revenues and are not obligations of the City and are therefore not recorded on the City's books. All payments have been recorded as an expenditure of the General Fund. Expenditures in the current year were \$285,630 for sales taxes and \$336,830 in business district taxes.

In February of 2011, the City amended a Development/Economic Initiative Agreement dated April 2007. Under the original agreement, the City agreed to reimburse 20% of eligible costs associated with a development located at Route 47 and Fountainview Drive from 50% of the sales tax generated in the development, limited to a period of twenty years. Under the amended agreement, the City will hold the sales tax rebates in an escrow account until certain land improvements has been completed. Through April 30, 2015, the City is holding \$7,892 in escrow. No reimbursements have yet been made.

Under a Development/Economic Initiative Agreement entered into on December 22, 2011 the City agreed to reimburse eligible costs associated with a development located west of Route 47 and north of Cannonball Trail on Boombah Boulevard. Eligible costs of \$287,392 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of ten years. Through April 30, 2015, the City has reimbursed \$19,184, including \$5,144 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under development agreements entered into in April 2012, the City agreed to reimburse eligible costs associated with a development located at within the Downtown TIF district. Eligible costs are to be reimbursed from 85% of the incremental property tax and 100% of the business district tax generated in the development, through December 31, 2029. Through April 30, 2015, the City has reimbursed \$28,511 in incremental property taxes and \$20,649 in business district taxes. Incremental property tax payments have been recorded as an expenditure of the Downtown TIF Fund and the Business District Tax Rebates have been recorded as an expenditure of the General Fund.

UNITED CITY OF YORKVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS – Continued

Agreements with Developers – Governmental Activities – Continued

Under a Development/Economic Initiative Agreement entered into on September 18, 2012 the City agreed to reimburse eligible costs associated with a development located at 704 East Veterans Parkway. Eligible costs of \$30,740 are to be reimbursed from 50% of the sales tax generated in the development, limited to a period of ten years. Through April 30, 2015, the City has reimbursed \$8,286, including \$3,121 in the current year. All payments have been recorded as an expenditure of the General Fund.

Under a development agreement entered into in May 2013, the City agreed to reimburse eligible costs associated with a development located at Route 34 and Route 47 in the Countryside TIF district. Eligible costs are to be reimbursed from 50% of the amusement tax and 100% of the business district tax generated in the development, limited to a period of 10 years. Through April 30, 2015, the City has reimbursed \$70,643 in amusement taxes and \$11,097 in business district taxes. Amusement tax rebate expenditures have been recorded in the General Fund of \$70,643 and Business District rebate expenditures have been recorded in the General Fund of \$20,649.

Agreements with Developers – Business-Type Activities

Under an agreement entered into in December of 2002, the City and developer of the Raintree Village subdivision agreed to reimburse the costs of sanitary sewer over-sizing within the development. The amount of eligible expenses to be reimbursed by the City totals \$1,154,718, of which \$995,231 has been paid through April 30, 2015. The remaining balance, \$162,356, is subject to interest based on the twelve month LIBOR. Annual sewer charges assessed on the residents of the subdivision are earmarked to repay this obligation. The related sanitary sewer infrastructure was accepted by the City as an asset in December of 2007. This amount is recorded in the Sewer Fund.

Under a reimbursement agreement entered into in August of 2003, the City and the developer of the Fox Hill subdivision agreed to reimburse eligible costs associated with the construction and over-sizing of water and sewer infrastructure lines within the area. Eligible costs are to be paid to the developer within twenty years of the agreement. This agreement was amended in April 2006 to include additional costs. Total eligible costs remain as of April 30, 2015 are \$807,847, which accrues compounded interest of 5% annually. Interest for a portion of eligible costs was computed back to January 1, 1995. Total interest to date is \$822,547. The amount recorded as a liability, including interest, as of April 30, 2015 is \$1,780,542, 52% of this amount is recorded in the Water Fund. The remaining 48% of this amount is recorded in the Sewer Fund.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund, a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the City at 800 Game Farm Road, Yorkville, Illinois 60560. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Illinois Municipal Retirement System (IMRF)

All employees (other than those covered by the Police Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. For the calendar year 2014 the employer annual required contribution rate was 11.62 percent.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Employees	
Vested	17
Nonvested	<u>13</u>
Total	<u>37</u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 officer salary for the pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2 percent 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 percent of 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. 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. For the year-ended April 30, 2015, the City's contribution was 28.11% of covered payroll.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Significant Investments. There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits for the Police Pension Plan. Information for IMRF is not available.

Related Party Transactions. There are no securities of the employer or any other related parties included in plan assets.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

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 liabilities calculated using the discount rate as well as what the net pension liabilities would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Police Pension	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 11,978,268	9,472,387	7,438,084

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Net Pension Liability

The components of the net pension liability of the City's Plans as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

	Police Pension
Total Pension Liability	\$ 15,895,133
Plan Fiduciary Net Position	<u>6,422,746</u>
City's Net Pension Liability	<u><u>9,472,387</u></u>
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	40.41%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

Annual Pension Cost and Net Pension Obligation

There was no net pension obligation for the IMRF plan. The net pension obligation for the Police Pension Plan is as follows:

	Police Pension
Annual Required Contribution	\$ 571,437
Interest on Net Pension Obligation	45,054
Adjustment to Annual Required Contribution	<u>(13,663)</u>
Annual Pension Cost	602,828
Actual Contribution	<u>624,168</u>
Change in NPO	(21,340)
NPO - Beginning	<u>626,585</u>
NPO - Ending	<u><u>605,245</u></u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The actuarial assumptions and related information for each plan is as follows:

	IMRF	Police Pension
Contribution Rates		
Employer	11.62%	28.11%
Employee	4.50%	9.91%
Actuarial Valuation Date	12/31/2014	4/30/2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	29 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	IMRF	Police Pension
Annual Pension Cost (APC)	2013	\$ 251,608	\$ 543,686
	2014	273,251	497,282
	2015	315,784	602,828
Actual Contributions	2013	267,471	438,711
	2014	273,251	524,120
	2015	315,784	624,168
Percentage of APC Contributed	2013	106.30%	80.69%
	2014	100.00%	105.40%
	2015	100.00%	103.54%
Net Pension Obligation	2013	-	653,423
	2014	-	626,585
	2015	-	605,245

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The City's funded status for the current year and related information for each plan is as follows:

	IMRF	Police Pension
Actuarial Valuation Date	12/31/2014	4/30/2015
Percent Funded	88.21%	40.41%
Actuarial Accrued Liability for Benefits	\$6,554,997	\$15,895,133
Actuarial Value of Assets	\$5,782,067	\$6,422,745
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$772,930)	(\$9,472,388)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$2,717,594	\$2,220,146
Ratio of UAAL to Covered Payroll	28.44%	426.66%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the City offers post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and 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 established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's General Fund.

The City offers post-employment 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. Current elected officials are eligible if they were elected/appointed prior to April of 2014.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan, with the exception of two previous employees for which the City has agreed to pay portions of their post-employment health, dental and vision insurance. For the fiscal year ending April 30, 2015, retirees contributed \$66,610 to the plan. Active employees do not contribute to the post-employment health care plan until retirement.

At April 30, 2015, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	9
Active Employees	74
Total	<u>83</u>
Participating Employers	1

The City does not currently have a funding policy.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2015, was calculated as follows:

Annual Required Contribution	\$ 40,892
Interest on the Net OPEB Obligation	315
Adjustment to the ARC	<u>(4,764)</u>
Annual OPEB Cost	36,443
Actual Contribution	<u>42,749</u>
Decrease in the net OPEB Obligation	(6,306)
Net OPEB Obligation - Beginning	<u>6,306</u>
Net OPEB Obligation - Ending	<u>-</u>

Trend Information

The City's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 36,520	\$ 38,046	104.18%	\$ 7,927
2014	38,708	40,329	104.19%	6,306
2015	36,443	42,749	117.30%	-

Funded Status and Funding Progress

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 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 the financial statements, presents multiyear 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.

UNITED CITY OF YORKVILLE, ILLINOIS

**Notes to the Financial Statements
April 30, 2015**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress – Continued

The funded status of the plan as of April 30, 2015, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 600,477
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 600,477
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 5,461,699
UAAL as a Percentage of Covered Payroll	10.99%

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 the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. Both rates include a 3.0% 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 an open basis. The remaining amortization period at April 30, 2015, was 30 years.

SUBSEQUENT EVENT

On May 12, 2015, the City issued \$5,575,000 of General Obligation Bonds of 2015A. The bonds bear interest at a rate of 4.00% and are due in annual installments of \$100,000 to \$305,000 through December 1, 2034.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedules of Funding Progress and Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Other Post-Employment Benefit Plan
- Schedule of Employer Contributions
 - Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 - Police Pension Fund
- Schedule of Investment Returns
 - Police Pension Fund
- Budgetary Comparison Schedules
 - General Fund
 - Library – Special Revenue Fund
 - Parks and Recreation – Special Revenue Fund
 - Countryside TIF – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

UNITED CITY OF YORKVILLE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
Dec. 31, 2009	\$ 4,322,149	\$ 5,008,192	86.30%	\$ 686,043	\$ 3,638,986	18.85%
2010	4,671,071	5,408,655	86.36%	737,584	3,235,515	22.80%
2011	4,416,393	5,169,646	85.43%	753,253	2,663,554	28.28%
2012	4,215,113	5,247,562	80.33%	1,032,449	2,518,404	41.00%
2013	5,151,131	5,786,259	89.02%	635,128	2,546,606	24.94%
2014	5,782,067	6,554,997	88.21%	772,930	2,717,594	28.44%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 302,036	\$ 302,036	100.00%
2011	310,933	295,402	95.01%
2012	253,304	253,304	100.00%
2013	267,471	242,774	110.17%
2014	273,251	273,251	100.00%
2015	315,784	315,784	100.00%

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
Apr. 30, 2010	\$ 3,643,355	\$ 9,509,795	38.31%	\$ 5,866,440	\$ 1,819,957	322.34%
2011	4,216,855	10,393,520	40.57%	6,176,665	1,890,046	326.80%
2012	4,481,601	10,463,737	42.83%	5,982,136	1,694,445	353.04%
2013	5,052,201	11,701,279	43.18%	6,649,078	1,813,758	366.59%
2014	5,598,573	14,306,459	39.13%	8,707,886	2,136,901	407.50%
2015	6,422,745	15,895,133	40.41%	9,472,388	2,220,146	426.66%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 323,291	\$ 429,562	75.26%
2011	336,075	481,207	69.84%
2012	360,356	496,952	72.51%
2013	438,711	542,648	80.85%
2014	524,120	513,459	102.08%
2015	624,168	571,437	109.23%

UNITED CITY OF YORKVILLE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
Apr. 30, 2010	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	566,488	0.00%	566,488	4,553,600	12.44%
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	-	600,477	0.00%	600,477	5,461,699	10.99%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 1,814	\$ 4,145	43.76%
2011	1,814	4,145	43.76%
2012	1,814	4,144	43.77%
2013	38,046	36,363	104.63%
2014	40,329	38,577	104.54%
2015	42,749	40,892	104.54%

The City implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009, and had a subsequent actuarial valuation performed for the fiscal year ended April 30, 2012. Information for prior years is not available.

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions

April 30, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 571,437	\$ 624,168	\$ 52,731	\$ 2,220,146	28.11%

Notes to the Required Supplementary Information:

Actuarial Valuation Date: April 30, 2015
 Actuarial Cost Method: Entry Age Normal
 Amortization Method: Level % Pay (Closed)
 Remaining Amortization Period: 26 Years
 Asset Valuation Method: 5-Year Smoothed Market
 Inflation: 3.0%
 Salary Increases: 5%
 Investment Rate of Return: 7.0%
 Retirement Age: 50 - 70
 Mortality: RP 2000 CHBCA

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2015

Total Pension Liability	2015
Service Cost	\$ 522,029
Interest	986,212
Differences Between Expected and Actual Experience	(483,445)
Change of Assumptions	999,313
Benefit Payments, Including Refunds of Member Contributions	(435,435)
Net Change in Total Pension Liability	1,588,674
Total Pension Liability - Beginning	14,306,459
Total Pension Liability - Ending	15,895,133

Plan Fiduciary Net Position	
Contributions - Employer	\$ 624,168
Contributions - Members	214,237
Net Investment Income	343,590
Benefit Payments, Including Refunds of Member Contributions	(435,435)
Administrative Expense	(14,285)
Net Change in Plan Fiduciary Net Position	732,275
Plan Net Position - Beginning	5,690,471
Plan Net Position - Ending	6,422,746

Employer's Net Pension Liability	\$ 9,472,387
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.41%
Covered-Employee Payroll	\$ 2,220,146
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	426.66%

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns
April 30, 2015

	Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
	2015	5.89%

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 9,891,724	9,891,724	10,052,792
Intergovernmental	2,157,200	2,157,200	2,295,134
Licenses, Permits and Fees	193,000	193,000	173,126
Charges for Services	1,203,201	1,203,201	1,290,493
Fines and Forfeitures	175,250	175,250	137,252
Interest	8,000	8,000	(60,469)
Miscellaneous	93,000	93,000	190,995
Total Revenues	13,721,375	13,721,375	14,079,323
Expenditures			
General Government	3,924,598	3,924,598	3,743,738
Public Safety	4,581,682	4,581,682	4,315,151
Community Development	603,554	603,554	592,588
Public Works	1,911,325	1,911,325	1,977,692
Total Expenditures	11,021,159	11,021,159	10,629,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,700,216	2,700,216	3,450,154
Other Financing Sources (Uses)			
Transfers In	5,250	5,250	2,209
Transfers Out	(2,548,953)	(2,548,953)	(2,486,886)
	(2,543,703)	(2,543,703)	(2,484,677)
Net Change in Fund Balance	156,513	156,513	965,477
Fund Balance - Beginning			3,860,581
Fund Balance - Ending			4,826,058

UNITED CITY OF YORKVILLE, ILLINOIS

Library - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,377,331	1,377,331	1,354,712
Intergovernmental	22,200	22,200	26,934
Licenses, Permits and Fees	20,000	20,000	25,325
Charges for Services	14,000	14,000	10,841
Fines and Forfeits	9,300	9,300	8,356
Interest	1,350	1,350	(7,940)
Miscellaneous	7,500	7,500	19,949
Total Revenues	1,451,681	1,451,681	1,438,177
Expenditures			
Library	836,193	836,193	748,905
Debt Service			
Principal Retirement	505,000	505,000	505,000
Interest and Fiscal Charges	228,596	228,596	228,010
Total Expenditures	1,569,789	1,569,789	1,481,915
Excess (Deficiency) of Revenues Over (Under) Expenditures	(118,108)	(118,108)	(43,738)
Other Financing Sources			
Transfers In	32,375	32,375	25,189
Net Change in Fund Balance	(85,733)	(85,733)	(18,549)
Fund Balance - Beginning			497,946
Fund Balance - Ending			479,397

UNITED CITY OF YORKVILLE, ILLINOIS

Parks and Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 280,000	280,000	352,714
Grants and Donations	5,000	5,000	9,317
Interest	250	250	697
Miscellaneous	203,000	203,000	175,940
Total Revenues	488,250	488,250	538,668
Expenditures			
Parks and Recreation			
Park Operations	992,600	992,600	978,375
Recreation Operations	918,847	918,847	826,847
Total Expenditures	1,911,447	1,911,447	1,805,222
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,423,197)	(1,423,197)	(1,266,554)
Other Financing Sources			
Transfers In	1,277,606	1,277,606	1,277,606
Net Change in Fund Balance	(145,591)	(145,591)	11,052
Fund Balance - Beginning			546,485
Fund Balance - Ending			557,537

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Funds

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Library Fund

The Library Fund is used to account for the activity relating to the Yorkville Public Library.

Parks and Recreation Fund

The Parks and Recreation Fund is used to account for the revenues and expenditures associated with the Yorkville's Parks and Recreation departments.

CAPITAL PROJECTS FUND

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Citywide Capital Fund

The Citywide Capital Fund is used to account for financial resources accumulated for maintenance of public infrastructure and to fund new capital improvements that benefit the public.

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Taxes			
Property Tax	\$ 2,948,195	2,948,195	2,901,255
Sales Tax	2,626,000	2,626,000	2,704,651
Non-Home Rule Sales Tax	2,020,000	2,020,000	2,078,061
Municipal Utility Tax	860,000	860,000	913,447
Cable TV Franchise Tax	225,000	225,000	258,118
Excise Tax	505,000	505,000	428,731
Hotel Tax	60,000	60,000	72,708
Video Gaming Tax	20,000	20,000	50,855
Admissions and Amusement Tax	300,000	300,000	276,527
Auto Rental Tax	10,000	10,000	11,363
Business District Tax	317,529	317,529	357,076
	<u>9,891,724</u>	<u>9,891,724</u>	<u>10,052,792</u>
Intergovernmental			
State Income Taxes	1,650,000	1,650,000	1,735,422
State Use Tax	280,000	280,000	341,880
Township Road and Bridge Tax	175,000	175,000	171,756
Personal Property Replacement Tax	16,000	16,000	17,450
Federal Grants	15,000	15,000	10,341
State Grants	20,000	20,000	17,290
Miscellaneous	1,200	1,200	995
	<u>2,157,200</u>	<u>2,157,200</u>	<u>2,295,134</u>
Licenses, Permits and Fees			
Liquor Licenses	40,000	40,000	46,887
Other Licenses	3,000	3,000	2,537
Building Permits	150,000	150,000	123,702
	<u>193,000</u>	<u>193,000</u>	<u>173,126</u>
Charges for Services			
Garbage Surcharge	1,052,701	1,052,701	1,139,252
Collection Fees - Sanitary District	150,000	150,000	151,241
Police Special Detail	500	500	-
	<u>1,203,201</u>	<u>1,203,201</u>	<u>1,290,493</u>

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Fines and Forfeitures			
Circuit Court Fines	\$ 60,000	60,000	49,859
Administrative Adjudication	35,000	35,000	31,507
Police Tows	80,000	80,000	55,656
Other	250	250	230
	<u>175,250</u>	<u>175,250</u>	<u>137,252</u>
Interest			
Investment Income	8,000	8,000	(60,469)
Miscellaneous			
Reimbursements			
Legal	-	-	6,099
Engineering	50,000	50,000	81,686
Liability Insurance	5,000	5,000	4,280
Cable Consortium	20,000	20,000	69,693
Other	5,000	5,000	6,424
Miscellaneous Income	13,000	13,000	22,813
	<u>93,000</u>	<u>93,000</u>	<u>190,995</u>
Total Revenues	<u>13,721,375</u>	<u>13,721,375</u>	<u>14,079,323</u>

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government Administration	\$ 903,028	903,028	741,471
Finance	380,894	380,894	355,603
Administrative Services	2,640,676	2,640,676	2,646,664
	3,924,598	3,924,598	3,743,738
Public Safety Police Department	4,581,682	4,581,682	4,315,151
Community Development Building and Zoning	603,554	603,554	592,588
Public Works Streets Operations	798,624	798,624	796,348
Health and Sanitation	1,112,701	1,112,701	1,181,344
	1,911,325	1,911,325	1,977,692
Total Expenditures	11,021,159	11,021,159	10,629,169

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

		Budget		Actual
		Original	Final	
General Government Administration	\$	11,000	11,000	9,570
Salaries - Mayor		1,000	1,000	1,000
Salaries - Liquor Commissioner		11,000	11,000	6,905
Salaries - City Clerk		6,500	6,500	968
Salaries - City Treasurer		52,000	52,000	47,960
Salaries - Alderman		351,153	351,153	294,157
Salaries - Administrative		-	-	4,158
Part Time Salaries		500	500	-
Overtime		47,482	47,482	37,723
Retirement Plan Contribution		31,887	31,887	24,296
FICA Contribution		196,317	196,317	167,906
Group Health Insurance		1,203	1,203	1,076
Group Life Insurance		12,301	12,301	11,709
Dental and Vision Insurance		5,100	5,100	10,636
Training and Conference		11,000	11,000	3,356
Travel and Lodging		1,000	1,000	740
Publishing and Advertising		5,500	5,500	4,094
Printing and Duplicating		20,000	20,000	13,097
Telecommunications		500	500	70
Filing Fees		8,000	8,000	3,003
Codification		8,000	8,000	2,932
Postage and Shipping		17,000	17,000	15,981
Dues and Subscriptions		20,000	20,000	9,112
Professional Services		30,000	30,000	23,550
Kendall County Paratransit		21,735	21,735	23,131
Utilities		2,400	2,400	2,347
Rental and Lease Purchase		17,500	17,500	14,796
Office Cleaning		12,000	12,000	7,120
Office Supplies		850	850	78
Computer Equipment and Software		100	100	-
Repair and Maintenance		903,028	903,028	741,471
Finance		207,142	207,142	206,925
Salaries and Wages		24,703	24,703	23,900
Retirement Plan Contribution		15,674	15,674	15,790
FICA Contribution				

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance - Continued			
Group Health Insurance	\$ 27,773	27,773	26,965
Group Life Insurance	336	336	332
Dental and Vision Insurance	4,716	4,716	5,264
Training and Conferences	2,500	2,500	3,392
Auditing Services	35,200	35,200	32,000
Travel and Lodging	2,000	2,000	146
Printing and Duplicating	2,500	2,500	1,365
Telecommunications	1,200	1,200	1,061
Postage and Shipping	4,000	4,000	1,141
Dues and Subscriptions	800	800	545
Professional Services	45,000	45,000	31,984
Rental and Lease Purchase	2,250	2,250	2,102
Office Supplies	2,600	2,600	2,633
Computer Equipment and Software	2,500	2,500	58
	380,894	380,894	355,603

Administrative Services	500	500	-
Police Special Detail Wages	47,149	47,149	40,078
Group Health Insurance - Retirees	1,498	1,498	1,453
Dental and Vision Insurance - Retirees	150,000	150,000	72,999
Kencom	30,000	30,000	7,950
Unemployment Insurance	265,000	265,000	249,686
Liability Insurance	50,000	50,000	48,513
Amusement Tax Rebate	54,000	54,000	65,438
Hotel Tax Rebate	1,500	1,500	1,293
City Property Tax Rebate	858,500	858,500	848,634
Sales Tax Rebate	317,529	317,529	357,075
Business District Rebate	105,000	105,000	104,066
Admission Tax Rebate	5,000	5,000	1,773
Bad Debt	25,000	25,000	26,020
Special Counsel	60,000	60,000	56,874
Litigation Counsel	115,500	115,500	129,599
Corporate Counsel			

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative Services - Continued			
Information Technology Services	\$ 174,500	174,500	51,066
Engineering Services	290,000	290,000	503,943
Cable Consortium Fee	85,000	85,000	80,204
Reimbursable Repairs	5,000	5,000	-
	2,640,676	2,640,676	2,646,664
Total General Government	3,924,598	3,924,598	3,743,738

Public Safety			
Police Department	1,563,667	1,563,667	1,478,093
Salaries - Police Officers	326,464	326,464	322,269
Salaries - Chief and Deputies	448,639	448,639	433,191
Salaries - Sergeants	124,913	124,913	121,384
Salaries - Police Clerks	20,000	20,000	21,429
Salaries - Crossing Guard	65,000	65,000	57,235
Part Time Salaries	111,000	111,000	77,600
Overtime	14,897	14,897	13,778
Retirement Plan Contribution	199,604	199,604	184,653
FICA Contribution	614,005	614,005	624,168
Employer Contribution - Police Pension	592,440	592,440	541,667
Group Health Insurance	3,448	3,448	3,338
Group Life Insurance	40,060	40,060	43,963
Dental and Vision Insurance	2,800	2,800	-
Tuition Reimbursement	15,000	15,000	12,633
Police Commission	15,000	15,000	11,184
Training and Conference	10,000	10,000	2,400
Travel and Lodging	49,058	49,058	63,778
Vehicle and Equipment Chargeback	200	200	-
Publishing and Advertising	4,500	4,500	3,222
Printing and Duplicating	36,500	36,500	25,663
Telecommunications	3,000	3,000	986
Postage and Shipping	1,350	1,350	2,175
Dues and Subscriptions	15,000	15,000	15,288
Professional Services	20,000	20,000	-
Legal Services	20,000	20,000	17,215
Adjudication Services	15,000	15,000	13,269
New World Live Scan			

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Kendall Co. - Juve Probation	\$ 4,000	4,000	2,609
MDT - Alerts Fee	7,000	7,000	6,660
Rental and Lease Purchase	6,500	6,500	6,344
Outside Repair and Maintenance	60,000	60,000	54,303
Wearing Apparel	20,000	20,000	9,775
Office Supplies	4,500	4,500	2,676
Operating Supplies	10,000	10,000	43,711
Computer Equipment and Software	12,000	12,000	12,959
Repair and Maintenance	12,250	12,250	242
Community Relations	7,370	7,370	-
Basilistic Vests	4,200	4,200	3,035
Gasoline	97,317	97,317	65,888
Ammunition	5,000	5,000	16,368
Total Public Safety	4,581,682	4,581,682	4,315,151

Community Development

Building and Zoning	297,457	297,457	292,601
Salaries and Wages	30,000	30,000	17,821
Part Time Salaries	35,474	35,474	33,222
Retirement Plan Contribution	24,681	24,681	22,825
FICA Contribution	58,362	58,362	76,809
Group Health Insurance	447	447	443
Group Life Insurance	3,577	3,577	5,746
Dental and Vision Insurance	3,000	3,000	2,666
Training and Conference	2,000	2,000	1,670
Travel and Lodging	1,000	1,000	218
Publishing and Advertising	4,250	4,250	1,609
Printing and Duplicating	3,000	3,000	2,533
Telecommunications	1,000	1,000	265
Postage and Shipping	10,000	10,000	1,840
Inspections	2,000	2,000	1,701
Dues and Subscriptions	60,000	60,000	73,607
Professional Services	2,000	2,000	277
Legal Services	2,700	2,700	3,468
Rental and Lease Purchase	48,672	48,672	46,800
Economic Development			

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Community Development - Continued			
Building and Zoning - Continued			
Office Supplies	\$ 750	750	455
Operating Supplies	5,000	5,000	3,842
Computer Equipment and Software	3,500	3,500	-
Books and Publications	500	500	-
Gasoline	4,184	4,184	2,170
Total Community Development	603,554	603,554	592,588

Public Works

Streets Operations	318,483	318,483	315,540
Salaries and Wages	5,800	5,800	3,456
Part Time Salaries	15,000	15,000	9,578
Overtime	39,770	39,770	36,867
Retirement Plan Contribution	25,253	25,253	24,184
FICA Contribution	104,498	104,498	100,266
Group Health Insurance	570	570	564
Group Life Insurance	7,102	7,102	7,925
Dental and Vision Insurance	4,000	4,000	1,236
Training and Conference	-	-	240
Travel and Lodging	97,370	97,370	125,000
Vehicle & Equipment Chargeback	20,000	20,000	16,824
Traffic Signal Maintenance	3,000	3,000	2,073
Telecommunications	8,000	8,000	6,865
Mosquito Control	30,000	30,000	-
Tree and Stump Removal	1,000	1,000	3,740
Professional Services	1,100	1,100	504
Rental and Lease Purchase	25,000	25,000	46,713
Vehicle Maintenance Services	2,000	2,000	11,125
Outside Repair and Maintenance	4,200	4,200	4,132
Wearing Apparel	10,000	10,000	10,854
Operating Supplies	2,000	2,000	-
Hanging Baskets	25,000	25,000	17,035
Vehicle Maintenance Supplies	2,000	2,000	2,105
Small Tools and Equipment	20,000	20,000	26,791
Repair and Maintenance	27,478	27,478	22,731
Gasoline	798,624	798,624	796,348

UNITED CITY OF YORKVILLE, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Public Works - Continued			
Health and Sanitation			
Garbage Services	\$ 1,106,701	1,106,701	1,177,504
Leaf Pickup	6,000	6,000	3,840
	1,112,701	1,112,701	1,181,344
Total Public Works	1,911,325	1,911,325	1,977,692
Total Expenditures	11,021,159	11,021,159	10,629,169

UNITED CITY OF YORKVILLE, ILLINOIS

Library - Special Revenue Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Taxes			
Property Tax	\$ 1,377,331	1,377,331	1,354,712
Intergovernmental			
Personal Property Replacement Tax	5,000	5,000	5,783
State Grant	17,200	17,200	21,151
	22,200	22,200	26,934
Licenses, Permits and Fees			
Development Fees	20,000	20,000	25,325
Charges for Services			
Copy Fees	3,000	3,000	3,095
Fees for Programs	1,000	1,000	1,099
Library Subscription Cards	10,000	10,000	6,647
	14,000	14,000	10,841
Fines and Forfeitures			
Interest	9,300	9,300	8,356
	1,350	1,350	(7,940)
Miscellaneous			
Rental Income	7,000	7,000	5,774
Miscellaneous Income	500	500	14,175
	7,500	7,500	19,949
Total Revenues	1,451,681	1,451,681	1,438,177

UNITED CITY OF YORKVILLE, ILLINOIS

Library - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Library			
Salaries and Wages	\$ 252,540	252,540	210,198
Part Time Salaries	195,000	195,000	189,871
Retirement Plan Contribution	30,117	30,117	23,897
FICA Contribution	33,484	33,484	29,991
Group Health Insurance	101,904	101,904	72,838
Group Life Insurance	559	559	427
Dental and Vision Insurance	6,009	6,009	5,183
Unemployment Insurance	2,500	2,500	-
Liability Insurance	29,875	29,875	25,189
Training and Conferences	500	500	133
Travel and Lodging	600	600	514
Publishing and Advertising	100	100	47
Telecommunications	11,000	11,000	11,468
Postage and Shipping	500	500	455
Dues and Subscriptions	15,500	15,500	13,027
Professional Services	29,000	29,000	28,610
Legal Services	2,000	2,000	975
Automation	35,000	35,000	24,923
Utilities	14,490	14,490	11,518
Outside Repair and Maintenance	5,000	5,000	46,085
Office Supplies	8,000	8,000	5,257
Operating Supplies	8,000	8,000	9,338
Computer Equipment and Software	-	-	16,428
Library Programming	1,000	1,000	1,209
DVD's	2,000	2,000	2,590
Audio Books	-	-	2,467
Books - Development Fee	51,515	51,515	16,267
Total Library	836,193	836,193	748,905

UNITED CITY OF YORKVILLE, ILLINOIS

Library - Special Revenue Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Debt Service			
Principal Retirement	\$ 505,000	505,000	505,000
Interest and Fiscal Charges	228,596	228,596	228,010
Total Debt Service	733,596	733,596	733,010
Total Expenditures	1,569,789	1,569,789	1,481,915

UNITED CITY OF YORKVILLE, ILLINOIS

Parks and Recreation - Special Revenue Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Charges for Services			
Fees for Programs	\$ 250,000	250,000	323,189
Concessions	30,000	30,000	29,525
Total Charges for Services	280,000	280,000	352,714
Grants and Donations			
Donations	5,000	5,000	9,317
Interest	250	250	697
Miscellaneous			
Rental Income	75,000	75,000	73,788
Hometown Days Revenue	125,000	125,000	88,475
Reimbursements	-	-	7,502
Miscellaneous Income	3,000	3,000	6,175
Total Miscellaneous	203,000	203,000	175,940
Total Revenue	488,250	488,250	538,668

UNITED CITY OF YORKVILLE, ILLINOIS

Parks and Recreation - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Parks and Recreation			
Park Operations			
Salaries and Wages	\$ 447,564	447,564	448,491
Part Time Salaries	34,000	34,000	32,644
Overtime	3,000	3,000	932
Retirement Plan Contribution	53,733	53,733	51,195
FICA Contribution	36,183	36,183	36,172
Group Health Insurance	132,108	132,108	109,775
Group Life Insurance	924	924	942
Dental and Vision Insurance	8,760	8,760	9,899
Training and Conferences	7,000	7,000	3,045
Vehicle and Equipment Chargeback	109,650	109,650	109,650
Travel and Lodging	3,000	3,000	453
Telecommunications	4,780	4,780	3,776
Professional Services	4,500	4,500	4,229
Legal Services	4,000	4,000	12,084
Rental and Lease Purchase	2,500	2,500	1,192
Outside Repairs and Maintenance	32,500	32,500	41,995
Wearing Apparel	4,700	4,700	4,643
Office Supplies	300	300	85
Operating Supplies	22,500	22,500	18,295
Small Tools and Equipment	7,000	7,000	9,081
Computer Equipment and Software	500	500	2,000
Repairs and Maintenance	50,500	50,500	60,514
Gasoline	22,898	22,898	17,283
Total Park Operations	992,600	992,600	978,375
Recreation Operations			
Salaries and Wages	273,783	273,783	240,199
Part Time Salaries	23,000	23,000	11,439
Overtime	300	300	-
Concession Wages	14,000	14,000	8,625
Preschool Wages	20,000	20,000	24,223
Instructor Wages	25,000	25,000	8,585
Retirement Plan Contribution	32,686	32,686	28,192
FICA Contribution	26,576	26,576	21,830
Group Health Insurance	100,027	100,027	74,560

UNITED CITY OF YORKVILLE, ILLINOIS
 Citywide Capital - Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 105,960	105,960	62,761
Licenses, Permits and Fees			
Build Program		78,157	78,157
Development Fees	10,250	10,250	9,109
Road Contribution Fee	10,000	10,000	18,000
Charges for Services			
Road Infrastructure Fee	680,000	680,000	693,467
Interest	3,000	3,000	(110,207)
Miscellaneous	885,650	885,650	1,261,619
Total Revenues	1,694,840	1,772,997	2,012,906
Expenditures			
General Government			
Build Program		78,157	78,157
Property and Building Maintenance Services	80,000	80,000	37,824
Property and Building Maintenance Supplies	25,000	25,000	5,971
Engineering Services	50,000	50,000	5,856
Miscellaneous			1,087
Capital Outlay			
Kennedy Road - Autumn Creek	1,139,622	1,139,622	1,067,717
Beecher and Cornells Road			93,095
Greenbriar Pond Naturalization		31,000	18,769
Road to Better Roads Program	390,000	390,000	481,396
Sidewalk Construction	12,500	12,500	8,065
Game Farm Road Project	258,000	258,000	354,220
Downtown Streetscape Improvement	40,000	40,000	53,077
US 34 (IL 47/Orchard Road) Project	230,200	230,200	-
Kennedy Road Bike Trail	97,700	97,700	37,438
Sunflower Estates - Drainage Improvement	135,000	135,000	109,785
Debt Service			
Principal Retirement	85,000	85,000	75,000
Interest and Fiscal Charges			52,025
Total Expenditures	2,543,022	2,652,179	2,479,482
Excess (Deficiency) of Revenues Over (Under) Expenditures	(848,182)	(879,182)	(466,576)
Other Financing Sources (Uses)			
Debt Issuance	4,750,000	4,750,000	4,370,678
Premium on Debt Issuance			49,789
Transfers In	105,000	105,000	63,296
Transfers Out	(5,250)	(5,250)	(9,034)
	4,849,750	4,849,750	4,474,729
Net Change in Fund Balance	4,001,568	3,970,568	4,008,153
Fund Balance - Beginning			676,555
Fund Balance - Ending			4,684,708

UNITED CITY OF YORKVILLE, ILLINOIS
 Parks and Recreation - Special Revenue Fund
 Schedule of Expenditures - Budget and Actual - Continued
 For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Recreation Operations - Continued			
Group Life Insurance	\$ 673	673	551
Dental and Vision Insurance	6,092	6,092	5,264
Training and Conferences	5,000	5,000	3,543
Travel and Lodging	3,000	3,000	217
Publishing and Advertising	40,000	40,000	42,314
Telecommunications	7,000	7,000	6,603
Scholarships	2,500	2,500	420
Postage and Shipping	4,000	4,000	2,964
Dues and Subscriptions	2,500	2,500	1,917
Professional Services	75,000	75,000	81,047
Utilities	23,000	23,000	15,413
Rental and Lease Purchase	4,500	4,500	3,602
Outside Repairs and Maintenance	3,000	3,000	8,580
Program Refunds	7,000	7,000	9,819
Property Tax Payment	30,000	30,000	21,977
Hometown Days Expenditures	100,000	100,000	85,480
Program Supplies	55,000	55,000	89,074
Concession Supplies	18,000	18,000	15,812
Office Supplies	3,000	3,000	3,406
Operating Supplies	7,500	7,500	8,086
Small Tools and Equipment	1,000	1,000	-
Computer Equipment and Software	500	500	-
Repairs and Maintenance	2,000	2,000	2,101
Gasoline	3,210	3,210	1,004
Total Recreation Operations	918,847	918,847	826,847
Total Expenditures	1,911,447	1,911,447	1,805,222

UNITED CITY OF YORKVILLE, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2015

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and Investments	\$ 1,266,942	550	183,879	1,451,371
Receivables - Net of Allowances				
Property Taxes	-	165,527	-	165,527
Accounts	14,688	-	607	15,295
Other Taxes	39,355	-	-	39,355
Due from Other Governments	120,803	-	-	120,803
Due from Other Funds	-	7,842	-	7,842
Prepays	6,767	-	-	6,767
Total Assets	1,448,555	173,919	184,486	1,806,960
LIABILITIES				
Accounts Payable	127,866	-	52,209	180,075
Retainage Payable	17,325	-	-	17,325
Due to Other Funds	624,928	-	-	624,928
Other Payables	11,094	550	26,700	38,344
Total Liabilities	781,213	550	78,909	860,672
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	-	165,527	-	165,527
Total Liabilities and Deferred Inflows of Resources	781,213	166,077	78,909	1,026,199
FUND BALANCES				
Nonspendable	6,767	-	-	6,767
Restricted	1,285,503	7,842	-	1,293,345
Assigned	-	-	105,577	105,577
Unassigned	(624,928)	-	-	(624,928)
Total Fund Balances	667,342	7,842	105,577	780,761
Total Liabilities, Deferred Inflows of Resources and Fund Balances	1,448,555	173,919	184,486	1,806,960

UNITED CITY OF YORKVILLE, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2015

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues				
Taxes	\$ 95,274	327,984	-	423,258
Intergovernmental	642,965	-	-	642,965
Licenses, Permits and Fees	8,407	7,418	59,700	75,525
Charges for Services	-	-	401,680	401,680
Fines and Forfeits	-	-	9,181	9,181
Grants and Donations	275,712	-	-	275,712
Interest	3,310	4	(2,306)	1,008
Miscellaneous	87,576	-	-	87,576
Total Revenues	1,113,244	335,406	468,255	1,916,905
Expenditures				
General Government	32,280	5,722	-	38,002
Parks and Recreation	235,020	-	1,550	236,570
Public Safety	-	-	22,422	22,422
Public Works	352,028	-	32,107	384,135
Capital Outlay	680,616	-	381,311	1,061,927
Debt Service	-	225,000	39,112	264,112
Principal Retirement	69,196	112,937	33,922	216,055
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	1,369,140	343,659	510,424	2,223,223
Excess (Deficiency) of Revenues Over (Under) Expenditures	(255,896)	(8,253)	(42,169)	(306,318)
Other Financing Sources (Uses)				
Debt Issuance	-	2,300,000	-	2,300,000
Premium on Debt Issuance	-	69,891	-	69,891
Payment to Escrow Agent	-	(2,359,115)	-	(2,359,115)
Transfers In	7,148	-	-	7,148
Transfers Out	(13,500)	-	-	(13,500)
	(6,352)	10,776	-	4,424
Net Change in Fund Balances	(262,248)	2,523	(42,169)	(301,894)
Fund Balances - Beginning	929,590	5,319	147,746	1,082,655
Fund Balances - Ending	667,342	7,842	105,577	780,761

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Fox Hill Special Service Area Fund

The Fox Hill Special Service Area Fund is used to account for the revenues and expenditures associated with the maintenance of the common areas of the Fox Hill Estates subdivision.

Sunflower Special Service Area Fund

The Sunflower Special Service Fund is used to account for revenues and expenditures associated with the maintenance of the common areas of the Sunflower Estates subdivision.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for allotments of motor fuel taxes from the State of Illinois made on per capita basis. These taxes are to be used to construct and maintain street, traffic signals and signs.

Land Cash Fund

The Land Cash Fund is used to account for the revenues and expenditures associated with the construction of park facilities.

Countryside TIF Fund

The Countryside TIF Fund is used to account for the accumulation of monies for the payment of the 2005 General Obligation Bond Series and 2014 General Obligation Refunding Bond Series. These bonds were issued to finance retail development at Countryside Center.

Downtown TIF Fund

The Downtown TIF Fund is used to account for the revenues and expenditures associated with the development activities of the downtown area.

UNITED CITY OF YORKVILLE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2015

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet
April 30, 2015

	Fox Hill Special Service Area	Sunflower Special Service Area	Motor Fuel Tax	Land Cash	Countryside TIF	Downtown TIF	Totals
ASSETS							
Cash and Investments	\$ 15,664	1,824	876,397	118,428	-	254,629	1,266,942
Receivables - Net of Allowances	-	-	196	14,305	-	187	14,688
Accounts	-	-	39,355	-	-	-	39,355
Other Taxes	-	-	120,803	-	-	-	120,803
Due from Other Governments	-	-	6,149	-	-	618	6,767
Prepays	-	-	-	-	-	-	-
Total Assets	15,664	1,824	1,042,900	132,733	-	255,434	1,448,555
LIABILITIES							
Accounts Payable	202	1,824	99,127	10,375	-	16,338	127,866
Retainage Payable	-	-	13,491	3,834	-	-	17,325
Due to Other Funds	-	20,108	-	-	604,820	-	624,928
Other Payables	-	-	10,000	1,094	-	-	11,094
Total Liabilities	202	21,932	122,618	15,303	604,820	16,338	781,213
FUND BALANCES							
Nonspendable	-	-	6,149	-	-	618	6,767
Restricted	15,462	-	914,133	117,430	-	238,478	1,285,503
Unassigned	-	(20,108)	-	-	(604,820)	-	(624,928)
Total Fund Balances	15,462	(20,108)	920,282	117,430	(604,820)	239,096	667,342
Total Liabilities and Fund Balances	15,664	1,824	1,042,900	132,733	-	255,434	1,448,555

UNITED CITY OF YORKVILLE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2015

	Fox Hill Special Service Area	Sunflower Special Service Area	Motor Fuel Tax	Land Cash	Countryside TIF	Downtown TIF	Totals
Revenues							
Taxes	\$ 8,536	17,416	-	-	9,295	60,027	95,274
Intergovernmental	-	-	602,821	40,144	-	-	642,965
Licenses, Permits and Fees	-	-	-	8,407	-	-	8,407
Grants and Donations	-	-	234,715	40,997	-	-	275,712
Interest	-	-	3,306	-	-	4	3,310
Miscellaneous	-	-	4,064	83,325	-	187	87,576
Total Revenues	8,536	17,416	844,906	172,873	9,295	60,218	1,113,244
Expenditures							
General Government	-	-	-	8,407	3,828	20,045	32,280
Parks and Recreation	-	-	-	235,020	-	-	235,020
Public Works	4,208	40,098	307,722	-	-	-	352,028
Capital Outlay	-	-	654,506	-	7,004	19,106	680,616
Debt Service	-	-	-	-	69,196	-	69,196
Interest and Fiscal Charges	-	-	962,228	243,427	80,028	39,151	1,369,140
Total Expenditures	4,208	40,098	(117,322)	(70,554)	(70,733)	21,067	(255,896)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,328	(22,682)	7,148	-	-	-	7,148
Other Financing Sources (Uses)	-	-	-	-	-	(13,500)	(13,500)
Transfers In	-	-	7,148	-	-	(13,500)	(6,352)
Transfers Out	-	-	-	-	-	-	-
Net Change in Fund Balances	4,328	(22,682)	(110,174)	(70,554)	(70,733)	7,567	(262,248)
Fund Balances - Beginning	11,134	2,574	1,030,456	187,984	(534,087)	231,529	929,590
Fund Balances - Ending	15,462	(20,108)	920,282	117,430	(604,820)	239,096	667,342

UNITED CITY OF YORKVILLE, ILLINOIS

Fox Hill Special Service Area - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 8,536	8,536	8,536
Expenditures			
Public Works			
Trail Maintenance	15,000	15,000	-
Outside Repair and Maintenance	4,603	7,590	4,208
Total Expenditures	19,603	22,590	4,208
Net Change in Fund Balance	(11,067)	(14,054)	4,328
Fund Balance - Beginning			11,134
Fund Balance - Ending			15,462

UNITED CITY OF YORKVILLE, ILLINOIS

Sunflower Special Service Area - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 17,416	17,416	17,416
Expenditures			
Public Works			
Pond Maintenance	25,000	34,900	34,897
Outside Repair and Maintenance	10,985	10,985	5,201
Total Expenditures	35,985	45,885	40,098
Net Change in Fund Balance	(18,569)	(28,469)	(22,682)
Fund Balance - Beginning			2,574
Fund Balance - Ending			(20,108)

UNITED CITY OF YORKVILLE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ 440,000	440,000	602,821
Grants and Donations	40,000	40,000	234,715
Interest	3,000	3,000	3,306
Miscellaneous	-	-	4,064
Total Revenues	483,000	483,000	844,906
Expenditures			
Public Works			
Supplies	289,712	289,712	307,722
Capital Outlay			
Streets and Alleys	573,787	721,887	654,506
Total Expenditures	863,499	1,011,599	962,228
Excess (Deficiency) of Revenues Over (Under) Expenditures	(380,499)	(528,599)	(117,322)
Other Financing Sources			
Transfers In	-	-	7,148
Net Change in Fund Balance	(380,499)	(528,599)	(110,174)
Fund Balance - Beginning			1,030,456
Fund Balance - Ending			920,282

UNITED CITY OF YORKVILLE, ILLINOIS

Land Cash - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
State Grants	\$ -	-	40,144
Licenses, Permits and Fees			
Build Program	-	-	8,407
Grants and Donations			
White Oak	-	-	1,406
Autumn Creek	20,000	20,000	30,320
Caledonia	2,500	2,500	-
Briarwood	-	-	1,885
Blackberry Woods	500	500	7,386
Miscellaneous	-	-	83,325
Total Revenues	23,000	23,000	172,873
Expenditures			
General Government			
Build Program	-	-	8,407
Parks and Recreation			
Mosier Holding Costs	13,000	13,000	-
Bristol Bay Regional Park	-	-	32,434
Clark Park	-	-	20,660
Riverfront Park	200,000	200,000	29,495
Grande Reserve Park A	-	-	380
Grande Reserve Park B	143,850	143,850	146,021
Raintree Park	50,000	50,000	-
Blackberry Creek Nature Preserve	-	-	6,030
Total Expenditures	406,850	406,850	243,427
Excess (Deficiency) of Revenues Over (Under) Expenditures	(383,850)	(383,850)	(70,554)
Other Financing Sources			
Transfers In	50,000	50,000	-
Net Change in Fund Balance	(333,850)	(333,850)	(70,554)
Fund Balance - Beginning			187,984
Fund Balance - Ending			117,430

UNITED CITY OF YORKVILLE, ILLINOIS

Countryside TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ -	-	9,295
Business District Taxes	20,000	20,000	-
Total Revenues	20,000	20,000	9,295
Expenditures			
General Government			
Administrative Fees	2,000	2,000	3,828
Business District Rebate	20,000	20,000	-
Capital Outlay			
Project Costs	-	-	7,004
Debt Service			
Interest and Fiscal Charges	69,398	69,398	69,196
Total Expenditures	91,398	91,398	80,028
Net Change in Fund Balance	(71,398)	(71,398)	(70,733)
Fund Balance - Beginning			(534,087)
Fund Balance - Ending			<u>(604,820)</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Downtown TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 65,000	65,000	60,027
Business District Taxes	20,000	20,000	-
Interest	75	75	4
Miscellaneous	-	-	187
Total Revenues	85,075	85,075	60,218
Expenditures			
General Government			
Administrative Fees	-	-	276
Professional Services	355	355	-
Legal Services	15,000	15,000	3,573
TIF Incentive Payout	-	-	16,196
Business District Rebate	20,000	20,000	-
Capital Outlay			
Project Costs	10,000	10,000	11,686
Route 47 Expansion	7,433	7,433	7,420
Total Expenditures	52,788	52,788	39,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	32,287	32,287	21,067
Other Financing (Uses) Transfers Out			
	-	-	(13,500)
Net Change in Fund Balance	32,287	32,287	7,567
Fund Balance - Beginning			231,529
Fund Balance - Ending			<u>239,096</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 329,579	329,579	327,984
Licenses, Permits and Fees			
Recapture Fees	2,500	2,500	1,696
Build Program	-	5,727	5,722
Interest	100	100	4
Total Revenues	332,179	337,906	335,406
Expenditures			
General Government			
Build Program	-	5,727	5,722
Debt Service			
Principal	225,000	225,000	225,000
Interest and Fiscal Charges	105,354	113,127	112,937
Total Expenditures	330,354	343,854	343,659
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,825	(5,948)	(8,253)
Other Financing Sources (Uses)			
Debt Issuance	-	2,300,000	2,300,000
Premium on Debt Issuance	-	69,891	69,891
Payment to Escrow Agent	-	(2,359,116)	(2,359,115)
	-	10,775	10,776
Net Change in Fund Balance	1,825	4,827	2,523
Fund Balance - Beginning			5,319
Fund Balance - Ending			7,842

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

UNITED CITY OF YORKVILLE, ILLINOIS

Vehicle and Equipment - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Licenses, Permits and Fees			
Development Fees	\$ 42,775	42,775	15,480
Build Program	-	-	42,920
Engineering Capital Fee	6,500	6,500	1,300
Charges for Services	313,078	313,078	401,680
Fines and Forfeits			
DUI Fines	5,000	5,000	5,545
Electronic Citations	750	750	720
Seized Vehicle Fees	5,000	5,000	2,916
Interest	450	450	(2,306)
Total Revenues	373,553	373,553	468,255
Expenditures			
Public Safety	17,667	17,667	22,422
Public Works	8,500	8,500	32,107
Parks and Recreation	-	-	1,550
Capital Outlay	410,000	410,000	381,311
Debt Service			
Principal Retirement	39,112	39,112	39,112
Interest and Fiscal Charges	33,923	33,923	33,922
Total Expenditures	509,202	509,202	510,424
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,649)	(135,649)	(42,169)
Other Financing Sources (Uses)			
Disposal of Capital Assets	61,000	61,000	-
Transfers Out	(50,000)	(50,000)	-
	11,000	11,000	-
Net Change in Fund Balance	(124,649)	(124,649)	(42,169)
Fund Balance - Beginning			147,746
Fund Balance - Ending			105,577

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Vehicle and Equipment Fund

The Vehicle & Equipment Fund is used to account for financial resources accumulated to purchase vehicles, equipment and other capital assets for use in the Police, Public Works and Park and Recreation departments.

UNITED CITY OF YORKVILLE, ILLINOIS

Vehicle and Equipment - Capital Projects Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Police Capital			
Contractual Services	\$ 17,667	17,667	12,072
Build Program	-	-	10,350
Capital Outlay	30,000	30,000	32,865
Equipment	80,000	80,000	72,759
Vehicles			
Total Police Capital	127,667	127,667	128,046
Public Works Capital			
Contractual Services	6,500	6,500	588
Build Program	-	-	31,020
Supplies	2,000	2,000	499
Capital Outlay	60,000	60,000	163,750
Equipment	100,000	100,000	-
Vehicles			
Total Public Works Capital	168,500	168,500	195,857
Park and Recreation Capital			
Build Program	-	-	1,550
Capital Outlay	32,000	32,000	33,731
Equipment	108,000	108,000	78,206
Bridge Park			
Total Park and Recreation Capital	140,000	140,000	113,487
Debt Service			
Principal Retirement	39,112	39,112	39,112
Interest and Fiscal Charges	33,923	33,923	33,922
Total Debt Service	73,035	73,035	73,034
Total Expenditures	509,202	509,202	510,424

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose.

Sewer Fund

The Sewer Fund is used to account for the operation and sewer infrastructure maintenance of the City-owned sewer system, as well as the construction of new sewer systems within City limits. Revenues are generated through a user maintenance fee.

Water Fund

The Water Fund is used to account for the operation and water infrastructure maintenance of the City-owned water distribution system, as well as the construction of new water systems. Revenues are generated through charges based on water consumption and user maintenance fees.

UNITED CITY OF YORKVILLE, ILLINOIS

Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,115,500	1,115,500	1,145,389
Operating Expenses			
Operations	2,527,532	2,527,532	495,763
Depreciation and Amortization	-	-	578,366
Total Operating Expenses	2,527,532	2,527,532	1,074,129
Operating Income (Loss)	(1,412,032)	(1,412,032)	71,260
Nonoperating Revenues (Expenses)			
Interest Income	6,000	6,000	9,173
Connection Fees	25,000	25,000	41,000
Other Income	105,000	105,000	112,684
Interest Expense	(606,106)	(606,106)	(629,929)
	(470,106)	(470,106)	(467,072)
Income (Loss) Before Contributions and Transfers	(1,882,138)	(1,882,138)	(395,812)
Capital Contributions			
Transfers In	-	-	6,805
Transfers Out	1,133,972	1,133,972	1,133,972
	(83,588)	(83,588)	(83,588)
Change in Net Position	(831,754)	(831,754)	661,377
Net Position - Beginning			24,634,438
Net Position - Ending			25,295,815

UNITED CITY OF YORKVILLE, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,588,000	2,588,000	2,500,631
Operating Expenses			
Operations	2,652,621	2,652,621	1,433,792
Depreciation and Amortization	-	-	893,040
Total Operating Expenses	2,652,621	2,652,621	2,326,832
Operating Income (Loss)	(64,621)	(64,621)	173,799
Nonoperating Revenues (Expenses)			
Interest Income	2,200	2,200	2,033
Connection Fees	105,000	105,000	125,483
Other Income	60,438	60,438	61,720
Interest Expense	(441,160)	(441,160)	(465,923)
	(273,522)	(273,522)	(276,687)
Income (Loss) Before Transfers	(338,143)	(338,143)	(102,888)
Transfers In	83,588	83,588	83,588
Change in Net Position	(254,555)	(254,555)	(19,300)
Net Position - Beginning			23,097,704
Net Position - Ending			23,078,404

UNITED CITY OF YORKVILLE, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2015**

AGENCY FUNDS

Agency funds are established to administer resources received and held by the City as the trustee. Use of these funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other similar authority.

Developer Deposit Fund

The Developer Deposit Fund is used to account for developer deposits that are used to reimburse the City for all expenses incurred as a result of processing developer applications and requests.

Escrow Deposit Fund

The Escrow Deposit Fund is used to account for various funds collected on behalf of other governmental agencies.

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Agency Funds

Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended April 30, 2015

	Beginning Balances	Additions	Deductions	Ending Balances
All Funds				
ASSETS				
Cash and Investments	\$ 458,122	3,957,633	3,987,870	427,885
Accounts Receivable	600,670	3,176,652	3,120,990	656,332
Total Assets	1,058,792	7,134,285	7,108,860	1,084,217
LIABILITIES				
Other Liabilities	1,058,792	9,072,815	9,047,390	1,084,217

Developer Deposit

ASSETS				
Cash and Investments	196,337	140,834	186,804	150,367
LIABILITIES				
Other Liabilities	196,337	180,172	226,142	150,367

	Beginning Balances	Additions	Deductions	Ending Balances
Escrow Deposit				
ASSETS				
Cash and Investments	\$ 261,785	3,816,799	3,801,066	277,518
Accounts Receivable	600,670	3,176,652	3,120,990	656,332
Total Assets	862,455	6,993,451	6,922,056	933,850
LIABILITIES				
Other Liabilities	862,455	8,892,643	8,821,248	933,850

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

Betzwisser Development, LLC Adjustable Rate Note Payable of 2008
April 30, 2015

Date of Issue October 1, 2008
 Date of Maturity October 1, 2028
 Authorized Issue \$937,500 *
 Interest Rate Variable - 5yr T-Note Rate Plus 3% **
 Interest Dates Monthly
 Principal Maturity Dates Monthly
 Payable at Betzwisser Development, LLC

SUPPLEMENTAL SCHEDULES

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		Totals
	Principal	Interest	
2016	\$ 40,880	32,154	73,034
2017	42,728	30,306	73,034
2018	44,660	28,374	73,034
2019	46,679	26,355	73,034
2020	48,790	24,245	73,035
2021	50,995	22,039	73,034
2022	53,301	19,733	73,034
2023	55,711	17,324	73,035
2024	58,229	14,805	73,034
2025	60,862	12,172	73,034
2026	63,614	9,421	73,035
2027	66,490	6,545	73,035
2028	69,496	3,539	73,035
2029	41,981	622	42,603
	<u>744,416</u>	<u>247,634</u>	<u>992,050</u>

* The original purchase price was \$1,251,900 with an initial cash payment of \$314,400 and the remaining \$937,500 to be financed by the seller at an initial interest rate of 6.26% through November of 2013.

The current interest rate is 4.43% and the note will continue to adjust every five years until maturity.

** Interest rate is scheduled to adjust in December 2018 and 2023.

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

IEPA (L17-115300) Loan Payable of 2000
April 30, 2015

Date of Issue	November 23, 1999
Date of Maturity	September 6, 2019
Authorized Issue	\$1,656,809
Denomination of Bonds	\$5,000
Interest Rate	2.625%
Interest Dates	September 6 and March 6
Principal Maturity Dates	September 6 and March 6
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Totals	Interest Due on			
		Interest	Amount		Sept. 6	Mar. 6	Amount	
2016	\$ 95,821	11,229	5,927	107,050	2015	5,927	2016	5,302
2017	98,353	8,697	4,669	107,050	2016	4,669	2017	4,028
2018	100,952	6,098	3,378	107,050	2017	3,378	2018	2,720
2019	103,619	3,431	2,053	107,050	2018	2,053	2019	1,378
2020	52,832	693	693	53,525	2019	693	2020	-
	451,577	30,148	16,720	481,725				13,428

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

IEPA (L17-1156300) Loan Payable of 2007
April 30, 2015

Date of Issue	November 9, 2006
Date of Maturity	August 9, 2026
Authorized Issue	\$1,889,244
Denomination of Bonds	\$5,000
Interest Rate	2.50%
Interest Dates	August 9 and February 9
Principal Maturity Dates	August 9 and February 9
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Totals	Interest Due on			
		Interest	Amount		Aug. 9	Feb. 9	Amount	
2016	\$ 94,544	30,485	15,536	125,029	2015	15,536	2016	14,949
2017	96,922	28,108	14,355	125,030	2016	14,355	2017	13,753
2018	99,361	25,669	13,143	125,030	2017	13,143	2018	12,526
2019	101,861	23,170	11,901	125,031	2018	11,901	2019	11,269
2020	104,423	20,607	10,628	125,030	2019	10,628	2020	9,979
2021	107,049	17,981	9,323	125,030	2020	9,323	2021	8,658
2022	109,742	15,288	7,985	125,030	2021	7,985	2022	7,303
2023	112,503	12,527	6,613	125,030	2022	6,613	2023	5,914
2024	115,334	9,697	5,207	125,031	2023	5,207	2024	4,490
2025	118,235	6,795	3,765	125,030	2024	3,765	2025	3,030
2026	121,209	3,821	2,287	125,030	2025	2,287	2026	1,534
2027	61,744	772	772	62,516	2026	772	2027	-
	1,242,927	194,920	101,515	1,437,847				93,405

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2004B
April 30, 2015

Date of Issue	March 1, 2004
Date of Maturity	December 30, 2018
Authorized Issue	\$3,500,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% to 4.00%
Interest Dates	June 30 and December 30
Principal Maturity Dates	December 30
Payable at	BNY Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Jun. 30	Dec. 30
2015	395,000	65,826	460,826	32,913	2015 32,913
2016	410,000	52,000	462,000	26,000	2016 26,000
2017	435,000	35,600	470,600	17,800	2017 17,800
2018	455,000	18,200	473,200	9,100	2018 9,100
	<u>1,695,000</u>	<u>171,626</u>	<u>1,866,626</u>	<u>85,813</u>	<u>85,813</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2005
April 30, 2015

Date of Issue	March 15, 2005
Date of Maturity	December 1, 2024
Authorized Issue	\$3,525,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% to 4.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	BNY Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Jun. 1	Dec. 1
2015	\$ -	68,072	68,072	2015 34,036	2015 34,036
2016	-	68,072	68,072	2016 34,036	2016 34,036
2017	-	68,072	68,072	2017 34,036	2017 34,036
2018	-	68,072	68,072	2018 34,036	2018 34,036
2019	235,000	68,072	303,072	2019 34,036	2019 34,036
2020	245,000	58,203	303,203	2020 29,101	2020 29,102
2021	260,000	47,913	307,913	2021 23,956	2021 23,957
2022	275,000	36,993	311,993	2022 18,496	2022 18,497
2023	285,000	25,306	310,306	2023 12,653	2023 12,653
2024	300,000	13,050	313,050	2024 6,525	2024 6,525
	<u>1,600,000</u>	<u>521,825</u>	<u>2,121,825</u>	<u>260,911</u>	<u>260,914</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Library Bonds of 2006
April 30, 2015

Date of Issue	August 1, 2006
Date of Maturity	December 30, 2024
Authorized Issue	\$1,500,000
Denomination of Bonds	\$5,000
Interest Rates	4.75% to 4.80%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	BNY Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 30	Dec. 30
2016	\$ 50,000	32,112	82,112	2015	16,056
2017	50,000	29,738	79,738	2016	14,869
2018	50,000	27,362	77,362	2017	13,681
2019	50,000	24,988	74,988	2018	12,494
2020	50,000	22,612	72,612	2019	11,306
2021	75,000	20,238	95,238	2020	10,119
2022	75,000	16,676	91,676	2021	8,338
2023	75,000	13,112	88,112	2022	6,556
2024	100,000	9,550	109,550	2023	4,775
2025	100,000	4,800	104,800	2024	2,400
	<u>675,000</u>	<u>201,188</u>	<u>876,188</u>		<u>100,594</u>
					<u>100,594</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2007A
April 30, 2015

Date of Issue	February 22, 2007
Date of Maturity	December 30, 2022
Authorized Issue	\$3,020,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 4.25%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	The Bank of New York Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 30	Dec. 30
2016	\$ 15,000	121,792	136,792	2015	60,896
2017	15,000	121,162	136,162	2016	60,581
2018	15,000	120,526	135,526	2017	60,263
2019	15,000	119,888	134,888	2018	59,944
2020	680,000	119,250	799,250	2019	59,625
2021	695,000	90,350	785,350	2020	45,175
2022	725,000	60,812	785,812	2021	30,406
2023	750,000	30,000	780,000	2022	15,000
	<u>2,910,000</u>	<u>783,780</u>	<u>3,693,780</u>		<u>391,890</u>
					<u>391,890</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2011
April 30, 2015

Date of Issue	November 10, 2011
Date of Maturity	December 30, 2025
Authorized Issue	\$11,150,000
Denomination of Bonds	\$5,000
Interest Rate	4.28%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	The Bank of New York Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 30	Dec. 30
2016	\$ 715,000	419,654	1,134,654	2015	209,827
2017	745,000	389,052	1,134,052	2016	194,526
2018	780,000	357,166	1,137,166	2017	178,583
2019	810,000	323,782	1,133,782	2018	161,891
2020	845,000	289,114	1,134,114	2019	144,557
2021	885,000	252,948	1,137,948	2020	126,474
2022	920,000	215,070	1,135,070	2021	107,535
2023	960,000	175,694	1,135,694	2022	87,847
2024	1,000,000	134,606	1,134,606	2023	67,303
2025	1,045,000	91,806	1,136,806	2024	45,903
2026	1,100,000	47,080	1,147,080	2025	23,540
	<u>9,805,000</u>	<u>2,695,972</u>	<u>12,500,972</u>		<u>1,347,986</u>
					<u>1,347,986</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Library Refunding Bonds of 2013
April 30, 2015

Date of Issue	May 9, 2013
Date of Maturity	December 30, 2024
Authorized Issue	\$6,625,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Bank of New York Mellon

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 30	Dec. 30
2016	\$ 485,000	182,733	667,733	2015	91,367
2017	500,000	173,033	673,033	2016	86,516
2018	520,000	163,032	683,032	2017	81,516
2019	565,000	152,112	717,112	2018	76,056
2020	585,000	139,400	724,400	2019	69,700
2021	610,000	121,850	731,850	2020	60,925
2022	645,000	103,550	748,550	2021	51,775
2023	675,000	84,200	759,200	2022	42,100
2024	700,000	57,200	757,200	2023	28,600
2025	730,000	29,200	759,200	2024	14,600
	<u>6,015,000</u>	<u>1,206,310</u>	<u>7,221,310</u>		<u>603,156</u>
					<u>603,156</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2014
April 30, 2015

Date of Issue	January 6, 2014
Date of Maturity	December 1, 2029
Authorized Issue	\$1,235,000
Denomination of Bonds	\$5,000
Interest Rate	4.00% to 4.30%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 1	Dec. 1
2016	\$ -	50,715	50,715	2015	25,357
2017	-	50,715	50,715	2016	25,357
2018	-	50,715	50,715	2017	25,357
2019	-	50,715	50,715	2018	25,357
2020	-	50,715	50,715	2019	25,357
2021	-	50,715	50,715	2020	25,357
2022	-	50,715	50,715	2021	25,357
2023	-	50,715	50,715	2022	25,357
2024	-	50,715	50,715	2023	25,357
2025	-	50,715	50,715	2024	25,357
2026	230,000	50,715	280,715	2025	25,357
2027	235,000	41,515	276,515	2026	20,757
2028	245,000	32,115	277,115	2027	16,057
2029	255,000	22,193	277,193	2028	11,096
2030	270,000	11,610	281,610	2029	5,805
	1,235,000	665,298	1,900,298		332,642
					<u>332,656</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2014A
April 30, 2015

Date of Issue	August 5, 2014
Date of Maturity	December 1, 2033
Authorized Issue	\$4,295,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on	
		Interest	Totals	Jun. 1	Dec. 1
2016	\$ 135,000	195,937	330,937	2015	121,843
2017	185,000	144,138	329,138	2016	72,069
2018	190,000	138,588	328,588	2017	69,294
2019	190,000	132,888	322,888	2018	66,444
2020	195,000	127,188	322,188	2019	63,594
2021	200,000	121,338	321,338	2020	60,669
2022	200,000	115,337	315,337	2021	57,668
2023	210,000	109,337	319,337	2022	54,668
2024	210,000	103,037	313,037	2023	51,518
2025	220,000	96,737	316,737	2024	48,368
2026	225,000	90,137	315,137	2025	45,068
2027	230,000	83,387	313,387	2026	41,694
2028	245,000	76,200	321,200	2027	38,100
2029	250,000	66,400	316,400	2028	33,200
2030	265,000	56,400	321,400	2029	28,200
2031	275,000	45,800	320,800	2030	22,900
2032	280,000	34,800	314,800	2031	17,400
2033	290,000	23,600	313,600	2032	11,800
2034	300,000	12,000	312,000	2033	6,000
	4,295,000	1,773,249	6,068,249		910,502
					<u>862,747</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2014B
April 30, 2015

Date of Issue	August 5, 2014
Date of Maturity	December 30, 2022
Authorized Issue	\$2,300,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% to 3.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Jun. 30	Dec. 30
2016	\$ 255,000	55,250	310,250	2015	27,625
2017	270,000	50,150	320,150	2016	25,075
2018	275,000	44,750	319,750	2017	22,375
2019	285,000	39,250	324,250	2018	19,625
2020	290,000	33,550	323,550	2019	16,775
2021	295,000	27,750	322,750	2020	13,875
2022	310,000	18,900	328,900	2021	9,450
2023	320,000	9,600	329,600	2022	4,800
	<u>2,300,000</u>	<u>279,200</u>	<u>2,579,200</u>		<u>139,600</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Source Bonds of 2014C
April 30, 2015

Date of Issue	August 5, 2014
Date of Maturity	December 30, 2024
Authorized Issue	\$1,290,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% to 3.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Jun. 30	Dec. 30
2016	\$ 120,000	32,550	152,550	2015	16,275
2017	120,000	30,150	150,150	2016	15,075
2018	120,000	27,750	147,750	2017	13,875
2019	130,000	25,350	155,350	2018	12,675
2020	125,000	22,750	147,750	2019	11,375
2021	130,000	20,250	150,250	2020	10,125
2022	135,000	16,350	151,350	2021	8,175
2023	135,000	12,300	147,300	2022	6,150
2024	140,000	8,250	148,250	2023	4,125
2025	135,000	4,050	139,050	2024	2,025
	<u>1,290,000</u>	<u>199,750</u>	<u>1,489,750</u>		<u>99,875</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

Illinois Rural Bond Bank Debt Certificates of 2003
April 30, 2015

Date of Issue	September 24, 2003
Date of Maturity	February 1, 2023
Authorized Issue	\$2,035,000
Denomination of Bonds	\$5,000
Interest Rates	1.60% to 5.20%
Interest Dates	August 1 and February 1
Principal Maturity Date	February 1
Payable at	US National Bank Assoc.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Aug. 1	Feb. 1
2016	\$ 110,000	52,870	162,870	2015	26,435
2017	115,000	47,756	162,756	2016	23,878
2018	120,000	42,292	162,292	2017	21,146
2019	130,000	36,232	166,232	2018	18,116
2020	135,000	29,668	164,668	2019	14,834
2021	140,000	22,850	162,850	2020	11,425
2022	150,000	15,710	165,710	2021	7,855
2023	155,000	8,060	163,060	2022	4,030
	<u>1,055,000</u>	<u>255,438</u>	<u>1,310,438</u>		<u>127,719</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

Debt Certificates of 2003
April 30, 2015

Date of Issue	July 9, 2003
Date of Maturity	December 15, 2018
Authorized Issue	\$4,800,000
Denomination of Bonds	\$5,000
Interest Rates	3.80% to 5.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	BNY Midwest Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements Interest	Totals	Interest Due on	
				Jun. 15	Dec. 15
2016	\$ 100,000	25,450	125,450	2015	12,725
2017	100,000	21,450	121,450	2016	10,725
2018	100,000	17,300	117,300	2017	8,650
2019	300,000	13,050	313,050	2018	6,525
	<u>600,000</u>	<u>77,250</u>	<u>677,250</u>		<u>38,625</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Long-Term Debt Requirements

Refunding Debt Certificates of 2006A
April 30, 2015

Date of Issue	December 19, 2006
Date of Maturity	December 30, 2022
Authorized Issue	\$5,555,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 4.20%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	The Bank of New York Trust Company

STATISTICAL SECTION
(Unaudited)

This part of the 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.

Financial Trends

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

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Requirements		Interest Due on		Totals	
		Interest	Totals	Jun. 30	Dec. 30		Amount
2016	\$ 435,000	172,606	607,606	2015	86,303	2015	86,303
2017	460,000	155,206	615,206	2016	77,603	2016	77,603
2018	475,000	136,806	611,806	2017	68,403	2017	68,403
2019	495,000	117,806	612,806	2018	58,903	2018	58,903
2020	850,000	98,006	948,006	2019	49,003	2019	49,003
2021	850,000	62,306	912,306	2020	31,153	2020	31,153
2022	390,000	26,606	416,606	2021	13,303	2021	13,303
2023	255,000	10,520	265,520	2022	5,260	2022	5,260
	<u>4,210,000</u>	<u>779,862</u>	<u>4,989,862</u>		<u>389,931</u>		<u>389,931</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 48,066,205	51,904,378	53,202,922	51,529,648	60,971,543	61,594,404	58,943,771	62,000,588	63,873,210	66,706,243
Restricted	11,373,193	6,819,743	3,630,544	3,107,371	3,468,150	3,315,028	3,478,139	3,537,867	1,946,088	2,744,103
Unrestricted	(6,407,838)	(4,161,179)	(658,755)	(2,038,061)	(4,124,885)	(3,827,879)	93,682	3,341,127	3,566,727	3,328,570
Total Governmental Activities Net Position	53,031,560	54,562,942	56,174,711	52,598,958	60,314,808	61,081,553	62,515,592	68,879,582	69,386,025	72,778,916
Business-Type Activities										
Net Investment in Capital Assets	15,492,504	14,990,516	15,924,390	18,676,309	32,942,926	33,166,989	26,640,987	31,719,100	34,717,042	46,482,812
Restricted	3,314,989	5,387,523	4,898,626	-	215,000	285,000	683,147	-	-	-
Unrestricted	(825,405)	(623,092)	175,008	3,212,121	2,904,916	2,608,587	13,406,883	13,502,177	13,015,100	1,891,407
Total Business-Type Activities Net Position	17,982,088	19,754,947	20,998,024	21,888,430	36,062,842	36,060,576	40,731,017	45,221,277	47,732,142	48,374,219
Primary Government										
Net Investment in Capital Assets	63,558,709	66,894,894	69,127,312	70,205,957	93,914,469	94,761,393	85,584,758	93,719,688	98,590,252	113,189,055
Restricted	14,688,182	12,207,266	8,529,170	3,107,371	3,683,150	3,600,028	4,161,286	3,537,867	1,946,088	2,744,103
Unrestricted	(7,233,243)	(4,784,271)	(483,747)	1,174,060	(1,219,969)	(1,219,292)	13,500,565	16,843,304	16,581,827	5,219,977
Total Primary Government Net Position	71,013,648	74,317,889	77,172,735	74,487,388	96,377,650	97,142,129	103,246,609	114,100,859	117,118,167	121,153,135

* Accrual Basis of Accounting

UNIFIED CITY OF YORKVILLE, ILLINOIS
 Changes in Net Position - Last Ten Fiscal Years*
 April 30, 2015 (Unaudited)

Expenses	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
General Government	4,706,185	4,871,741	5,688,953	5,513,569	4,592,204	4,757,257	5,731,692	3,121,857	5,808,954	4,075,153
Public Safety	2,379,913	2,761,019	3,333,555	3,099,998	3,665,595	3,287,448	2,951,184	3,729,318	918,131	4,393,482
Public Works	3,863,574	4,159,483	3,511,697	3,024,306	3,082,318	3,429,923	2,861,052	2,982,200	3,874,698	3,140,446
Library	485,566	757,256	953,535	1,044,318	1,103,649	1,170,275	871,050	932,748	407,537	930,024
Police	2,035,211	2,172,776	2,153,318	2,158,995	1,014,132	1,665,668	1,862,044	1,812,465	3,444,387	2,581,698
Interest on Long-Term Debt	65,664	98,673	183,646	169,824	751,192	723,246	704,213	691,551	698,519	611,243
Total Governmental Activities Expenses	13,813,508	16,052,862	18,833,646	16,982,418	16,655,511	15,399,574	15,322,288	13,648,846	17,311,949	16,124,231
Business-Type Activities										
Water	2,611,383	2,975,674	3,038,973	3,332,313	2,414,662	2,398,100	2,903,237	2,638,252	1,503,206	2,782,735
Sanitation	1,260,378	1,246,275	1,171,714	675,617	634,346	682,138	657,479	592,707	522,882	1,169,678
Recreation Center	3,817,101	4,318,329	4,214,897	5,330,200	4,629,305	4,712,477	4,815,751	4,860,982	4,538,959	4,496,813
Total Business-Type Activities Expenses	7,688,862	8,540,278	8,425,584	9,338,130	7,478,313	7,812,715	8,377,467	8,102,941	7,565,057	8,440,226
Total Primary Government Expenses	21,502,370	24,593,140	27,259,230	26,320,548	24,133,824	23,212,289	23,700,755	21,751,787	24,877,006	24,564,457
Program Revenues										
Governmental Activities										
Charges for Services	1,651,076	1,805,297	1,775,663	1,725,175	1,793,534	1,840,958	2,057,279	1,751,309	2,301,788	2,885,990
Public Safety	78,535	-	-	-	-	-	-	-	-	-
Public Works	208,455	-	29,018	29,018	48,993	58,382	58,794	74,037	45,422	-
Library	17,597	19,616	27,645	427,842	61,096	48,993	50,882	58,794	74,037	84,522
Police	3,002,525	4,192,525	3,778,342	3,778,342	629,822	870,767	631,091	696,658	1,159,659	943,410
Operating Grants/Contributions	1,290,650	3,940,377	1,909,670	922,409	1,058,599	1,596,067	1,409,412	3,117,256	1,229,829	798,423
Capital Grants/Contributions	3,934,766	6,380,223	4,862,577	3,122,106	1,332,672	4,659,086	4,416,062	6,080,031	3,120,701	4,995,099
Total Governmental Activities Program Revenues	10,675,171	16,245,532	12,348,238	9,576,749	4,824,228	8,177,206	8,972,936	10,042,200	11,682,608	9,807,844
Business-Type Activities										
Charges for Services	3,118,433	3,097,565	1,920,029	1,742,057	1,878,826	2,545,796	2,825,652	2,823,357	2,394,494	2,626,114
Water	3,053,326	3,477,306	853,334	789,781	1,991,015	1,476,558	1,366,022	1,388,420	1,130,954	1,186,389
Sanitation	-	-	-	-	-	-	-	-	-	-
Recreation Center	-	-	-	-	-	-	-	-	-	-
Operating Grants/Contributions	1,111,679	2,085,932	1,895,647	343,578	1,847,357	241,344	2,453,079	4,829,491	1,658,668	6,805
Capital Grants/Contributions	2,284,438	8,660,273	4,670,810	3,375,408	1,892,167	4,881,718	7,012,242	9,504,885	5,228,987	3,819,389
Total Business-Type Activities Program Revenues	6,456,946	14,643,770	8,466,490	4,967,443	4,718,208	8,874,976	10,301,979	17,648,657	9,082,143	6,442,312
Total Primary Government Program Revenues	17,132,117	30,889,302	20,814,728	14,544,192	9,542,436	17,052,182	19,274,915	27,691,157	20,764,751	16,250,156
Changes in Net Position	(4,389,253)	(8,347,838)	(6,470,502)	(9,773,130)	(7,509,393)	(7,914,713)	(8,327,839)	(8,103,941)	(4,072,255)	(8,314,301)
Net Position at Beginning of Year	11,803,369	13,451,207	16,921,709	16,148,579	13,639,185	11,724,472	13,352,311	15,456,252	19,528,507	27,842,808
Net Position at End of Year	7,414,116	5,103,369	10,451,207	6,375,449	6,129,792	3,809,759	5,248,472	7,352,311	15,456,252	19,528,508

UNIFIED CITY OF YORKVILLE, ILLINOIS
 Changes in Net Position - Last Ten Fiscal Years*
 April 30, 2015 (Unaudited)

Expenses	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
General Government	4,706,185	4,871,741	5,688,953	5,513,569	4,592,204	4,757,257	5,731,692	3,121,857	5,808,954	4,075,153
Public Safety	2,379,913	2,761,019	3,333,555	3,099,998	3,665,595	3,287,448	2,951,184	3,729,318	918,131	4,393,482
Public Works	3,863,574	4,159,483	3,511,697	3,024,306	3,082,318	3,429,923	2,861,052	2,982,200	3,874,698	3,140,446
Library	485,566	757,256	953,535	1,044,318	1,103,649	1,170,275	871,050	932,748	407,537	930,024
Police	2,035,211	2,172,776	2,153,318	2,158,995	1,014,132	1,665,668	1,862,044	1,812,465	3,444,387	2,581,698
Interest on Long-Term Debt	65,664	98,673	183,646	169,824	751,192	723,246	704,213	691,551	698,519	611,243
Total Governmental Activities Expenses	13,813,508	16,052,862	18,833,646	16,982,418	16,655,511	15,399,574	15,322,288	13,648,846	17,311,949	16,124,231
Business-Type Activities										
Water	2,611,383	2,975,674	3,038,973	3,332,313	2,414,662	2,398,100	2,903,237	2,638,252	1,503,206	2,782,735
Sanitation	1,260,378	1,246,275	1,171,714	675,617	634,346	682,138	657,479	592,707	522,882	1,169,678
Recreation Center	3,817,101	4,318,329	4,214,897	5,330,200	4,629,305	4,712,477	4,815,751	4,860,982	4,538,959	4,496,813
Total Business-Type Activities Expenses	7,688,862	8,540,278	8,425,584	9,338,130	7,478,313	7,812,715	8,377,467	8,102,941	7,565,057	8,440,226
Total Primary Government Expenses	21,502,370	24,593,140	27,259,230	26,320,548	24,133,824	23,212,289	23,700,755	21,751,787	24,877,006	24,564,457
Program Revenues										
Governmental Activities										
Charges for Services	1,651,076	1,805,297	1,775,663	1,725,175	1,793,534	1,840,958	2,057,279	1,751,309	2,301,788	2,885,990
Public Safety	78,535	-	-	-	-	-	-	-	-	-
Public Works	208,455	-	29,018	29,018	48,993	58,382	58,794	74,037	45,422	-
Library	17,597	19,616	27,645	427,842	61,096	48,993	50,882	58,794	74,037	84,522
Police	3,002,525	4,192,525	3,778,342	3,778,342	629,822	870,767	631,091	696,658	1,159,659	943,410
Operating Grants/Contributions	1,290,650	3,940,377	1,909,670	922,409	1,058,599	1,596,067	1,409,412	3,117,256	1,229,829	798,423
Capital Grants/Contributions	3,934,766	6,380,223	4,862,577	3,122,106	1,332,672	4,659,086	4,416,062	6,080,031	3,120,701	4,995,099
Total Governmental Activities Program Revenues	10,675,171	16,245,532	12,348,238	9,576,749	4,824,228	8,177,206	8,972,936	10,042,200	11,682,608	9,807,844
Business-Type Activities										
Charges for Services	3,118,433	3,097,565	1,920,029	1,742,057	1,878,826	2,545,796	2,825,652	2,823,357	2,394,494	2,626,114
Water	3,053,326	3,477,306	853,334	789,781	1,991,015	1,476,558	1,366,022	1,388,420	1,130,954	1,186,389
Sanitation	-	-	-	-	-	-	-	-	-	-
Recreation Center	-	-	-	-	-	-	-	-	-	-
Operating Grants/Contributions	1,111,679	2,085,932	1,895,647	343,578	1,847,357	241,344	2,453,079	4,829,491	1,658,668	6,805
Capital Grants/Contributions	2,284,438	8,660,273	4,670,810	3,375,408	1,892,167	4,881,718	7,012,242	9,504,885	5,228,987	3,819,389
Total Business-Type Activities Program Revenues	6,456,946	14,643,770	8,466,490	4,967,443	4,718,208	8,874,976	10,301,979	17,648,657	9,082,143	6,442,312
Total Primary Government Program Revenues	17,132,117	30,889,302	20,814,728	14,544,192	9,542,436	17,052,182	19,274,915	27,691,157	20,764,751	16,250,156
Changes in Net Position	(4,389,253)	(8,347,838)	(6,470,502)	(9,773,130)	(7,509,393)	(7,914,713)	(8,327,839)	(8,103,941)	(4,072,255)	(8,314,301)
Net Position at Beginning of Year	11,803,369	13,451,207	16,921,709	16,148,579	13,639,185	11,724,472	13,352,311	15,456,252	19,528,507	27,842,808
Net Position at End of Year	7,414,116	5,103,369	10,451,207	6,375,449	6,129,792	3,809,759	5,248,472	7,352,311	15,456,252	19,528,508

* Accrual Basis of Accounting

UNITED CITY OF YORKVILLE, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 2,862,016	2,476,718	287,036	164,587	39,497	136,917	-	-	-	-
Unreserved	2,947,136	2,841,106	2,665,300	1,230,953	(532,436)	(408,817)	-	-	-	-
Nonspendable	-	-	-	-	-	-	153,770	139,985	156,680	145,012
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	332,500	-	-	984,526
Unassigned	-	-	-	-	-	-	784,353	4,083,835	3,703,901	3,696,520
Total General Fund	5,809,152	5,317,824	2,952,336	1,395,540	(492,939)	(271,900)	1,270,623	4,223,820	3,860,581	4,826,058
All Other Governmental Funds										
Reserved	9,029,130	4,460,492	3,630,544	3,505,069	3,482,941	3,323,515	-	-	-	-
Unreserved, Reported in,										
Special Revenue Funds	1,492,566	444,906	1,128,049	642,298	403,793	828,903	-	-	-	-
Debt Service Funds	(9,494)	(100,567)	(237,259)	-	-	-	-	-	-	-
Capital Projects Funds	(208,136)	(276,107)	(514,524)	(560,274)	(626,102)	(586,372)	-	-	-	-
Nonspendable	-	-	-	-	-	-	27,913	34,586	34,385	33,284
Restricted	-	-	-	-	-	-	3,565,649	3,549,913	1,951,407	1,767,419
Committed	-	-	-	-	-	-	264,616	305,804	527,635	537,853
Assigned	-	-	-	-	-	-	428,933	504,314	824,301	4,788,775
Unassigned	-	-	-	-	-	-	(874,152)	(571,615)	(534,087)	(624,928)
Total All Other Governmental Funds	10,304,066	4,528,724	4,006,810	3,587,093	3,260,632	3,566,046	3,412,959	3,823,002	2,803,641	6,502,403

* Modified Accrual Basis of Accounting

Note: The City adopted GASB Statement 54 for the fiscal year ended April 30, 2012.

UNITED CITY OF YORKVILLE, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2015 (Unaudited)

	2006	2007	2008	2009
Revenues				
Taxes	\$ 6,165,165	6,100,171	7,966,070	8,350,100
Intergovernmental	1,178,918	1,610,978	2,164,579	1,350,083
Licenses, Permits and Fees	5,449,815	4,958,458	4,508,936	2,476,691
Charges for Services	-	-	-	-
Fines and Forfeitures	80,534	94,174	118,565	139,875
Interest	446,871	448,746	320,046	74,761
Miscellaneous	298,499	438,340	989,443	1,344,427
Total Revenues	13,619,802	13,650,867	16,067,639	13,735,937
Expenditures				
General Government	4,488,151	5,000,288	5,652,456	5,065,127
Public Safety	2,165,111	2,589,749	3,015,178	3,160,730
Community Development	7,870	303	553,220	502,929
Public Works	3,715,663	2,602,247	4,473,822	1,752,822
Library	2,929,556	560,248	797,388	828,294
Parks and Recreation	2,101,502	1,923,584	2,231,553	2,035,413
Capital Outlay	535,107	7,943,295	1,654,695	2,199,602
Debt Service	-	14,150	-	-
Cost of Issuance	281,434	205,000	345,000	559,940
Principal Retirement	235,875	958,673	768,817	749,703
Interest and Fiscal Charges	16,460,269	21,797,537	19,492,129	16,854,560
Total Expenditures	(2,840,467)	(8,146,670)	(3,424,490)	(3,118,623)
Excess (Deficiency) of Revenues Over (Under) Expenditures				
Other Financing Sources (Uses)				
Disposal of Capital Assets	34,114	-	86,716	9,081
Adjustment for Bad Debts	-	-	-	-
Debt Issuance	11,075,000	1,500,000	-	937,500
Accrued Interest on Sale of Bonds	28,667	-	-	-
Bond Premium/(Discount)	93,341	-	-	-
Payment to Escrow Agent	-	(925,000)	-	-
Transfers In	2,337,829	3,602,435	2,803,008	2,924,616
Transfers Out	(1,932,410)	(2,297,435)	(2,262,483)	(2,729,087)
	11,636,541	1,880,000	627,241	1,142,110
Net Change in Fund Balances	8,796,074	(6,266,670)	(2,797,249)	(1,976,513)
Debt Service as a Percentage of Noncapital Expenditures	3.400%	8.020%	7.104%	9.021%

* Modified Accrual Basis of Accounting

	2010	2011	2012	2013	2014	2015
8,694,985	9,254,138	10,020,005	6,767,061	5,176,481	11,830,762	
1,910,171	2,479,758	2,906,407	7,545,978	9,469,590	3,312,823	
894,871	486,264	336,683	400,718	393,746	379,242	
1,252,904	1,519,004	1,842,620	1,479,712	2,169,670	2,749,195	
166,078	228,009	194,256	195,287	191,887	154,789	
73,327	6,762	10,388	16,368	14,895	176,911	
676,539	763,503	667,637	690,456	737,693	1,736,079	
13,668,875	14,737,438	15,977,996	17,095,580	18,153,962	19,985,979	
4,590,261	4,724,320	5,501,632	3,498,104	5,685,541	3,910,635	
3,260,256	2,886,313	2,849,067	3,568,665	3,834,655	4,337,573	
423,835	395,291	307,053	365,188	407,537	592,588	
1,976,664	2,038,458	1,926,169	1,841,795	2,207,757	2,361,827	
915,195	975,587	691,525	752,373	737,191	748,905	
1,532,422	1,360,244	1,488,018	1,450,824	1,644,065	2,041,792	
242,005	376,030	101,133	572,022	2,050,456	3,285,489	
-	-	-	-	-	-	
849,937	896,544	1,038,254	1,025,074	1,099,223	844,112	
764,364	733,106	701,809	663,495	641,673	496,090	
14,554,939	14,385,893	14,604,660	13,737,540	18,308,098	18,619,011	
(886,064)	351,545	1,373,336	3,358,040	(154,136)	1,366,968	
(1,016,132)	-	16,100	5,200	16,325	-	
-	-	-	-	8,053,963	6,670,678	
-	-	-	-	-	-	
-	-	-	-	115,109	119,680	
-	-	-	-	(7,787,598)	(2,359,115)	
2,046,452	1,848,135	1,047,727	1,504,002	2,881,535	1,375,448	
(1,912,243)	(1,673,227)	(1,047,727)	(1,504,002)	(4,507,798)	(2,509,420)	
(881,923)	174,908	16,100	5,200	(1,228,464)	3,297,271	
(1,767,987)	526,453	1,389,436	3,363,240	(1,382,600)	4,664,239	
11.227%	11.709%	13.098%	17.159%	11.540%	9.497%	

UNITED CITY OF YORKVILLE, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate
2006	2005	\$ 228,416,554	\$ 1,672,887	\$ 68,704,340	\$ 6,781,706	\$ 17,425	\$ 305,592,912	0.5136
2007	2006	316,602,897	2,384,569	71,761,771	8,068,081	17,328	398,834,646	0.4547
2008	2007	399,859,224	2,643,309	98,576,640	8,541,508	17,328	509,638,009	0.4164
2009	2008	440,037,839	2,562,106	117,707,447	6,914,772	17,328	567,239,492	0.4267
2010	2009	444,422,818	2,524,355	124,381,958	6,921,977	17,328	578,268,436	0.4374
2011	2010	407,528,709	2,398,027	122,304,406	6,820,310	17,328	539,068,780	0.9019
2012	2011	367,600,683	2,450,231	112,753,206	7,283,729	17,328	490,105,177	0.7046
2013	2012	332,551,186	2,568,351	101,264,981	6,720,962	17,328	443,122,808	0.7490
2014	2013	311,316,069	2,618,131	99,434,012	6,656,792	17,328	420,042,332	0.7738
2015	2014	310,655,449	2,743,283	90,744,145	12,668,201	17,328	416,828,406	0.7581

Data Source: Office of the County Clerk

Note: Property is assess at 33% of actual value.

UNITED CITY OF YORKVILLE, ILLINOIS

Principal Property Taxpayers - Current Tax Levy Year and Nine Tax Levy Years Ago
April 30, 2015 (Unaudited)

Taxpayer	2014 Tax Levy			2005 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Menard, Inc	\$ 7,568,892	1	1.82%			
Bank of America	5,152,419	2	1.24%			
Yorkville Shopping Center	3,968,109	3	0.95%			
Copley Ventures, Inc.	3,726,607	4	0.89%			
Target Corporation	3,092,795	5	0.74%			
Wrigley Manufacturing Co., LLC	2,706,507	6	0.65%	\$ 4,948,400	1	1.62%
Yorkville Leased Housing Assoc.	2,341,056	7	0.56%			
Boombah Properties LLC	2,269,648	8	0.54%			
York Meadows LLC	2,254,626	9	0.54%	1,433,840	4	0.47%
Prime Yorkville LLC	1,805,566	10	0.43%			
First National Bank of DeKalb Trust				1,815,204	2	0.59%
Yorkville National Bank				1,453,964	3	0.48%
Castle Bank Yorkville				1,430,384	5	0.47%
Bank of Ravenswood				1,233,312	6	0.40%
Elite Yorkville LLC				963,714	7	0.32%
Windrose Yorkville Properties				827,975	8	0.27%
Walker Customer Homes, Inc				672,747	9	0.22%
American National Bank & Trust of Chicago				615,009	10	0.20%
	<u>34,886,225</u>		<u>8.36%</u>	<u>15,394,549</u>		<u>5.04%</u>

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2015 (Unaudited)

Data Source: Office of the County Clerk

UNITED CITY OF YORKVILLE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2015 (Unaudited)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Direct Rates										
Corporate	0.0120	0.0142	0.0564	0.1329	0.1138	0.1472	0.2108	0.2354	0.2484	0.2503
Bonds and Interest	-	-	-	-	-	0.4105	0.1477	0.1097	0.0797	0.0397
IMRF	0.0617	0.0725	0.0968	0.0724	0.0778	0.0804	0.0918	0.1016	0.1071	0.1080
Police Protection	0.0750	0.0788	0.0699	0.0550	0.0584	0.0620	0.0714	0.0790	0.0833	0.0840
Police Pension	0.0819	0.0690	0.0589	0.0573	0.0583	0.0670	0.0900	0.1229	0.1493	0.1694
Garbage	0.1220	0.0524	-	-	-	-	-	-	-	-
Audit	0.0077	0.0081	0.0070	0.0073	0.0095	0.0098	0.0082	0.0068	0.0071	0.0072
Liability Insurance	0.0390	0.0404	0.0391	0.0387	0.0583	0.0615	0.0082	0.0090	0.0095	0.0096
Social Security	0.1048	0.1084	0.0771	0.0541	0.0528	0.0546	0.0612	0.0677	0.0714	0.0720
School Crossing Guard	0.0062	0.0065	0.0047	0.0043	0.0042	0.0044	0.0051	0.0056	0.0060	0.0060
Unemployment Insurance	0.0033	0.0044	0.0065	0.0047	0.0043	0.0045	0.0102	0.0113	0.0119	0.0120
Total Direct Rates	0.5136	0.4547	0.4164	0.4267	0.4374	0.9019	0.7046	0.7490	0.7738	0.7581
Overlapping Rates										
Kendall County	0.6156	0.5925	0.5595	0.5724	0.5734	0.6396	0.6999	0.7446	0.8009	0.8085
Kendall County Forest Preserve	0.0335	0.0299	0.1292	0.0966	0.0944	0.1041	0.1205	0.1495	0.1640	0.1826
Bristol Township	0.3500	0.3122	0.2906	0.2921	0.2963	0.3246	0.3693	0.3934	0.4239	0.4172
Bristol - Kendall Fire District	0.5468	0.5484	0.5738	0.5896	0.6007	0.6734	0.7176	0.7356	0.7718	0.8041
Yorkville - Bristol Sanitary District	0.0385	0.0339	0.0291	-	-	-	-	-	-	-
Yorkville Community Unit School District #115	4.3156	4.4474	4.4474	4.5923	4.6973	5.2767	5.9101	6.7561	7.4081	7.7083
Waubensee Community College District #516	0.3968	0.4005	0.3924	0.3990	0.4037	0.4115	0.4702	0.5306	0.5691	0.5973
Yorkville Public Library	0.1500	0.3697	0.2210	0.2099	0.2172	0.2589	0.3042	0.3242	0.3241	0.3299
Total Direct and Overlapping Rates	6.9604	7.1892	7.0594	7.1786	7.3204	8.5907	9.2964	10.3830	11.2357	11.6060

Data Source: Office of the County Clerk

Notes:

- (1) Rates are per \$100 of Assessed Value.
- (2) Representative tax rates for other government units are from Bristol Township

UNITED CITY OF YORKVILLE, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years***	Total Collections to Date **	Percentage of Levy
		Amount	Percentage of Levy			
2006	\$ 1,388,667	\$ 1,387,085	99.89%	-	\$ 1,387,085	99.89%
2007	1,569,528	1,566,118	99.78%	-	1,566,118	99.78%
2008	1,813,501	1,813,308	99.99%	-	1,813,308	99.99%
2009	2,122,133	2,101,984	99.05%	-	2,101,984	99.05%
2010	2,420,411	2,407,483	99.47%	-	2,407,483	99.47%
2011	2,529,057	2,521,570	99.70%	-	2,521,570	99.70%
2012	4,862,185	4,849,681	99.74%	-	4,849,681	99.74%
2013	3,452,742	3,435,616	99.50%	-	3,435,616	99.50%
2014	3,318,990	3,193,672	96.22%	-	3,193,672	96.22%
2015	3,250,204	3,234,448	99.52%	-	3,234,448	99.52%

See Following Page

UNITED CITY OF YORKVILLE, ILLINOIS

Estimate of Taxable Sales by Category - Last Ten Calendar Years
April 30, 2015 (Unaudited)

Data Source: Office of the County Treasurer

* The 2010, 2011, 2012, and 2013 tax levy extended amount includes bonds and interest in the amount of \$2,212,770, \$723,689, \$486,150 and \$334,816, respectively, that were previously abated.

** Includes property taxes collected in the current year that may be attributable to prior years. These collections, if any, are immaterial as 99% or greater of the current year's tax levy has historically been collected during the respective fiscal year. Additionally, information to associate any non-current tax collections to a specific tax levy is not readily available.

*** Information for collections in subsequent years is unavailable.

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

UNITED CITY OF YORKVILLE, ILLINOIS

Estimate of Taxable Sales by Category - Last Ten Calendar Years
April 30, 2015 (Unaudited)

	2005	2006	2007
General Merchandise*	\$ -	-	51,257
Food	353,518	376,442	390,544
Drinking and Eating Places	171,582	203,071	214,845
Apparel*	-	-	4,228
Furniture & H.H. & Radio	44,865	44,882	43,654
Lumber, Building Hardware	1,288,827	556,171	854,375
Automobile and Filling Stations	82,376	109,129	109,474
Drugs and Miscellaneous Retail	219,702	969,694	522,118
Agriculture and All Others	199,207	274,340	284,907
Manufacturers	109,375	124,549	111,043
Total	2,469,452	2,658,278	2,586,445
City Direct Sales Tax Rate	1.00%	1.00%	1.00%

Data Source: Illinois Department of Revenue - Local Tax Allocation Division

Data available for calendar year only.

* Data by category is not available from the State of Illinois for categories with less than four taxpayers. However, they are included in the totals. Per the State of Illinois, there must not have been four taxpayers during the year 2003 through 2006.

	2008	2009	2010	2011	2012	2013	2014
General Merchandise*	276,566	449,732	508,825	555,129	571,210	594,685	593,361
Food	326,495	276,477	258,675	262,556	259,509	266,937	289,897
Drinking and Eating Places	230,623	236,676	248,772	268,418	279,649	293,131	299,300
Apparel*	19,792	52,413	58,032	68,320	85,797	88,739	87,834
Furniture & H.H. & Radio	26,443	15,300	21,282	-	7,727	3,370	2,710
Lumber, Building Hardware	715,491	347,804	359,245	352,669	362,987	413,711	446,440
Automobile and Filling Stations	143,432	164,330	187,309	194,135	178,282	156,091	146,062
Drugs and Miscellaneous Retail	347,137	372,802	562,570	603,718	582,001	597,615	566,665
Agriculture and All Others	250,300	175,964	53,410	58,065	64,558	89,360	161,114
Manufacturers	167,006	302,537	323,334	191,287	78,346	89,239	90,998
Total	2,503,285	2,394,035	2,581,454	2,554,297	2,470,066	2,592,877	2,684,381
City Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	2.00%	2.00%	2.00%

UNITED CITY OF YORKVILLE, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

UNITED CITY OF YORKVILLE, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	State Sales Tax	Local Sales Tax to City	City Non-Home Rule Sales Tax*	County Sales Tax	County Public Safety Property	Total Sales Tax Rate
2006	5.00%	1.00%	0.00%	0.25%	0.50%	6.75%
2007	5.00%	1.00%	0.00%	0.25%	0.50%	6.75%
2008	5.00%	1.00%	0.00%	0.25%	1.00%	7.25%
2009	5.00%	1.00%	0.00%	0.25%	1.00%	7.25%
2010	5.00%	1.00%	0.00%	0.25%	1.00%	7.25%
2011	5.00%	1.00%	0.00%	0.25%	1.00%	7.25%
2012	5.00%	1.00%	1.00%	0.25%	1.00%	8.25%
2013	5.00%	1.00%	1.00%	0.25%	1.00%	8.25%
2014	5.00%	1.00%	1.00%	0.25%	1.00%	8.25%
2015	5.00%	1.00%	1.00%	0.25%	1.00%	8.25%

See Following Page

Data Source: Illinois Department of Revenue

*Non-Home Rule Sales Tax was implemented on January 1, 2012.

The above tax rates are for General Merchandise.

UNITED CITY OF YORKVILLE, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	Governmental Activities				General Obligation and Alternative Revenue Source Bonds
	General Obligation and Alternative Revenue Source Bonds	Debt Certificates	Loans Payable *	Other Commitments	
2006	\$ 15,065,000	\$ 1,735,000	\$ 1,449,737	\$ 1,890	\$ 16,680,000
2007	16,475,000	695,000	-	106,890	19,540,000
2008	16,255,000	570,000	450,000	106,890	19,300,000
2009	15,945,000	430,000	1,277,560	106,890	19,070,000
2010	15,365,000	285,000	1,152,623	1,890	18,855,000
2011	14,715,000	190,000	1,001,079	1,890	18,605,000
2012	13,925,000	95,000	847,825	1,890	18,175,000
2013	13,025,000	-	855,601	1,890	17,905,000
2014	12,520,000	-	940,341	1,890	16,855,000
2015	16,120,000	-	826,229	1,890	15,700,000

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

* IEPA Loan L17-013000 and L17-115300 were reported as Governmental Activities prior to Fiscal Year 2007.

Fiscal Year	Business-Type Activities						Percentage of Personal Income (1)	Per Capita (1)
	Debt Certificates	IEPA Loans Payable	Other Commitments	Total Primary Government	Personal Income (1)	Per Capita (1)		
2006	\$ 11,534,594	\$ -	\$ -	\$ 46,466,221	12.37%	\$ 4,147		
2007	10,423,461	2,752,666	1,319,742	51,312,759	12.75%	4,580		
2008	10,198,112	3,062,837	3,114,694	53,057,533	12.50%	4,736		
2009	9,932,125	2,884,366	2,670,505	52,316,446	12.03%	3,107		
2010	9,571,912	2,686,846	2,523,422	50,441,693	12.34%	2,996		
2011	9,064,112	2,483,882	2,296,958	48,357,921	11.51%	2,858		
2012	8,460,000	2,275,320	2,065,958	45,845,993	10.60%	2,709		
2013	7,465,000	2,060,997	1,952,534	43,266,022	9.90%	2,557		
2014	6,680,000	1,880,084	1,919,909	40,797,224	8.87%	2,411		
2015	5,865,000	1,694,504	1,942,898	42,150,521	8.94%	2,491		

UNITED CITY OF YORKVILLE, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

Fiscal Year	General Obligation and Alternative Revenue Source Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2006	\$ 7,545,000	\$ -	\$ 7,545,000	2.47%	\$ 673
2007	31,745,000	-	31,745,000	7.96%	2,833
2008	36,015,000	-	36,015,000	7.07%	3,214
2009	35,555,000	-	35,555,000	6.27%	2,112
2010	35,015,000	-	35,015,000	6.06%	2,080
2011	34,220,000	-	34,220,000	6.35%	2,022
2012	33,320,000	578,443	32,741,557	6.68%	1,935
2013	30,930,000	-	30,930,000	6.98%	1,828
2014	29,375,000	-	29,375,000	6.99%	1,736
2015	31,820,000	-	31,820,000	7.63%	1,881

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

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
April 30, 2015 (Unaudited)

Governmental Unit	(1) Gross Debt	(2) Percentage of Debt Applicable to City*	(3) City's Share of Debt
United City of Yorkville	\$ 16,948,119	100.000%	\$ 16,948,119
Overlapping Debt County of Kendall (4)	35,913,762	16.48%	5,918,588
Forest Preserve District of Kendall County	47,215,000	16.48%	7,781,032
Yorkville Community Unit School District #115	79,165,866	58.15%	46,034,951
Waubensee Community College District #516	71,440,000	5.30%	3,786,320
Plano Community Unit School District #88	38,008,479	0.42%	159,636
Newark Community Consolidated School District #66	1,495,000	0.39%	5,831
Total Overlapping Debt	273,238,107		63,686,357
Total Direct and Overlapping Debt	290,186,226		80,634,476

Data Source: Kendall County Tax Extension Department

* Determined by ratio of assessed valuation of property subject to taxation in the City to valuation of property subject to taxation in overlapping unit.

Notes:

(1) As of April 30, 2015.

(2) Percentages are based on 2014 EAV's, the latest available.

(3) The United City of Yorkville has \$88,500,000 in outstanding non-committal debt which is expected to be paid from sources other than City revenues.

(4) Includes Public Building Commission.

UNITED CITY OF YORKVILLE, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

	2006	2007	2008	2009
Legal Debt Limit	\$ 26,357,389	34,399,488	43,956,278	48,924,406
Total Net Debt Applicable to Limit	20,519,594	19,868,461	19,518,112	19,037,125
Legal Debt Margin	5,837,795	14,531,027	24,438,166	29,887,281
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	77.85%	57.76%	44.40%	38.91%

	2010	2011	2012	2013	2014	2015
Legal Debt Limit	49,875,653	46,494,682	42,271,572	38,219,342	36,228,651	35,951,450
Total Net Debt Applicable to Limit	18,356,912	17,529,112	24,860,000	22,945,000	19,290,000	14,855,000
Legal Debt Margin	31,518,741	28,965,570	17,411,572	15,274,342	16,938,651	21,096,450
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	36.81%	37.70%	58.81%	60.04%	53.25%	41.32%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Value	\$ 416,828,406
Bonded Debt Limit - 8.625% of Assessed Value	35,951,450
Amount of Debt Applicable to Limit	14,855,000
Legal Debt Margin	21,096,450

UNITED CITY OF YORKVILLE, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years
Governmental Activities
April 30, 2015 (Unaudited)

Fiscal Year	Incremental Property Tax	Municipal Utility Tax	Motor Fuel Tax	Municipal Sales Tax	Net Available Revenue	Debt Service		Coverage
						Principal	Interest	
2006	\$ 70,997	\$ -	\$ 266,560	\$ 2,548,784	\$ 2,886,341	\$ 55,000	\$ 124,045	16.12
2007	130,078	696,096	291,666	2,676,261	3,794,101	90,000	426,142	7.35
2008	177,205	933,623	328,650	2,506,434	3,945,912	220,000	317,662	7.34
2009	215,853	922,095	307,882	2,500,285	3,946,115	235,000	308,801	7.26
2010	222,927	833,669	434,263	2,446,099	3,936,958	405,000	299,239	5.59
2011	234,718	873,999	425,971	2,569,233	4,103,921	425,000	283,604	5.79
2012	586,590	-	417,416	2,552,483	3,556,489	440,000	267,104	5.03
2013	364,742	-	402,932	2,490,503	3,258,177	460,000	249,609	4.59
2014	315,790	-	-	2,586,460	2,902,250	400,000	230,917	4.60
2015	327,984	-	-	2,704,651	3,032,635	225,000	56,789	10.76

Notes:

Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Series 2005 Bonds are payable from revenues from Sales Taxes and the Series 2005A Bonds were payable from Utility Taxes and are currently payable from Property Taxes.

UNITED CITY OF YORKVILLE, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years
Business-Type Activities
April 30, 2015 (Unaudited)

Fiscal Year	Water and Sewer Revenues	Less: Operating Expenses	State Income Tax	Non-Home Rule Sales Tax	Net Available Revenue	Debt Service		Coverage
						Principal	Interest	
2006	\$ 6,133,618	\$ 3,271,081	\$ 679,842	\$ -	\$ 3,542,379	\$ 120,000	\$ 150,437	13.10
2007	4,326,932	2,696,903	1,040,678	-	2,670,707	160,000	708,001	3.08
2008	4,259,945	2,528,710	1,053,292	-	2,784,527	240,000	777,258	2.74
2009	5,278,990	2,339,379	1,004,980	-	3,944,591	230,000	789,840	3.87
2010	3,738,010	1,978,482	1,277,889	-	3,037,417	235,000	813,634	2.90
2011	4,020,017	1,895,466	1,315,321	-	3,439,872	250,000	804,306	3.26
2012	5,891,708	2,776,270	1,444,426	410,327	4,970,191	260,000	793,668	4.72
2013	4,432,710	2,895,830	1,587,324	1,919,423	5,043,627	270,000	769,100	4.85
2014	3,379,454	1,695,780	1,613,102	1,986,566	5,283,342	1,050,000	759,986	2.92
2015	3,646,020	1,929,555	1,735,422	2,078,061	5,529,948	1,175,000	704,410	2.94

Notes:

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

Water and Sewer revenues exclude capital contributions and developer donations. Operating expenses do not include depreciation or amortization expenses.

UNITED CITY OF YORKVILLE, ILLINOIS

Demographic and Economic Statistics - Last Ten Calendar Years
April 30, 2015 (Unaudited)

Calendar Year	Population (1)	Personal Income (4)	Per Capita Personal Income (4)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2005	11,204	\$ 375,514,878	\$ 30,685	33.2	3,172	3.20%
2006	11,204	402,538,733	31,750	33.2	3,561	2.60%
2007	11,204	424,522,760	32,976	33.2	4,270	3.10%
2008	16,838	434,960,364	34,608	33.2	4,774	3.80%
2009	16,838	408,689,885	33,213	33.2	5,105	6.60%
2010	16,921	420,050,647	35,360	32.4	5,283	6.40%
2011	16,921	432,442,141	38,151	32.4	5,426	5.90%
2012	16,921	436,998,041	38,151	32.4	5,474	5.20%
2013	16,921	459,981,371	48,305	32.4	5,630	8.20%
2014	16,921	471,745,333	49,464	32.4	5,800	6.40%

Data Source:

- (1) U.S. Census
- (2) Data provided by School District Administrative Offices
- (3) Illinois Department of Employment Security, Economic Information and Analysis
- (4) U.S. Bureau of Economic Analysis: Chicago-Naperville-Elgin Metropolitan Statistical Area

UNITED CITY OF YORKVILLE, ILLINOIS

Principal Employers - Current Calendar Year and Nine Calendar Years Ago
April 30, 2015 (Unaudited)

Employer	2014 Calendar Year			2005 Calendar Year		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Raging Waves (Seasonal)	450	1	2.66%			
Wrigley Manufacturing Co.	323	2	1.91%	500	1	4.46%
Super Target	180	3	1.06%			
Mendards Mega Store	140	4	0.83%			
Jewel/Osco	130	5	0.77%			
Newlywed Foods	115	6	0.68%	115	2	1.03%
Kohl's	115	6	0.68%			
Boonbah, Inc	90	7	0.53%			
Hillside Health Care Center	90	7	0.53%			
Home Depot	85	8	0.50%			
Wheatland Title	65	9	0.38%			
Marshalls	50	10	0.30%			
Brenart Eye Clinic	50	10	0.30%	50	3	0.45%
C&J Insulation, Inc	50	10	0.30%	40	4	0.36%
Cascade Waterworks Co.	50	10	0.30%	40	4	0.36%
Bristol Equipment Co.				25	5	0.22%
G.H. Haws & Assoc.				25	5	0.22%
Alphas Precision				20	6	0.18%
Waste Technology, Inc.				20	6	0.18%
	<u>1,933</u>		<u>11.43%</u>	<u>835</u>		<u>7.46%</u>

Data Source: City Economic Development Corporation Records and Illinois Manufacturers Directory.

UNITED CITY OF YORKVILLE, ILLINOIS

Full-Time and Part-Time Government Employees by Function - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Full Time										
General Government										
Administration	13	15	9	7	5	4	4	4	4	4
Finance	N/A	N/A	6	6	5	4	4	4	4	4
Community Relations	N/A	N/A	N/A	1	1	-	-	-	-	-
Engineering	5	5	6	7	4	3	-	-	-	-
Community Development	N/A	4	6	5	4	3	2	3	4	4
Public Safety										
Police										
Officers	24	28	29	30	27	25	25	26	28	29
Civilians	3	4	5	5	5	3	3	2	3	3
Public Works										
Streets	5	5	5	5	6	5	5	5	5.3	5.3
Water	6	6	6	6	6	6	5.5	5.3	5.3	5.3
Sewer	4	4	4	3	4	3	3.5	3.3	3.3	3.3
Culture & Recreation										
Parks	7	9	9	9	8	8	8	9	8.5	8.5
Recreation	6	7	7	7	6	4	4	6	4.5	5.5
Library	4	4	4	5	5	5	5	5	5	4
Part Time										
General Government										
Administration	1	2	1	-	-	-	-	1	1	-
Community Relations	N/A	N/A	N/A	1	-	-	-	-	-	-
Community Development	N/A	N/A	N/A	-	1	1	1	2	1	1
Public Safety										
Police										
Officers	3	1	3	2	2	3	5	6	5	6
Civilians	4	7	7	7	6	6	7	9	10	9
Public Works										
Water	-	-	-	-	-	-	-	-	-	-
Parks & Recreation										
Parks	6	5	5	1	2	2	3	4	4	7
Recreation	18	27	33	29	38	40	40	16	3	23
Library	12	31	35	33	33	30	30	26	25	31
Total	121	164	180	169	168	155	155	136	124	153

Data Source: City Human Resource Department
N/A - Not Available

UNITED CITY OF YORKVILLE, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Arrests Made	1,536	1,506	1,891	1,732	657	531	700	547	390	183
Parking Violations	N/A	N/A	N/A	N/A	845	918	1,501	846	628	282
Traffic Violations	2,848	6,610	9,571	10,891	4,436	3,729	4,338	4,287	1,097	562
Reports Taken	3,006	3,290	3,479	3,302	2,798	2,236	1,815	1,813	1,840	897
Calls for Service	13,435	15,031	17,523	18,614	13,533	12,170	13,311	11,860	11,633	6,267
Community Development										
Permits Issued	1,395	1,420	1,173	725	593	570	566	593	576	577
Public Works										
Street Resurfacing (Miles)	-	-	2.99	-	-	-	-	-	1.69	0.65
Snow and Ice Control (Tons of Salt)	N/A	991.48	2,448.75	2,274.78	2,213.00	1,900.03	1,986.36	1,080.67	1,349	1,509
Pothole Repairs (Tons of Asphalt)	N/A	19.87	325.21	52.18	246.05	226.96	286.43	335.91	252	442
Water										
Number of Accounts	4,376	5,129	5,669	5,862	5,969	6,051	5,947	6,189	6,135	6,361
Total Annual Consumption (Cubic Feet)	N/A	N/A	N/A	59,363,940	59,485,277	62,574,451	59,828,300	66,401,150	62,743,823	56,658,370
Average Daily Consumption (Cubic Feet)	N/A	N/A	N/A	162,641	162,973	171,437	163,913	181,921	171,901	155,228

Data Source: Various City Departments

N/A - Not Available

UNITED CITY OF YORKVILLE, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol Units	N/A	N/A	N/A	N/A	23.00	24.00	19.00	20.00	20.00	22.00
Public Works										
Streets (Miles)	36.28	41.56	44.29	45.49	56.00	59.56	60.79	82.00	83.20	84.31
Traffic Signals	17.00	19.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Storm Sewers (Miles)	40.72	48.17	54.10	55.65	68.90	69.63	72.91	80.43	83.21	83.21
Water										
Water Mains (Miles)	38.80	41.56	46.64	47.37	58.85	59.88	61.97	66.65	68.28	68.28
Fire Hydrants	906	929	989	1,001	1,188	1,207	1,239	1,327	1,349	1,349
Sewer										
Sanitary Sewers (Miles)	34.88	37.88	42.71	43.01	53.43	54.25	55.48	59.29	60.39	60.39
Lift Stations	3.00	4.00	5.00	5.00	7.00	7.00	7.00	7.00	7.00	7.00

Data Source: Various City Departments

N/A - Not Available

UNITED CITY OF YORKVILLE, ILLINOIS

**New Permits and Construction Values - Last Ten Calendar Years
April 30, 2015 (Unaudited)**

Calendar Year	Commercial Construction		Residential Construction Single-Family		Residential Construction Multi-Family		Total	
	Permits Issued	Construction Value	Permits Issued	Construction Value	Permits Issued	Construction Value	Permits Issued	Construction Value
2006	42	\$ 27,155,000	448	\$ 77,019,310	275	\$ 52,593,360	765	\$ 156,767,670
2007	62	67,661,597	282	51,887,148	137	20,854,148	481	140,402,893
2008	39	12,776,625	105	18,993,634	52	10,788,180	196	42,558,439
2009	19	11,122,644	56	13,229,042	8	1,600,000	83	25,951,686
2010	11	445,727	43	12,155,740	6	529,607	60	13,131,074
2011	6	4,742,704	43	6,285,744	-	-	49	11,028,448
2012	7	1,016,600	69	10,318,804	-	-	76	11,335,404
2013	9	3,149,000	83	12,287,740	-	-	92	15,436,740
2014	11	3,215,000	73	11,451,799	-	-	84	14,666,799
2015	10	38,279,500	72	13,063,555	-	-	82	51,343,055

Data Source: City Records

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 Standard & Poor’s rating: 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.

Re: United City of Yorkville, Kendall County, Illinois
 \$5,800,000 General Obligation Refunding Bonds
 (Alternate Revenue Source), Series 2016

We have acted as bond counsel in connection with the issuance by the United City of Yorkville Island, Kendall County, Illinois (the “**City**”), of its General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016 (the “**Bonds**”). As bond counsel, we have examined, among other things, a certified copy of the proceedings (the “**Proceedings**”) of the City relating to the Bond Ordinance (the “**Ordinance**”) adopted by the City on October 11, 2016, preliminary to the issuance of the Bonds by the City. The Bonds are in the aggregate principal amount of \$5,800,000, dated the date hereof, and due on December 30 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$430,000	4.000%
2018	\$470,000	4.000%
2019	\$1,470,000	4.000%
2020	\$1,475,000	4.000%
2021	\$1,040,000	3.000%
2022	\$915,000	3.000%

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

The Bonds are issued pursuant to the authority of the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, both as supplemented and amended, and the Ordinance, for the purpose of paying the costs of the Refunding (as defined in the Ordinance) and paying costs related to the issuance of the Bonds.

In our capacity as bond counsel, we have examined the certified transcript of the Proceedings relative to the adoption of the Ordinance and the authorization, issuance and sale of the Bonds pursuant to the Ordinance, and such other papers as we deem necessary in order to render this opinion. As to questions of fact material to our opinion, we have relied upon the Proceedings and other certifications of public officials furnished to us, and we have not undertaken to verify any facts by independent investigation. From such examination, we are of the opinion that the Proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Illinois now in force.

We further certify that we have examined the form prescribed for the Bonds and find the same in due form of law, and in our opinion, the Bonds are valid and legally binding general obligations of the City, and are payable from (a) (i) the moneys deposited to the credit of the Alternate Bond and Interest Subaccount within the Surplus

Account of the Waterworks and Sewerage Fund of the City, said Surplus Account consisting of the funds remaining in said Waterworks and Sewerage Fund after the required monthly deposits and credits have been made to the Operation and Maintenance Account, the Depreciation Account and any other accounts as may be created in the future, of said Waterworks and Sewerage Fund, (ii) all collections distributed to the City pursuant to the State Revenue Sharing Act from those taxes imposed by the State of Illinois pursuant to subsections (a) and (c) of Section 201 of the Illinois Income Tax Act, as supplemented and amended from time to time, or substitute taxes therefor as provided by the State of Illinois in the future, and (iii) such other funds of the City as may be necessary and on hand from time to time and lawfully available for such purpose, and (b) ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount. The Bonds are issued on a parity with the City's currently outstanding General Obligation Bonds (Alternate Revenue Source), Series 2004B, General Obligation Refunding Bonds (Alternate Revenue Source), Series 2007A and General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2014C.

The rights of the owner 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 rights of the owner of the Bonds and the enforceability thereof may also be subject to the valid exercise of the constitutional exercise of police powers of the City, the State of Illinois and the United States of America.

Subject to the City's continuing compliance with certain covenants (collectively, the "**Tax Covenants**") made by the City to satisfy the pertinent requirements of the Internal Revenue Code of 1986, as amended (the "**Code**"), under federal statutes, decisions, regulations and rulings existing on this date, we are of the opinion that interest on the Bonds is not includable in the gross income of the owner 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 under the Code, but interest on the Bonds is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. The City has covenanted to comply with all such Tax Covenants. Failure by the City to comply with the Tax Covenants could cause interest on the Bonds to be included 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.

The City has lawfully designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code, relating to the exception from the 100% disallowance for the deduction for interest expense allocable to interest on tax-exempt obligations acquired by financial institutions. The status of the Bonds as qualified tax-exempt obligations is conditioned upon continuing compliance by the City with the Tax Covenants.

Interest on the Bonds is not exempt from present Illinois income taxes. Except as specifically set forth herein, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds.

For purposes of this opinion, we have not been engaged or undertaken to review and, therefore, express no opinion herein regarding the accuracy, completeness or adequacy of any offering material relating to the Bonds. This opinion should not be construed as offering material, an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Bonds. In addition, we have not been engaged to and, therefore, express no opinion as to compliance by the Issuer or the purchaser with any federal or state statute, regulation or ruling with respect to the sale and placement of the Bonds.

We express no opinion as to the accuracy, adequacy, completeness or sufficiency of the Official Statement relating to the Bonds, any information furnished to any person in connection with any offer or sale of the Bonds or with respect to any obligation of the City to provide continuing disclosure of any such information.

We are not expressing an opinion on the investment quality of the Bonds, and we have not investigated or examined the facts, figures or financial statements or other representations made to the purchaser of the Bonds respecting the City by its representatives. Furthermore, we are not expressing an opinion as to whether the facts, figures, financial statements or other representations made to the purchaser of the Bonds respecting the City by its representatives contained any untrue statements of material fact or omitted to state any material facts necessary to make the statements made not misleading.

In rendering this opinion, we have relied upon certifications of the City with respect to certain material facts solely within the City's knowledge. We have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. The opinions set forth herein express the professional judgment of the attorneys participating in the transactions as to the legal issues addressed herein. By rendering such opinions, the undersigned does not become an insurer or guarantor of that expression of professional judgment or of the transaction opined upon. Nor does the rendering of that opinion guarantee the outcome of any legal dispute that may arise out of the transaction. 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.

Very truly yours,

APPENDIX D

**UNITED CITY OF YORKVILLE
KENDALL COUNTY, ILLINOIS**

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

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund, a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the City at 800 Game Farm Road, Yorkville, Illinois 60560. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Illinois Municipal Retirement System (IMRF)

All employees (other than those covered by the Police Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The City is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. For the calendar year 2014 the employer annual required contribution rate was 11.62 percent.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Employees	
Vested	17
Nonvested	<u>13</u>
Total	<u>37</u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions – Continued

Police Pension Plan – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 officer salary for the pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2 percent 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 percent of 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. 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. For the year-ended April 30, 2015, the City's contribution was 28.11% of covered payroll.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting. The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Significant Investments. There are no investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits for the Police Pension Plan. Information for IMRF is not available.

Related Party Transactions. There are no securities of the employer or any other related parties included in plan assets.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

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 liabilities calculated using the discount rate as well as what the net pension liabilities would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Police Pension	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 11,978,268	9,472,387	7,438,084

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Net Pension Liability

The components of the net pension liability of the City's Plans as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

	Police Pension
Total Pension Liability	\$ 15,895,133
Plan Fiduciary Net Position	<u>6,422,746</u>
City's Net Pension Liability	<u>9,472,387</u>
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	40.41%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

Annual Pension Cost and Net Pension Obligation

There was no net pension obligation for the IMRF plan. The net pension obligation for the Police Pension Plan is as follows:

	Police Pension
Annual Required Contribution	\$ 571,437
Interest on Net Pension Obligation	45,054
Adjustment to Annual Required Contribution	<u>(13,663)</u>
Annual Pension Cost	602,828
Actual Contribution	<u>624,168</u>
Change in NPO	(21,340)
NPO - Beginning	<u>626,585</u>
NPO - Ending	<u>605,245</u>

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The actuarial assumptions and related information for each plan is as follows:

	IMRF	Police Pension
Contribution Rates		
Employer	11.62%	28.11%
Employee	4.50%	9.91%
Actuarial Valuation Date	12/31/2014	4/30/2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	29 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.00%
Inflation Rate Included	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	IMRF	Police Pension
Annual Pension Cost (APC)	2013	\$ 251,608	\$ 543,686
	2014	273,251	497,282
	2015	315,784	602,828
Actual Contributions	2013	267,471	438,711
	2014	273,251	524,120
	2015	315,784	624,168
Percentage of APC Contributed	2013	106.30%	80.69%
	2014	100.00%	105.40%
	2015	100.00%	103.54%
Net Pension Obligation	2013	-	653,423
	2014	-	626,585
	2015	-	605,245

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The City's funded status for the current year and related information for each plan is as follows:

	IMRF	Police Pension
Actuarial Valuation Date	12/31/2014	4/30/2015
Percent Funded	88.21%	40.41%
Actuarial Accrued Liability for Benefits	\$6,554,997	\$15,895,133
Actuarial Value of Assets	\$5,782,067	\$6,422,745
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$772,930)	(\$9472,388)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$2,717,594	\$2,220,146
Ratio of UAAL to Covered Payroll	28.44%	426.66%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the City offers post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and 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 established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City's General Fund.

The City offers post-employment 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. Current elected officials are eligible if they were elected/appointed prior to April of 2014.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan, with the exception of two previous employees for which the City has agreed to pay portions of their post-employment health, dental and vision insurance. For the fiscal year ending April 30, 2015, retirees contributed \$66,610 to the plan. Active employees do not contribute to the post-employment health care plan until retirement.

At April 30, 2015, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	9
Active Employees	74
Total	83
Participating Employers	1

The City does not currently have a funding policy.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2015, was calculated as follows:

Annual Required Contribution	\$ 40,892
Interest on the Net OPEB Obligation	315
Adjustment to the ARC	<u>(4,764)</u>
Annual OPEB Cost	36,443
Actual Contribution	<u>42,749</u>
Decrease in the net OPEB Obligation	(6,306)
Net OPEB Obligation - Beginning	<u>6,306</u>
Net OPEB Obligation - Ending	<u>-</u>

Trend Information

The City's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost		Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation	
	\$	\$			\$	\$
2013	36,520	38,046	38,046	104.18%	7,927	7,927
2014	38,708	40,329	40,329	104.19%	6,306	6,306
2015	36,443	42,749	42,749	117.30%	-	-

Funded Status and Funding Progress

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 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 the financial statements, presents multiyear 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.

UNITED CITY OF YORKVILLE, ILLINOIS

Notes to the Financial Statements
April 30, 2015

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress – Continued

The funded status of the plan as of April 30, 2015, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$	600,477
Actuarial Value of Plan Assets	\$	-
Unfunded Actuarial Accrued Liability (UAAL)	\$	600,477
Funded Ratio (Actuarial Value of Plan Assets/AAL)		0.00%
Covered Payroll (Active Plan Members)	\$	5,461,699
UAAL as a Percentage of Covered Payroll		10.99%

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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 the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the City has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2015, was 30 years.

SUBSEQUENT EVENT

On May 12, 2015, the City issued \$5,575,000 of General Obligation Bonds of 2015A. The bonds bear interest at a rate of 4.00% and are due in annual installments of \$100,000 to \$305,000 through December 1, 2034.

UNITED CITY OF YORKVILLE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Funding Progress		(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL) - Entry Age	Funded Ratio (1) ÷ (2)	Unfunded (Overfunded) Actuarial Liability (2) - (1)	Annual Covered Payroll	Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)	
Dec. 31,							
2009	\$ 4,322,149	\$ 5,008,192	86.30%	\$ 686,043	\$ 3,638,986	18.85%	
2010	4,671,071	5,408,655	86.36%	737,584	3,235,515	22.80%	
2011	4,416,393	5,169,646	85.43%	753,253	2,663,554	28.28%	
2012	4,215,113	5,247,562	80.33%	1,032,449	2,518,404	41.00%	
2013	5,151,131	5,786,259	89.02%	635,128	2,546,606	24.94%	
2014	5,782,067	6,554,997	88.21%	772,930	2,717,594	28.44%	

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 302,036	\$ 302,036	100.00%
2011	310,933	295,402	95.01%
2012	253,304	253,304	100.00%
2013	267,471	242,774	110.17%
2014	273,251	273,251	100.00%
2015	315,784	315,784	100.00%

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Funding Progress		(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL) - Entry Age	Funded Ratio (1) ÷ (2)	Unfunded (Overfunded) Actuarial Liability (2) - (1)	Annual Covered Payroll	Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)	
Apr. 30,							
2010	\$ 3,643,355	\$ 9,509,795	38.31%	\$ 5,866,440	\$ 1,819,957	322.34%	
2011	4,216,855	10,393,520	40.57%	6,176,665	1,890,046	326.80%	
2012	4,481,601	10,463,737	42.83%	5,982,136	1,694,445	353.04%	
2013	5,052,201	11,701,279	43.18%	6,649,078	1,813,758	366.59%	
2014	5,598,573	14,306,459	39.13%	8,707,886	2,136,901	407.50%	
2015	6,422,745	15,895,133	40.41%	9,472,388	2,220,146	426.66%	

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 323,291	\$ 429,562	75.26%
2011	336,075	481,207	69.84%
2012	360,356	496,952	72.51%
2013	438,711	542,648	80.85%
2014	524,120	513,459	102.08%
2015	624,168	571,437	109.23%

UNITED CITY OF YORKVILLE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions

April 30, 2015

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
Apr. 30,						
2010	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	566,488	0.00%	566,488	4,553,600	12.44%
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	-	600,477	0.00%	600,477	5,461,699	10.99%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 1,814	\$ 4,145	43.76%
2011	1,814	4,145	43.76%
2012	1,814	4,144	43.77%
2013	38,046	36,363	104.63%
2014	40,329	38,577	104.54%
2015	42,749	40,892	104.54%

The City implemented GASB Statement No. 45 for the fiscal year ended April 30, 2009, and had a subsequent actuarial valuation performed for the fiscal year ended April 30, 2012. Information for prior years is not available.

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions

April 30, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 571,437	\$ 624,168	\$ 52,731	\$ 2,220,146	28.11%

Notes to the Required Supplementary Information:

Actuarial Valuation Date: April 30, 2015
 Actuarial Cost Method: Entry Age Normal
 Amortization Method: Level % Pay (Closed)
 Remaining Amortization Period: 26 Years
 Asset Valuation Method: 5-Year Smoothed Market
 Inflation: 3.0%
 Salary Increases: 5%
 Investment Rate of Return: 7.0%
 Retirement Age: 50 - 70
 Mortality: RP 2000 CHBCA

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2015

	2015
Total Pension Liability	
Service Cost	\$ 522,029
Interest	986,212
Differences Between Expected and Actual Experience	(483,445)
Change of Assumptions	999,313
Benefit Payments, Including Refunds of Member Contributions	(435,435)
Net Change in Total Pension Liability	1,588,674
Total Pension Liability - Beginning	14,306,459
Total Pension Liability - Ending	<u>15,895,133</u>

Plan Fiduciary Net Position	
Contributions - Employer	\$ 624,168
Contributions - Members	214,237
Net Investment Income	343,590
Benefit Payments, Including Refunds of Member Contributions	(435,435)
Administrative Expense	(14,285)
Net Change in Plan Fiduciary Net Position	732,275
Plan Net Position - Beginning	5,690,471
Plan Net Position - Ending	<u>6,422,746</u>
Employer's Net Pension Liability	<u>\$ 9,472,387</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.41%
Covered-Employee Payroll	\$ 2,220,146
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	426.66%

UNITED CITY OF YORKVILLE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns
April 30, 2015

	Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
	2015	5.89%