

Village of Lansing, Illinois

Annual Financial Report
April 30, 2016

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RSM US LLP

Independent Auditor's Report

To the Honorable Mayor
and Board of Trustees
Village of Lansing, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Lansing, Illinois (Village), as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Lansing, Illinois as of April 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 6 to the financial statements, during the fiscal year ended April 30, 2016, the Village adopted the reporting and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date – an Amendment of GASB Statement No. 68*. The implementation of GASB Statement No. 68 resulted in a restatement of opening May 1, 2015 net position. Our opinion is not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (on pages 3-12), pension and postemployment related information (on pages 73-78) and budgetary comparison information (on page 79), and the notes to required supplementary information (on pages 80-81) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The other information as listed in the table of contents has 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 it.

RSM US LLP

Chicago, Illinois
November 2, 2016

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2016

Our discussion and analysis of the Village of Lansing's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2016.

FINANCIAL HIGHLIGHTS

- During the year, government-wide revenues for the primary government totaled \$38,616,692 while expenses totaled \$43,086,075, resulting in a decrease to net position of \$4,469,383. The Village's net position of business-type activities increased by \$640,083 or 2.3 percent. Net position of the governmental activities decreased by \$5,110,066 or 130.7 percent.
- The Village's governmental net position was reduced due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68*. Comparative totals for 2015 were not restated for implementation of GASB No.'s 68 and 71. Of the decrease in governmental net position, \$3,270,563 is attributable to the net increase in the Police and Firefighter pension components. In addition, \$737,906 is attributable to the increase in Other Post Employment Benefit (OPEB) liabilities.
- The Village's net position as restated totaled \$26,888,501 on April 30, 2016, which includes \$71,568,641 net investment in capital assets, \$14,858,858 subject to external restrictions, and an unrestricted net deficit of \$58,860,976.
- The General Fund reported a surplus this year of \$1,675,048, resulting in ending fund balance of \$7,203,065, an increase of 30.3 percent.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 13-15) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 13-15 of this report.

The Statement of Net Position reports information on all of the Village's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. A ten year analysis of the Net Position is presented on pages 116-118 under Other Information of the financial statements. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's infrastructure, is needed to assess the overall health of the Village.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 (e.g., uncollected taxes and earned but unused vacation leave).

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2016

USING THIS ANNUAL REPORT – continued

Government-Wide Financial Statements - continued

Both of the government-wide financial statements distinguish functions of the Village 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 Village include general government, public safety, and public works. The business-type activities of the Village include water and sewer operations, and the municipal airport operations.

The Village includes one separate legal entity in its report. The Lansing Public Library is presented as a discretely presented component unit. Although legally separate, this "component unit" is important because the Village is financially accountable for it. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village 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, 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 the Village'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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village maintains thirteen 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 three major funds: General Fund, TIF Ridge Road and TIF Bernice Road. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 16 - 20 of this report.

Proprietary Funds

The Village maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village's two enterprise functions are the water and sewer operations and the municipal airport operations. The Waterworks and Sewerage Fund and the Municipal Airport Fund are considered to be major funds of the Village.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2016

USING THIS ANNUAL REPORT – continued

Proprietary Funds – continued

Internal service funds are an accounting device used to accumulate and allocate service costs internally among the Village's various functions. The Village uses the internal service fund to account for health insurance costs to the various department and component unit.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 21 - 24 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 25 – 26 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 72 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's Pension Funds, the Other Postemployment Healthcare Plan, and General Fund budgetary comparison schedule. Required supplementary information can be found on pages 73 - 81 of this report. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 82 - 110 of this report. Other information such as the schedule of assessed valuations, tax rates, tax extensions and tax collections, schedule of debt service requirements, and other information as listed in the table of contents can be found pages 111 – 120 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets/deferred inflows of resources exceeded liabilities/deferred outflows of resources by \$26,888,501. The following table is the condensed Village of Lansing's Statement of Net Position as of April 30, 2016 and 2015.

VILLAGE OF LANSING, ILLINOIS

Management’s Discussion and Analysis
April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

| | Net Position (In Millions) | | | | | |
|----------------------------------|----------------------------|---------|--------------------------|---------|---------|---------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Current and Other Assets | \$ 27.9 | \$ 30.2 | \$ 6.1 | \$ 6.0 | \$ 34.0 | \$ 36.2 |
| Interfund Balances | 4.3 | 4.5 | (4.3) | (4.5) | - | - |
| Capital Assets (net) | 57.4 | 58.6 | 29.8 | 29.5 | 87.2 | 88.1 |
| Total Assets | 89.6 | 93.3 | 31.6 | 31.0 | 121.2 | 124.3 |
| Deferred Outflows of Resources | 21.1 | 0.2 | 0.6 | - | 21.7 | 0.2 |
| Current Liabilities | 3.9 | 4.5 | 1.5 | 1.3 | 5.4 | 5.8 |
| Non current Liabilities | 103.6 | 24.5 | 2.7 | 1.1 | 106.3 | 25.6 |
| Total Liabilities | 107.5 | 29.0 | 4.2 | 2.4 | 111.7 | 31.4 |
| Deferred Inflows of Resources | 4.4 | 3.5 | - | - | 4.4 | 3.5 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 42.8 | 42.7 | 28.7 | 28.4 | 71.5 | 71.1 |
| Restricted | 14.9 | 18.2 | - | - | 14.9 | 18.2 |
| Unrestricted (Deficit) | (58.9) | 0.1 | (0.7) | 0.2 | (59.6) | 0.3 |
| Total Net Position | \$ (1.2) | \$ 61.0 | \$ 28.0 | \$ 28.6 | \$ 26.8 | \$ 89.6 |

Of the Village’s net position, \$71,568,641 reflects its net investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village’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.

An additional portion, \$14,858,858, of the Village’s net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit, \$59,538,998, represents unrestricted net position.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis
April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

The following table is the condensed Village of Lansing's Statement of Activities for the Fiscal Years Ended April 30, 2016 and 2015.

| | Net Position (In Millions) | | | | | |
|---------------------------------------|----------------------------|----------------|-----------------------------|----------------|----------------|----------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 4.8 | \$ 5.4 | \$ 6.9 | \$ 6.7 | \$ 11.7 | \$ 12.1 |
| Operating Grants/Contrib. | 4.5 | 5.0 | 1.2 | 0.7 | 5.7 | 5.7 |
| General Revenues: | | | | | | |
| Property Taxes | 10.4 | 11.5 | - | - | 10.4 | 11.5 |
| Other Taxes | 10.2 | 9.8 | - | - | 10.2 | 9.8 |
| Miscellaneous | 0.6 | 0.6 | - | - | 0.6 | 0.6 |
| Transfers In (Out) | (0.2) | (0.2) | 0.2 | 0.2 | - | - |
| Total Revenues | <u>30.3</u> | <u>32.1</u> | <u>8.3</u> | <u>7.6</u> | <u>38.6</u> | <u>39.7</u> |
| Expenses: | | | | | | |
| General Government | 10.4 | 14.1 | - | - | 10.4 | 14.1 |
| Public Safety | 20.7 | 14.8 | - | - | 20.7 | 14.8 |
| Interest Expense | 0.6 | 0.8 | - | - | 0.6 | 0.8 |
| Public Works | 3.7 | 3.8 | 6.2 | 5.7 | 9.9 | 9.5 |
| Airport | - | - | 1.5 | 1.2 | 1.5 | 1.2 |
| Total Expenses | <u>35.4</u> | <u>33.5</u> | <u>7.7</u> | <u>6.9</u> | <u>43.1</u> | <u>40.4</u> |
| Change in Net Position | (5.1) | (1.4) | 0.6 | 0.7 | (4.5) | (0.7) |
| Net Position - Beginning, as restated | 3.9 | 62.4 | 27.4 | 27.9 | 31.3 | 90.3 |
| Net Position - Ending | <u>\$ (1.2)</u> | <u>\$ 61.0</u> | <u>\$ 28.0</u> | <u>\$ 28.6</u> | <u>\$ 26.8</u> | <u>\$ 89.6</u> |

Net position of the Village's governmental activities decreased by 130.7 percent (\$1,200,273) in 2016 compared to \$3,909,793 in 2015, as restated). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$(58,860,976) at April 30, 2016.

Net position of business-type activities increased by \$640,683 or 2.3 percent (\$28,088,774 in 2016 compared to \$27,448,091 in 2015).

Governmental Activities

Revenues for governmental activities totaled \$30,497,610 while the cost of all governmental functions and net transfers totaled \$35,607,676. This results in a deficit of \$5,110,066. In 2015, expenses of \$33,507,810 exceeded revenues of \$32,157,917, resulting in a deficit of \$1,349,893.

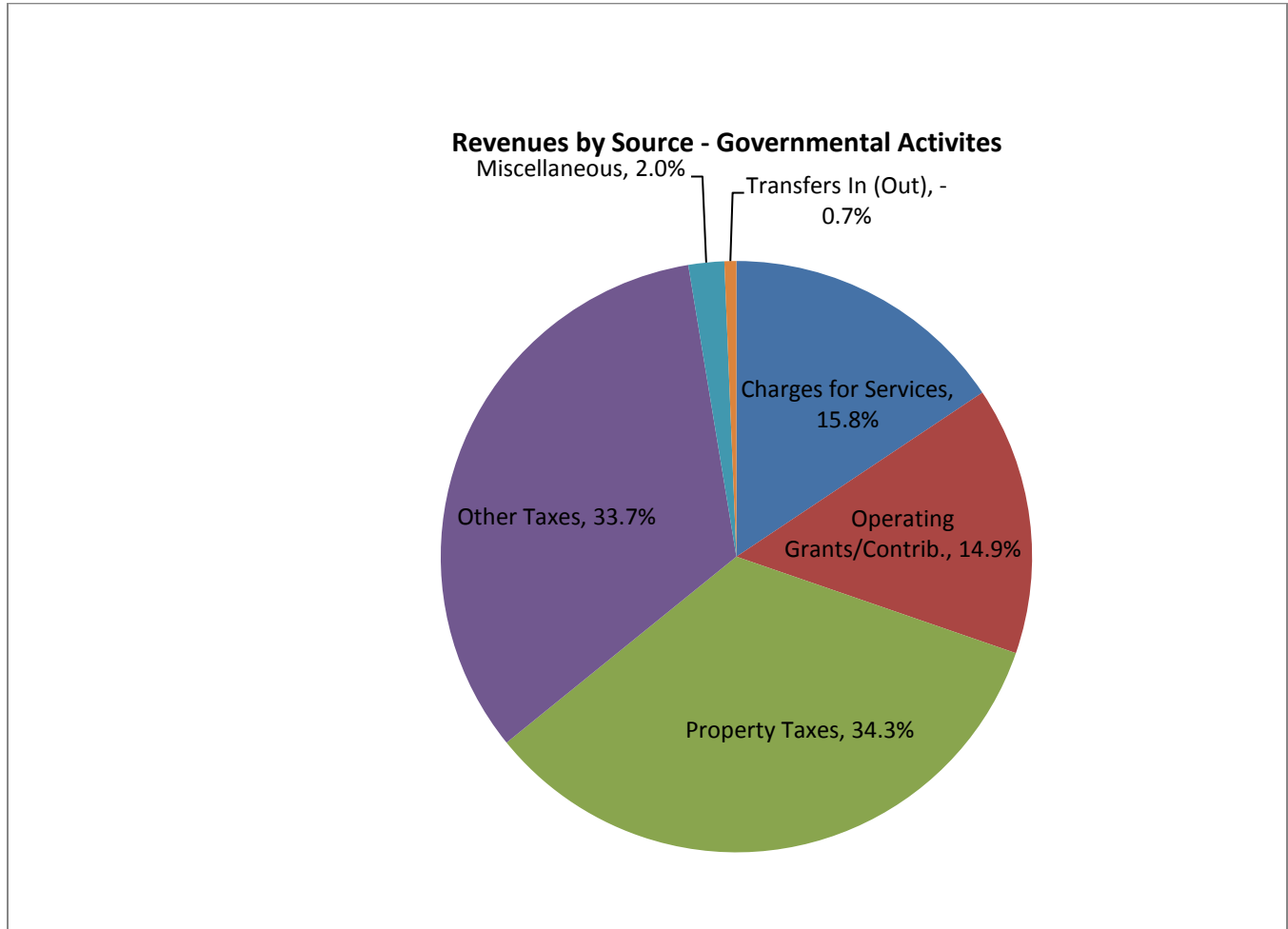
VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis
April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities - continued

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of property and other taxes to fund governmental activities.



VILLAGE OF LANSING, ILLINOIS

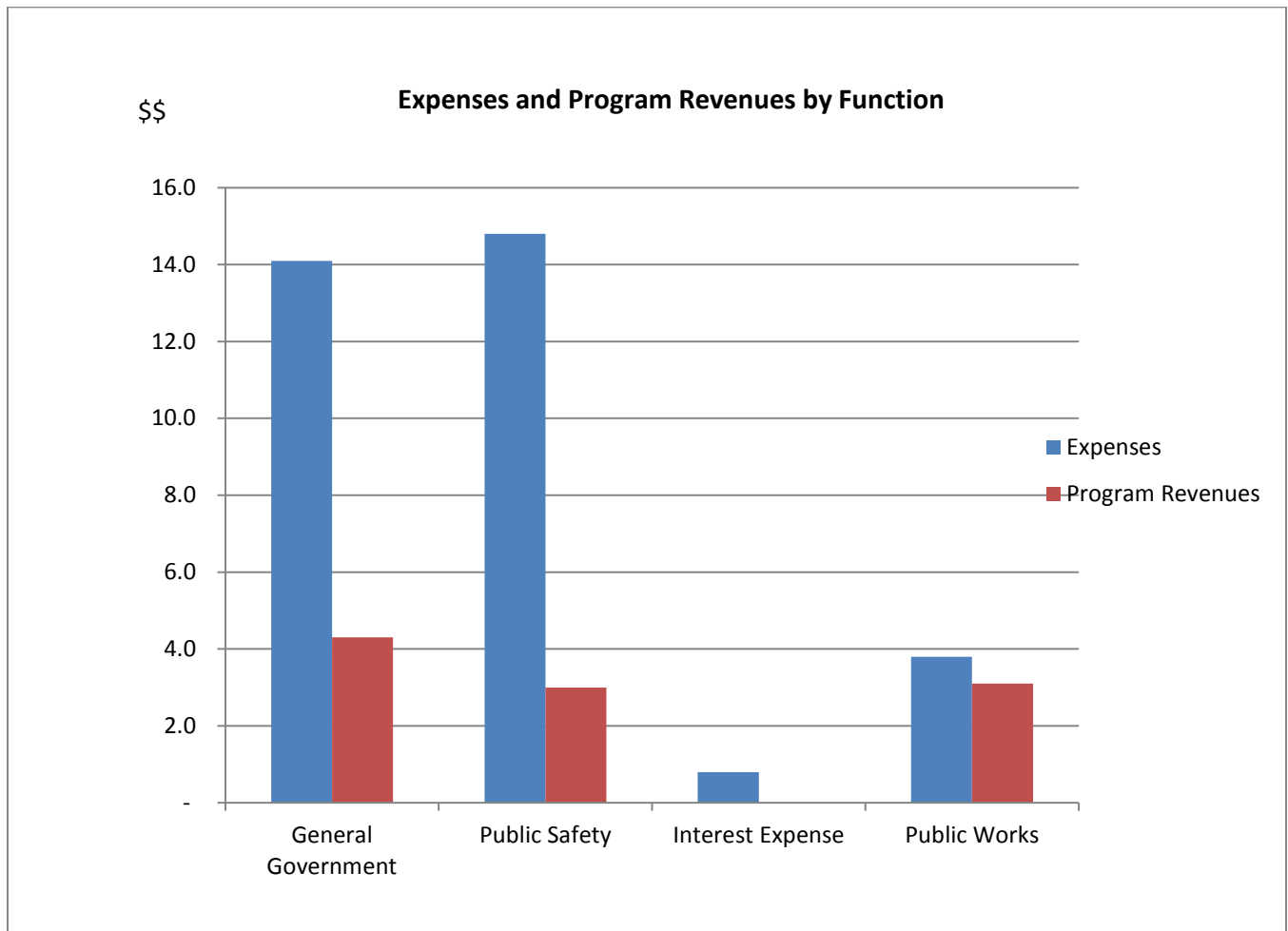
Management’s Discussion and Analysis
April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

34.3% of governmental revenues are funded by property taxes. The Village strives to provide a balance among sources of revenues. Reliance on any single source of revenue subjects the Village to swings in the external environment and puts an undue burden on residents. The Village continues to explore all revenue sources.

The ‘Expenses and Program Revenues’ Table emphasizes governmental program expenses greatly exceed revenues.



Business-Type Activities

Business-type activities in 2016 posted total revenues and net transfers in of \$8,305,779, while the cost of all business-type activities totaled \$7,665,096. This results in an increase of net position of \$640,683. In 2015, revenues of \$7,583,308 exceed expenses of \$6,889,930, resulting in a surplus of \$693,378. The increase in net position in the current year increased the unrestricted net position deficit by 2.3 percent.

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2016

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Village's governmental funds reported combined ending fund balances of \$22,864,746, which is \$1,342,191 or 5.6 percent lower than last year's total of \$22,740,745. Of the \$22,864,746 total, \$2,489,526, or approximately 10.9 percent, of the fund balance constitutes unrestricted fund balance.

The General Fund reported a positive change in fund balance for the year of \$1,675,048, an increase of 30.3 percent. Increases in almost every category of revenue attributed to the increase. Budgeted expenditures totaled \$25,023,451 while actual expenditures totaled \$23,528,793. These variances are further outlined on the General Fund Budgetary Highlights on the pages 82-89.

The General Fund is the chief operating fund of the Village. At April 30, 2016, unassigned fund balance in the General Fund was \$3,505,473, which represents 48.7 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 14.9 percent of total General Fund expenditures.

The TIF Ridge Road Fund reported a decrease in fund balance in the amount of \$563,347 during fiscal year 2016. The fund serves to spur economic development and revitalization in the downtown area. As with many older communities, the Village's downtown business district has opportunities for upgrades while not losing its small town appearance. The Village has focused on the economic development opportunities of the Ridge Road Downtown area in this year. Its 50/50 facade program has met with great acceptance as several major commercial property owners have upgraded and updated their building facade. To compliment these upgrades, the Village updated the streetscape. Additional plans have begun for the development of Fox Pointe, an outdoor venue for community events and the Historical Plaza and parking lot expansion at the Village Municipal Center.

The TIF Bernice Road Fund reported a decrease in fund balance in the amount of \$258,524 during fiscal year 2016. This tax incremental financing district covers a commercial/industrial area of the Village. A significant amount of the \$1,458,524 of the current expenditures was for public works projects within the project area. During the fiscal year, a new big box store opened within the TIF Bernice Road. The Village board approved a \$1.2 million transfer from the TIF West Lansing to TIF Bernice Road to further these improvements.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Waterworks and Sewerage Fund as a major proprietary fund. The Waterworks and Sewerage Fund accounts for all of the operations of the municipal water and sewer system. Water is purchased from the City of Hammond, a neighboring community. The current year's charges for service of \$6,334,153 increased by \$255,862 or 4.2%. Operating expenses of \$5,104,092 were 9.6% higher than the prior year. This resulted in an increase in net position of \$1,052,206. This increase includes \$905,583 of contributed capital for infrastructure improvements funded primarily by the capital project funds.

The Village intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The net position in the Waterworks and Sewerage Fund at April 30, 2016 was \$19,903,016, while the previous fiscal year, as restated, reported net position of \$18,850,810. Unrestricted net position in the Fund totaled \$3,543,436 at April 30, 2016. The Village anticipates beginning a major capital project of upgrading the Waterworks and Sewerage Fund's capital assets in the near future.

VILLAGE OF LANSING, ILLINOIS

**Management’s Discussion and Analysis
April 30, 2016**

The Village reports the Municipal Airport fund as a major proprietary fund. The Municipal Airport Funds accounts for financing and the operations of the Village’s airport. Expenditures and other financing uses exceeded revenues and other financing sources which resulted in a decrease in net position of \$407,189. The net position in the Municipal Airport Fund at April 30, 2016 was \$8,151,859, while the previous fiscal year reported net position, as restated, of \$8,559,048. Unrestricted net position in the Fund was a deficit of \$4,225,357. During the fiscal year the Airport took control of the fuel sales located on the field, which were previously operated by a Fixed Base Operator. The Airport management continues to address other operational issues to strengthen the financial viability of the Airport. The Airport reported \$331,185 of capital contributions which represents runway improvements funded by aviation grants.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund actual revenues were lower than final budgeted revenues by \$17,017 in the current year and higher than budgeted revenues by \$222,886 in the prior year. In 2016, actual General Fund expenditures were lower than final budgeted expenditures by \$1,494,658 and lower than budgeted expenditures by \$5,819,757 in 2015. There was a \$1,675,048 net increase in the fund balance during the current year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village’s investment in capital assets for its governmental and business-type activities as of April 30, 2016 and 2015 amounts to \$87,245,267 and \$88,157,550, net of depreciation, respectively. This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, streets, sidewalks, storm sewers, manholes, hydrants, valves, streetlights, the water distribution system and the airport operations system. The Village has elected to depreciate these assets over their useful lives.

| | Capital Assets - Net of Depreciation (In Millions) | | | | | |
|--------------------------------|--|----------------|--------------------------|----------------|----------------|----------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Land | \$ 10.3 | \$ 9.7 | \$ 9.9 | \$ 9.9 | \$ 20.2 | \$ 19.6 |
| Construction in Progress | 1.0 | 0.6 | 1.0 | 1.9 | 2.0 | 2.5 |
| Land Improvements | 2.3 | 1.5 | - | - | 2.3 | 1.5 |
| Buildings | 6.8 | 7.1 | - | - | 6.8 | 7.1 |
| Equipment | 3.0 | 3.4 | - | - | 3.0 | 3.4 |
| Infrastructure | 34.0 | 36.3 | - | - | 34.0 | 36.3 |
| Waterworks and Sewerage System | - | - | 13.8 | 12.2 | 13.8 | 12.2 |
| Municipal Airport System | - | - | 5.1 | 5.5 | 5.1 | 5.5 |
| | \$ 57.4 | \$ 58.6 | \$ 29.8 | \$ 29.5 | \$ 87.2 | \$ 88.1 |

VILLAGE OF LANSING, ILLINOIS

**Management’s Discussion and Analysis
April 30, 2016**

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

This year’s major additions include:

| | |
|--------------------------------|---------------------|
| Land | \$ 610,855 |
| Land improvements | 882,810 |
| Waterworks and Sewerage System | <u>2,698,911</u> |
| | <u>\$ 4,192,576</u> |

Additional information on the Village’s capital assets can be found in note 4 on pages 38 - 40 of this report.

Debt Administration

At year-end, the Village had total outstanding debt of \$104,041,004 as compared to \$80,562,592 in the previous year, as restated. The increase is attributable to the adoption of GASB 68 and the increase to the net pension liability on the government-wide statements. The following is a comparative statement of outstanding debt:

| | Long - Term Debt Outstanding (In Millions) | | | | | |
|-----------------------------------|--|----------------|-----------------------------|---------------|-----------------|----------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| General Obligation Bonds | \$ 13.2 | \$ 14.0 | \$ 0.9 | \$ 1.0 | \$ 14.1 | \$ 15.0 |
| Unamortized Bond Discount/Premium | 0.6 | 0.8 | - | - | 0.6 | 0.8 |
| Installment Notes Payable | 1.0 | 1.4 | 0.1 | 0.1 | 1.1 | 1.5 |
| Compensated Absences | 1.4 | 1.3 | 0.1 | 0.1 | 1.5 | 1.4 |
| Net Pension Liability | 79.3 | 55.3 | 1.6 | 1.4 | 80.9 | 56.7 |
| Other Post Emp. Benefits | 8.5 | 7.8 | - | - | 8.5 | 7.8 |
| | <u>\$ 104.0</u> | <u>\$ 80.6</u> | <u>\$ 2.7</u> | <u>\$ 2.6</u> | <u>\$ 106.7</u> | <u>\$ 83.2</u> |

Additional information on the Village’s long-term debt can be found in Note 5 on pages 40 - 44 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The Village’s elected and appointed officials considered many factors when setting the fiscal-year 2017 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy. Fiscal year 2010 saw a major decline in several revenues including income tax, sales tax and building permits. This decline continued in Fiscal 2011. Subsequent years have shown recovery in some areas but further declines in others. These factors were taken into account when adopting the general fund budget for fiscal 2017. The General Fund budgeted expenditures of \$32.6 million after transfers is an increase of 6.5% over the 2016 budget. Revenues for 2017 are budgeted at \$27.2 million, a 6.5% increase over the 2016 budget. The Village approves an operating budget for expenditures which is approximately 80% of its legal appropriation budget. For fiscal year 2017 the general fund operating budget expenditures is \$27.2 million. The Village’s push for economic development in recent years is beginning to see a reverse in declining sales tax revenues and property values.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Treasurer, Village of Lansing, 3141 Ridge Road, Lansing, IL 60438.

Village of Lansing, Illinois

Statement of Net Position (Deficit)
April 30, 2016

| | Governmental Activities | Business-Type Activities | Total | Component Unit Public Library |
|--|----------------------------|-----------------------------|--------------------|--|
| Assets | | | | |
| Current: | | | | |
| Cash and cash equivalents | \$ 18,381,833 | \$ 4,679,645 | \$ 23,061,478 | \$ 3,507,317 |
| Receivables: | | | | |
| Property taxes | 4,692,737 | - | 4,692,737 | 1,319,288 |
| Intergovernmental | 1,219,704 | 9,973 | 1,229,677 | - |
| Accounts, customers | 2,884,931 | 1,415,912 | 4,300,843 | - |
| Prepaid items | 285,820 | 75,858 | 361,678 | 19,505 |
| Interfund balances | 4,327,582 | (4,327,582) | - | - |
| Total current assets | 31,792,607 | 1,853,806 | 33,646,413 | 4,846,110 |
| Noncurrent: | | | | |
| Advance to fiduciary funds | 21,652 | - | 21,652 | - |
| Property held for resale | 373,639 | - | 373,639 | - |
| Capital assets, not being depreciated | 11,270,349 | 10,913,675 | 22,184,024 | - |
| Capital assets, net of accumulated depreciation | 46,188,031 | 18,873,212 | 65,061,243 | 2,034,366 |
| Total noncurrent assets | 57,853,671 | 29,786,887 | 87,640,558 | 2,034,366 |
| Total assets | 89,646,278 | 31,640,693 | 121,286,971 | 6,880,476 |
| Deferred Outflows of Resources | | | | |
| Deferred loss on refunding | 174,313 | - | 174,313 | - |
| Pension actuarial adjustments | 20,891,577 | 597,359 | 21,488,936 | 260,528 |
| Total deferred outflows of resources | 21,065,890 | 597,359 | 21,663,249 | 260,528 |
| Total assets and deferred outflows of resources | 110,712,168 | 32,238,052 | 142,950,220 | 7,141,004 |

Village of Lansing, Illinois

Statement of Net Position (Deficit) (Continued)
April 30, 2016

| | Governmental Activities | Business-Type Activities | Total | Component Unit Public Library |
|--|----------------------------|-----------------------------|--------------------|--|
| Liabilities | | | | |
| Current: | | | | |
| Accounts payable | \$ 2,127,736 | \$ 701,447 | \$ 2,829,183 | \$ 147,660 |
| Accrued payroll | 223,875 | 30,100 | 253,975 | 18,451 |
| Accrued interest | 101,341 | 13,256 | 114,597 | 5,949 |
| Other payables | 10,340 | 11,492 | 21,832 | - |
| Refundable deposits | 140,836 | 527,435 | 668,271 | - |
| General obligation bonds | 860,000 | 140,000 | 1,000,000 | 150,000 |
| Installment notes payable | 390,129 | 40,231 | 430,360 | - |
| Compensated absences | 17,766 | - | 17,766 | 67,922 |
| Total current liabilities | 3,872,023 | 1,463,961 | 5,335,984 | 389,982 |
| Noncurrent: | | | | |
| General obligation bonds, net | 13,009,478 | 751,000 | 13,760,478 | 822,071 |
| Installment note payable | 571,241 | 88,860 | 660,101 | - |
| Claims payable | 691,559 | 55,593 | 747,152 | 69,827 |
| Net pension liability | 79,265,355 | 1,636,478 | 80,901,833 | 770,923 |
| Advance to fiduciary funds | 142,819 | - | 142,819 | - |
| Other postemployment benefits | 8,561,368 | - | 8,561,368 | - |
| Compensated absences | 1,383,433 | 118,776 | 1,502,209 | - |
| Total noncurrent liabilities | 103,625,253 | 2,650,707 | 106,275,960 | 1,662,821 |
| Total liabilities | 107,497,276 | 4,114,668 | 111,611,944 | 2,052,803 |
| Deferred Inflows of Resources | | | | |
| Deferred property taxes | 4,276,382 | - | 4,276,382 | 1,294,733 |
| Pension actuarial adjustments | 138,783 | 34,610 | 173,393 | 16,304 |
| Total deferred inflows of resources | 4,415,165 | 34,610 | 4,449,775 | 1,311,037 |
| Net Position (Deficit) | | | | |
| Net investment in capital assets | 42,801,845 | 28,766,796 | 71,568,641 | 1,062,295 |
| Restricted: | | | | |
| Street and bridge improvements | 334,885 | - | 334,885 | - |
| IMRF / FICA | 830,862 | - | 830,862 | - |
| Public safety | 812,576 | - | 812,576 | - |
| Capital projects | 11,409,546 | - | 11,409,546 | - |
| Debt service | 1,470,989 | - | 1,470,989 | - |
| Unrestricted (deficit) | (58,860,976) | (678,022) | (59,538,998) | 2,714,869 |
| Total net position (deficit) | \$ (1,200,273) | \$ 28,088,774 | \$ 26,888,501 | \$ 3,777,164 |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Activities
Year Ended April 30, 2016

| Functions/Programs | Expenses | Program Revenues | | Net (Expense), Revenue and Changes in Net Position | | | Component Unit Public Library |
|--|---------------|----------------------|------------------------------------|--|--------------------------|----------------|-------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Governmental Activities | Business-Type Activities | Total | |
| Primary government: | | | | | | | |
| Governmental activities | | | | | | | |
| General government | \$ 10,420,311 | \$ - | \$ 3,474,136 | \$ (6,946,175) | \$ - | \$ (6,946,175) | \$ - |
| Public safety | 20,704,027 | 2,471,243 | 323,495 | (17,909,289) | - | (17,909,289) | - |
| Public works | 3,661,316 | 2,351,675 | 653,026 | (656,615) | - | (656,615) | - |
| Interest and fees | 635,325 | - | - | (635,325) | - | (635,325) | - |
| Total governmental activities | 35,420,979 | 4,822,918 | 4,450,657 | (26,147,404) | - | (26,147,404) | - |
| Business-type activities | | | | | | | |
| Waterworks and sewerage | 6,217,588 | 6,359,877 | 905,583 | - | 1,047,872 | 1,047,872 | - |
| Municipal airport | 1,447,508 | 522,437 | 331,185 | - | (593,886) | (593,886) | - |
| Total business-type activities | 7,665,096 | 6,882,314 | 1,236,768 | - | 453,986 | 453,986 | - |
| Total primary government | \$ 43,086,075 | \$ 11,705,232 | \$ 5,687,425 | (26,147,404) | 453,986 | (25,693,418) | - |
| Component unit: | | | | | | | |
| Public Library | \$ 1,964,992 | \$ 22,596 | \$ 87,790 | - | - | - | (1,854,606) |
| General revenues | | | | | | | |
| Taxes: | | | | | | | |
| Property | | | | 10,409,475 | - | 10,409,475 | 2,398,151 |
| Sales | | | | 6,567,287 | - | 6,567,287 | - |
| Utility | | | | 1,357,840 | - | 1,357,840 | - |
| Replacement | | | | 174,403 | - | 174,403 | - |
| Motel | | | | 773,771 | - | 773,771 | - |
| Other | | | | 1,373,240 | - | 1,373,240 | - |
| Investment income | | | | 14,357 | - | 14,357 | 3,047 |
| Miscellaneous | | | | 553,662 | - | 553,662 | 43,114 |
| Transfers in | | | | 3,721,157 | 267,616 | 3,988,773 | - |
| Transfers (out) | | | | (3,907,854) | (80,919) | (3,988,773) | - |
| Total general revenues and transfers | | | | 21,037,338 | 186,697 | 21,224,035 | 2,444,312 |
| Change in net position | | | | (5,110,066) | 640,683 | (4,469,383) | 589,706 |
| Net position, May 1, 2015, as restated | | | | 3,909,793 | 27,448,091 | 31,357,884 | 3,187,458 |
| Net position (deficit), April 30, 2016 | | | | \$ (1,200,273) | \$ 28,088,774 | \$ 26,888,501 | \$ 3,777,164 |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Balance Sheet - Governmental Funds
April 30, 2016

| | Major Funds | | | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|---------------------|-----------------------------------|--------------------------------|
| | General Fund | TIF Ridge Road | TIF Bernice Road | | |
| Assets | | | | | |
| Cash and cash equivalents | \$ 2,878,870 | \$ 7,621,041 | \$ - | \$ 6,991,485 | \$ 17,491,396 |
| Receivables | | | | | |
| Property taxes | 4,048,450 | - | - | 644,287 | 4,692,737 |
| Intergovernmental | 1,103,357 | - | - | 116,347 | 1,219,704 |
| Accounts, net | 2,884,931 | - | - | - | 2,884,931 |
| Due from other funds | 4,060 | 515,265 | - | 440,121 | 959,446 |
| Advance to other funds | 3,376,425 | 914,455 | - | 751,948 | 5,042,828 |
| Property held for resale | 14,912 | 101,018 | 4,409 | 253,300 | 373,639 |
| Prepaid items | 285,820 | - | - | - | 285,820 |
| Total assets | \$ 14,596,825 | \$ 9,151,779 | \$ 4,409 | \$ 9,197,488 | \$ 32,950,501 |
| Liabilities | | | | | |
| Accounts payable | \$ 744,685 | \$ 154,738 | \$ 578,632 | \$ 649,681 | \$ 2,127,736 |
| Accrued payroll | 197,529 | 762 | 315 | 25,269 | 223,875 |
| Refundable deposits | 129,343 | - | - | 11,493 | 140,836 |
| Other | 19,213 | 5,689 | 3,204 | - | 28,106 |
| Due to other funds | 6,325 | - | 433,796 | 1,921 | 442,042 |
| Advance from other funds | 1,157,162 | - | - | 196,655 | 1,353,817 |
| Total liabilities | 2,254,257 | 161,189 | 1,015,947 | 885,019 | 4,316,412 |
| Deferred Inflows of Resources | | | | | |
| Deferred property taxes | 3,975,071 | - | - | 629,840 | 4,604,911 |
| Deferred intergovernmental revenue | 1,164,432 | - | - | - | 1,164,432 |
| Total deferred inflows of resources | 5,139,503 | - | - | 629,840 | 5,769,343 |
| Fund Balances | | | | | |
| Nonspendable for advances | 3,376,425 | 914,455 | - | 1,005,248 | 5,296,128 |
| Nonspendable for property held for resale | 14,912 | 101,018 | 4,409 | - | 120,339 |
| Nonspendable for prepaid items | 285,820 | - | - | - | 285,820 |
| Restricted | 20,435 | 7,975,117 | - | 6,677,381 | 14,672,933 |
| Unassigned | 3,505,473 | - | (1,015,947) | - | 2,489,526 |
| Total fund balances | 7,203,065 | 8,990,590 | (1,011,538) | 7,682,629 | 22,864,746 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 14,596,825 | \$ 9,151,779 | \$ 4,409 | \$ 9,197,488 | \$ 32,950,501 |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
April 30, 2016

| | |
|--|-----------------------|
| Total fund balances-governmental funds | \$ 22,864,746 |
| 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. | 57,458,380 |
| State revenue is deferred in the fund financial statements because it is not available but is recognized as revenue in the government-wide financial statements. | 1,164,432 |
| Property tax revenue is deferred in the fund financial statements because it is not available but is recognized as revenue in the government-wide financial statements up to one half of the levied amount. | 328,529 |
| Deferred outflows and deferred inflows of resources related to pensions, which will be recognized as an increase or reduction to pension expense in future reporting periods: | |
| Deferred outflows due to pensions | 20,891,577 |
| Deferred inflows due to pensions | (138,783) |
| Discount on bonds that are other financing uses in the fund financial statements are an asset that is amortized over the life of the bonds and is netted with general obligation bonds in the government-wide financial statements. | 69,217 |
| Premiums on bonds that are an other financing source in the fund financial statements are a liability that is amortized over the life of the bonds and netted with the general obligation bonds in the government-wide financial statements. | (709,695) |
| Deferred losses on refundings that are other financing uses in the fund financial statements are deferred outflows of resources that are amortized over the life of the bonds in the government-wide financial statements. | 174,313 |
| The pension liability related to the IMRF, police, and firefighters' pension plans are recorded on the Statement of Net Position, but not recorded in the funds: | |
| Net pension liability - Police Pension Plan | (60,040,070) |
| Net pension liability - Firefighters' Pension Plan | (15,739,322) |
| Net pension liability - IMRF | (3,485,963) |
| Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of: | |
| General obligation bonds | (13,229,000) |
| Installment notes payable | (961,370) |
| Accrued interest | (101,341) |
| Claims payable | (295,551) |
| Other postemployment benefits | (8,561,368) |
| Compensated absences | (1,383,433) |
| An internal service fund is used by management to charge the costs of insurance. A portion of the assets and liabilities are included in the governmental activities in the statement of net position. | <u>494,429</u> |
| Net position of governmental activities | <u>\$ (1,200,273)</u> |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances –
 Governmental Funds
 Year Ended April 30, 2016

| | Major funds | | | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-------------------|-------------------|---------------------|-----------------------------------|--------------------------------|
| | General Fund | TIF Ridge Road | TIF Bernice Road | | |
| Revenues: | | | | | |
| Program: | | | | | |
| Charges for services | \$ 2,352,900 | \$ - | \$ - | \$ - | \$ 2,352,900 |
| Licenses and permits | 849,463 | - | - | - | 849,463 |
| Intergovernmental | 3,760,620 | - | - | 888,628 | 4,649,248 |
| Fines and forfeitures | 1,620,555 | - | - | 87,893 | 1,708,448 |
| General: | | | | | |
| Property taxes | 7,159,584 | 1,061,187 | - | 2,934,918 | 11,155,689 |
| Other taxes | 10,072,138 | - | - | - | 10,072,138 |
| Interest | 140 | 6,365 | - | 7,852 | 14,357 |
| Miscellaneous | 647,807 | - | - | 3,698 | 651,505 |
| Total revenues | 26,463,207 | 1,067,552 | - | 3,922,989 | 31,453,748 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 3,677,198 | 110,347 | 38,424 | 1,006,606 | 4,832,575 |
| Public safety | 16,032,359 | - | - | 394,763 | 16,427,122 |
| Public works | 3,263,717 | - | - | 166,815 | 3,430,532 |
| Capital outlay | 555,519 | 1,520,552 | 1,420,100 | 1,043,191 | 4,539,362 |
| Debt service: | | | | | |
| Principal | - | - | - | 1,177,719 | 1,177,719 |
| Interest and fees | - | - | - | 735,740 | 735,740 |
| Total expenditures | 23,528,793 | 1,630,899 | 1,458,524 | 4,524,834 | 31,143,050 |
| Excess (deficiency) of revenues over (under) expenditures | 2,934,414 | (563,347) | (1,458,524) | (601,845) | 310,698 |
| Other financing sources (uses): | | | | | |
| Transfers in | - | - | 1,200,000 | 2,521,157 | 3,721,157 |
| Transfers (out) | (1,259,366) | - | - | (2,648,488) | (3,907,854) |
| Total other financing sources (uses) | (1,259,366) | - | 1,200,000 | (127,331) | (186,697) |
| Change in fund balances | 1,675,048 | (563,347) | (258,524) | (729,176) | 124,001 |
| Fund balances: | | | | | |
| May 1, 2015 | 5,528,017 | 9,553,937 | (753,014) | 8,411,805 | 22,740,745 |
| April 30, 2016 | \$ 7,203,065 | \$ 8,990,590 | \$ (1,011,538) | \$ 7,682,629 | \$ 22,864,746 |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended April 30, 2016**

| | |
|--|-------------|
| Net change in fund balances-total governmental funds | \$ 124,001 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. | |
| Capital outlay | 2,159,632 |
| Depreciation | (3,197,468) |
| Loss on disposal of capital assets | (139,562) |
| Items related to pension expense and revenue are reported as deferred inflows and deferred outflows on the government-wide financial statements, but not on the fund financial statements: | |
| Deferred outflows of resources related to pension expense | 20,891,577 |
| Deferred inflows of resources related to pension expense | (138,783) |
| State revenues that are deferred in the fund financial statements because they are not available but are recognized in the government-wide financial statements. | |
| Prior year deferred balance | (1,276,513) |
| Current year deferred balance | 1,164,432 |
| Property tax revenues that are deferred in the fund financial statements because they are not available but are recognized up to one half of the levy in the government-wide financial statements. | |
| Prior year deferred balance | (1,074,743) |
| Current year deferred balance | 328,529 |
| Bond proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. | |
| Payment of principal on bonds | 770,000 |
| Installment note proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, an installment note payable increases long-term liabilities and does not affect the Statement of Activities. Repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. | |
| Payment of principal on lease | 407,719 |

(Continued)

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities (Continued)
Year Ended April 30, 2016**

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

| | |
|--|--------------|
| Change in net pension liability | (24,023,357) |
| Change in accrued interest | 25,162 |
| Change in claims payable | (295,551) |
| Change in other postemployment benefits | (737,906) |
| Change in compensated absences | (74,645) |
| Amortization of bond discount | (6,381) |
| Amortization of bond premium | 103,858 |
| Amortization of deferred loss on refunding | (22,224) |

A portion of the net revenue of the internal service fund is reported with governmental activities.

(97,843)

Change in net position of governmental activities

\$ (5,110,066)

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Net Position
Enterprise Funds
April 30, 2016

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|---|----------------------------|----------------------|--------------------------|
| | Municipal Airport | Waterworks and Sewerage | Total | Internal Service Fund |
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ 10,861 | \$ 4,607,733 | \$ 4,618,594 | \$ 1,029,526 |
| Receivables, Accounts: | | | | |
| Customers, net of allowance for doubtful accounts | 28,442 | 769,788 | 798,230 | - |
| Unbilled services | - | 617,682 | 617,682 | - |
| Intergovernmental | 9,973 | - | 9,973 | - |
| Due from other funds | - | 233,251 | 233,251 | - |
| Prepaid assets | 26,306 | 49,552 | 75,858 | - |
| Total current assets | 75,582 | 6,278,006 | 6,353,588 | 1,029,526 |
| Capital Assets | | | | |
| Land and improvements | 7,888,445 | 2,067,659 | 9,956,104 | - |
| Construction in process | 439,753 | 517,818 | 957,571 | - |
| Municipal airport system | 16,699,902 | - | 16,699,902 | - |
| Waterworks and sewerage system | - | 40,095,375 | 40,095,375 | - |
| | 25,028,100 | 42,680,852 | 67,708,952 | - |
| Less accumulated depreciation | 11,600,793 | 26,321,272 | 37,922,065 | - |
| Net capital assets | 13,427,307 | 16,359,580 | 29,786,887 | - |
| Total assets | 13,502,889 | 22,637,586 | 36,140,475 | 1,029,526 |
| Deferred Outflows of Resources | | | | |
| Pension actuarial adjustments | 139,860 | 457,499 | 597,359 | - |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts payable | 14,347 | 687,100 | 701,447 | - |
| Claims payable | - | 28,441 | 28,441 | 457,866 |
| Accrued payroll | 6,629 | 23,471 | 30,100 | - |
| Accrued interest | 13,256 | - | 13,256 | - |
| Other | - | 11,492 | 11,492 | - |
| Deposits | 28,260 | 499,175 | 527,435 | - |
| Due to other funds | - | 515,265 | 515,265 | - |
| General obligation bond payable | 140,000 | - | 140,000 | - |
| Installment note payable | 40,231 | - | 40,231 | - |
| Total current liabilities | 242,723 | 1,764,944 | 2,007,667 | 457,866 |
| Noncurrent Liabilities | | | | |
| General obligation bond payable | 751,000 | - | 751,000 | - |
| Installment note payable | 88,860 | - | 88,860 | - |
| Advance from other funds | 4,045,568 | - | 4,045,568 | - |
| Net pension obligation | 336,807 | 1,299,671 | 1,636,478 | - |
| Compensated absences | 18,809 | 99,967 | 118,776 | - |
| Total liabilities | 5,483,767 | 3,164,582 | 8,648,349 | 457,866 |
| Deferred Inflows of Resources | | | | |
| Pension actuarial adjustments | 7,123 | 27,487 | 34,610 | - |
| Net Position | | | | |
| Net investment in capital assets | 12,407,216 | 16,359,580 | 28,766,796 | - |
| Unrestricted | (4,255,357) | 3,543,436 | (711,921) | 571,660 |
| Total net position | \$ 8,151,859 | \$ 19,903,016 | 28,054,875 | \$ 571,660 |
| Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds. | | | 33,899 | |
| Net position of business-type activities reported in the government-wide statement of net position. | | | <u>\$ 28,088,774</u> | |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Revenues, Expenses and
Changes in Net Position
Enterprise Funds
Year Ended April 30, 2016

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|---|----------------------------|-------------------|--------------------------|
| | Municipal Airport | Waterworks and Sewerage | Total | Internal Service Fund |
| Operating revenues: | | | | |
| Municipal airport fees and charges | \$ 514,262 | \$ - | \$ 514,262 | \$ - |
| Water sales and sewer charges | - | 6,213,255 | 6,213,255 | - |
| Other fees | - | 116,263 | 116,263 | - |
| Other | - | 4,635 | 4,635 | 3,855,146 |
| Total operating revenues | 514,262 | 6,334,153 | 6,848,415 | 3,855,146 |
| Operating expenses, other than depreciation | 771,994 | 5,104,092 | 5,876,086 | 3,971,135 |
| Operating (loss) income before depreciation | (257,732) | 1,230,061 | 972,329 | (115,989) |
| Depreciation | 614,864 | 1,083,438 | 1,698,302 | - |
| Operating (loss) income | (872,596) | 146,623 | (725,973) | (115,989) |
| Nonoperating income (expense): | | | | |
| Interest expense | (52,475) | - | (52,475) | - |
| Capital contributions | 331,185 | 905,583 | 1,236,768 | - |
| Transfers in | 267,616 | - | 267,616 | - |
| Transfers out | (80,919) | - | (80,919) | - |
| Total nonoperating income (expense) | 465,407 | 905,583 | 1,370,990 | - |
| Change in net position | (407,189) | 1,052,206 | 645,017 | (115,989) |
| Net position | | | | |
| May 1, 2015, as restated | 8,559,048 | 18,850,810 | 27,409,858 | 687,649 |
| April 30, 2016 | <u>\$ 8,151,859</u> | <u>\$ 19,903,016</u> | 28,054,875 | <u>\$ 571,660</u> |
| Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds. | | | (4,334) | |
| Change in net position of business-type activities reported in the government-wide statement of activities. | | | <u>\$ 640,683</u> | |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2016

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|---|----------------------------|--------------|--------------------------|
| | Municipal Airport | Waterworks and Sewerage | Total | Internal Service Fund |
| Cash Flows from Operating Activities | | | | |
| Received from residents for services | \$ 621,733 | \$ 6,212,269 | \$ 6,834,002 | \$ - |
| Received from interfund services provided | - | - | - | 229,251 |
| Payments to employees | (292,845) | (749,941) | (1,042,786) | - |
| Payments to suppliers | (534,042) | (4,248,422) | (4,782,464) | - |
| Net cash (used in) provided by operating activities | (205,154) | 1,213,906 | 1,008,752 | 229,251 |
| Cash Flows from Noncapital Financing Activities | | | | |
| Decrease in due to other funds | 369,520 | 515,265 | 884,785 | - |
| Decrease in advances from other funds | - | (1,015,265) | (1,015,265) | - |
| Transfers in | 267,616 | - | 267,616 | - |
| Transfers out | (80,919) | - | (80,919) | - |
| Net cash provided by (used in) noncapital financing activities | 556,217 | (500,000) | 56,217 | - |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Capital assets purchased | (206,966) | (519,683) | (726,649) | - |
| Principal paid on general obligation bonds | (135,000) | - | (135,000) | - |
| Principal paid on installment note payable | (77,093) | - | (77,093) | - |
| Proceeds from installment note | 125,000 | - | 125,000 | - |
| Interest paid | (52,475) | - | (52,475) | - |
| Net cash (used in) capital and related financing activities | (346,534) | (519,683) | (866,217) | - |
| Net change in cash and cash equivalents | 4,529 | 194,223 | 198,752 | 229,251 |
| Cash and cash equivalents: | | | | |
| May 1, 2015 | 6,332 | 4,413,510 | 4,419,842 | 800,275 |
| April 30, 2016 | \$ 10,861 | \$ 4,607,733 | \$ 4,618,594 | \$ 1,029,526 |
| Supplemental schedule of noncash capital and related financing activities | | | | |
| Capital contribution of equipment | \$ 331,185 | \$ 905,583 | \$ 1,236,768 | \$ - |

(Continued)

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Cash Flows – Enterprise Funds (Continued)
Year Ended April 30, 2016

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|---|----------------------------|--------------|--------------------------|
| | Municipal Airport | Waterworks and Sewerage | Total | Internal Service Fund |
| Reconciliation of operating (loss) income to net cash provided by operating activities | | | | |
| Operating (loss) income | \$ (872,596) | \$ 146,623 | \$ (725,973) | \$ (115,989) |
| Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities: | | | | |
| Depreciation | 614,864 | 1,083,438 | 1,698,302 | - |
| Changes in assets and liabilities: | | | | |
| Accounts receivable | 115,658 | (158,874) | (43,216) | - |
| Prepaid assets | (16,624) | (6,324) | (22,948) | - |
| Accounts payable | (6,200) | 237,206 | 231,006 | - |
| Claims payable | - | 28,441 | 28,441 | 345,240 |
| Accrued payroll | (7,921) | (28,118) | (36,039) | - |
| Accrued interest | (3,048) | - | (3,048) | - |
| Other liability | - | 2,304 | 2,304 | - |
| Deposits | (8,187) | 36,990 | 28,803 | - |
| Compensated absences payable | 3,217 | 8,532 | 11,749 | - |
| Deferred outflows of pension contributions | (24,317) | (136,312) | (160,629) | - |
| Total adjustments | 667,442 | 1,067,283 | 1,734,725 | 345,240 |
| Net cash (used in) provided by operating activities | \$ (205,154) | \$ 1,213,906 | \$ 1,008,752 | \$ 229,251 |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Fiduciary Net Position
Fiduciary Funds
April 30, 2016

| | Pension Trust Funds | Agency Funds |
|---------------------------|------------------------|-----------------|
| Assets | | |
| Cash and cash equivalents | \$ 5,518,710 | \$ 83,234 |
| Investments: | | |
| U.S. government agencies | 2,909,439 | - |
| Corporate bonds | 8,912,554 | - |
| Mutual funds | 10,886,541 | - |
| Insurance contracts | 14,605,514 | - |
| Receivables: | | |
| Accrued interest | 99,701 | - |
| Other | - | 19,513 |
| Advance to other funds | - | 142,819 |
| Total assets | 42,932,459 | 245,566 |
| Liabilities | | |
| Accounts payable | 1,939 | 226,053 |
| Advance to other funds | 2,139 | 19,513 |
| Total liabilities | 4,078 | 245,566 |
| Net Position | | |
| Restricted for pensions | \$ 42,928,381 | \$ - |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2016

Additions:

Contributions:

| | |
|----------------------------|------------------|
| Employer | \$ 3,682,706 |
| Plan member | 780,664 |
| Total contributions | <u>4,463,370</u> |

Investment income (expense):

| | |
|--|------------------|
| Net depreciation in fair value | (999,617) |
| Interest | 993,468 |
| Less investment expenses | (125,789) |
| Total investment income (expense) | <u>(131,938)</u> |

| | |
|------------------------|------------------|
| Total additions | <u>4,331,432</u> |
|------------------------|------------------|

Deductions:

| | |
|-------------------------|------------------|
| Benefits and refunds | 4,243,483 |
| Administrative expenses | 62,202 |
| Total deductions | <u>4,305,685</u> |

| | |
|-------------------------------|--------|
| Change in net position | 25,747 |
|-------------------------------|--------|

Net position restricted for pensions:

| | |
|----------------|----------------------|
| May 1, 2015 | <u>42,902,634</u> |
| April 30, 2016 | <u>\$ 42,928,381</u> |

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Activities

The Village of Lansing, Illinois (Village) provides various municipal services to its residents. These services include police protection, fire protection, paramedic services, municipal airport operations, water and sewer systems, public works operations, road and bridge maintenance and general administration.

The Village is a Home Rule unit under the Home Rule provision of the Illinois State Constitution.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Financial Reporting Entity

As defined by generally accepted accounting principles (GAAP) established by GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

- (1) The primary government is legally entitled to or has access to the component unit's resources.
- (2) The primary government is legally required or has assumed the obligation to finance the deficits of, or provide support to, the component unit.
- (3) The primary government is obligated in some manner for the other component unit's debt.

The accompanying financial statements present the Village (the primary government) and the Lansing Public Library, its component unit. The financial data of the component unit is included in the Village's reporting entity because of the significance of its operational or financial relationship with the Village.

The Lansing Public Library provides library services to the residents of the Village of Lansing, but is governed by a board which is separately elected by the public. Financial data of the Library has been discretely presented in the component unit column in the general purpose financial statements to emphasize that it is legally separate from the Village. Separate financial statements of the Library are not prepared. The Library follows the same accounting policies as the Village.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements: The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double-counting of internal activities of the Village. However, interfund services provided and used, as provided by internal service funds, are not eliminated in the process of consolidation. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The Village administers the following major governmental funds:

General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and public works.

TIF Ridge Road Fund – This capital projects fund is used to account for resources used for the acquisition or construction of major capital facilities within the Ridge Road economic development area.

TIF Bernice Road Fund – This capital projects fund is used to account for resources used for the acquisition or construction of major capital facilities within the Bernice Road economic development area.

The Village administers the following major proprietary funds:

Waterworks and Sewerage Fund – This enterprise fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Municipal Airport Fund – This enterprise fund accounts for the financing and operation of the Village's airport.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The Village administers the following internal service fund:

Self Insurance Fund – The Self Insurance Fund accounts for the costs of the self-insured medical and dental plan offered to other department's funds or component units of the Village. Administration of the plan is provided by an independent administrator. The financial statements of the internal service fund are consolidated into the governmental, business-type and component unit columns on the government-wide financial statements.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees and agency funds, which account for assets held as custodian or agent for others.

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within approximately 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

The accrual basis of accounting is utilized by the enterprise and fiduciary funds. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Earned but unbilled services in the enterprise fund are accrued and reported in the financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

Investments

Investments are reported at fair value. Fair value is based on quoted market prices, except for insurance contracts which are carried at contract value which approximates fair value.

Interfund Receivables, Payables and Activity

The Village has the following types of transactions between funds:

Loans—amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net assets.

Reimbursements—repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers—flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Amounts are recorded as expenditures/expenses using the consumption method.

Capital Assets

Capital assets which include land and land improvements, streets, buildings, storm sewers, sanitary sewers, water mains, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Equipment, building, and infrastructure capital assets are defined as assets with an initial, individual cost of more than \$5,000, \$25,000, and \$50,000, respectively, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation. For the year ended April 30, 2016, the Village received contributed capital consisting of municipal airport and waterworks and sewerage systems of \$331,185 and \$905,583, respectively, in the proprietary funds.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

| | <u>Estimated Useful Lives</u> |
|--------------------------------|-----------------------------------|
| Land improvements | 20 years |
| Buildings | 30 years |
| Equipment | 5 - 10 years |
| Infrastructure | 10 - 40 years |
| Waterworks and sewerage system | 30 - 60 years |
| Municipal airport system | 10 years |

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

Property Held for Resale

The Village has purchased property within the Village limits that it intends to resell. The property is recorded at the lower of cost to purchase the property or the current market value less costs to sell.

Deferred Inflows or Deferred Outflows of Resources and Unearned Revenue

Deferred inflows of resources are the acquisition of net position or fund balance that is applicable to future reporting periods. Property taxes that are received or recorded as receivables prior to the period the levy is intended to finance are recorded as deferred inflows of resources on both the fund financial statements and government-wide financial statements. Potential grant revenue is recorded as deferred inflows of resources on the fund financial statements when it has not yet met both the "measurable" and "available" criteria for recognition in the current period.

Deferred outflows of resources are the consumption of net position that is applicable to reporting periods. The net difference between projected and actual earnings on pension plan investments, changes in proportion and differences between employer contributions and proportionate share of contributions, as well as pension payments made subsequent to the pension liability measurement date are reported as deferred outflows or inflows of resources on the government-wide financial statements. See Note 6 for pension related disclosures.

Unearned revenues arise when resources are received by the Village before it has a legal claim to them. In subsequent periods, when revenue recognition criteria are met or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

Compensated Absences

Certain Village employees accumulate vacation and sick hours, and compensatory time for subsequent use or for payment upon termination, death or retirement. All accrued vacation, sick pay, and compensatory time is recognized as an expense and as a liability of the enterprise funds at the time the liability is incurred. Governmental fund types record accumulated vacation, sick pay, and compensatory time as an expenditure in the current year to the extent it is paid or is expected to be paid with available financial resources; otherwise, the General Fund is typically used to liquidate these liabilities.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Deferred losses on refundings are amortized over the life of the bonds and are reported as deferred outflows of resources in the Statement of Net Position. Debt issuance costs are reported as expenses in the period incurred.

In the fund financial statements, 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.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year. For other long-term obligations, only that portion expected to be financed with available financial resources are reported as a fund liability of a governmental fund.

Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in these components, as follows:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets, and the associated deferred outflows of resources.

Restricted net position, if applicable, result when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Balances

Within the governmental fund types, the Village's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village's highest level of decision-making authority rests with the Village's Board of Trustees. The Village passes formal resolutions to commit its fund balances. At April 30, 2016, the Village has no committed fund balances.

Assigned – includes amounts that are constrained by the Village's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village's Board of Trustees itself; or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's Board of Trustees has not authorized any other body or official to assign amounts for specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. Within these same funds, a residual deficit, if any, is reported as unassigned. At April 30, 2016, the Village has no assigned fund balances.

Unassigned – includes the residual fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

It is the Village's policy for the General Fund to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

For all other governmental funds, it is the Village's policy to consider unrestricted resources (i.e., committed, assigned) to have been spent first, followed by restricted resources.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

At April 30, 2016, the Village's fund balance restrictions were for the following purposes:

| | |
|---|----------------------|
| Restricted purpose: | |
| Street and bridge improvements | \$ 334,885 |
| IMRF / FICA | 690,214 |
| Public safety - police forfeitures and seizures | 582,640 |
| Public safety - paid on call retirement fund | 20,435 |
| Public safety - 911 surcharges | 209,501 |
| TIF Ridge Road | 7,975,117 |
| Debt service | 1,425,712 |
| Capital projects | 3,434,429 |
| | <u>\$ 14,672,933</u> |

Accounting Estimates

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

Eliminations and Reclassifications

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activities and interfund balances are eliminated or reclassified.

Restatement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date – An Amendment of GASB Statement No. 68* which was adopted by the Village for the year ended April 30, 2016. GASB 68 improves accounting and financial reporting by state and local governments for pensions and improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they are related to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. GASB 71 eliminates the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of GASB 68.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The restatement is to record the effect of the net pension liability, deferred inflows of resources and deferred outflows of resources. The effect of the restatement on May 1, 2015 is shown below:

| | Governmental Activities | Business-Type Activities | Waterworks and Sewerage Fund | Airport Fund | Component Unit Library |
|--|----------------------------|-----------------------------|---------------------------------|---------------------|---------------------------|
| Net position, May 1, 2015 | \$ 61,044,757 | \$ 28,595,125 | \$ 19,785,578 | \$ 8,771,314 | \$ 3,757,197 |
| Restatement amount related to the implementation of GASB 68 and 71 | (57,134,964) | (1,147,034) | (934,768) | (212,266) | (569,739) |
| Net position as restated, May 1, 2015 | <u>\$ 3,909,793</u> | <u>\$ 27,448,091</u> | <u>\$ 18,850,810</u> | <u>\$ 8,559,048</u> | <u>\$ 3,187,458</u> |

The restatement of the beginning net position adjusts the beginning deferred outflows of resources for pension contributions made subsequent to the measurement date of the beginning net pension liability. Restatement of the beginning balances for deferred outflows of resources related to pensions was not done because it was not practical to determine all such amounts.

Note 2. Cash and Investments

Cash and investments are held separately and in pools by several of the Village's funds. The Village maintains various cash and investment pools that are available for use by all funds. Income from pooled investments is allocated to the funds based on their proportional share of their investment balance. The deposits and investments of the Police and Firefighters' Pension Funds (Pension Funds) are held separately. A summary of cash and investments as of April 30, 2016 is as follows:

| | Governmental & Business- Type Activities | Fiduciary Funds | | | Component Unit Lansing Library |
|-----------------------------|--|---------------------------|-------------------------|------------------|---|
| | | Police Pension Fund | Fire Pension Fund | Agency Funds | |
| Petty Cash | \$ 2,550 | \$ - | \$ - | \$ - | \$ 475 |
| Demand Deposits | 23,057,836 | 2,945,593 | 1,449,167 | 82,234 | 3,506,842 |
| Certificate of Deposit | - | 1,123,950 | - | - | - |
| Illinois Funds | 1,092 | - | - | - | - |
| U.S. Government obligations | - | 2,169,632 | 739,807 | - | - |
| Municipal / Corporate Bonds | - | 6,535,480 | 2,377,074 | - | - |
| Mutual Funds | - | 7,974,304 | 2,912,237 | - | - |
| Insurance Contracts | - | 9,893,409 | 4,712,105 | - | - |
| Total | <u>\$ 23,061,478</u> | <u>\$ 30,642,368</u> | <u>\$ 12,190,390</u> | <u>\$ 82,234</u> | <u>\$ 3,507,317</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

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

Investment Policies - The Village and the Library's investments are made in accordance with the Public Funds Investment Act (30 ILCS 235/1) (the "Act") and the Village's investment policy. The Police and Firefighters' Pension Funds' investments are made in accordance with the Illinois Pension Code (40 ILCS 5/1-113.2 to 113.10) and each respective pension funds' investment policy.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's policy requires funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held by an independent third party institution in the name of the municipality. As of April 30, 2016, the Village Pension Funds were not subject to custodial credit risk as they were either insured or collateralized with investments held by the Village or its agent in the Village's name.

Interest Rate Risk – Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The Village and Library's investment policy requires the portfolio to obtain a comparable rate of return during a market/economic environment of stable interest rates. To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements, and unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than one year from the date of purchase.

The Pension Fund's investment policies limit the maximum maturity for any single investment at ten years. However, a longer term investment may be utilized if approved by the Board.

As of April 30, 2016, the maturities for debt securities subject to interest rate risk are as follows:

| | Fair Value | Investment Maturities (in Years) | | | |
|------------------------------|---------------|----------------------------------|--------------|--------------|--------------|
| | | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| Fiduciary Activities: | | | | | |
| Police Pension Fund: | | | | | |
| U.S. Agencies | \$ 2,169,632 | \$ - | \$ 2,169,632 | | \$ - |
| Corporate bonds | 6,535,480 | 234,890 | 3,325,731 | 2,479,053 | 495,806 |
| Total Police Pension | 8,705,112 | 234,890 | 5,495,363 | 2,479,053 | 495,806 |
| Firefighters' Pension Fund: | | | | | |
| U.S. Agencies | 739,807 | - | 739,807 | - | - |
| Corporate bonds | 2,377,074 | 102,126 | 1,276,546 | 998,402 | - |
| Total Firefighters' Pension | 3,116,881 | 102,126 | 2,016,353 | 998,402 | - |
| Total Fiduciary Activities | \$ 11,821,993 | \$ 337,016 | \$ 7,511,716 | \$ 3,477,455 | \$ 495,806 |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Credit Risk – Credit risk is the risk that the Village will not recover its investments due to the inability of the counterparty to fulfill its obligation. State statutes authorize the Village and Library to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest in investments as allowed by Illinois Compiled Statutes. As of April 30, 2016, the Village's investments in Illinois Funds were rated AA+ by Standard & Poor's and AAA by Moody's Investors Service. The Village's investment policy requires that investments be made in the types of securities allowed for in the Illinois statutes regarding the investment of public funds.

The Police Pension Fund's investment in U.S. Agencies were rated AA+ by Standard and Poor's and AAA by Moody's Investors Service and its investments in corporate bonds were rated A1 (\$742,625), A2 (\$979,063), A3 (\$1,227,446), Baa1 (\$1,431,773), Baa2 (\$1,945,574), and Ba2 (\$209,000) by Moody's Investors Service. The Firefighters' Pension Fund investment in U.S. Agencies were rated AA+ by Standard and Poor's and AAA by Moody's Investors Service and its investments in corporate bonds were rated A1 (\$215,102), A2 (\$217,258), A3 (\$423,560), Baa1 (\$539,106), and Baa2 (\$982,048) by Moody's Investors Service.

Concentration of Credit Risk – Concentration of credit risk defined by GASB is the Village's risk when more than 5 percent of the Village's investments are with a single issuer. The Village, Library, and Pension Fund's investment policies require diversified investments to eliminate the risk of loss resulting in over-concentration in a specific issuer or class of securities. The diversification can be by type of investment, number of institutions invested in, and length of maturity. As of April 30, 2016, the Village, Library, and Pension Funds are within their investment policies.

As of April 30, 2016, the Village's fair values of investments in insurance contracts were \$14,605,514.

Custodial Credit Risk – For an investment, this is the risk that in the event of failure of the counterparty, the Village, Library, or Pension Funds will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. agency securities are held by the Village's agent in the Village's name. The Village's investment policy requires the Village Treasurer to maintain a list of financial institutions authorized to provide investment services and a list be maintained of approved security brokers/dealers selected by credit worthiness. All security transactions entered into by the Village shall be conducted on a delivery-verses-payment basis, and securities will be held by an independent third party custodian designated by the Village Treasurer and evidenced by safekeeping receipts and a written custodian agreement.

Note 3. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by Cook County and issued on or about February 1 and July 1, and are payable in two installments which become due on or about March 1 and August 1. The County collects such taxes and periodically remits them to the Village. A reduction of the tax levy amount for collection losses has been made to reduce the property taxes receivable to the estimated amount to be collected.

The 2015 property tax assessment was levied in December 2015. Approximately one-half the levied amount is intended to finance the fiscal year beginning May 1, 2015, and the revenue to be produced from that assessment is to be recognized during this period, provided the "available" criteria has been met. "Available" means when due or receivable within the current period, and collected within that fiscal period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For governmental fund types, property tax amounts recorded as receivables in advance of the fiscal year for which they are levied are recorded as deferred inflows of resources and are recognized as revenue in the year for which they are levied.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets

Governmental Activities

A summary of the changes in capital assets for governmental activities of the Village is as follows:

| | Balance, May 1, 2015 | Additions | Deletions and Transfers | Balance, April 30, 2016 |
|---|----------------------------|---------------------|-------------------------------|-------------------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 9,688,050 | \$ 610,855 | \$ - | \$ 10,298,905 |
| Construction in progress | 604,056 | 758,890 | 391,502 | 971,444 |
| | <u>10,292,106</u> | <u>1,369,745</u> | <u>391,502</u> | <u>11,270,349</u> |
| Capital assets being depreciated: | | | | |
| Land improvements | 2,767,761 | 882,810 | - | 3,650,571 |
| Buildings | 11,634,414 | - | - | 11,634,414 |
| Equipment | 8,002,036 | 298,579 | 362,480 | 7,938,135 |
| Infrastructure | 57,890,153 | - | - | 57,890,153 |
| | <u>80,294,364</u> | <u>1,181,389</u> | <u>362,480</u> | <u>81,113,273</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | 1,255,927 | 113,986 | - | 1,369,913 |
| Buildings | 4,542,809 | 245,303 | - | 4,788,112 |
| Equipment | 4,590,244 | 522,737 | 222,918 | 4,890,063 |
| Infrastructure | 21,561,712 | 2,315,442 | - | 23,877,154 |
| | <u>31,950,692</u> | <u>3,197,468</u> | <u>222,918</u> | <u>34,925,242</u> |
| Total capital assets being depreciated, net | <u>48,343,672</u> | <u>(2,016,079)</u> | <u>139,562</u> | <u>46,188,031</u> |
| Governmental activities capital assets, net | <u>\$ 58,635,778</u> | <u>\$ (646,334)</u> | <u>\$ 531,064</u> | <u>\$ 57,458,380</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Business-Type Activities

A summary of changes in capital assets for business-type activities of the Village is as follows:

| | Balance, May 1, 2015 | Additions | Deletions and Transfers | Balance, April 30, 2016 |
|--|----------------------------|---------------------|-------------------------------|-------------------------------|
| Business-type activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 9,923,329 | \$ 32,775 | \$ - | \$ 9,956,104 |
| Construction in process | 1,891,306 | 635,245 | 1,568,980 | 957,571 |
| | <u>11,814,635</u> | <u>668,020</u> | <u>1,568,980</u> | <u>10,913,675</u> |
| Capital assets being depreciated: | | | | |
| Waterworks and sewerage system | 37,413,029 | 2,698,911 | 16,565 | 40,095,375 |
| Municipal airport system | 16,534,436 | 165,466 | - | 16,699,902 |
| | <u>53,947,465</u> | <u>2,864,377</u> | <u>16,565</u> | <u>56,795,277</u> |
| Less accumulated depreciation for: | | | | |
| Waterworks and sewerage system | 25,254,399 | 1,083,438 | 16,565 | 26,321,272 |
| Municipal airport system | 10,985,929 | 614,864 | - | 11,600,793 |
| | <u>36,240,328</u> | <u>1,698,302</u> | <u>16,565</u> | <u>37,922,065</u> |
| Total capital assets being depreciated, net | <u>17,707,137</u> | <u>1,166,075</u> | <u>-</u> | <u>18,873,212</u> |
| Business-type activities capital assets, net | <u>\$ 29,521,772</u> | <u>\$ 1,834,095</u> | <u>\$ 1,568,980</u> | <u>\$ 29,786,887</u> |

Component Unit Activities

A summary of changes in capital assets for the component unit of the Village is as follows:

| | Balance, May 1, 2015 | Additions | Deletions and Transfers | Balance, April 30, 2016 |
|---|----------------------------|--------------------|-------------------------------|-------------------------------|
| Capital assets being depreciated: | | | | |
| Land improvements | \$ 198,305 | \$ - | \$ - | \$ 198,305 |
| Buildings | 3,470,654 | - | - | 3,470,654 |
| Equipment | 2,547,988 | - | - | 2,547,988 |
| | <u>6,216,947</u> | <u>-</u> | <u>-</u> | <u>6,216,947</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | 21,756 | 9,359 | - | 31,115 |
| Buildings | 1,558,561 | 69,672 | - | 1,628,233 |
| Equipment | 2,517,255 | 5,978 | - | 2,523,233 |
| | <u>4,097,572</u> | <u>85,009</u> | <u>-</u> | <u>4,182,581</u> |
| Total capital assets being depreciated, net | <u>\$ 2,119,375</u> | <u>\$ (85,009)</u> | <u>\$ -</u> | <u>\$ 2,034,366</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Depreciation Charged to Functions/Activities

Depreciation was charged to functions/activities as follows:

| | Governmental Activities | Business-Type Activities | Component Unit Activities |
|--------------------|----------------------------|-----------------------------|------------------------------|
| General government | \$ 2,553,428 | \$ - | \$ - |
| Public safety | 515,715 | - | - |
| Public works | 128,325 | 1,083,438 | - |
| Municipal airport | - | 614,864 | - |
| Library | - | - | 85,009 |
| | <u>\$ 3,197,468</u> | <u>\$ 1,698,302</u> | <u>\$ 85,009</u> |

Note 5. Long-Term Obligations

Governmental Activities

The following is a summary of debt transactions of the Village's governmental activities for the year ended April 30, 2016:

| | Balance, May 1, 2015 | Additions | Reductions | Balance, April 30, 2016 | Due Within One Year |
|--------------------------------|-------------------------|----------------------|----------------------|----------------------------|---------------------------|
| General obligation bonds | \$ 13,999,000 | \$ - | \$ 770,000 | \$ 13,229,000 | \$ 860,000 |
| Installment notes payable | 1,369,089 | - | 407,719 | 961,370 | 390,129 |
| Unamortized bond premium | 813,553 | - | 103,858 | 709,695 | - |
| Unamortized bond discount | (75,598) | - | (6,381) | (69,217) | - |
| Compensated absences* | 1,326,554 | 1,149,108 | 1,092,229 | 1,383,433 | 17,766 |
| Net pension liability** | 55,306,532 | 35,149,548 | 11,190,724 | 79,265,355 | - |
| Other postemployment benefits* | 7,823,462 | 737,906 | - | 8,561,368 | - |
| | <u>\$ 80,562,592</u> | <u>\$ 37,036,562</u> | <u>\$ 13,558,149</u> | <u>\$ 104,041,004</u> | <u>\$ 1,267,895</u> |

* - The General Fund is used to liquidate these liabilities.

** - The General Fund and IMRF/FICA Fund is used to liquidate this liability.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Business-Type Activities

The following is a summary of debt transactions of the Village's business-type activities for the year ended April 30, 2016:

| | Balance, May 1, 2015 | Additions | Reductions | Balance, April 30, 2016 | Due Within One Year |
|---------------------------|-------------------------|---------------------|---------------------|----------------------------|---------------------------|
| General obligation bonds | \$ 1,026,000 | \$ - | \$ 135,000 | \$ 891,000 | \$ 140,000 |
| Installment notes payable | 81,184 | 125,000 | 77,093 | 129,091 | 40,231 |
| Net pension liability | 1,398,866 | 1,403,660 | 1,166,049 | 1,636,478 | - |
| Compensated absences | 107,027 | 111,293 | 99,544 | 118,776 | - |
| | <u>\$ 2,613,077</u> | <u>\$ 1,639,953</u> | <u>\$ 1,477,686</u> | <u>\$ 2,775,345</u> | <u>\$ 180,231</u> |

Component Unit

The following is a summary of debt transactions of the Library's governmental activities for the year ended April 30, 2016:

| | Balance, May 1, 2015 | Additions | Reductions | Balance, April 30, 2016 | Due Within One Year |
|---------------------------|-------------------------|-------------------|-------------------|----------------------------|---------------------------|
| General obligation bonds | \$ 1,140,000 | \$ - | \$ 150,000 | \$ 990,000 | \$ 150,000 |
| Unamortized bond discount | (20,959) | - | (3,030) | (17,929) | - |
| Net pension liability | 658,987 | 661,246 | 549,310 | 770,923 | - |
| Compensated absences | 60,557 | 85,764 | 78,399 | 67,922 | 67,922 |
| | <u>\$ 1,838,585</u> | <u>\$ 747,010</u> | <u>\$ 774,679</u> | <u>\$ 1,810,916</u> | <u>\$ 217,922</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Details of the long-term debt of the Village and its component unit as of April 30, 2016, are as follows:

Governmental Activities

General Obligation Bonds:

2009A General Obligation Bonds, due in annual installments of \$250,000 in 2023, \$1,000,000 in 2024, \$1,000,000 in 2025, \$1,000,000 in 2026, and \$810,000 in 2027. Interest is at rates of 4.20% to 4.65%. The Debt Service Fund is responsible for 88.89% of the required payments on these bonds. \$ 3,609,000

2009B General Obligation Bonds, due in annual installments of \$450,000 in 2022, \$300,000 in 2023, \$1,000,000 in 2028, and \$1,025,000 in 2029. Interest is at rates of 4.85% to 5.35%. The Motor Fuel Tax Fund and the Debt Service Fund are responsible for the required payments on these bonds. 2,775,000

2014 General Obligation Refunding Bonds, due in annual installments of \$860,000 in 2017, \$880,000 in 2018, \$915,000 in 2019, \$1,000,000 in 2020, \$1,015,000 in 2021, \$1,060,000 in 2022, and \$1,115,000 in 2023. Interest is at rates of 2.50% to 5.00%. The Motor Fuel Tax Fund is responsible for 22.173% of the required payments on these bonds. The Debt Service Fund is responsible for the remaining required payments on these bonds. 6,845,000

Total General Obligation Bonds 13,229,000

Installment Notes Payable:

Interest-free note for the purchase of a fire truck with principal of \$11,000 in 2017 through 2025. The General Fund is responsible for making the required payments on this note. 99,000

Installment note for the purpose of financing toters with principal of \$277,161 in 2017, \$283,462 in 2018, and \$144,138 in 2019. Interest is at a rate of 2.25%. The General Fund is responsible for making the required payments on this lease. 704,761

Installment note for the purpose of financing current 911 Fund operations with principal of \$82,679 in 2017. Interest is at a rate of 2.81%. The 911 Fund is responsible for making the required payments on this lease. 82,679

Installment note for the purpose of financing phone equipment with principal of \$19,289 in 2017, \$20,504 in 2018, and \$21,795 in 2019, and \$13,343 in 2020. Interest is at a rate of 6.12%. The General Fund is responsible for making the required payments on this lease. 74,930

Total Installment Notes Payable 961,370

Total Governmental Activities \$ 14,190,370

(continued)

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Business-Type Activities:

| | |
|--|----------------------------|
| 2003 General Obligation Bonds, due in annual installments of \$140,000 in 2017, \$145,000 in 2018, and \$155,000 in 2019. Interest is at 5.50%. The Airport Fund is responsible for the required payments on these bonds. | \$ 440,000 |
| 2009A General Obligation Bonds, due in annual installments of \$250,000 in 2023, \$1,000,000 in 2024, \$1,000,000 in 2025, \$1,000,000 in 2026, and \$810,000 in 2027. Interest is at rates of 4.20% to 4.65%. The Airport Fund is responsible for 11.11% of the required payments on these bonds. | <u>451,000</u> |
| Total General Obligation Bonds | <u>891,000</u> |
| Installment note for the purpose of financing current airport operations with principal of \$16,158 in 2017. Interest is at a rate of 5.00%. The Airport Fund is responsible for making the required payments on this note. | 16,158 |
| Installment note for the purpose of financing fuel equipment with principal of \$24,073 in 2017, \$24,681 in 2018, \$25,305 in 2019, \$25,945 in 2020, and \$12,929. Interest is at a rate of 2.50%. The Airport Fund is responsible for making the required payments on this note. | <u>112,933</u> |
| Total Installment Notes Payable | <u>129,091</u> |
| Total Business-Type Activities | <u><u>\$ 1,020,091</u></u> |

Component Unit Activities:

| | |
|---|--------------------------|
| 2011 General Obligation Bonds, due in annual installments of \$150,000 in 2017, \$155,000 in 2018, \$160,000 in 2019, \$170,000 in 2020, \$175,000 in 2021 and \$180,000 in 2022. Interest is at rates of 2.63% to 4.00%. The Library Fund is responsible for the required repayments on these bonds. | <u><u>\$ 990,000</u></u> |
|---|--------------------------|

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

Debt service requirements to maturity

The annual debt service requirements to amortize the outstanding debt of the Village's governmental activities are as follows:

| Year | General Obligation Bonds | | Installment Notes Payable | | Total |
|-----------|--------------------------|---------------------|---------------------------|------------------|----------------------|
| | Principal | Interest | Principal | Interest | |
| 2017 | \$ 860,000 | \$ 621,556 | \$ 390,129 | \$ 18,772 | \$ 1,890,457 |
| 2018 | 880,000 | 595,756 | 314,966 | 10,092 | 1,800,814 |
| 2019 | 915,000 | 560,556 | 176,933 | 2,767 | 1,655,256 |
| 2020 | 1,000,000 | 514,806 | 24,342 | 274 | 1,539,422 |
| 2021 | 1,015,000 | 464,806 | 11,000 | - | 1,490,806 |
| 2022-2026 | 5,813,925 | 1,416,523 | 44,000 | - | 7,274,448 |
| 2027-2029 | 2,745,075 | 304,919 | - | - | 3,049,994 |
| | <u>\$ 13,229,000</u> | <u>\$ 4,478,923</u> | <u>\$ 961,370</u> | <u>\$ 31,905</u> | <u>\$ 18,701,198</u> |

The annual debt service requirements to amortize the outstanding debt of the Village's business-type activities are as follows:

| Year | General Obligation Bonds | | Installment Notes Payable | | Total |
|-----------|--------------------------|-------------------|---------------------------|-----------------|---------------------|
| | Principal | Interest | Principal | Interest | |
| 2017 | \$ 140,000 | \$ 44,272 | \$ 40,231 | \$ 2,680 | \$ 227,183 |
| 2018 | 145,000 | 36,572 | 24,681 | 1,940 | 208,193 |
| 2019 | 155,000 | 28,597 | 25,305 | 1,316 | 210,218 |
| 2020 | - | 20,072 | 25,945 | 676 | 46,693 |
| 2021 | - | 20,072 | 12,929 | 92 | 33,093 |
| 2022-2026 | 361,075 | 82,417 | - | - | 443,492 |
| 2027 | 89,925 | 4,251 | - | - | 94,176 |
| | <u>\$ 891,000</u> | <u>\$ 236,252</u> | <u>\$ 129,091</u> | <u>\$ 6,704</u> | <u>\$ 1,263,047</u> |

The annual debt service requirements to amortize the outstanding debt of the Library's governmental activities are as follows:

| Year | General Obligation Bonds | | Total |
|------|--------------------------|-------------------|---------------------|
| | Principal | Interest | |
| 2017 | \$ 150,000 | \$ 36,488 | \$ 186,488 |
| 2018 | 155,000 | 31,613 | 186,613 |
| 2019 | 160,000 | 26,575 | 186,575 |
| 2020 | 170,000 | 20,575 | 190,575 |
| 2021 | 175,000 | 14,200 | 189,200 |
| 2022 | 180,000 | 7,200 | 187,200 |
| | <u>\$ 990,000</u> | <u>\$ 136,651</u> | <u>\$ 1,126,651</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement System

Substantially all Village employees are covered under one of the following employee retirement plans:

Illinois Municipal Retirement Fund

Plan Description. The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided. The Village participates in IMRF's Regular Plan (RP). Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3 percent of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms. As of December 31, 2015, the following employees were covered by the benefit terms:

| | <u>Membership</u> |
|---|-------------------|
| Inactive Plan members or beneficiaries currently receiving benefits | 115 |
| Inactive Plan members entitled to benefits but not yet receiving them | 53 |
| Active Plan members | <u>93</u> |
| Total membership | <u><u>261</u></u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar years 2016 and 2015 were 20.88 percent and 21.23 percent, respectively. For the fiscal year ended April 30, 2016, the Village contributed \$911,763 to the plan. The contributions as of April 30, 2016 are reported in the financial statements as follows:

| | |
|--|------------------------------|
| Governmental Activities - general government expense | \$ 539,303 |
| Business-Type Activities | |
| Municipal Airport | 52,109 |
| Waterworks and Sewerage | 201,078 |
| Component Unit - Library | <u>119,273</u> |
| Total | <u><u>\$ 911,763</u></u> |

The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.47%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Note 6. Employee Retirement Systems (Continued)

- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u> | <u>Portfolio Target Percentage</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|------------------------------------|---|
| Domestic Equity | 38% | 7.60% |
| International Equity | 17% | 7.80% |
| Fixed Income | 27% | 3.00% |
| Real Estate | 8% | 6.15% |
| Alternative Investments | 9% | 5.25-8.50% |
| Cash Equivalents | <u>1%</u> | 2.25% |
| Total | 100% | |

Single Discount Rate. A Single Discount Rate of 7.50 percent was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50 percent, the municipal bond rate is 3.57 percent, and the resulting single discount rate is 7.47 percent.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Changes in the Net Pension Liability.

The following table shows the components of the Village's annual pension liability and related plan fiduciary net position for the year ended December 31, 2015:

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2014 | \$ 33,647,686 | \$ 28,610,023 | \$ 5,037,663 |
| Changes for the year: | | | |
| Service cost | 469,465 | - | 469,465 |
| Interest on the total pension liability | 2,456,198 | - | 2,456,198 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience of the total pension liability | (175,415) | - | (175,415) |
| Changes of assumptions | 38,185 | - | 38,185 |
| Contributions - employer | - | 896,079 | (896,079) |
| Contributions - employee | - | 198,370 | (198,370) |
| Net investment income | - | 140,559 | (140,559) |
| Benefit payments, including refunds of employee contributions | (2,091,083) | (2,091,083) | - |
| Other (net transfer) | - | 697,724 | (697,724) |
| Net changes | 697,350 | (158,351) | 855,701 |
| Balances at December 31, 2015 | \$ 34,345,036 | \$ 28,451,672 | \$ 5,893,364 |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.47 percent, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

| | 1% Decrease 6.47% | Current Discount Rate 7.47% | 1% Increase 8.47% |
|-----------------------|----------------------|-----------------------------------|----------------------|
| Net pension liability | \$ 10,037,135 | \$ 5,893,364 | \$ 2,469,741 |

The net pension liability as of April 30, 2016 is reported on the financial statements as follows:

| | |
|--------------------------|---------------------|
| Governmental Activities | \$ 3,485,963 |
| Business-Type Activities | |
| Municipal Airport | 336,807 |
| Waterworks and Sewerage | 1,299,671 |
| Component Unit - Library | 770,923 |
| | <u>\$ 5,893,364</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2016, the Village recognized pension expense (income) of \$(685,556). Pension expense (income) is reported in the financial statements as follows:

| | |
|--------------------------|---------------------|
| Governmental Activities | \$ (438,561) |
| Business-Type Activities | |
| Municipal Airport | (136,312) |
| Waterworks and Sewerage | (24,317) |
| Component Unit - Library | (86,366) |
| | <u>\$ (685,556)</u> |

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| <u>Deferred Amounts to be Recognized in Pension</u> | | |
| Expense in Future Periods | | |
| Differences between expected and actual experience | \$ - | \$ 124,639 |
| Changes of assumptions | 27,132 | - |
| Net difference between projected and actual earnings on pension plan investments | 1,595,187 | - |
| Total deferred amounts to be recognized in pension expense in future periods | <u>1,622,319</u> | <u>124,639</u> |
| Employer contribution subsequent to the measurement date | 383,597 | - |
| Cost sharing allocation method | - | 65,058 |
| Total Deferred Amounts Related to Pensions | <u>\$ 2,005,916</u> | <u>\$ 189,697</u> |
| Governmental Activities | \$ 959,612 | \$ 73,725 |
| Business-Type Activities | | |
| Municipal Airport | 92,716 | 7,123 |
| Waterworks and Sewerage | 357,772 | 27,487 |
| Component Unit - Library | 212,219 | 16,304 |
| | <u>\$ 1,622,319</u> | <u>\$ 124,639</u> |

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

| | Net deferred Outflows of Resources |
|--------------------------|--|
| Year ending December 31: | |
| 2016 | \$ 359,074 |
| 2017 | 359,074 |
| 2018 | 380,736 |
| 2019 | 398,796 |
| 2020 | - |
| Thereafter | - |
| Total | <u>\$ 1,497,680</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund

Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through investment earnings. No stand-alone statements are issued for the defined benefit pension plan.

Plan Description

Plan Administration:

Police-sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan administered by the Village of Lansing. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Article 3 of the Illinois Pension Code and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. An actuarial valuation was performed as of April 30, 2016, and, accordingly, the most recent available information has been presented.

Management of the Police Pension Plan is vested in the Police Pension Board which consists of five members, two members are elected from and by the active police, one is elected from and by the retiree beneficiaries and two are appointed by the Village Mayor with the approval of the Village Board of Trustees. There was a change in the makeup of the Board during fiscal year 2016.

Plan Membership:

At April 30, 2016, the Police Pension Plan membership consisted of:

| | <u>Membership</u> |
|---|-------------------|
| Inactive Plan members or beneficiaries currently receiving benefits | 50 |
| Inactive Plan members entitled to benefits but not yet receiving them | 1 |
| Active Plan members | <u>54</u> |
| Total membership | <u><u>105</u></u> |

Benefits Provided:

The Illinois Pension Code (40 ILCS 5/Art. 3) is the authority under which pension benefit terms are established. The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Plan Description (Continued)

The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of services after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or one half of the consumer price index. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Contributions:

Covered employees are required to contribute 9.91% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. Per state statute (40 ILCS 5/3-110.7) an employee who meets certain criteria and leaves employment to participate in another Article 3 fund may request his contribution plus 6% compounded interest be transferred to the Article 3 fund for which he is currently a member. In addition to the employee's contribution plus interest, an equal amount which represents the employer's contribution is to be transferred. Participation in the Village's fund will terminate upon transfer.

The Illinois Pension Code (40 ILCS 5/Art. 3) establishes the contribution requirements of the Village. The annual requirement is equal to (1) the normal cost of the pension fund for the year plus (2) an amount sufficient to bring the total assets of the pension fund up to 90% of the actuarial liabilities of the pension fund by April 30, 2040. Only the State legislature can amend the contribution requirements. For the year ended April 30, 2016, the statutory minimum which the Village was required to contribute was \$2,853,242, or 59.96% of member payroll, to the Police Pension Fund.

Investments

Investment policy:

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board by a majority vote of its members. It is the policy of the Police Pension Board to pursue an investment strategy that minimizes risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. See Note 2 for more details on the Police Pension's investment policy. The following is the Board's adopted asset allocation policy as of April 30, 2016:

| <u>Asset Class</u> | Minimum Target Asset Allocation | Maximum Target Asset Allocation |
|---------------------------|--|--|
| Cash and Cash Equivalents | 2% | 2% |
| Fixed Income | 33% | 65% |
| Equities | 20% | 55% |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method. The best estimate of future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target asset allocation as adopted by the Board within the investment policy. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The following are the expected long-term expected geometric real rates of return by asset class as of April 30, 2016:

| <u>Asset Class</u> | <u>Long-Term Expected Rate of Return</u> | <u>Long-Term Inflation Expectations</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|--|---|---|
| Cash and Cash Equivalents | 2.50% | 2.50% | 0.00% |
| Fixed Income: | | | |
| Corporate Bonds | 4.20% | 2.50% | 1.70% |
| US Government Obligations | 3.20% | 2.50% | 0.70% |
| Equities: | | | |
| US Large-Cap Equities | 8.30% | 2.50% | 5.80% |
| US Mid-Cap Equities | 9.30% | 2.50% | 6.80% |
| US Small-Cap Equities | 9.30% | 2.50% | 6.80% |
| International Equities | 8.40% | 2.50% | 5.90% |
| Emerging Markets | 10.50% | 2.50% | 8.00% |
| REITS | 8.30% | 2.50% | 5.80% |
| Commodities | 4.90% | 2.50% | 2.40% |

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 a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Significant Investments

Information on significant investments is presented in Note 2 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.98) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Net Pension Liability

The total pension liability was determined by an actuarial valuation as of April 30, 2016, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

| | |
|--|--|
| Valuation date | April 30, 2016 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percentage of Payroll |
| Discount Rate used for the Total Pension Liability | 5.92% |
| Long-Term Expected Rate of Return on Plan Assets | 7.00% |
| High Quality 20-Year Tax-Exempt G.O. Bond Rate (based on the Bond Buyer 20-Bond GO Index) | 3.32% |
| Projected Individual Salary Increases | 2.50 - 14.77% |
| Projected Increase in Total Payroll | 3.25% |
| Consumer Price Index (Utilities) | 2.00% |
| Inflation Rate Included | 2.00% |
| Actuarial assumptions: | |
| Mortality Table | Lauterbach & Amen (L&A) 2016 Illinois Police Mortality Rates |
| Retirement Rates | L&A 2016 Illinois Police Retirement Rates Capped at 65 |
| Disability Rates | L&A 2016 Illinois Police Disability Rates |
| Termination Rates | L&A 2016 Illinois Police Termination Rates |
| Percent Married | 80% |

The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial assumption study for the period including various municipal fiscal years ending December 2009-June 2015.

The study was performed by Lauterbach and Amen LLP (L&A), which provides a variety of accounting and actuarial services to Police and Firefighter Pension Funds across the State of Illinois.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Net Pension Liability (Continued)

Discount Rate:

The discount rate used to measure the total pension liability is 5.92 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for the next 41 years. Therefore, the long-term expected rate of return on pension plan investments was applied only to those years and for the remaining years the municipal bond rate was used.

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|--|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at May 1, 2015 | \$ 73,047,893 | \$ 30,778,491 | \$ 42,269,402 |
| Changes for the year: | | | |
| Service cost | 1,218,745 | - | 1,218,745 |
| Interest on the total pension liability | 4,230,790 | - | 4,230,790 |
| Actuarial experience | 992,174 | - | 992,174 |
| Changes of assumptions | 14,426,919 | - | 14,426,919 |
| Contributions - employer | - | 2,670,076 | (2,670,076) |
| Contributions - employee | - | 561,720 | (561,720) |
| Net investment income | - | (97,257) | 97,257 |
| Benefit payments, including refunds of employee contributions | (3,163,706) | (3,163,706) | - |
| Other (net transfer) | - | (36,579) | 36,579 |
| Net changes | 17,704,922 | (65,746) | 17,770,668 |
| Balances at April 30, 2016 | \$ 90,752,815 | \$ 30,712,745 | \$ 60,040,070 |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability of the Village, calculated using the discount rate of 5.92 percent, as well as what the Villages net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

| | 1% Decrease 4.92% | Current Discount Rate 5.92% | 1% Increase 6.92% |
|-----------------------|----------------------|-----------------------------------|----------------------|
| Net pension liability | \$ 75,015,516 | \$ 60,040,070 | \$ 48,013,847 |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:

For the year ended April 30, 2016, the Village recognized pension expense \$3,032,239. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Deferred Amounts to be Recognized in Pension Expense in Future Periods | | |
| Differences between expected and actual experience | \$ 832,403 | \$ - |
| Changes of assumptions | 12,103,743 | - |
| Net difference between projected and actual earnings on pension plan investments | 1,802,284 | - |
| Total Deferred Amounts Related to Pensions | <u>\$ 14,738,430</u> | <u>\$ -</u> |

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

| | Net deferred Outflows of Resources |
|-----------------------|--|
| Year ending April 30: | |
| 2017 | \$ 2,933,519 |
| 2018 | 2,933,519 |
| 2019 | 2,933,519 |
| 2020 | 2,933,515 |
| 2021 | 2,482,947 |
| Thereafter | 521,411 |
| Total | <u>\$ 14,738,430</u> |

The schedule of changes in total pension liability, net pension liability and related ratios and investment returns and the schedule of contributions are presented as Required Supplementary Information (RSI) following the notes to the financial statements.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund

Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through investment earnings.

Plan Description

Plan Administration:

Sworn firefighter personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan administered by the Village of Lansing. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Article 4 of the Illinois Pension Code and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Village's most recent actuarial valuation was performed as of April 30, 2016, and, accordingly, the most recent available information has been presented.

Management of the Firefighters' Pension Plan is vested in the Firefighters' Pension Board which consists of five members, two members are elected from and by active firefighters, one elected from and by the retiree beneficiaries and two appointed by the Village Mayor. There have been no changes in the makeup of the Board during fiscal year 2016.

Plan Membership:

At April 30, 2016, the Firefighters' Pension Plan membership consisted of:

| | <u>Membership</u> |
|---|-------------------|
| Inactive Plan members or beneficiaries currently receiving benefits | 18 |
| Inactive Plan members entitled to benefits but not yet receiving them | - |
| Active Plan members | <u>28</u> |
| Total membership | <u><u>46</u></u> |

Benefits Provided:

The Illinois Pension Code (40 ILCS 5/Art. 4) is the authority under which pension benefit terms are established. The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Plan Description (Continued)

Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter.

The monthly benefit of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or one half of the consumer price index. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Contributions:

Covered firefighter employees are required to contribute 9.455% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Illinois Pension Code (40 ILCS 5/Art. 4) establishes the contribution requirements of the Village. The annual requirement is equal to (1) the normal cost of the pension fund or 7.5% of the salaries and wages to be paid to firefighters for the year involved, whichever is greater, plus (2) an annual amount sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities of the pension fund by December 31, 2040. Only the State legislature can amend the contribution requirements. For the year ended April 30, 2016, the statutory minimum which the Village was required to contribute was \$977,700, or 46.29% of member payroll, to the Firefighters' Pension Fund.

Investments

Investment Policy:

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Firefighters' Pension Board by a majority vote of its members. It is the policy of the Firefighters' Pension Board to pursue an investment strategy that minimizes risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. See Note 2 for more details on the Firefighters' Pension's investment policy. The following is the Board's adopted asset allocation policy as of April 30, 2016:

| <u>Asset Class</u> | <u>Minimum Target Asset Allocation</u> | <u>Maximum Target Asset Allocation</u> |
|---------------------------|--|--|
| Cash and Cash Equivalents | 2% | 20% |
| Fixed Income | 33% | 65% |
| Equities | 20% | 55% |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method. The best estimate of future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target asset allocation as adopted by the Board within the investment policy. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The following are the expected long-term expected geometric real rates of return by asset class as of April 30, 2016:

| Asset Class | Long-Term Expected Rate of Return | Long-Term Inflation Expectations | Long-Term Expected Real Rate of Return |
|---------------------------|--|---|---|
| Cash and Cash Equivalents | 2.50% | 2.50% | 0.00% |
| Fixed Income: | | | |
| Corporate Bonds | 4.20% | 2.50% | 1.70% |
| US Government Obligations | 3.20% | 2.50% | 0.70% |
| Equities: | | | |
| US Large-Cap Equities | 8.30% | 2.50% | 5.80% |
| US Mid-Cap Equities | 9.30% | 2.50% | 6.80% |
| US Small-Cap Equities | 9.30% | 2.50% | 6.80% |
| International Equities | 8.40% | 2.50% | 5.90% |
| Emerging Markets | 10.50% | 2.50% | 8.00% |
| REITS | 8.30% | 2.50% | 5.80% |
| Commodities | 4.90% | 2.50% | 2.40% |

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 a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Significant Investments

Information on significant investments is presented in Note 2 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.73) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Net Pension Liability

The total pension liability was determined by an actuarial valuation as of April 30, 2016, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

| | |
|--|--|
| Valuation date | April 30, 2016 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percentage of Payroll |
| Discount Rate used for the Total Pension Liability | 6.75% |
| Long-Term Expected Rate of Return on Plan Assets | 6.75% |
| High Quality 20-Year Tax-Exempt G.O. Bond Rate (based on the Bond Buyer 20-Bond GO Index) | 3.32% |
| Projected Individual Salary Increases | 3.75% - 14.77% |
| Projected Increase in Total Payroll | 3.25% |
| Consumer Price Index (Utilities) | 2.50% |
| Inflation Rate Included | 2.50% |
| Actuarial assumptions: | |
| Mortality Table | Lauterbach & Amen (L&A) 2016 Illinois Firefighters Mortality Rates |
| Retirement Rates | L&A 2016 Illinois Firefighters Retirement Rates Capped at 65 |
| Disability Rates | L&A 2016 Illinois Firefighters Disability Rates |
| Termination Rates | L&A 2016 Illinois Firefighters Termination Rates |
| Percent Married | 80% |

The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial assumption study for the period including various municipal fiscal years ending December 2009-June 2015.

The study was performed by Lauterbach and Amen LLP (L&A), which provides a variety of accounting and actuarial services to Police and Firefighter Pension Funds across the State of Illinois.

Discount Rate:

The discount rate used to measure the total pension liability is 6.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Net Pension Liability (Continued)

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|--|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at May 1, 2015 | \$ 22,181,464 | \$ 12,124,144 | \$ 10,057,320 |
| Changes for the year: | | | |
| Service cost | 587,346 | - | 587,346 |
| Interest on the total pension liability | 1,460,806 | - | 1,460,806 |
| Actuarial experience | 1,398,715 | - | 1,398,715 |
| Changes of assumptions | 3,406,404 | - | 3,406,404 |
| Contributions - employer | - | 1,012,630 | (1,012,630) |
| Contributions - employee | - | 218,944 | (218,944) |
| Net investment income | - | (34,681) | 34,681 |
| Benefit payments, including refunds of employee contributions | (1,079,777) | (1,079,777) | - |
| Other (net transfer) | - | (25,624) | 25,624 |
| Net changes | <u>5,773,494</u> | <u>91,492</u> | <u>5,682,002</u> |
| Balances at April 30, 2016 | <u>\$ 27,954,958</u> | <u>\$ 12,215,636</u> | <u>\$ 15,739,322</u> |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability of the Village, calculated using the discount rate of 6.75 percent, as well as what the Villages net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

| | 1% Decrease 5.75% | Current Discount Rate 6.75% | 1% Increase 7.75% |
|-----------------------|----------------------|-----------------------------------|----------------------|
| Net pension liability | \$ 20,047,014 | \$ 15,739,322 | \$ 12,246,803 |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:

For the year ended April 30, 2016, the Village recognized pension expense of \$676,885. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Deferred Amounts to be Recognized in Pension Expense in Future Periods | | |
| Differences between expected and actual experience | \$ 1,257,287 | \$ - |
| Changes of assumptions | 3,061,974 | - |
| Net difference between projected and actual earnings on pension plan investments | 685,857 | - |
| Total Deferred Amounts Related to Pensions | <u>\$ 5,005,118</u> | <u>\$ -</u> |

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

| | Net deferred Outflows of Resources |
|-----------------------|--|
| Year ending April 30: | |
| 2017 | \$ 657,323 |
| 2018 | 657,323 |
| 2019 | 657,323 |
| 2020 | 657,320 |
| 2021 | 485,858 |
| Thereafter | <u>1,889,971</u> |
| Total | <u>\$ 5,005,118</u> |

The schedule of changes in net pension liability, total pension liability and related ratios and investment returns and the schedule of contributions are presented as Required Supplementary Information (RSI) following the notes to the financial statements.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Combining Statement of Net Position
Pension Trust Funds
April 30, 2016

| | Police Pension | Firefighters' Pension | Total |
|---------------------------|----------------------|--------------------------|----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 4,069,543 | \$ 1,449,167 | \$ 5,518,710 |
| Investments: | | | |
| U.S. government agencies | 2,169,632 | 739,807 | 2,909,439 |
| Corporate bonds | 6,535,480 | 2,377,074 | 8,912,554 |
| Mutual funds | 7,974,304 | 2,912,237 | 10,886,541 |
| Insurance contracts | 9,893,409 | 4,712,105 | 14,605,514 |
| Receivables: | | | |
| Accrued interest | 72,132 | 27,569 | 99,701 |
| Total assets | 30,714,500 | 12,217,959 | 42,932,459 |
| Liabilities | | | |
| Accounts payable | 1,159 | 780 | 1,939 |
| Due to other funds | 596 | 1,543 | 2,139 |
| Total liabilities | 1,755 | 2,323 | 4,078 |
| Net Position | | | |
| Restricted for pensions | <u>\$ 30,712,745</u> | <u>\$ 12,215,636</u> | <u>\$ 42,928,381</u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Combining Statement of Changes in Net Position
Pension Trust Funds
Year Ended April 30, 2016

| | Police Pension | Firefighters' Pension | Total |
|--|----------------------|--------------------------|----------------------|
| Additions | | | |
| Contributions: | | | |
| Employer | \$ 2,670,076 | \$ 1,012,630 | \$ 3,682,706 |
| Plan members | 561,720 | 218,944 | 780,664 |
| Total contributions | 3,231,796 | 1,231,574 | 4,463,370 |
| Investment income (expense): | | | |
| Net increase (decrease) in fair value | (742,706) | (256,911) | (999,617) |
| Interest | 724,721 | 268,747 | 993,468 |
| Less investment expenses | (79,271) | (46,518) | (125,789) |
| Total investment income (expense) | (97,256) | (34,682) | (131,938) |
| Total additions | 3,134,540 | 1,196,892 | 4,331,432 |
| Deductions | | | |
| Benefits and refunds | 3,163,706 | 1,079,777 | 4,243,483 |
| Administrative expenses | 36,579 | 25,623 | 62,202 |
| Total deductions | 3,200,285 | 1,105,400 | 4,305,685 |
| Change in net position | (65,745) | 91,492 | 25,747 |
| Net positions restricted for pensions May 1, 2015 | 30,778,490 | 12,124,144 | 42,902,634 |
| April 30, 2016 | \$ 30,712,745 | \$ 12,215,636 | \$ 42,928,381 |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 7. Risk Management

The Village maintains a health and medical benefit program which is available to all full-time employees. The Village has elected to be self-insured for certain members of this plan and, accordingly, is liable for the related employee health claims that are approved for payment. A purchased insurance policy covers claims over \$90,000 per individual and \$3,385,359 in the aggregate per calendar year. All administration and claims processing is done by an independent administrator. The amount of coverage has not decreased nor has the amount of settlements exceeded coverage in the current fiscal year or any of the past three years. Liabilities include all amounts for claims, including incremental costs that have been incurred but not reported (IBNR) and are reported in the Self Insurance Fund (internal service fund).

Changes in the health and medical claim liabilities are as follows:

| | |
|---------------------------------|--------------------------|
| Unpaid claims at April 30, 2014 | \$ 50,000 |
| Incurred claims | 2,276,135 |
| Claim payments | <u>(2,213,509)</u> |
| Unpaid claims at April 30, 2015 | 112,626 |
| Incurred claims | 3,567,380 |
| Claim payments | <u>(3,222,140)</u> |
| Unpaid claims at April 30, 2016 | <u><u>\$ 457,866</u></u> |

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village is self-insured for a portion of its workers' compensation coverage. The Village recorded \$359,114 of workers compensation claims payable as of April 30, 2016. Of that amount, \$295,551, \$28,442, and \$35,121 is included in the Governmental Activities, Business-Type Activities, and the Public Library, respectively, in the government-wide financial statements. In addition, the Village pays annual premiums to the Illinois Counties Risk Management Trust (ICRMT) which is an organization of public entities, which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs. The Village pays annual premiums to the ICRMT for its liability, property coverage, equipment breakdown coverage, comprehensive crime coverage, and workers' compensation and employer's liability coverage. The amount of coverage has not decreased nor has the amount of settlements exceeded coverage in the current fiscal year or any of the past three years.

Note 8. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and, therefore, not reflected in the financial statements of the Village. The Village contributed \$0 to the plan for the year ended April 30, 2016.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 9. Commitments

The Village has committed future incremental property tax revenue from specific parcels of land within its tax incremental financing (TIF) districts for the payment of developer construction costs. As of April 30, 2016, these commitments are as follows:

| <u>District</u> | <u>Commitment</u> |
|--|--|
| <ul style="list-style-type: none">• West Lansing Tax Incremental Financing District | Lesser of 50% of future year property tax collection through 2016 on a parcel-by-parcel basis or \$1,341,845. One business will receive the lesser of 50% of future property tax collections through 2016 or \$8,050,000, plus interest of \$6,864,218. |
| <ul style="list-style-type: none">• Bernice Road Tax Incremental Financing District | The Village has committed amounts equal to 50% of future year sales tax revenue, including any Home Rule occupation tax arising from the store's location, for the earlier of 20 years or \$12,000,000. As of April 30, 2016, the total economic assistance provided under this agreement was \$478,372. |
| <ul style="list-style-type: none">• Torrence Avenue Tax Incremental Financing District | The Village has committed amounts equal to sales tax revenue on a parcel of land within the TIF District boundaries. For sales tax amounts required by the Village in excess of \$115,000, the Village will reimburse the business 50% of sales tax paid for a period of 84 months. As of April 30, 2016, the total economic assistance provided under this agreement was \$491,792. |

In addition, the Village has committed future sales tax revenue on three parcels of land outside of the TIF District boundaries. On two of the parcels, the Village committed 0% on the first \$100,000 of sales tax paid by the business, 100% on the second \$100,000, and 50% of sales tax paid in excess of \$200,000 through March 2027 and August 2029, or \$9,945,180 and \$3,615,077, respectively. As of April 30, 2016, the total economic assistance provided under this agreement was \$1,321,708 and \$987,573, respectively.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 10. Other Financial Disclosures (FFS Level Only)

(a) Due To/From Other Funds

Individual interfund balances for the Village at April 30, 2016, are shown as follows:

| Fund | Due from Other Funds |
|------------------------------|--------------------------|
| General Fund | |
| Nonmajor Governmental Funds | \$ 1,921 |
| Fiduciary Funds | 2,139 |
| Nonmajor Governmental Funds | |
| General Fund | 6,325 |
| TIF Bernice Road | 433,796 |
| TIF Ridge Road Fund | |
| Waterworks and Sewerage Fund | <u>515,265</u> |
| Total | <u><u>\$ 959,446</u></u> |

| Fund | Due to Other Funds |
|------------------------------|--------------------------|
| General Fund | |
| Nonmajor Governmental Funds | \$ 6,325 |
| TIF Bernice Road | |
| Nonmajor Governmental Funds | 433,796 |
| Nonmajor Governmental Funds | |
| General Fund | 1,921 |
| Waterworks and Sewerage Fund | |
| TIF Ridge Road | 515,265 |
| Fiduciary Funds | |
| General Fund | <u>2,139</u> |
| Total | <u><u>\$ 959,446</u></u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 10. Other Financial Disclosures (FFS Level Only) (Continued)

| Fund | Advance To Other Funds |
|------------------------------|----------------------------|
| General Fund | |
| Nonmajor Governmental Funds | \$ 196,655 |
| Airport Fund | 3,179,770 |
| TIF Ridge Road Fund | |
| General Fund | 781,092 |
| Airport Fund | 133,363 |
| Nonmajor Governmental Funds | |
| Airport Fund | 732,435 |
| Fiduciary Fund | 19,513 |
| Waterworks and Sewerage Fund | |
| General Fund | 233,251 |
| Fiduciary Fund | |
| General Fund | <u>142,819</u> |
| Total | <u><u>\$ 5,418,898</u></u> |

| Fund | Advance From Other Funds |
|------------------------------|-----------------------------|
| General Fund | |
| TIF Ridge Road Fund | \$ 781,092 |
| Waterworks and Sewerage Fund | 233,251 |
| Fiduciary Fund | 142,819 |
| Airport Fund | |
| General Fund | 3,179,770 |
| TIF Ridge Road Fund | 133,363 |
| Nonmajor Governmental Funds | 732,435 |
| Nonmajor Governmental Funds | |
| General Fund | 196,655 |
| Fiduciary Fund | |
| Nonmajor Governmental Funds | <u>19,513</u> |
| Total | <u><u>\$ 5,418,898</u></u> |

Interfund receivables and payables are used as loans to fund short-term cash needs of individual funds.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 10. Other Financial Disclosures (FFS Level Only) (Continued)

(b) Transfers In/Out

The interfund transfers in and out for the year ended April 30, 2016 are as follows:

| <u>Fund</u> | <u>Transfers In</u> |
|-----------------------------|---------------------|
| TIF Bernice Road | |
| Nonmajor Governmental Funds | \$ 1,200,000 |
| Nonmajor Governmental Funds | |
| General Fund | 1,259,366 |
| Nonmajor Governmental Funds | 1,261,791 |
| Airport Fund | |
| Nonmajor Governmental Funds | 186,697 |
| Total | <u>\$ 3,907,854</u> |

| <u>Fund</u> | <u>Transfers Out</u> |
|-----------------------------|----------------------|
| General Fund | |
| Nonmajor Governmental Funds | \$ 1,259,366 |
| Nonmajor Governmental Funds | |
| TIF Bernice Road | 1,200,000 |
| Nonmajor Governmental Funds | 1,261,791 |
| Airport Fund | 186,697 |
| | <u>\$ 3,907,854</u> |

Transfers are used to (a) move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (b) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund; and (c) use unrestricted revenues collected in the General Fund to finance various programs accounted for in accordance with budgetary authorizations.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 10. Other Financial Disclosures (FFS Level Only) (Continued)

(c) Deficit fund balances for the year ended April 30, 2016 are as follows:

| | <u>Deficit Amount</u> |
|------------------------|---------------------------|
| Capital Project Funds: | |
| TIF Bernice Road | \$ 1,011,538 |

Note 11. Postemployment Healthcare Plan

Plan Description. The Village provides employer paid retiree medical (including prescription drugs) to current and future eligible retirees until age 65. This is a single-employer plan. The Retiree Health Plan does not issue a publicly available financial report.

Funding Policy. The required contribution is based on projected pay-as-you-go financing requirements. Retirees receive coverage under the Village’s health plan with an employer contribution depending on the coverage elected by the employee. For fiscal year 2016, the Village contributed \$1,090,120 to the plan. Plan members receiving benefits contributed 39 percent of the premium equivalent depending on the coverage elected.

Annual OPEB Cost and Net OPEB Obligation. The Village’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Village’s net OPEB obligation at April 30, 2016 is included as a liability on the Statement of Net Position as “other postemployment benefits.” The following table shows the components of the Village’s annual OPEB cost for the year ended April 30, 2016, the amount actually contributed to the plan, and changes in the Village’s net OPEB obligation to the plan:

| | |
|--|----------------------------|
| Annual required contribution | \$ 1,950,118 |
| Interest on net OPEB obligation | 312,938 |
| Adjustment to annual required contribution | <u>(435,030)</u> |
| Annual OPEB cost (expense) | 1,828,026 |
| Contributions made | <u>1,090,120</u> |
| Increase in net OPEB obligation | 737,906 |
| Net OPEB obligation beginning of year | <u>7,823,462</u> |
| Net OPEB obligation end of year | <u><u>\$ 8,561,368</u></u> |

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 11. Postemployment Healthcare Plan (Continued)

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

| Fiscal Year Ending | Annual OPEB Costs | Percentage of OPEB Costs Contributed | Net OPEB Obligation |
|--------------------|-------------------|--------------------------------------|---------------------|
| 4/30/2016 | \$ 1,828,026 | 59.63% | \$ 8,561,368 |
| 4/30/2015 | 1,915,611 | 46.10% | 7,823,462 |
| 4/30/2014 | 1,884,480 | 46.80% | 6,790,327 |

Funded Status and Funding Progress. As of April 30, 2016, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$22,139,583 and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$22,139,583. The covered payroll (annual payroll of active employees covered by the plan) was \$11,558,462, and the ratio of the UAAL to the covered payroll was 189.2 percent.

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 the future employment, mortality, and the healthcare cost trend. Amounts determined reporting the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the 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 the effects of 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, 2016 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, projected salary increases of 4 percent, and an annual healthcare cost trend rate of 4 percent initially, increased by increments to an ultimate rate of 5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016 was 29 years.

Note 12. Pronouncements Issued But Not Yet Adopted

The Governmental Accounting Standards Board (GASB) recently issued the following statements:

GASB Statement No. 72, *Fair Value Measurement and Application*, will be effective for the Village beginning with its year ending April 30, 2017. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*, will be effective for the Village beginning with its year ending April 30, 2017, except those provisions that address employers and governmental nonemployer contributing entities for pension that are not within the scope of GASB Statement No. 68, which are effective for the Village beginning with its year ending April 30, 2018. This statement will establish requirements for those pension and pension plans that are not administered through a trust meeting specified criteria.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2018. This statement will establish rules on reporting by OPEB plans that administer benefits on behalf of governments.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (Employer)*, will be effective for the Village beginning with its year ending April 30, 2019. This statement outlines accounting and financial reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective for the Village beginning with its year ending April 30, 2017. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, will be effective for the Village beginning with its year ending April 30, 2017. This statement requires state and local governments, for the first time, to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues.

GASB Statement No. 78, *Pension Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2017. The objective of this statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 12. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, will be effective for the Village beginning with its year ending April 30, 2017. This statement addresses accounting and financial reporting for certain investment pools and pool participants.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, will be effective for the Village beginning with its year ending April 30, 2018. This statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, will be effective for the Village beginning with its year ending April 30, 2018. This statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 82, *Pension Issues – an amendment of GASB No. 67, No. 68, and No. 73*, will be effective for the Village beginning with its year ending April 30, 2018 except for the requirement of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of the pension liability is on or after June 15, 2017. This statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Management has not determined the impact, if any, the above statements will have on the financial position and results of operations of the Village, however, the impact of GASB Statement No. 75 will likely be material to the statement footnotes and required supplementary information of the Village.

Required Supplementary Information

Village of Lansing, Illinois

**Required Supplementary Information - GASB Statement No. 45
Schedule of Funding Progress
Postemployment Healthcare Plan**

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------|-------------------------------|---|---------------------------|--------------------|---------------------|---|
| 4/30/2016 | \$ - | \$ 22,139,583 | 22,139,583 | - % | \$ 11,558,462 | 191.5 % |
| 4/30/2015 | N/A | N/A | N/A | N/A | N/A | N/A |
| 4/30/2014 | - | 21,951,610 | 21,951,610 | - | 11,602,149 | 189.2 |
| 4/30/2013 | N/A | N/A | N/A | N/A | N/A | N/A |

N/A – The Village did not have an actuarial valuation performed in this year.

| Fiscal Year Ending | Annual Required Contribution | Percentage Contributed |
|--------------------|------------------------------|------------------------|
| 4/30/2016 | \$ 1,950,118 | 55.90% |
| 4/30/2015 | 1,978,304 | 46.83% |
| 4/30/2014 | 1,978,304 | 58.70% |

Village of Lansing, Illinois

**Required Supplementary Information - Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related
Ratios and Investment Returns**

| For calendar year ended December 31, | 2015 | 2014 |
|---|----------------------|----------------------|
| Total pension liability | | |
| Service cost | \$ 469,465 | \$ 487,490 |
| Interest on the total pension liability | 2,456,198 | 2,319,371 |
| Differences between expected and actual experience | (175,415) | (60,492) |
| Changes in assumptions | 38,185 | 1,158,124 |
| Benefit payments | (2,091,083) | (1,876,018) |
| Net change in total pension liability | 697,350 | 2,028,475 |
| Total pension liability—beginning | 33,647,686 | 31,619,211 |
| Total pension liability—ending (a) | \$ 34,345,036 | \$ 33,647,686 |
| Plan fiduciary net position | | |
| Contributions - Employer | \$ 896,079 | \$ 859,366 |
| Contributions - Member | 198,370 | 191,947 |
| Pension plan net investment income | 140,559 | 1,671,435 |
| Benefit payments | (2,091,083) | (1,876,018) |
| Pension plan administrative expense | 697,724 | (49,634) |
| Net change in plan fiduciary net position | (158,351) | 797,096 |
| Plan fiduciary net position—beginning | 28,610,023 | 27,812,927 |
| Plan fiduciary net position—ending (b) | \$ 28,451,672 | \$ 28,610,023 |
| Net pension liability - ending (a) - (b) | \$ 5,893,364 | \$ 5,037,663 |
| Plan fiduciary net position as a percentage of the total pension liability | 82.84% | 85.03% |
| Covered-Employee Payroll | \$ 4,291,562 | \$ 4,143,821 |
| Employer net pension liability as a percentage of covered-employee payroll | 137.32% | 121.57% |

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complied, information is presented for those years for which information is available.

Village of Lansing, Illinois

**Required Supplementary Information - Police Pension Plan
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related
Ratios and Investment Returns**

| Fiscal year ended April 30, | 2016 | 2015 |
|---|----------------------|----------------------|
| Total pension liability | | |
| Service cost | \$ 1,218,745 | \$ 918,723 |
| Interest on the total pension liability | 4,230,790 | 4,819,714 |
| Differences between expected and actual experience | 992,174 | - |
| Changes in assumptions | 14,426,919 | - |
| Benefit payments | (3,163,706) | (3,087,204) |
| Net change in total pension liability | 17,704,922 | 2,651,233 |
| Total pension liability—beginning | 73,047,893 | 70,396,660 |
| Total pension liability—ending (a) | <u>\$ 90,752,815</u> | <u>\$ 73,047,893</u> |
| Plan fiduciary net position | | |
| Contributions - Employer | \$ 2,670,076 | \$ 2,647,787 |
| Contributions - Member | 561,720 | 479,632 |
| Pension plan net investment income | (97,257) | 1,357,778 |
| Benefit payments | (3,163,706) | (3,087,204) |
| Pension plan administrative expense | (36,579) | (36,959) |
| Net change in plan fiduciary net position | (65,746) | 1,361,034 |
| Plan fiduciary net position—beginning | 30,778,491 | 29,417,457 |
| Plan fiduciary net position—ending (b) | <u>\$ 30,712,745</u> | <u>\$ 30,778,491</u> |
| Net pension liability - ending (a) - (b) | \$ 60,040,070 | \$ 42,269,402 |
| Plan fiduciary net position as a percentage of the total pension liability | 33.84% | 42.13% |
| Covered-Employee Payroll | \$ 4,896,004 | \$ 4,758,282 |
| Employer net pension liability as a percentage of covered-employee payroll | 1226.31% | 888.33% |
| Annual money-weighted rate of return, net of investment expense | -0.98% | 4.53% |

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Lansing, Illinois

**Required Supplementary Information - Firefighters' Pension Plan
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related
Ratios and Investment Returns**

| Fiscal year ended April 30, | 2016 | 2015 |
|---|---------------|---------------|
| Total pension liability | | |
| Service cost | \$ 587,346 | \$ 579,723 |
| Interest on the total pension liability | 1,460,806 | 1,339,708 |
| Differences between expected and actual experience | 1,398,715 | (1,383,452) |
| Changes in assumptions | 3,406,404 | 2,340,955 |
| Benefit payments | (1,079,777) | (1,002,441) |
| | 5,773,494 | 1,874,493 |
| Net change in total pension liability | | |
| | 5,773,494 | 1,874,493 |
| Total pension liability—beginning | 22,181,464 | 20,306,971 |
| | 27,954,958 | 22,181,464 |
| Total pension liability—ending (a) | \$ 27,954,958 | \$ 22,181,464 |
| Plan fiduciary net position | | |
| Contributions - Employer | \$ 1,012,630 | \$ 893,065 |
| Contributions - Member | 218,944 | 207,627 |
| Pension plan net investment income | (34,681) | 473,845 |
| Benefit payments | (1,079,777) | (1,002,441) |
| Pension plan administrative expense | (25,624) | (22,179) |
| | 91,492 | 549,917 |
| Net change in plan fiduciary net position | | |
| | 91,492 | 549,917 |
| Plan fiduciary net position—beginning | 12,124,144 | 11,574,227 |
| | 12,215,636 | 12,124,144 |
| Plan fiduciary net position—ending (b) | \$ 12,215,636 | \$ 12,124,144 |
| Net pension liability - ending (a) - (b) | \$ 15,739,322 | \$ 10,057,320 |
| Plan fiduciary net position as a percentage of the total pension liability | 43.70% | 54.66% |
| Covered-Employee Payroll | \$ 2,370,896 | \$ 2,112,271 |
| Employer net pension liability as a percentage of covered-employee payroll | 663.86% | 476.14% |
| Annual money-weighted rate of return, net of investment expense | -0.73% | 4.07% |

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Lansing, Illinois

**Required Supplementary Information
Schedule of Contributions**

Police Pension Plan

| | 2016 | 2015 | 2014 | 2013 |
|---|--------------|--------------|--------------|--------------|
| Actuarially Determined Contribution | \$ 2,975,133 | \$ 2,923,431 | \$ 2,638,555 | \$ 2,216,366 |
| Contributions in Relation to the Actuarial Determined Contribution | 2,670,076 | 2,647,787 | 2,275,526 | 2,215,909 |
| Contribution Deficiency (excess) | \$ 305,057 | \$ 275,644 | \$ 363,029 | \$ 457 |
| Covered-Employee Payroll | \$ 4,896,004 | \$ 4,758,282 | \$ 4,574,148 | \$ 4,496,541 |
| Contributions as a Percentage of Covered-Employee Payroll | 54.54% | 55.65% | 49.75% | 49.28% |

Firefighters' Pension Plan

| | 2016 | 2015 | 2014 | 2013 |
|---|--------------|--------------|--------------|--------------|
| Actuarially Determined Contribution | \$ 833,082 | \$ 1,210,276 | \$ 833,082 | \$ 696,364 |
| Contributions in Relation to the Actuarial Determined Contribution | 1,012,630 | 893,065 | 731,932 | 437,530 |
| Contribution Deficiency (excess) | \$ (179,548) | \$ 317,211 | \$ 101,150 | \$ 258,834 |
| Covered-Employee Payroll | \$ 2,370,896 | \$ 2,112,271 | \$ 2,247,765 | \$ 2,152,558 |
| Contributions as a Percentage of Covered-Employee Payroll | 42.71% | 42.28% | 32.56% | 20.33% |

Illinois Municipal Retirement Fund

| | 2016 | 2015 | 2014 | 2013 |
|---|--------------|--------------|------|------|
| Actuarially Determined Contribution | \$ 896,078 | \$ 878,490 | \$ - | \$ - |
| Contributions in Relation to the Actuarial Determined Contribution | 896,079 | 859,366 | - | - |
| Contribution Deficiency (excess) | \$ (1) | \$ 19,124 | \$ - | \$ - |
| Covered-Employee Payroll | \$ 4,291,562 | \$ 4,143,921 | \$ - | \$ - |
| Contributions as a Percentage of Covered-Employee Payroll | 20.88% | 20.74% | - | - |

Note: Information is presented for as many years as available.

| 2012 | 2011 | 2010 | 2009 | 2008 |
|--------------|--------------|--------------|--------------|--------------|
| \$ 2,833,793 | \$ 2,217,746 | \$ 1,572,325 | \$ 1,572,325 | \$ 1,295,441 |
| 2,387,260 | 2,526,714 | 1,646,247 | 1,524,248 | 1,355,293 |
| \$ 446,533 | \$ (308,968) | \$ (73,922) | \$ 48,077 | \$ (59,852) |
| \$ 4,340,126 | \$ 4,259,988 | \$ 4,372,684 | \$ 4,372,684 | \$ 4,105,281 |
| 55.00% | 59.31% | 37.65% | 34.86% | 33.01% |

| 2012 | 2011 | 2010 | 2009 | 2008 |
|--------------|--------------|--------------|--------------|--------------|
| \$ 580,295 | \$ 535,061 | \$ 443,989 | \$ 443,989 | \$ 355,177 |
| 859,290 | 997,443 | 658,472 | 541,689 | 535,364 |
| \$ (278,995) | \$ (462,382) | \$ (214,483) | \$ (97,700) | \$ (180,187) |
| \$ 2,076,473 | \$ 2,023,962 | \$ 2,023,962 | \$ 2,023,962 | \$ 1,496,191 |
| 41.38% | 49.28% | 32.53% | 26.76% | 35.78% |

Village of Lansing, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended April 30, 2016

| | Final Budget | Actual | Variance |
|--|--------------------|---------------------|---------------------|
| Revenues: | | | |
| Program: | | | |
| Charges for services | \$ 2,358,000 | \$ 2,352,900 | \$ (5,100) |
| Licenses and permits | 858,600 | 849,463 | (9,137) |
| Intergovernmental | 4,032,330 | 3,760,620 | (271,710) |
| Fines and forfeitures | 1,693,600 | 1,620,555 | (73,045) |
| General: | | | |
| Property taxes | 6,782,761 | 7,159,584 | 376,823 |
| Other taxes | 10,202,960 | 10,072,138 | (130,822) |
| Interest | - | 140 | 140 |
| Miscellaneous | 551,973 | 647,807 | 95,834 |
| Total revenues | <u>26,480,224</u> | <u>26,463,207</u> | <u>(17,017)</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 4,360,584 | 3,677,198 | 683,386 |
| Public safety | 15,806,266 | 16,032,359 | (226,093) |
| Public works | 3,658,301 | 3,263,717 | 394,584 |
| Capital outlay | 1,198,300 | 555,519 | 642,781 |
| Total expenditures | <u>25,023,451</u> | <u>23,528,793</u> | <u>1,494,658</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,456,773</u> | <u>2,934,414</u> | <u>1,477,641</u> |
| Other financing sources (uses): | | | |
| Transfers in | 45,000 | - | (45,000) |
| Transfers (out) | (1,481,672) | (1,259,366) | 222,306 |
| Total other financing sources (uses) | <u>(1,436,672)</u> | <u>(1,259,366)</u> | <u>177,306</u> |
| Change in fund balance | <u>\$ 20,101</u> | <u>1,675,048</u> | <u>\$ 1,654,947</u> |
| Fund balances: | | | |
| May 1, 2015 | | <u>5,528,017</u> | |
| April 30, 2016 | | <u>\$ 7,203,065</u> | |

Village of Lansing, Illinois

Notes to Required Supplementary Information

Note 1. Budgetary Information

Budgetary Basis of Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. The original budget was amended during the fiscal year.

Budgetary Process

The Village follows these procedures in establishing the appropriation data reflected in the financial statements:

1. The Village Treasurer submits to the Village Board of Trustees a proposed operating appropriation ordinance (budget) for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted by the Village to obtain taxpayer comments.
3. Subsequently, the appropriation ordinance is legally enacted through passage of an ordinance.
4. Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital project funds.
5. Appropriations for the general, special revenue, debt service and capital project funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. Budgetary authority lapses at the year-end.

State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative action. Amounts to be transferred between funds would require Village Board approval. The level of legal control is generally considered to be the fund budget in total.

Note 2. Pension Contributions

The following methods and assumptions were utilized to measure the actuarially determined contribution ("ADC") for each applicable pension plan.

Police Pension Plan

Methods and Assumptions

| | |
|---------------------------------------|--|
| Valuation date | May 1, 2016 |
| Actuarial cost method | Entry Age Normal |
| Actuarial Value of Assets | 5 Year Smoothed Market Value |
| Amortization method | Level Percentage of Payroll Closed |
| Remaining Amortization Period | 26 Years |
| Investment rate of return | 7.00% |
| Projected Individual Salary Increases | 2.50% - 14.77% |
| Projected Increase in Total Payroll | 3.00% |
| Consumer Price Index (Utilities) | 3.00% |
| Inflation Rate Included | 3.00% |
| Mortality Table | Lauterbach & Amen (L&A) 2012 Illinois Police |

Village of Lansing, Illinois

Notes to Required Supplementary Information

Note 2. Pension Contributions (Continued)

Firefighters' Pension Plan

Methods and Assumptions

| | |
|---------------------------------------|---|
| Valuation date | May 1, 2016 |
| Actuarial cost method | Entry Age Normal |
| Actuarial Value of Assets | 5 Year Smoothed Market Value |
| Amortization method | Level Percentage of Payroll Closed |
| Remaining Amortization Period | 26 Years |
| Investment rate of return | 7.00% |
| Projected Individual Salary Increases | 3.50% - 12.00% |
| Projected Increase in Total Payroll | 3.00% |
| Consumer Price Index (Utilities) | 3.00% |
| Inflation Rate Included | 3.00% |
| Mortality Table | Lauterbach & Amen (L&A) 2012 Illinois Firefighter's |

Illinois Municipal Retirement Fund

Methods and Assumptions

| | |
|---------------------------------------|---|
| Valuation date | December 31, 2015 |
| Actuarial cost method | Entry Age Normal |
| Actuarial Value of Assets | 5 Year Smoothed Market Value, 20% corridor |
| Amortization method | Level Percentage of Payroll Closed |
| Remaining Amortization Period | 28-year closed period until remaining period reaches 15 years (then 15-year rolling period) |
| Investment rate of return | 7.50% |
| Projected Individual Salary Increases | 4.40% - 16.00% |
| Projected Increase in Total Payroll | 4.00% |
| Consumer Price Index (Utilities) | 3.00% |
| Inflation Rate Included | 3.00% |
| Mortality Table | RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years. |

Supplementary Information

Village of Lansing, Illinois

Schedule of Revenues - Budget and Actual
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|------------------------------|----------------------|
| Charges for services: | | |
| Refuse billing | \$ 2,355,000 | \$ 2,344,571 |
| Toter rental | 3,000 | 7,104 |
| Application fee | - | 1,225 |
| Total charges for services | 2,358,000 | 2,352,900 |
| Licenses and permits: | | |
| Business licenses | 110,000 | 128,550 |
| Vehicle licenses | 537,100 | 522,942 |
| Other licenses | 15,500 | 15,350 |
| Building permits | 150,000 | 152,845 |
| Electrical permits | 11,000 | 8,423 |
| Plumbing permits | 25,000 | 11,863 |
| Heating, air conditioning, and other permits | 10,000 | 9,490 |
| Total licenses and permits | 858,600 | 849,463 |
| Intergovernmental: | | |
| State income | 2,811,600 | 3,019,304 |
| Replacement tax | 210,000 | 174,403 |
| Grants | 1,010,730 | 566,913 |
| Total intergovernmental | 4,032,330 | 3,760,620 |
| Fines and fees: | | |
| Court fines | 57,000 | 63,308 |
| IDROP tickets | 120,000 | 126,638 |
| Towing fines | 170,000 | 115,000 |
| Other fines | 190,500 | 207,346 |
| Building/elevator inspection fees | 344,000 | 349,374 |
| Planning/zoning fees | 7,400 | 14,441 |
| Paramedic fees | 800,000 | 743,818 |
| Other fees | 4,700 | 630 |
| Total fines and fees | 1,693,600 | 1,620,555 |
| Property taxes: | | |
| General | 6,782,761 | 7,159,584 |
| Total property taxes | 6,782,761 | 7,159,584 |
| Other taxes: | | |
| Sales tax | 6,512,960 | 6,567,287 |
| Utility tax | 1,600,000 | 1,357,840 |
| Video gaming tax | 80,000 | 103,254 |
| Cable TV franchise fee | 450,000 | 477,603 |
| Phone franchise fee | 830,000 | 760,166 |
| Motel tax | 700,000 | 773,771 |
| Foreign fire insurance | 30,000 | 32,217 |
| Total other taxes | 10,202,960 | 10,072,138 |
| Interest | - | 140 |
| Miscellaneous: | | |
| Miscellaneous other revenue | 399,200 | 502,502 |
| Rental income | 144,373 | 124,452 |
| Builders club | 7,400 | 10,733 |
| Donations | 1,000 | 10,120 |
| Total miscellaneous | 551,973 | 647,807 |
| Total revenues | \$ 26,480,224 | \$ 26,463,207 |

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|-------------------------------------|------------------------------|------------------|
| General government: | | |
| General administrative and support: | | |
| Administration: | | |
| Salaries - full time | \$ 218,340 | \$ 120,627 |
| Salaries - part time | 26,618 | 25,638 |
| Salaries - elected officials | 138,000 | 134,073 |
| Employee insurance | 91,747 | 63,321 |
| Unemployment taxes | 30,000 | 2,149 |
| Engineering services | 5,000 | 2,984 |
| Legal service | 150,000 | 116,341 |
| Janitorial service | 13,000 | 9,360 |
| Other professional services | 41,000 | (8,370) |
| Postage | 500 | 430 |
| Telephone | 700 | - |
| Publishing / advertising | 5,000 | 1,077 |
| Printing / copying | 1,000 | - |
| Community relations | 16,000 | 13,226 |
| Azavar contingency payments | 15,000 | 12,071 |
| Dues | 26,877 | 26,865 |
| Travel expense | 2,000 | 592 |
| Professional expenses | 2,000 | 66 |
| Training | 3,125 | 649 |
| Public utility services | 7,000 | 6,001 |
| Office supplies | 2,500 | 886 |
| Institutional supplies | 11,600 | 10,391 |
| MSI code violations | 85,000 | 59,167 |
| Miscellaneous expense | 7,000 | 2,179 |
| Total administration | <u>899,007</u> | <u>599,723</u> |
| Finance: | | |
| Salaries - full time | 68,224 | 68,487 |
| Salaries - hourly | 82,027 | 86,131 |
| Salaries - part time | 57,280 | 57,099 |
| Salaries - over time | 15,000 | 4,267 |
| Employee insurance | 119,993 | 120,488 |
| Unemployment insurance | 403,221 | 280,571 |
| Contract maintenance - equipment | 24,851 | 23,862 |
| Auditing fees | 29,575 | 28,925 |
| Other professional fees | 1,000 | - |
| Postage | 7,000 | 11,737 |
| Publishing / advertising | 1,000 | 1,732 |
| Printing / copying | 20,000 | 17,480 |
| Dues | 1,550 | 1,150 |
| Travel | 1,050 | 179 |
| Training | 3,200 | 1,210 |
| Bank charges | 6,000 | 7,565 |
| Liability insurance | 449,508 | 414,652 |
| Office supplies | 10,600 | 8,048 |
| Total finance | <u>1,301,079</u> | <u>1,133,583</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|---|------------------------------|------------------|
| General government: (continued) | | |
| General administrative and support: (continued) | | |
| Information technology: | | |
| Salaries - full time | \$ 71,094 | \$ 71,367 |
| Salaries - part-time | 20,000 | - |
| Employee insurance | 21,881 | 21,800 |
| Contract maintenance | 19,633 | 17,416 |
| Other professional services | - | 20,128 |
| Telephone | 13,780 | 44,244 |
| Publishing and advertising | 2,244 | 2,553 |
| Printing and copying | 2,000 | 39 |
| Dues | 100 | - |
| Travel expenses | 500 | - |
| Training education | 5,235 | 207 |
| Website development | 6,200 | 8,846 |
| General hardware / software purchase | 65,910 | 40,961 |
| Virus protection | 3,800 | 2,150 |
| IT expenses | 15,520 | 10,114 |
| WAN | 23,000 | 33,629 |
| Support services | 24,000 | 24,143 |
| Crime free housing support | 1,400 | - |
| Total information technology | <u>296,297</u> | <u>297,597</u> |
| Boards and commissions: | | |
| Member fees | 2,100 | 1,685 |
| Police and Fire professional service | 20,000 | 11,054 |
| Postage | 1,500 | 22 |
| Publishing / advertising | 3,000 | 251 |
| Dues | 500 | - |
| Training | 500 | 389 |
| Publications | 800 | 803 |
| Office supplies | 300 | 69 |
| Operating supplies | 300 | 20 |
| Total boards and commissions | <u>29,000</u> | <u>14,293</u> |
| Total general and administrative support | <u>2,525,383</u> | <u>2,045,196</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)

General Fund

Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|---|------------------------------|----------------|
| General government: (continued) | | |
| Community development: | | |
| Building: | | |
| Salaries - full time | \$ 134,964 | \$ 135,483 |
| Salaries - clerical | 57,389 | 57,609 |
| Salaries - inspectors | 109,161 | 103,013 |
| Salaries - part time | 11,000 | 8,581 |
| Overtime - clerical | 500 | - |
| Overtime - inspectors | 500 | - |
| Employee insurance | 134,074 | 128,003 |
| Contract maintenance - building | 20,000 | 16,929 |
| Contract maintenance - municipal property | 100,000 | 91,685 |
| Contract maintenance - equipment | 10,000 | 9,573 |
| Engineering service | 3,000 | 1,221 |
| Property maintenance | 8,000 | 11,250 |
| Residential lawn maintenance | 38,000 | 44,478 |
| Other professional services | 750 | 575 |
| Postage | 1,000 | 1,657 |
| Telephone | 2,400 | 5,696 |
| Printing / copying | 500 | 485 |
| Flood activities | 3,000 | 1,040 |
| Elevator inspection fees | 12,500 | 13,575 |
| Dues | 600 | 580 |
| Travel expense | 200 | 162 |
| Training | 2,000 | 589 |
| Publications | 1,000 | 945 |
| Bad debt write-off (recovery) | 20,000 | 27,960 |
| Electrical inspector | 17,000 | 19,610 |
| Plumbing inspector | 20,000 | 16,620 |
| Inspectors - contractual | 17,000 | 14,600 |
| Office supplies | 2,500 | 2,770 |
| Automotive fuel / oil | 7,700 | 3,289 |
| Other general supplies | 300 | 348 |
| Maintenance supplies - building | 1,500 | 737 |
| Maintenance supplies - vehicles | 5,000 | 4,577 |
| Vehicle acquisition | 22,000 | 9,554 |
| Lease purchase | 6,000 | 3,032 |
| Total building | <u>769,538</u> | <u>736,226</u> |
| Builder's club: | | |
| Builder's club | 1,000 | - |
| Special event | 4,000 | 770 |
| Kitchen / beverages | 10,000 | 10,059 |
| Equipment and remodeling | 3,300 | 3,833 |
| Total builder's club | <u>18,300</u> | <u>14,662</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|---------------------------------------|------------------------------|------------------|
| General government: (continued) | | |
| Community development: (continued) | | |
| Planning and development: | | |
| Salaries - full time | \$ 6,900 | \$ 7,151 |
| Salaries - clerical | 4,707 | 4,725 |
| Employee insurance | 48,707 | 48,457 |
| Engineering service | 5,000 | 5,138 |
| Other professional services | 20,000 | 19,341 |
| Postage | 250 | 109 |
| Telephone | 1,000 | 1,419 |
| Printing | 500 | 78 |
| Sales tax reimbursement agreements | 400,000 | 396,166 |
| Tourism / Marketing promotion | 271,000 | 108,743 |
| Dues | 1,335 | 1,073 |
| Travel | 2,750 | 2,891 |
| Professional expenses | 1,500 | 1,981 |
| Training | 4,750 | 1,200 |
| Publications | 200 | 213 |
| Appraisals | 6,000 | - |
| Office supplies | 500 | 122 |
| Computer software | 1,000 | 1,320 |
| Land acquisition and improvements | - | 4,000 |
| Economic development | 1,000 | - |
| Total planning and development | <u>777,099</u> | <u>604,127</u> |
| Channel 4 LNN: | | |
| Contract services | 102,000 | 102,000 |
| Repairs | 2,000 | 10,878 |
| Telephone | 2,800 | 2,175 |
| Office supplies | 3,200 | 3,888 |
| Production supplies | 6,500 | 6,311 |
| Promotions | 2,000 | 1,508 |
| Lease purchase - production equipment | 10,000 | 7,405 |
| Total Channel 10 LNN | <u>128,500</u> | <u>134,165</u> |
| Youth center: | | |
| Salaries - full time | 43,087 | 41,205 |
| Salaries - part time | 57,014 | 63,866 |
| Employee insurance | 21,881 | 21,711 |
| Contract maintenance - building | 2,000 | 1,156 |
| Contract maintenance - equipment | 2,000 | 1,553 |
| Janitorial service | 8,112 | 7,719 |
| Telephone | 1,200 | 1,147 |
| Printing / copying | 1,050 | 352 |
| Public utility services | 1,500 | 595 |
| Miscellaneous | 520 | 120 |
| Office supplies | 400 | - |
| Other general supplies | 800 | 374 |
| Maintenance supplies - building | 1,300 | 2,936 |
| Maintenance supplies - equipment | 900 | 88 |
| Total youth center | <u>141,764</u> | <u>142,822</u> |
| Total community development | <u>1,835,201</u> | <u>1,632,002</u> |
| Total general government | <u>4,360,584</u> | <u>3,677,198</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|------------------------------|-------------------|
| Public safety: | | |
| Police: | | |
| Salaries - full time | \$ 490,992 | \$ 494,399 |
| Salaries - clerical | 148,136 | 148,706 |
| Salaries - telecommunications | 414,653 | 392,375 |
| Salaries - record clerks | 123,272 | 123,576 |
| Salaries - sergeants / lieutenants | 1,273,333 | 1,284,601 |
| Salaries - police officers | 3,142,698 | 3,140,245 |
| Salaries - custodian | 44,179 | 44,179 |
| Salaries - part time | 55,000 | 33,206 |
| Salaries - crossing guards | 163,264 | 166,063 |
| Overtime - clerical | 918 | - |
| Overtime - telecommunications | 78,271 | 89,870 |
| Overtime - record clerks | 2,550 | 338 |
| Overtime - sergeants / lieutenants | 85,899 | 82,012 |
| Overtime - police officers | 315,874 | 374,959 |
| Overtime - custodian | 2,550 | 104 |
| Employee insurance | 1,544,827 | 1,515,943 |
| Pension contribution | 2,593,025 | 2,670,076 |
| Uniform expense | 49,590 | 50,563 |
| SO. Sub major crime task force | 2,000 | 1,295 |
| Animal control officer | 37,725 | 36,804 |
| Contract maintenance - building | 36,326 | 48,043 |
| Contract maintenance - equipment | 8,653 | 6,558 |
| Contract maintenance - vehicles | 45,000 | 74,356 |
| Contract maintenance - other | 95,089 | 92,780 |
| Medical service | 2,660 | 2,975 |
| Other professional services | 14,430 | 15,186 |
| Postage | 6,625 | 5,907 |
| Telephone | 11,000 | 11,505 |
| Dues | 780 | 610 |
| Travel expense | 5,000 | 8,036 |
| Training | 14,600 | 17,734 |
| Publications | 1,125 | 830 |
| Public utility services | 6,428 | 423 |
| Office supplies | 12,550 | 11,600 |
| Automotive fuel | 120,000 | 90,924 |
| Operating supplies | 9,955 | 8,942 |
| Institutional supplies | 875 | 821 |
| Other general supplies | 6,500 | 5,498 |
| Cadet program expenses | 9,000 | 3,485 |
| Maintenance supplies - building | 13,500 | 12,841 |
| Maintenance supplies - equipment | 500 | 770 |
| Maintenance supplies - vehicles | 25,000 | 29,426 |
| Equipment purchase | 6,250 | 6,338 |
| Education assistance - union | 9,000 | 14,273 |
| Education assistance - supervisor | 100 | - |
| Local law enforcement expense (bracelet / tow) | 3,200 | 14,354 |
| Total police | <u>11,032,902</u> | <u>11,133,529</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|----------------------------------|------------------------------|-------------------|
| Public safety: (continued) | | |
| Fire: | | |
| Salaries - full time | \$ 234,979 | \$ 244,564 |
| Salaries - clerical | 33,605 | 33,792 |
| Salaries - firefighters | 2,075,275 | 2,049,551 |
| Salaries - part time | 154,720 | 172,660 |
| Overtime - clerical | 1,000 | 222 |
| Overtime - firefighters | 125,000 | 188,786 |
| Employee insurance | 603,065 | 590,277 |
| Pension contribution | 939,360 | 1,012,630 |
| Uniform expense | 21,400 | 18,275 |
| Contract maintenance - building | 32,100 | 20,089 |
| Contract maintenance - equipment | 3,000 | 4,689 |
| Contract maintenance - vehicle | 80,000 | 77,578 |
| Contract maintenance - other | 2,500 | 2,151 |
| Other professional services | 18,000 | 19,464 |
| Medical billings | 60,000 | 37,024 |
| Postage | 400 | 119 |
| Telephone | 13,000 | 6,422 |
| Fire prevention | 1,500 | 1,528 |
| Printing / copying | 1,000 | 676 |
| Mutual aid | 4,750 | 4,952 |
| Dues | 750 | 654 |
| Travel expense | 1,000 | 2,198 |
| Training | 16,450 | 13,779 |
| Public utility services | 3,000 | 961 |
| Office supplies | 3,000 | 3,384 |
| Automotive fuel | 45,300 | 22,362 |
| Operating supplies | 25,000 | 29,492 |
| Small tools | 1,500 | 333 |
| Maintenance supplies - building | 1,500 | 1,977 |
| Maintenance supplies - equipment | 5,000 | 4,055 |
| Maintenance supplies - vehicles | 14,000 | 14,638 |
| Lease purchase - copier | 4,200 | 3,722 |
| Public education | 500 | 119 |
| Dive team | 3,000 | 2,675 |
| POC retirement | 10 | - |
| Equipment | 244,500 | 313,032 |
| Total fire | <u>4,773,364</u> | <u>4,898,830</u> |
| Total public safety | <u>15,806,266</u> | <u>16,032,359</u> |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|---|------------------------------|----------------------|
| Public works: | | |
| Street: | | |
| Salaries - full time | \$ 664,146 | \$ 554,246 |
| Salaries - part time | 30,000 | 33,085 |
| Overtime - public works | 40,000 | 53,792 |
| Employee insurance | 341,464 | 300,965 |
| Uniform expense | 6,500 | 4,485 |
| Contract maintenance - building | 12,000 | 10,141 |
| Contract maintenance - equipment | 20,000 | 20,214 |
| Contract maintenance - vehicles | 5,000 | 1,518 |
| Contract maintenance - street / sidewalk | 50,000 | 385 |
| Contract maintenance - street lights | 10,000 | 12,667 |
| Contract maintenance - traffic lights | 18,500 | 8,262 |
| Engineering service | 70,500 | 37,343 |
| Other professional service | 750 | 347 |
| Postage | 100 | - |
| Telephone | 13,000 | 11,267 |
| Printing / copying | 300 | 29 |
| Dues | 750 | 48 |
| Training | 1,500 | 371 |
| Allowance for uncollectible accounts | 10,000 | (539) |
| Public utilities | 19,000 | 14,141 |
| Street lighting - electric | 220,000 | 218,747 |
| Grass / leaves / branches / disposal fees | 68,750 | 2,528 |
| Office supplies | 3,000 | 746 |
| Safety supplies | 1,000 | 1,317 |
| Automotive fuel | 50,000 | 22,617 |
| Operating supplies | 15,000 | 13,455 |
| Maintenance supplies - snow equipment | 50,000 | 38,649 |
| Maintenance supplies - vehicle | 4,000 | 2,003 |
| Maintenance supplies - street lights | 5,000 | 4,806 |
| Maintenance supplies - traffic signals | 4,000 | 3,938 |
| Tree removal | 3,000 | 1,467 |
| Site restoration | 60,000 | 26,416 |
| Sign maintenance and equipment | 30,000 | 3,731 |
| Homewood disposal | 1,831,041 | 1,839,672 |
| Capital improvements | - | 20,858 |
| Total public works | 3,658,301 | 3,263,717 |
| Capital outlay | 1,198,300 | 555,519 |
| Total expenditures | \$ 25,023,451 | \$ 23,528,793 |

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2016

| | Special Revenue | Capital Projects | Debt Service | Total Nonmajor Governmental Funds |
|---|---------------------|---------------------|---------------------|--|
| Assets | | | | |
| Cash and cash equivalents | \$ 1,923,358 | \$ 3,651,339 | \$ 1,416,788 | \$ 6,991,485 |
| Receivables: | | | | |
| Property taxes | 479,214 | - | 165,073 | 644,287 |
| Intergovernmental | 116,347 | - | - | 116,347 |
| Due from other funds | - | 433,796 | 6,325 | 440,121 |
| Advance to other funds | - | 19,513 | 732,435 | 751,948 |
| Property held for resale | - | 253,300 | - | 253,300 |
| Total assets | \$ 2,518,919 | \$ 4,357,948 | \$ 2,320,621 | \$ 9,197,488 |
| Liabilities | | | | |
| Accounts payable | \$ 11,768 | \$ 637,913 | \$ - | \$ 649,681 |
| Accrued payroll | 23,969 | 1,300 | - | 25,269 |
| Other | - | 11,493 | - | 11,493 |
| Due to other funds | 1,921 | - | - | 1,921 |
| Advance from other funds | 196,655 | - | - | 196,655 |
| Total liabilities | 234,313 | 650,706 | - | 885,019 |
| Deferred Inflows of Resources | | | | |
| Deferred property taxes | 467,366 | - | 162,474 | 629,840 |
| Fund Balances | | | | |
| Nonspendable | - | 272,813 | 732,435 | 1,005,248 |
| Restricted | 1,817,240 | 3,434,429 | 1,425,712 | 6,677,381 |
| Total fund balances | 1,817,240 | 3,707,242 | 2,158,147 | 7,682,629 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 2,518,919 | \$ 4,357,948 | \$ 2,320,621 | \$ 9,197,488 |

Village of Lansing, Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2016**

| | Special Revenue | Capital Projects | Debt Service | Total Nonmajor Governmental Funds |
|--|--------------------|---------------------|------------------|--|
| Revenues: | | | | |
| Program: | | | | |
| Intergovernmental | \$ 888,628 | \$ - | \$ - | \$ 888,628 |
| Fines and forfeitures | 87,893 | - | - | 87,893 |
| General: | | | | |
| Property taxes | 1,087,262 | 1,491,380 | 356,276 | 2,934,918 |
| Interest | 1,231 | 5,044 | 1,577 | 7,852 |
| Other | 3,698 | - | - | 3,698 |
| Total revenues | 2,068,712 | 1,496,424 | 357,853 | 3,922,989 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 879,661 | 126,945 | - | 1,006,606 |
| Public safety | 394,763 | - | - | 394,763 |
| Public works | 166,815 | - | - | 166,815 |
| Capital outlay | 23,063 | 1,020,128 | - | 1,043,191 |
| Debt service: | | | | |
| Principal | - | - | 1,177,719 | 1,177,719 |
| Interest and fees | - | - | 735,740 | 735,740 |
| Total expenditures | 1,464,302 | 1,147,073 | 1,913,459 | 4,524,834 |
| Excess (deficiency) of revenues over (under) expenditures | 604,410 | 349,351 | (1,555,606) | (601,845) |
| Other financing sources (uses): | | | | |
| Transfers in | 22,308 | 700,000 | 1,798,849 | 2,521,157 |
| Transfers (out) | (561,791) | (1,900,000) | (186,697) | (2,648,488) |
| Total other financing sources (uses) | (539,483) | (1,200,000) | 1,612,152 | (127,331) |
| Change in fund balances | 64,927 | (850,649) | 56,546 | (729,176) |
| Fund balances: | | | | |
| May 1, 2015 | 1,752,313 | 4,557,891 | 2,101,601 | 8,411,805 |
| April 30, 2016 | \$ 1,817,240 | \$ 3,707,242 | \$ 2,158,147 | \$ 7,682,629 |

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2016

| | IMRF / FICA | Motor Fuel Tax | Police Department Forfeiture | Police Department Forfeiture Justice | 911 | Total |
|---|---------------------|-------------------|------------------------------------|---|-------------------|---------------------|
| Assets | | | | | | |
| Cash and cash equivalents | \$ 696,938 | \$ 467,064 | \$ 342,804 | \$ 246,686 | \$ 169,866 | \$ 1,923,358 |
| Receivables: | | | | | | |
| Property taxes | 479,214 | - | - | - | - | 479,214 |
| Intergovernmental | 23 | 64,476 | 1,826 | - | 50,022 | 116,347 |
| Total assets | \$ 1,176,175 | \$ 531,540 | \$ 344,630 | \$ 246,686 | \$ 219,888 | \$ 2,518,919 |
| Liabilities | | | | | | |
| Accounts payable | \$ - | \$ - | \$ 1,242 | \$ 139 | \$ 10,387 | \$ 11,768 |
| Accrued payroll | 16,674 | - | - | 7,295 | - | 23,969 |
| Due to other funds | 1,921 | - | - | - | - | 1,921 |
| Advance from other funds | - | 196,655 | - | - | - | 196,655 |
| Total liabilities | 18,595 | 196,655 | 1,242 | 7,434 | 10,387 | 234,313 |
| Deferred Inflows of Resources | | | | | | |
| Deferred property taxes | 467,366 | - | - | - | - | 467,366 |
| Fund Balances | | | | | | |
| Restricted | 690,214 | 334,885 | 343,388 | 239,252 | 209,501 | 1,817,240 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 1,176,175 | \$ 531,540 | \$ 344,630 | \$ 246,686 | \$ 219,888 | \$ 2,518,919 |

Village of Lansing, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 April 30, 2015

| | IMRF / FICA | Motor Fuel Tax | Police Department Forfeiture | Police Department Forfeiture Justice | 911 | Total |
|--|------------------|-------------------|------------------------------------|---|-----------------|------------------|
| Revenues: | | | | | | |
| Property taxes | \$ 1,087,262 | \$ - | \$ - | \$ - | \$ - | \$ 1,087,262 |
| Intergovernmental: | | | | | | |
| Allotments | - | 653,026 | - | - | - | 653,026 |
| 911 surcharge | - | - | - | - | 233,776 | 233,776 |
| Grants | - | - | 1,826 | - | - | 1,826 |
| Fees and services: | | | | | | |
| Police Department seizures | - | - | 44,519 | 43,374 | - | 87,893 |
| Interest | - | 426 | 698 | 288 | 155 | 1,567 |
| Other | - | - | 362 | 3,000 | - | 3,362 |
| Total revenues | 1,087,262 | 653,452 | 47,405 | 46,662 | 233,931 | 2,068,712 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government, pension contributions | 879,661 | - | - | - | - | 879,661 |
| Public safety, police | - | - | 99,662 | 151,455 | 143,646 | 394,763 |
| Public works | - | 166,815 | - | - | - | 166,815 |
| Capital outlay | - | - | - | - | 23,063 | 23,063 |
| Total expenditures | 879,661 | 166,815 | 99,662 | 151,455 | 166,709 | 1,464,302 |
| Excess (deficiency) of revenues over (under) expenditures | 207,601 | 486,637 | (52,257) | (104,793) | 67,222 | 604,410 |
| Other financing uses | | | | | | |
| Transfers in | - | 22,308 | - | - | - | 22,308 |
| Transfers out | - | (450,000) | - | - | (111,791) | (561,791) |
| Total other financing uses | - | (427,692) | - | - | (111,791) | (539,483) |
| Change in fund balances | 207,601 | 58,945 | (52,257) | (104,793) | (44,569) | 64,927 |
| Fund balances: | | | | | | |
| May 1, 2015 | 482,613 | 275,940 | 395,645 | 344,045 | 254,070 | 1,752,313 |
| April 30, 2016 | \$ 690,214 | \$ 334,885 | \$ 343,388 | \$ 239,252 | \$ 209,501 | \$ 1,817,240 |

Village of Lansing, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Nonmajor Special Revenue Funds
 Year Ended April 30, 2016

| | IMRF / FICA | | Motor Fuel Tax | | Police Department Forfeiture | |
|---|---------------------------|-------------------|---------------------------|-------------------|------------------------------|-------------------|
| | Original and Final Budget | Actual | Original and Final Budget | Actual | Original and Final Budget | Actual |
| Revenues: | | | | | | |
| Property taxes | \$ 1,120,640 | \$ 1,087,262 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental: | | | | | | |
| Allotments | - | - | 691,540 | 653,026 | - | - |
| 911 surcharge | - | - | - | - | - | - |
| Grants | - | - | - | - | - | 1,826 |
| Fees and services: | | | | | | |
| Police Department seizures | - | - | - | - | - | 44,519 |
| Interest | 100 | - | 150 | 426 | - | 698 |
| Other | - | - | - | - | - | 362 |
| Total revenues | 1,120,740 | 1,087,262 | 691,690 | 653,452 | - | 47,405 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government, pension contributions | 1,038,655 | 879,661 | - | - | - | - |
| Public safety, police | - | - | - | - | 247,100 | 99,662 |
| Public works | - | - | 496,500 | 166,815 | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fees | - | - | - | - | - | - |
| Total expenditures | 1,038,655 | 879,661 | 496,500 | 166,815 | 247,100 | 99,662 |
| Excess (deficiency) of revenues over (under) expenditures | 82,085 | 207,601 | 195,190 | 486,637 | (247,100) | (52,257) |
| Other financing uses | | | | | | |
| Transfers in | - | - | - | 22,308 | - | - |
| Transfers out | - | - | (450,000) | (450,000) | (25,000) | - |
| Total other financing uses | - | - | (450,000) | (427,692) | (25,000) | - |
| Change in fund balances | \$ 82,085 | 207,601 | \$ (254,810) | 58,945 | \$ (272,100) | (52,257) |
| Fund balances: | | | | | | |
| May 1, 2015 | | <u>482,613</u> | | <u>275,940</u> | | <u>395,645</u> |
| April 30, 2016 | | <u>\$ 690,214</u> | | <u>\$ 334,885</u> | | <u>\$ 343,388</u> |

Village of Lansing, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Nonmajor Special Revenue Funds (Continued)
 Year Ended April 30, 2016

| | Police Department Forfeiture Justice | | 911 | | Total | |
|--|---|-------------------|---------------------------------|-------------------|---------------------------------|---------------------|
| | Original and Final Budget | Actual | Original and Final Budget | Actual | Original and Final Budget | Actual |
| Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property | \$ - | \$ - | \$ - | \$ - | \$ 1,120,640 | \$ 1,087,262 |
| Intergovernmental: | | | | | | |
| Allotments | - | - | - | - | 691,540 | 653,026 |
| 911 surcharge | - | - | 220,000 | 233,776 | 220,000 | 233,776 |
| Grants | - | - | - | - | - | 1,826 |
| Fees and services: | | | | | | |
| Police Department seizures | - | 43,374 | - | - | - | 87,893 |
| Interest | - | 288 | 300 | 155 | 550 | 1,567 |
| Other | - | 3,000 | - | - | - | 3,362 |
| Total revenues | - | 46,662 | 220,300 | 233,931 | 2,032,730 | 2,068,712 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government, pension contributions | - | - | - | - | 1,038,655 | 879,661 |
| Public safety, police | 189,299 | 151,455 | 192,341 | 143,646 | 628,740 | 394,763 |
| Public works | - | - | - | - | 496,500 | 166,815 |
| Capital outlay | - | - | 31,000 | 23,063 | 31,000 | 23,063 |
| Total expenditures | 189,299 | 151,455 | 223,341 | 166,709 | 2,194,895 | 1,464,302 |
| Excess (deficiency) of revenues over (under) expenditures | (189,299) | (104,793) | (3,041) | 67,222 | (162,165) | 604,410 |
| Other financing uses | | | | | | |
| Transfers in | - | - | - | - | - | 22,308 |
| Transfers out | - | - | (111,791) | (111,791) | (586,791) | (561,791) |
| Total other financing uses | - | - | (111,791) | (111,791) | (586,791) | (539,483) |
| Change in fund balances | \$ (189,299) | (104,793) | \$ (114,832) | (44,569) | \$ (748,956) | 64,927 |
| Fund balances: | | | | | | |
| May 1, 2015 | | <u>344,045</u> | | <u>254,070</u> | | <u>1,752,313</u> |
| April 30, 2016 | | <u>\$ 239,252</u> | | <u>\$ 209,501</u> | | <u>\$ 1,817,240</u> |

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 April 30, 2016

| | TIF The Landings | TIF West Lansing | Community Development Block Grant | TIF Torrence Avenue | Total |
|--|-------------------|---------------------|-----------------------------------|---------------------|---------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 324,617 | \$ 2,931,565 | \$ 23,137 | \$ 372,020 | \$ 3,651,339 |
| Due from other funds | - | 433,796 | - | - | 433,796 |
| Advance to other funds | - | 19,513 | - | - | 19,513 |
| Property held for resale | - | - | - | 253,300 | 253,300 |
| Total assets | \$ 324,617 | \$ 3,384,874 | \$ 23,137 | \$ 625,320 | \$ 4,357,948 |
| Liabilities | | | | | |
| Accounts payable | \$ 324,521 | \$ 195,223 | \$ - | \$ 118,169 | \$ 637,913 |
| Accrued payroll | - | 315 | - | 985 | 1,300 |
| Other | - | 11,493 | - | - | 11,493 |
| Total liabilities | 324,521 | 207,031 | - | 119,154 | 650,706 |
| Fund Balances | | | | | |
| Nonspendable | - | 19,513 | - | 253,300 | 272,813 |
| Restricted | 96 | 3,158,330 | 23,137 | 252,866 | 3,434,429 |
| Total fund balances | 96 | 3,177,843 | 23,137 | 506,166 | 3,707,242 |
| Total liabilities and fund balances | \$ 324,617 | \$ 3,384,874 | \$ 23,137 | \$ 625,320 | \$ 4,357,948 |

Village of Lansing, Illinois

Combining Statements of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 Year Ended April 30, 2016

| | TIF The Landings | TIF West Lansing | Community Development Block Grant | TIF Torrence Avenue | Total |
|---|------------------|--------------------|-----------------------------------|---------------------|------------------|
| Revenues: | | | | | |
| Property taxes | \$ - | \$ 1,466,474 | \$ - | \$ 24,906 | \$ 1,491,380 |
| Interest | 649 | 4,395 | - | - | 5,044 |
| Total revenues | 649 | 1,470,869 | - | 24,906 | 1,496,424 |
| Expenditures: | | | | | |
| General government | - | 42,760 | - | 84,185 | 126,945 |
| Capital outlay, project costs | - | 546,235 | - | 473,893 | 1,020,128 |
| Total expenditures | - | 588,995 | - | 558,078 | 1,147,073 |
| Deficiency of revenues under expenditures | 649 | 881,874 | - | (533,172) | 349,351 |
| Other financing source (use) | | | | | |
| Transfer in | - | - | - | 700,000 | 700,000 |
| Transfer (out) | - | (1,900,000) | - | - | (1,900,000) |
| Total other financing source (use) | - | (1,900,000) | - | 700,000 | (1,200,000) |
| Change in fund balances | 649 | (1,018,126) | - | 166,828 | (850,649) |
| Fund balances (deficit): | | | | | |
| May 1, 2015 | (553) | 4,195,969 | 23,137 | 339,338 | 4,557,891 |
| April 30, 2016 | \$ 96 | \$ 3,177,843 | \$ 23,137 | \$ 506,166 | \$ 3,707,242 |

Village of Lansing, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Nonmajor Capital Projects Funds
 Year Ended April 30, 2016

| | TIF West Lansing | | Community Development Block Grant | | TIF Torrence Avenue | |
|--|------------------------------|---------------------------|--------------------------------------|------------------|------------------------------|-----------------------|
| | Original and Final Budget | Actual | Original and Final Budget | Actual | Original and Final Budget | Actual |
| Revenues: | | | | | | |
| Property taxes | \$ 1,300,000 | \$ 1,466,474 | \$ - | \$ - | \$ - | \$ 24,906 |
| Intergovernmental, grants | 1,172,500 | - | 600,000 | - | - | - |
| Interest | 6,000 | 4,395 | - | - | - | - |
| Total revenues | 2,478,500 | 1,470,869 | 600,000 | - | - | 24,906 |
| Expenditures: | | | | | | |
| General government | 118,985 | 42,760 | - | - | 190,205 | 84,185 |
| Capital outlay, project costs | 2,797,200 | 546,235 | 400,000 | - | 860,000 | 473,893 |
| Total expenditures | 2,916,185 | 588,995 | 400,000 | - | 1,050,205 | 558,078 |
| Deficiency of revenues under expenditures | (437,685) | 881,874 | 200,000 | - | (1,050,205) | (533,172) |
| Other financing source (use) | | | | | | |
| Transfers in | - | - | - | - | 700,000 | 700,000 |
| Transfers (out) | (1,900,000) | (1,900,000) | - | - | - | - |
| Total other financing source (use) | (1,900,000) | (1,900,000) | - | - | 700,000 | 700,000 |
| Change in fund balances | <u>\$ (2,337,685)</u> | <u>(1,018,126)</u> | <u>\$ 200,000</u> | <u>-</u> | <u>\$ (350,205)</u> | <u>166,828</u> |
| Fund balances: | | | | | | |
| May 1, 2015 | | <u>4,195,969</u> | | <u>23,137</u> | | <u>339,338</u> |
| April 30, 2016 | | <u>\$ 3,177,843</u> | | <u>\$ 23,137</u> | | <u>\$ 506,166</u> |

Village of Lansing, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Nonmajor Debt Service Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|---------------------------------|---------------------|
| Revenues: | | |
| Property taxes | \$ 342,718 | \$ 356,276 |
| Interest | 2,500 | 1,577 |
| Total revenues | <u>345,218</u> | <u>357,853</u> |
| Expenditures: | | |
| Debt service: | | |
| Principal | 1,166,718 | 1,177,719 |
| Interest and fees | 739,742 | 735,740 |
| Total expenditures | <u>1,906,460</u> | <u>1,913,459</u> |
| Deficiency of revenues under expenditures | (1,561,242) | (1,555,606) |
| Other financing sources (uses): | | |
| Transfers in | 1,787,849 | 1,798,849 |
| Transfers (out) | (166,625) | (186,697) |
| Total other financing sources (uses) | <u>1,621,224</u> | <u>1,612,152</u> |
| Change in fund balance | <u>\$ 59,982</u> | 56,546 |
| Fund balances: | | |
| May 1, 2015 | | <u>2,101,601</u> |
| April 30, 2016 | | <u>\$ 2,158,147</u> |

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Municipal Airport
Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|---------------------------------|----------------|
| Municipal airport fees and charges | | |
| Hangar rental | \$ 310,000 | \$ 367,747 |
| Fuel rental | 297,502 | 52,272 |
| Tiedown fees | 2,835 | 2,450 |
| FBO rents | - | 30,098 |
| FBO operating fees | - | 2,500 |
| Land rent | 15,000 | 9,711 |
| Other | - | 49,484 |
| Total revenues | 625,337 | 514,262 |
| Operating expenses other than depreciation: | | |
| Salaries - exempt | 93,000 | 94,663 |
| Salaries - support staff | 144,184 | 137,403 |
| Salaries - part time | 32,400 | 8,986 |
| Overtime - support staff | 2,000 | 19,724 |
| Pension payment - FICA | 20,776 | 19,401 |
| Employee insurance | 65,809 | 43,413 |
| Workmen's compensation insurance | - | 6,878 |
| Pension payment - IMRF | 50,205 | 27,792 |
| Contract maintenance | 27,000 | 23,329 |
| Engineering services | 32,000 | 60,025 |
| Legal service | 15,000 | 11,331 |
| Janitorial service | 5,600 | 5,702 |
| Other professional services | 13,500 | 6,738 |
| Veteran's memorial | 2,500 | 20 |
| Postage | 500 | 926 |
| Telephone | 6,500 | 8,003 |
| Publishing / advertising | 3,000 | 1,293 |
| Dues | 700 | 485 |
| Travel expense | 2,100 | 1,207 |
| Training | 2,300 | 270 |
| Publications | 150 | - |
| Bank service charge | 2,000 | 1,618 |
| Allowance for uncollectible | - | 116,542 |
| Public utility services | 45,000 | 45,887 |
| General insurance | 27,000 | 19,822 |
| Office supplies | 900 | 412 |
| Automotive fuel / oil | 5,500 | 8,944 |
| Aviation fuel for sale | 227,500 | 46,404 |
| Field operating costs | 9,000 | 10,076 |
| Small tools | 2,000 | 1,717 |
| Institutional supplies | 3,700 | 2,093 |
| Other general supplies | 2,200 | 4,700 |
| Maintenance supplies | 1,500 | 1,159 |
| Maintenance supplies - equipment | 4,000 | 12,725 |
| Maintenance supplies - vehicle | 1,500 | 2,762 |
| Maintenance supplies - rental building | 4,000 | 11,649 |
| Contract maintenance - airside NAV | 11,000 | 10,492 |
| Contract maintenance - airside field | 29,000 | 28,704 |
| Capital improvements | 156,500 | 136,489 |
| Less capitalized assets | - | (167,790) |
| Total operating expenses, other than depreciation | 1,051,524 | 771,994 |

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual (Continued)
Municipal Airport
Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|---------------------------------|---------------------|
| Operating (loss) income before depreciation | \$ (426,187) | \$ (257,732) |
| Depreciation | - | 614,864 |
| Operating (loss) income | <u>(426,187)</u> | <u>(872,596)</u> |
| Nonoperating income (expense): | | |
| Interest expense | (119,306) | (52,475) |
| Principal payments | (135,000) | - |
| Capital contributions | - | 331,185 |
| Transfers in | 704,306 | 267,616 |
| Transfers out | (87,681) | (80,919) |
| Total nonoperating income (expense) | <u>362,319</u> | <u>465,407</u> |
| Change in net position | <u>\$ (63,868)</u> | (407,189) |
| Net position | | |
| May 1, 2015 | | <u>8,559,048</u> |
| April 30, 2016 | | <u>\$ 8,151,859</u> |

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
 Waterworks and Sewerage
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|---------------------------------|------------------|
| Water sales and sewer charges: | | |
| Water sales | \$ 4,300,000 | \$ 4,299,942 |
| Water sales - other | 950,000 | 964,520 |
| Sewer charge | 730,000 | 722,013 |
| Penalties | 160,000 | 174,198 |
| Other | 60,000 | 52,582 |
| Total water sales and sewer charges | 6,200,000 | 6,213,255 |
| Other fees, | | |
| Maintenance fees | 114,000 | 116,263 |
| Other: | | |
| State grant | 4,896,000 | - |
| Other | 800 | 4,635 |
| Total other | 4,896,800 | 4,635 |
| Total operating revenues | 11,210,800 | 6,334,153 |
| Operating expenses other than depreciation: | | |
| Water: | | |
| Salaries - exempt | 126,899 | 63,074 |
| Salaries - clerical | 89,916 | 87,844 |
| Salaries - public works | 414,757 | 371,237 |
| Salaries - part time | 49,700 | 33,001 |
| Overtime - clerical | 7,000 | 1,588 |
| Overtime - public works | 80,000 | 68,044 |
| Pension payment - FICA | 49,822 | 46,815 |
| Employee insurance | 275,527 | 222,276 |
| Workmen's compensation insurance | 25,725 | 39,226 |
| Uniform allowance | 5,500 | 4,757 |
| Pension payment - IMRF | 132,874 | 39,964 |
| Contract maintenance - building | 30,400 | 26,387 |
| Contract maintenance - equipment | 22,610 | 25,331 |
| Contract maintenance - vehicle | 2,000 | 1,147 |
| Contract maintenance - utility system | 150,000 | 226,321 |
| Auditing fees | 25,000 | 20,000 |
| Engineering services | 124,000 | 6,910 |
| Legal service | 8,000 | 8,361 |
| Other professional services | 76,700 | 105,038 |
| Postage | 23,000 | 21,775 |
| Telephone | 12,000 | 16,849 |
| Printing / copying | 6,000 | 3,311 |
| Dues | 1,000 | 225 |
| Training | 15,000 | 1,612 |
| Bank service charges | 6,000 | 7,572 |
| Allowance for uncollectible | 15,000 | 5,370 |
| Public utility services | 130,000 | 135,465 |
| General insurance | 34,472 | 28,600 |
| Rental | 500 | 34 |
| Water sampling testing | 8,500 | 8,021 |
| Water purchase | 2,100,000 | 1,866,131 |
| Site restoration | 150,000 | 122,131 |
| Office supplies | 10,000 | 6,542 |
| Safety supplies | 5,000 | 3,014 |
| Automotive fuel / oil | 50,000 | 17,984 |
| Operating supplies | 6,000 | 6,064 |
| Chemicals | 3,500 | 3,030 |
| Maintenance supplies - building | 1,000 | 558 |
| Maintenance - supplies - equipment | 10,000 | 4,298 |
| Maintenance supplies - vehicle | 5,000 | 1,191 |
| Maintenance supplies - utility system | 60,000 | 31,854 |
| WAN | 14,000 | 1,445 |
| Water systems improvement | 873,000 | 185,249 |
| Equipment purchase | 457,500 | 184,346 |
| Water meters / reading system | 4,890,900 | 80,993 |
| Total water | 10,583,802 | 4,140,985 |

(continued)

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual (Continued)
 Waterworks and Sewerage
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|---------------------------------|----------------------|
| Sewer: | | |
| Salaries - exempt | \$ 80,899 | \$ 63,074 |
| Salaries - clerical | 46,201 | 44,664 |
| Salaries - public works | 312,091 | 210,600 |
| Salaries - part-time | 19,460 | 12,681 |
| Overtime - clerical | 6,380 | 770 |
| Overtime - public works | 60,000 | 30,928 |
| Pension payment - FICA | 31,214 | 27,002 |
| Employee insurance | 170,683 | 128,988 |
| Unemployment benefits | 3,000 | - |
| Workmen's compensation insurance | 13,083 | 20,486 |
| Uniform allowance | 4,000 | 1,843 |
| Pension payment - IMRF | 85,646 | 24,802 |
| Contract maintenance - building | 20,000 | 24,022 |
| Contract maintenance - equipment | 20,000 | 19,045 |
| Contract maintenance - vehicle | 2,500 | 961 |
| Contract maintenance - utility system | 125,000 | 69,825 |
| Engineering services | 7,000 | 30,007 |
| Legal service | 5,000 | 4,064 |
| Telephone | 25,000 | 25,909 |
| Printing / copying | 1,500 | 211 |
| Training | 6,500 | 176 |
| Allowance for uncollectible | 2,575 | 677 |
| Public utility services | 2,000 | 1,572 |
| General insurance | 22,691 | 16,383 |
| Site restoration | 3,000 | 339 |
| Office supplies | 3,500 | 1,149 |
| Safety supplies | 4,500 | 1,680 |
| Automotive fuel / oil | 30,000 | 17,994 |
| Operating supplies | 4,000 | 2,834 |
| Maintenance supplies - building | 500 | 58 |
| Maintenance - supplies - equipment | 10,000 | 3,066 |
| Maintenance supplies - vehicle | 2,500 | 179 |
| Maintenance supplies - utility system | 30,000 | 21,555 |
| Infrastructure improvements | 567,630 | 135,622 |
| Equipment purchase | 292,500 | 19,941 |
| Total sewer | <u>2,020,553</u> | <u>963,107</u> |
| Total operating expenses, other than depreciation | <u>12,604,355</u> | <u>5,104,092</u> |
| Operating (loss) income before depreciation | (1,393,555) | 1,230,061 |
| Depreciation | <u>-</u> | <u>1,083,438</u> |
| Operating (loss) income | (1,393,555) | 146,623 |
| Nonoperating income (expense): | | |
| Capital contributions | <u>-</u> | <u>905,583</u> |
| Change in net position | <u>\$ (1,393,555)</u> | 1,052,206 |
| Net position | | |
| May 1, 2015 | | <u>18,850,810</u> |
| April 30, 2016 | | <u>\$ 19,903,016</u> |

Village of Lansing, Illinois

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 Year Ended April 30, 2016

| | Balances May 1, 2015 | Additions | Deletions | Balances April 30, 2016 |
|-----------------------------|-------------------------|--------------|-----------------|----------------------------|
| SPECIAL SERVICE AREA | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 2,126 | \$ - | \$ 2,126 | \$ - |
| Other receivables | 19,514 | - | 1 | 19,513 |
| Total assets | \$ 21,640 | \$ - | \$ 2,127 | \$ 19,513 |
| Liabilities: | | | | |
| Due to other funds | \$ 21,640 | \$ - | \$ 2,127 | \$ 19,513 |
| SPECIAL ASSESSMENT | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 83,187 | \$ 47 | \$ - | \$ 83,234 |
| Due from other funds | 142,819 | - | - | 142,819 |
| Total assets | \$ 226,006 | \$ 47 | \$ - | \$ 226,053 |
| Liabilities: | | | | |
| Accounts payable | \$ 226,006 | \$ 47 | \$ - | \$ 226,053 |
| TOTAL | | | | |
| Assets: | | | | |
| Cash and cash equivalents | \$ 85,313 | \$ 47 | \$ 2,126 | \$ 83,234 |
| Other receivables | 19,514 | - | 1 | 19,513 |
| Due from other funds | 142,819 | - | - | 142,819 |
| Total assets | \$ 247,646 | \$ 47 | \$ 2,127 | \$ 245,566 |
| Liabilities: | | | | |
| Accounts payable | \$ 226,006 | \$ 47 | \$ - | \$ 226,053 |
| Due to other funds | 21,640 | - | 2,127 | 19,513 |
| Total liabilities | \$ 247,646 | \$ 47 | \$ 2,127 | \$ 245,566 |

Village of Lansing, Illinois

Balance Sheet - Component Unit - Public Library
April 30, 2016

| | Public Library |
|--|----------------------------|
| <hr/> | |
| Assets | |
| Cash and cash equivalents | \$ 3,429,279 |
| Property tax receivables | 1,319,288 |
| Prepaid items | <u>19,505</u> |
| Total assets | <u><u>\$ 4,768,072</u></u> |
| | |
| Liabilities | |
| Accounts payable | \$ 147,660 |
| Accrued payroll | <u>18,451</u> |
| Total liabilities | 166,111 |
| | |
| Deferred Inflows of Resources | |
| Deferred property taxes | 1,294,733 |
| | |
| Fund Balances | |
| Nonspendable for prepaid items | 19,505 |
| Unassigned | <u>3,287,723</u> |
| Total fund balance | <u><u>3,307,228</u></u> |
| | |
| Total liabilities, deferred inflows of resources and fund balance | <u><u>\$ 4,768,072</u></u> |

Village of Lansing, Illinois

Reconciliation of the Balance Sheet - Component Unit - Public Library
to the Statement of Net Position
April 30, 2016

| | |
|--|--------------|
| Total fund balance - component unit - public library | \$ 3,307,228 |
|--|--------------|

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. | 2,034,366 |
|--|-----------|

| | |
|--|----------|
| Deferred outflows and deferred inflows of resources related to pensions which will be recognized as an increase or reduction to pension expense in future report periods: | |
| Deferred outflows of resources due to pensions | 260,528 |
| Deferred inflows of resources due to pensions | (16,304) |

| | |
|---|--------|
| Discount on bonds that are other financing uses in the fund financial statements are an asset that is netted with general obligation bonds in the government-wide financial statements. | 17,929 |
|---|--------|

| | |
|---|-----------|
| Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of: | |
| General obligation bonds | (990,000) |
| Net pension liability | (770,923) |
| Compensated absences | (67,922) |
| Claims payable | (35,121) |
| Accrued interest | (5,949) |

| | |
|--|---------------|
| An internal service fund is used by management to charge the costs of insurance. A portion of the assets and liabilities are included in the component unit's statement of net position. | <u>43,332</u> |
|--|---------------|

| | |
|---|----------------------------|
| Net position of component unit - public library | <u><u>\$ 3,777,164</u></u> |
|---|----------------------------|

Village of Lansing, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual - Component Unit - Public Library
 Year Ended April 30, 2016

| | Public Library | |
|-------------------------------|---------------------------------|---------------------|
| | Original and Final Budget | Actual |
| Revenues: | | |
| General: | | |
| Property taxes | \$ 2,193,209 | \$ 2,398,151 |
| Fines | 20,000 | 16,457 |
| Library cards | 500 | 490 |
| Donations | 300 | 376 |
| Audio visual | 7,000 | 6,607 |
| Printing / vending | 10,000 | 11,846 |
| Lost materials | 1,000 | 632 |
| State grants | 35,414 | 35,414 |
| Other grants | - | 52,376 |
| Interest | 1,000 | 3,047 |
| Miscellaneous | 4,000 | 43,114 |
| Total revenues | <u>2,272,423</u> | <u>2,568,510</u> |
| Expenditures: | | |
| Current: | | |
| General government | 3,478,098 | 1,836,282 |
| Debt service: | | |
| Principal | 194,325 | 150,000 |
| Interest and fees | - | 41,568 |
| Capital outlay | 100,000 | 43,625 |
| Total expenditures | <u>3,772,423</u> | <u>2,071,475</u> |
| | | |
| Change in fund balance | <u>\$ (1,500,000)</u> | 497,035 |
| Fund balances: | | |
| May 1, 2015 | | <u>2,810,193</u> |
| April 30, 2016 | | <u>\$ 3,307,228</u> |

Village of Lansing, Illinois

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance - Component Unit - Public Library to the Statement of Activities
Year Ended April 30, 2016**

| | |
|--|--------------------------|
| Net change in fund balance - component unit - public library | \$ 497,035 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which depreciation exceeded capital outlays in the current period. | |
| Depreciation | (85,009) |
| Items related to pension expense and revenue are reported as deferred inflows and deferred outflows on the government-wide financial statements, but not on the fund financial statements: | |
| Deferred outflows of resources due to pensions | 260,528 |
| Deferred inflows of resources due to pensions | (16,304) |
| The following are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. | |
| General obligation bonds | 150,000 |
| Discount on bonds is recorded as other financing uses in the fund financial statements, but the discount is netted with general obligation on the Statement of Net Position and is amortized over the life of the bonds. This is the amount in the current period. | |
| Amortization of bond discount | (3,030) |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of: | |
| Change in net pension liability | (157,858) |
| Change in compensated absences | (7,365) |
| Change in claims payable | (35,121) |
| Change in accrued interest | 642 |
| A portion of the net revenue of the internal service fund is reported with component unit activities. | <u>(13,812)</u> |
| Change in net position of component unit - public library | <u><u>\$ 589,706</u></u> |

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual
 Component Unit - Public Library Fund
 Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|------------------------------------|---------------------------------|------------------|
| General government: | | |
| Salaries - full time | \$ 548,815 | \$ 533,569 |
| Salaries - part time | 268,129 | 232,401 |
| FICA taxes | 62,496 | 57,391 |
| Employee insurance | 243,713 | 230,153 |
| Workmen's comp insurance | 57,761 | 24,293 |
| IMRF | 115,233 | 119,273 |
| Legal service | 2,000 | 2,828 |
| Programming - youth | 9,000 | 5,570 |
| Programming - adult | 7,000 | 3,564 |
| Programming - teens | 3,500 | 1,909 |
| E-Books | 25,000 | 10,761 |
| Computer service | 65,000 | 64,866 |
| Village services | 12,500 | 12,500 |
| Postage | 5,000 | 1,406 |
| Telephone | 2,000 | 2,125 |
| Printing/copying | 15,000 | 15,599 |
| State grant expenditure | - | 52,376 |
| Training | 17,000 | 16,869 |
| Bank service charges | 500 | 338 |
| Public utility services | 30,000 | 33,296 |
| General insurance | 36,705 | 33,384 |
| Office supplies | 6,000 | 3,399 |
| Processing and cataloging supplies | 6,500 | 6,240 |
| Operating supplies | 2,000 | 1,547 |
| Building | 1,713,132 | 172,078 |
| Building - maintenance supplies | 6,000 | 5,263 |
| Periodicals | 11,000 | 10,351 |
| Adult audio visual | 29,000 | 22,597 |
| YS audio visual | 4,000 | 4,281 |
| Online resources | 25,000 | 24,885 |
| Contract purchase | 30,000 | 29,930 |
| Adult non-fiction | 20,000 | 17,893 |
| Youth non-fiction | 6,000 | 4,735 |
| Adult fiction | 25,000 | 18,547 |
| Youth fiction | 10,000 | 6,365 |
| Adult material - pcgf | 17,707 | 18,357 |
| Youth material - pcgf | 17,707 | 17,970 |
| Adult reference | 2,500 | 2,775 |
| Youth reference | 1,000 | 949 |
| Reciprocal reimbursement books | 1,500 | 539 |
| Teen material | 7,500 | 4,886 |
| Professional collection | 100 | 46 |
| ADA | 100 | - |
| Public relations | 6,000 | 5,689 |
| Miscellaneous | 4,000 | 2,489 |
| Total general government | 3,478,098 | 1,836,282 |

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
Component Unit - Public Library Fund
Year Ended April 30, 2016

| | Original Budget | Actual |
|---------------------------|----------------------------|----------------------------|
| Debt service: | | |
| Principal | \$ 194,325 | \$ 150,000 |
| Interest and fees | - | 41,568 |
| Total debt service | <u>194,325</u> | <u>191,568</u> |
| Capital outlay | <u>100,000</u> | <u>43,625</u> |
| Total expenditures | <u><u>\$ 3,772,423</u></u> | <u><u>\$ 2,071,475</u></u> |

Other Information (Unaudited)

Village of Lansing, Illinois

Schedule of Assessed Valuations, Tax Rates,
Tax Extensions and Tax Collections

| | Tax Year | | | | |
|--|----------------------|----------------------|----------------------|---------------------|---------------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Assessed valuations | \$ 356,183,515 | \$ 360,141,814 | \$ 381,638,640 | \$ 408,111,322 | \$ 449,970,464 |
| Tax rates: | | | | | |
| Primary government, by fund: | | | | | |
| General | 0.9443 | 0.9443 | 0.9123 | 0.8191 | 0.8092 |
| Police Pension | 0.9369 | 0.7663 | 0.7287 | 0.6240 | 0.5594 |
| Fire Pension | 0.3195 | 0.2776 | 0.2383 | 0.1879 | 0.1430 |
| Illinois Municipal Retirement and Social Security | 0.2892 | 0.3146 | 0.2289 | 0.2097 | 0.2098 |
| Bond and Interest | 0.1005 | 0.1013 | 0.1008 | 0.0957 | 0.0899 |
| Total primary government | 2.5904 | 2.4041 | 2.2090 | 1.9364 | 1.8113 |
| Lansing Public Library | 0.7270 | 0.6728 | 0.6159 | 0.5379 | 0.5030 |
| Total | 3.3174 | 3.0769 | 2.8249 | 2.4743 | 2.3143 |
| Tax extensions: | | | | | |
| Primary government, by fund | | | | | |
| General | \$ 3,363,554 | \$ 3,363,554 | \$ 3,285,700 | \$ 3,125,949 | \$ 3,302,272 |
| Police Pension | 3,337,200 | 2,729,500 | 2,624,458 | 2,381,409 | 2,282,826 |
| Fire Pension | 1,138,150 | 988,800 | 858,074 | 717,255 | 583,772 |
| Illinois Municipal Retirement and Social Security | 1,030,000 | 1,120,640 | 824,319 | 800,310 | 856,053 |
| Bond and Interest | 358,066 | 360,757 | 363,158 | 365,272 | 367,096 |
| Total primary government | 9,226,970 | 8,563,251 | 7,955,709 | 7,390,195 | 7,392,019 |
| Lansing Public Library | 2,589,431 | 2,396,579 | 2,218,090 | 2,052,893 | 2,052,893 |
| Totals | \$ 11,816,401 | \$ 10,959,830 | \$ 10,173,799 | \$ 9,443,088 | \$ 9,444,912 |
| Collections | \$ 5,602,531 | \$ 10,335,888 | \$ 9,723,334 | \$ 9,072,729 | \$ 9,166,345 |
| Percent collections | 47.41% | 94.31% | 95.57% | 96.08% | 97.05% |

Village of Lansing, Illinois

Schedule of Debt Service Requirements
April 30, 2016

| | Year Ending April 30 | Interest rate | Principal | Interest | Total |
|---|----------------------------|------------------|---------------------|---------------------|---------------------|
| General Obligation Serial Bonds | | | | | |
| 2003 General Obligation Issue | 2017 | 5.50% | \$ 140,000 | \$ 24,200 | \$ 164,200 |
| Dated August 28, 2003 | 2018 | 5.50% | 145,000 | 16,500 | 161,500 |
| Interest payable June 1 and December 1 of each year at rates of 5.50% | 2019 | 5.50% | 155,000 | 8,525 | 163,525 |
| | | | <u>\$ 440,000</u> | <u>\$ 49,225</u> | <u>\$ 489,225</u> |
| The Airport Fund is responsible for the required payments on these bonds. | | | | | |
| | | | | | |
| General Obligation Serial Bonds | | | | | |
| 2009B General Obligation Issue | 2017 | 4.85% | \$ - | \$ 144,713 | \$ 144,713 |
| Dated June 1, 2009 | 2018 | 4.85% | - | 144,713 | 144,713 |
| Interest payable March 1 and September 1 of each year at rates ranging from 4.85% - 5.35% | 2019 | 4.85% | - | 144,713 | 144,713 |
| | 2020 | 4.85% | - | 144,713 | 144,713 |
| | 2021 | 4.85% | - | 144,713 | 144,713 |
| The Debt Service Fund is responsible for the required payments on these bonds. | 2022 | 4.85% | 450,000 | 144,713 | 594,713 |
| | 2023 | 4.85% | 300,000 | 122,888 | 422,888 |
| | 2024 | 5.35% | - | 108,338 | 108,338 |
| | 2025 | 5.35% | - | 108,338 | 108,338 |
| | 2026 | 5.35% | - | 108,338 | 108,338 |
| | 2027 | 5.35% | - | 108,338 | 108,338 |
| | 2028 | 5.35% | 1,000,000 | 108,338 | 1,108,338 |
| | 2029 | 5.35% | 1,025,000 | 54,829 | 1,079,829 |
| | | | <u>\$ 2,775,000</u> | <u>\$ 1,587,685</u> | <u>\$ 4,362,685</u> |

(continued)

Village of Lansing, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2016

| | Year Ending April 30 | Interest rate | Principal | Interest | Total |
|--|----------------------------|------------------|---------------------|---------------------|---------------------|
| General Obligation Refunding Serial Bonds | | | | | |
| 2014 General Obligation Issue | 2017 | 3.00% | \$ 860,000 | \$ 316,250 | \$ 1,176,250 |
| Dated December 16, 2014 | 2018 | 4.00% | 880,000 | 290,450 | 1,170,450 |
| Interest payable March 1 and | 2019 | 5.00% | 915,000 | 255,250 | 1,170,250 |
| September 1 of each year at | 2020 | 5.00% | 1,000,000 | 209,500 | 1,209,500 |
| rates ranging from 2.50% - 5.00% | 2021 | 5.00% | 1,015,000 | 159,500 | 1,174,500 |
| The Debt Service Fund is | 2022 | 5.00% | 1,060,000 | 108,750 | 1,168,750 |
| responsible for the required | 2023 | 5.00% | 1,115,000 | 55,750 | 1,170,750 |
| payments on these bonds. | | | | | |
| | | | <u>\$ 6,845,000</u> | <u>\$ 1,395,450</u> | <u>\$ 8,240,450</u> |

Component Unit

| | | | | | |
|--|------|-------|-------------------|-------------------|---------------------|
| General Obligation Serial Bonds | | | | | |
| 2011 General Obligation Issue | 2017 | 3.25% | \$ 150,000 | \$ 36,488 | \$ 186,488 |
| Dated May 26, 2011 | 2018 | 3.25% | 155,000 | 31,613 | 186,613 |
| Interest payable March 1 and | 2019 | 3.75% | 160,000 | 26,575 | 186,575 |
| September 1 of each year | 2020 | 3.75% | 170,000 | 20,575 | 190,575 |
| at rates of 2.63% to 4.00% | 2021 | 4.00% | 175,000 | 14,200 | 189,200 |
| The Library is responsible for the | 2022 | 4.00% | 180,000 | 7,200 | 187,200 |
| required payments on these bonds. | | | | | |
| | | | <u>\$ 990,000</u> | <u>\$ 136,651</u> | <u>\$ 1,126,651</u> |

(continued)

Village of Lansing, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2016

| | Year Ending April 30 | Interest rate | Principal | Interest | Total |
|--------------------------------------|----------------------------|------------------|---------------------|---------------------|---------------------|
| Note Payable: | | | | | |
| Fire Truck | 2017 | | \$ 11,000 | \$ - | \$ 11,000 |
| Dated December 8, 2004 | 2018 | | 11,000 | - | 11,000 |
| Principal payable yearly | 2019 | | 11,000 | - | 11,000 |
| The General Fund is responsible for | 2020 | | 11,000 | - | 11,000 |
| making the required payments on | 2021 | | 11,000 | - | 11,000 |
| this note. | 2022 | | 11,000 | - | 11,000 |
| | 2023 | | 11,000 | - | 11,000 |
| | 2024 | | 11,000 | - | 11,000 |
| | 2025 | | 11,000 | - | 11,000 |
| | | | | - | |
| | | | <u>\$ 99,000</u> | <u>\$ -</u> | <u>\$ 99,000</u> |
| | | | | | |
| General Obligation Serial Bonds | | | | | |
| 2009A General Obligation Issue | 2017 | 4.20% | \$ - | \$ 180,665 | \$ 180,665 |
| Dated April 30, 2009 | 2018 | 4.20% | - | 180,665 | 180,665 |
| Interest payable March 1 and | 2019 | 4.20% | - | 180,665 | 180,665 |
| September 1 of each year at | 2020 | 4.20% | - | 180,665 | 180,665 |
| rates ranging from 4.20% - 4.65% | 2021 | 4.20% | - | 180,665 | 180,665 |
| The Debt Service Fund and | 2022 | 4.20% | - | 180,665 | 180,665 |
| the Airport Fund are responsible | 2023 | 4.20% | 250,000 | 180,665 | 430,665 |
| for 88.89% and 11.11%, respectively, | 2024 | 4.30% | 1,000,000 | 170,165 | 1,170,165 |
| of the required payments on these | 2025 | 4.40% | 1,000,000 | 127,165 | 1,127,165 |
| bonds. | 2026 | 4.55% | 1,000,000 | 83,165 | 1,083,165 |
| | 2027 | 4.65% | 810,000 | 37,665 | 847,665 |
| | | | | | |
| | | | <u>\$ 4,060,000</u> | <u>\$ 1,682,815</u> | <u>\$ 5,742,815</u> |

(continued)

Village of Lansing, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2016

| | Year Ending April 30 | Interest rate | Principal | Interest | Total |
|---|----------------------------|------------------|-------------------|------------------|-------------------|
| Note Payable: | | | | | |
| Financial Institution | 2017 | 5.00% | \$ 16,158 | \$ 131 | \$ 16,289 |
| Dated July 18, 2006 | | | | | |
| Principal and interest payable | | | | | |
| monthly at a rate of 5.00% | | | | | |
| The Airport Fund is responsible for | | | | | |
| making the required payments on | | | | | |
| this note. | | | | | |
| | | | | | |
| Note Payable: | | | | | |
| TCF Financing | | | | | |
| Dated November 26, 2013 | 2017 | | \$ 277,161 | \$ 13,555 | \$ 290,716 |
| Interest payable quarterly | 2018 | | 283,462 | 7,254 | 290,716 |
| at nominal annual rates of 2.25% | 2019 | | 144,138 | 1,220 | 145,358 |
| The General Fund is responsible for the | | | | | |
| required payments on this note. | | | | | |
| | | | <u>\$ 704,761</u> | <u>\$ 22,029</u> | <u>\$ 726,790</u> |
| | | | | | |
| Note Payable: | | | | | |
| Motorola Credit Corporation | | | | | |
| Dated January 1, 2014 | 2017 | | \$ 82,679 | \$ 1,164 | \$ 83,843 |
| Interest payable quarterly | | | | | |
| at nominal annual rates of 2.81% | | | | | |
| The 911 Fund is responsible for the | | | | | |
| required payments on this note. | | | | | |
| | | | | | |
| Note Payable: | | | | | |
| Motorola Credit Corporation | | | | | |
| Dated November 1, 2014 | 2017 | | \$ 19,289 | \$ 4,053 | \$ 23,342 |
| Principal and interest payable | 2018 | | 20,504 | 2,838 | 23,342 |
| monthly at a rate of 6.12% | 2019 | | 21,795 | 1,547 | 23,342 |
| The General Fund is responsible for | | | | | |
| the required payments on this note. | | | | | |
| | | | <u>\$ 74,930</u> | <u>\$ 8,712</u> | <u>\$ 83,642</u> |
| | | | | | |
| Note Payable: | | | | | |
| First National Bank of Illinois | | | | | |
| Dated October 20, 2015 | 2017 | | \$ 24,073 | \$ 2,549 | \$ 26,622 |
| Principal and interest payable | 2018 | | 24,681 | 1,940 | 26,621 |
| monthly at a rate of 2.50% | 2019 | | 25,305 | 1,316 | 26,621 |
| The Airport Fund is responsible for | | | | | |
| making the required payments on | | | | | |
| this note. | | | | | |
| | | | <u>\$ 112,933</u> | <u>\$ 6,573</u> | <u>\$ 119,506</u> |

Village of Lansing, Illinois

Net Position by Component - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 25,022,967 | \$ 18,658,329 | \$ 15,166,342 | \$ 15,828,421 | \$ 14,529,488 | \$ 47,483,534 | \$ 46,631,580 | \$ 43,431,036 | \$ 42,726,271 | \$ 42,801,845 |
| Restricted | 20,414,919 | 23,782,519 | 19,087,687 | 21,715,742 | 20,690,125 | 19,927,559 | 20,588,950 | 20,543,604 | 18,173,597 | 14,858,858 |
| Unrestricted | (18,187,965) | (8,302,550) | 3,138,514 | (155,162) | (926,912) | (1,458,373) | (2,340,523) | (1,579,990) | 144,889 | (58,860,976) |
| Total Governmental Activities Net Position | \$ 27,249,921 | \$ 34,138,298 | \$ 37,392,543 | \$ 37,389,001 | \$ 34,292,701 | \$ 65,952,720 | \$ 64,880,007 | \$ 62,394,650 | \$ 61,044,757 | \$ (1,200,273) |
| Business-Type Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 30,059,498 | \$ 28,596,861 | \$ 27,465,524 | \$ 26,815,623 | \$ 27,615,875 | \$ 27,991,853 | \$ 28,178,705 | \$ 28,506,951 | \$ 28,414,588 | \$ 28,766,796 |
| Unrestricted | (3,996,943) | (4,334,127) | (4,652,968) | (4,939,427) | (4,056,261) | (3,010,636) | (1,284,336) | (605,204) | 180,537 | (678,022) |
| Total Business-Type Activities Net Position | \$ 26,062,555 | \$ 24,262,734 | \$ 22,812,556 | \$ 21,876,196 | \$ 23,559,614 | \$ 24,981,217 | \$ 26,894,369 | \$ 27,901,747 | \$ 28,595,125 | \$ 28,088,774 |
| Primary Government | | | | | | | | | | |
| Net investment in capital assets | \$ 55,082,465 | \$ 47,255,190 | \$ 42,631,866 | \$ 42,644,044 | \$ 42,145,363 | \$ 75,475,387 | \$ 74,810,285 | \$ 71,937,987 | \$ 71,140,859 | \$ 71,568,641 |
| Restricted | 20,414,919 | 23,782,519 | 19,087,687 | 21,715,742 | 20,690,125 | 19,927,559 | 20,588,950 | 20,543,604 | 18,173,597 | 14,858,858 |
| Unrestricted | (22,184,908) | (12,636,677) | (1,514,454) | (5,094,589) | (4,983,173) | (4,469,009) | (3,624,859) | (2,185,194) | 325,426 | (59,538,998) |
| Total Primary Government Net Position | \$ 53,312,476 | \$ 58,401,032 | \$ 60,205,099 | \$ 59,265,197 | \$ 57,852,315 | \$ 90,933,937 | \$ 91,774,376 | \$ 90,296,397 | \$ 89,639,882 | \$ 26,888,501 |

* Accrual Basis of Accounting

Data Source : Village Records

Village of Lansing, Illinois

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|------------------------|------------------------|------------------------|------------------------|
| Expenses | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| General Government | \$ 9,137,908 | \$ 10,679,633 | \$ 13,644,245 | \$ 15,154,176 | \$ 16,438,512 | \$ 13,854,817 | \$ 12,193,823 | \$ 10,993,029 | \$ 14,074,538 | \$ 10,420,311 |
| Public Safety | 13,120,335 | 15,429,075 | 15,925,004 | 14,827,780 | 14,383,846 | 12,751,592 | 13,089,959 | 14,002,535 | 14,782,402 | 20,704,027 |
| Public Works | - | - | - | - | - | 2,941,967 | 2,872,923 | 5,235,406 | 3,823,229 | 3,661,316 |
| Interest on Long-Term Debt | 906,220 | 744,285 | 797,643 | 845,791 | 900,988 | 920,130 | 851,300 | 825,359 | 827,641 | 635,325 |
| Total Governmental Activities Expenses | 23,164,463 | 26,852,993 | 30,366,892 | 30,827,747 | 31,723,346 | 30,468,506 | 29,008,005 | 31,056,329 | 33,507,810 | 35,420,979 |
| Business-Type Activities | | | | | | | | | | |
| Waterworks and Sewerage | 4,382,723 | 4,669,836 | 4,842,171 | 4,303,002 | 4,468,245 | 4,317,457 | 5,325,559 | 5,981,095 | 5,666,014 | 6,217,588 |
| Airport | 1,645,690 | 1,251,045 | 1,176,860 | 750,231 | 1,123,873 | 1,022,457 | 1,101,662 | 1,162,374 | 1,223,916 | 1,447,508 |
| Total Business-Type Activities Expenses | 6,028,413 | 5,920,881 | 6,019,031 | 5,053,233 | 5,592,118 | 5,339,914 | 6,427,221 | 7,143,469 | 6,889,930 | 7,665,096 |
| Total Primary Government Expenses | \$ 29,192,876 | \$ 32,773,874 | \$ 36,385,923 | \$ 35,880,980 | \$ 37,315,464 | \$ 35,808,420 | \$ 35,435,226 | \$ 38,199,798 | \$ 40,397,740 | \$ 43,086,075 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Governemnt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 592,272 | \$ - |
| Public Safety | 3,830,520 | 3,874,623 | 3,953,202 | 4,301,238 | 3,369,994 | 2,145,969 | 2,300,732 | 2,351,472 | 2,490,619 | 2,471,243 |
| Public Works | - | - | - | - | - | 1,697,877 | 1,734,248 | 2,048,351 | 2,309,254 | 2,351,675 |
| Operating Grants/Contributions | 3,473,180 | 3,700,821 | 3,505,024 | 3,186,814 | 3,238,715 | 36,977,882 | 4,563,382 | 4,756,272 | 5,037,641 | 4,450,657 |
| Capital Grants/Contributions | 247,718 | 219,887 | 207,430 | 299,616 | 216,871 | - | - | - | - | - |
| Total Governmental Activities Program Revenues | 7,551,418 | 7,795,331 | 7,665,656 | 7,787,668 | 6,825,580 | 40,821,728 | 8,598,362 | 9,156,095 | 10,429,786 | 9,273,575 |
| Business-Type Activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Water and Sewer | 3,933,546 | 4,184,152 | 4,157,944 | 4,351,710 | 4,573,239 | 4,513,328 | 6,322,957 | 6,403,225 | 6,230,973 | 6,359,877 |
| Airport | 864,910 | 492,071 | 530,731 | 453,764 | 424,426 | 437,774 | 500,927 | 498,262 | 438,668 | 522,437 |
| Capital Grants/Contributions | - | 369,351 | 133,469 | 143,407 | 2,172,099 | 1,617,939 | 1,389,277 | 1,058,638 | 729,240 | 1,236,768 |
| Total Business-Type Activities Program Revenues | 4,798,456 | 5,045,574 | 4,822,144 | 4,948,881 | 7,169,764 | 6,569,041 | 8,213,161 | 7,960,125 | 7,398,881 | 8,119,082 |
| Total Primary Government Program Revenues | \$ 12,349,874 | \$ 12,840,905 | \$ 12,487,800 | \$ 12,736,549 | \$ 13,995,344 | \$ 47,390,769 | \$ 16,811,523 | \$ 17,116,220 | \$ 17,828,667 | \$ 17,392,657 |
| Net (Expense) Revenue | | | | | | | | | | |
| Governmental Activities | \$ (15,613,045) | \$ (19,057,662) | \$ (22,701,236) | \$ (23,040,079) | \$ (24,897,766) | \$ 10,353,222 | \$ (20,409,643) | \$ (21,900,234) | \$ (23,078,024) | \$ (26,147,404) |
| Business-Type Activities | (1,229,957) | (875,307) | (1,196,887) | (104,352) | 1,577,646 | 1,229,127 | 1,785,940 | 816,656 | 508,951 | 453,986 |
| Total Primary Government Net (Expense) Revenue | \$ (16,843,002) | \$ (19,932,969) | \$ (23,898,123) | \$ (23,144,431) | \$ (23,320,120) | \$ 11,582,349 | \$ (18,623,703) | \$ (21,083,578) | \$ (22,569,073) | \$ (25,693,418) |

* Accrual Basis of Accounting
Data Source: Village Records

Village of Lansing, Illinois

Changes in Net Position - Last Ten Fiscal Years* (Continued)
 April 30, 2016 (Unaudited)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|-----------------------|----------------------|-----------------------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property | \$ 14,358,494 | \$ 14,379,750 | \$ 15,084,069 | \$ 12,714,276 | \$ 10,696,637 | \$ 10,560,834 | \$ 9,861,199 | \$ 10,099,264 | \$ 11,453,277 | \$ 10,409,475 |
| Utility | 881,869 | 936,549 | 1,550,986 | 1,617,512 | 1,619,697 | 1,471,116 | 1,495,769 | 1,644,507 | 1,578,532 | 1,357,840 |
| Other | 237,192 | 275,892 | 314,333 | 276,789 | 1,783,806 | 2,021,883 | 2,009,467 | 1,912,034 | 2,096,470 | 1,373,240 |
| Intergovernmental - Unrestricted | | | | | | | | | | |
| State Sales and Use Taxes | 7,575,897 | 7,627,883 | 6,912,266 | 5,905,955 | 5,726,422 | 5,368,145 | 5,237,988 | 5,086,620 | 5,930,604 | 6,567,287 |
| Replacement Taxes | 210,407 | 233,251 | 204,767 | 168,712 | 208,191 | 188,269 | 194,345 | 207,924 | 213,040 | 174,403 |
| Other | - | - | - | - | - | - | - | - | - | 773,771 |
| Interest | 490,129 | 426,400 | 168,972 | 90,843 | 69,807 | 27,773 | 16,496 | 28,626 | 20,735 | 14,357 |
| Miscellaneous | 989,553 | 1,140,746 | 1,466,330 | 1,429,863 | 1,801,483 | 1,860,151 | 648,878 | 832,059 | 619,900 | 553,662 |
| Disposal of Assets | (68,069) | - | - | - | - | - | - | - | - | - |
| Transfers | 921,825 | 925,568 | 253,758 | 832,587 | (104,577) | (191,374) | (127,212) | (190,722) | (184,427) | (186,697) |
| Total Governmental Activities | <u>25,597,297</u> | <u>25,946,039</u> | <u>25,955,481</u> | <u>23,036,537</u> | <u>21,801,466</u> | <u>21,306,797</u> | <u>19,336,930</u> | <u>19,620,312</u> | <u>21,728,131</u> | <u>21,037,338</u> |
| Business-Type Activities | | | | | | | | | | |
| Interest | 741 | 1,054 | 467 | 579 | 1,195 | 1,102 | - | - | - | 267,616 |
| Transfers | (921,825) | (925,568) | (253,758) | (832,587) | 104,577 | 191,374 | 127,212 | 190,722 | 184,427 | (80,919) |
| Total Business-Type Activities | <u>(921,084)</u> | <u>(924,514)</u> | <u>(253,291)</u> | <u>(832,008)</u> | <u>105,772</u> | <u>192,476</u> | <u>127,212</u> | <u>190,722</u> | <u>184,427</u> | <u>186,697</u> |
| Total Primary Government General Revenues | <u>\$ 24,676,213</u> | <u>\$ 25,021,525</u> | <u>\$ 25,702,190</u> | <u>\$ 22,204,529</u> | <u>\$ 21,907,238</u> | <u>\$ 21,499,273</u> | <u>\$ 19,464,142</u> | <u>\$ 19,811,034</u> | <u>\$ 21,912,558</u> | <u>\$ 21,224,035</u> |
| Changes in Net Position | | | | | | | | | | |
| Governmental Activities | \$ 9,984,252 | \$ 6,888,377 | \$ 3,254,245 | \$ (3,542) | \$ (3,096,300) | \$ 31,660,019 | \$ (1,072,713) | \$ (2,279,922) | \$ (1,349,893) | \$ (5,110,066) |
| Business-Type Activities | (2,151,041) | (1,799,821) | (1,450,178) | (936,360) | 1,683,418 | 1,421,603 | 1,913,152 | 1,007,378 | 693,378 | 640,683 |
| Total Primary Government | <u>\$ 7,833,211</u> | <u>\$ 5,088,556</u> | <u>\$ 1,804,067</u> | <u>\$ (939,902)</u> | <u>\$ (1,412,882)</u> | <u>\$ 33,081,622</u> | <u>\$ 840,439</u> | <u>\$ (1,272,544)</u> | <u>\$ (656,515)</u> | <u>\$ (4,469,383)</u> |

* Accrual Basis of Accounting
 Data Source: Village Records

Village of Lansing, Illinois

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Unreserved | \$ (1,104,974) | \$ (1,496,168) | \$ 6,923,192 | \$ 2,933,944 | \$ 2,695,217 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nonspendable | - | - | - | - | - | 160,858 | 283,041 | 169,974 | 3,259,719 | 3,677,157 |
| Restricted | - | - | - | - | - | 22,423 | 16,349 | 20,266 | 21,377 | 20,435 |
| Unassigned | - | - | - | - | - | 2,291,355 | 2,218,953 | 3,944,435 | 2,246,921 | 3,505,473 |
| Total General Fund | (1,104,974) | (1,496,168) | 6,923,192 | 2,933,944 | 2,695,217 | 2,474,636 | 2,518,343 | 4,134,675 | 5,528,017 | 7,203,065 |
| All Other Governmental Funds | | | | | | | | | | |
| Unreserved, Reported in, | | | | | | | | | | |
| Special Revenue Funds | 156,052 | 104,729 | 217,305 | 2,847,588 | 2,970,372 | - | - | - | - | - |
| Debt Service Funds | 3,754,163 | 4,301,920 | 1,898,519 | 2,878,406 | 3,188,362 | - | - | - | - | - |
| Capital Projects Funds | 14,080,665 | 16,963,504 | 14,515,664 | 15,989,748 | 14,531,391 | - | - | - | - | - |
| Nonspendable | - | - | - | - | - | - | - | - | - | 2,025,130 |
| Restricted | - | - | - | - | - | 19,905,136 | 20,572,601 | 20,429,314 | 17,966,295 | 14,652,498 |
| Unassigned | - | - | - | - | - | - | - | (481,053) | (753,567) | (1,015,947) |
| Total All Other Governmental Funds | 17,990,880 | 21,370,153 | 16,631,488 | 21,715,742 | 20,690,125 | 19,905,136 | 20,572,601 | 19,948,261 | 17,212,728 | 15,661,681 |
| Total Governmental Funds | \$ 16,885,906 | \$ 19,873,985 | \$ 23,554,680 | \$ 24,649,686 | \$ 23,385,342 | \$ 22,379,772 | \$ 23,090,944 | \$ 24,082,936 | \$ 22,740,745 | \$ 22,864,746 |

* Modified Accrual Basis of Accounting

Data Source: Village Records

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

Village of Lansing, Illinois

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2016 (Unaudited)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|---------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|-------------------|-------------------|-----------------------|-------------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 23,263,858 | \$ 23,453,325 | \$ 24,066,421 | \$ 20,683,244 | \$ 19,826,562 | \$ 19,421,978 | \$ 18,604,423 | \$ 18,388,240 | \$ 20,338,325 | \$ 21,227,827 |
| Licenses, Permits and Fees | 582,395 | 682,777 | 618,937 | 762,998 | 745,289 | 772,851 | 858,482 | 910,621 | 823,428 | 849,463 |
| Intergovernmental | 3,720,898 | 3,920,708 | 3,712,454 | 2,970,114 | 3,916,519 | 4,217,163 | 4,721,365 | 4,211,424 | 4,686,435 | 4,649,248 |
| Charges for Services | 1,260,715 | 1,260,160 | 1,252,824 | 1,286,697 | 1,698,451 | 1,697,877 | 1,734,248 | 2,050,726 | 2,309,804 | 2,352,900 |
| Fines and Forfeitures | 1,987,410 | 1,931,686 | 2,081,441 | 2,251,543 | 926,254 | 1,373,119 | 1,442,250 | 1,558,424 | 1,938,433 | 1,708,448 |
| Interest | 490,129 | 426,400 | 168,972 | 90,843 | 69,807 | 27,773 | 16,496 | 28,626 | 20,735 | 14,357 |
| Miscellaneous | 989,553 | 1,140,746 | 1,466,330 | 1,429,863 | 1,801,483 | 1,860,151 | 648,878 | 832,059 | 618,665 | 651,505 |
| Total Revenues | 32,294,958 | 32,815,802 | 33,367,379 | 29,475,302 | 28,984,365 | 29,370,912 | 28,026,142 | 27,980,120 | 30,735,825 | 31,453,748 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General Government | 8,212,673 | 9,017,212 | 9,464,092 | 9,350,368 | 11,184,474 | 8,510,802 | 8,108,767 | 6,814,978 | 8,279,923 | 4,832,575 |
| Public Safety | 12,933,132 | 14,261,441 | 14,550,807 | 12,998,013 | 14,325,704 | 12,455,293 | 12,057,482 | 12,779,556 | 13,830,312 | 16,427,122 |
| Public Works | - | - | - | - | - | 2,808,136 | 2,647,837 | 4,966,490 | 3,547,428 | 3,430,532 |
| Capital Outlay | 3,236,278 | 2,408,490 | 7,564,890 | 8,342,255 | 4,281,321 | 4,715,425 | 2,547,168 | 2,114,903 | 4,318,563 | 4,539,362 |
| Debt Service | | | | | | | | | | |
| Principal | 4,960,616 | 5,621,866 | 7,415,940 | 1,408,851 | 567,398 | 808,301 | 1,006,277 | 1,018,979 | 1,237,873 | 1,177,719 |
| Interest and fees | 906,220 | 744,285 | 920,796 | 814,273 | 867,235 | 887,151 | 820,227 | 801,783 | 784,869 | 735,740 |
| Bond issuance costs | - | - | - | - | - | - | - | - | 132,493 | - |
| Total Expenditures | 30,248,919 | 32,053,294 | 39,916,525 | 32,913,760 | 31,226,132 | 30,185,108 | 27,187,758 | 28,496,689 | 32,131,461 | 31,143,050 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 2,046,039 | 762,508 | (6,549,146) | (3,438,458) | (2,241,767) | (814,196) | 838,384 | (516,569) | (1,395,636) | 310,698 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Bond proceeds | - | 1,300,000 | 9,976,083 | 3,700,877 | 1,082,000 | - | - | - | 7,615,000 | - |
| Installment Note Proceeds | - | - | - | - | - | - | - | 1,699,283 | 100,372 | - |
| Transfer to escrow agent | - | - | - | - | - | - | - | - | (8,330,000) | - |
| Premium on bond issuance | - | - | - | - | - | - | - | - | 852,500 | - |
| Transfers In | 9,300,605 | 5,727,609 | 9,071,900 | 6,486,506 | 1,780,570 | 1,887,195 | 1,828,811 | 897,045 | 2,410,955 | 3,721,157 |
| Transfers Out | (8,378,780) | (4,802,041) | (8,818,142) | (5,653,919) | (1,885,147) | (2,078,569) | (1,956,023) | (1,087,767) | (2,595,382) | (3,907,854) |
| Total Other Financing Sources (Uses) | 921,825 | 2,225,568 | 10,229,841 | 4,533,464 | 977,423 | (191,374) | (127,212) | 1,508,561 | 53,445 | (186,697) |
| Net Change in Fund Balances | \$ 2,967,864 | \$ 2,988,076 | \$ 3,680,695 | \$ 1,095,006 | \$ (1,264,344) | \$ (1,005,570) | \$ 711,172 | \$ 991,992 | \$ (1,342,191) | \$ 124,001 |
| Debt Service as a Percentage of Noncapital Expenditures | 19.3952% | 19.8611% | 20.8854% | 6.7544% | 4.5943% | 5.6168% | 6.7181% | 6.3894% | 6.2952% | 6.1441% |

* Modified Accrual Basis of Accounting
Data Source: Village Records