

Village of Lansing, Illinois

Annual Financial Report
April 30, 2017

Contents

Independent Auditor's Report	1-2
Required Supplementary Information	
Management's Discussion and Analysis (MD&A)	3-12
Basic Financial Statements	
Government-Wide Financial Statements (GWFS)	
Statement of Net Position (Deficit)	13-14
Statement of Activities	15
Fund Financial Statements (FFS)	
Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19-20
Statement of Net Position – Enterprise Funds	21
Statement of Revenues, Expenses and Changes in Net Position – Enterprise Funds	22
Statement of Cash Flows – Enterprise Funds	23-24
Statement of Fiduciary Net Position – Fiduciary Funds	25
Statement of Changes in Fiduciary Net Position – Pension Trust Funds	26
Notes to Basic Financial Statements	27-73
Required Supplementary Information	
Schedule of Funding Progress - Postemployment Healthcare Plan	74
Schedule of Employee Contributions - Postemployment Healthcare Plan	74
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related Ratios and Investment Returns – Illinois Municipal Retirement Fund	75
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related Ratios and Investment Returns – Police Pension Plan	76
Schedule of Changes in Net Position Liability, Total Pension Liability and Related Ratios and Investment Returns – Firefighters' Pension Plan	77
Schedule of Contributions – Police Pension Plan, Firefighters' Pension Plan and Illinois Municipal Retirement Fund	78-79
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	80
Notes to Required Supplementary Information	81-83
Supplementary Information	
Schedule of Revenues – Budget and Actual – General Fund	84
Schedule of Expenditures – Budget and Actual – General Fund	85-91
Combining Balance Sheet – Nonmajor Governmental Funds	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	93
Combining Balance Sheet – Nonmajor Special Revenue Funds	94
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	95
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Nonmajor Special Revenue Funds	96-97

Contents

Supplementary Information (Continued)	
Combining Balance Sheet – Nonmajor Capital Projects Funds	98
Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	99
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Nonmajor Capital Projects Funds	100
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Nonmajor Debt Service Fund	101
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Municipal Airport	102-103
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Waterworks and Sewerage	104-105
Combining Statement of Changes in Assets and Liabilities – Agency Funds	106
Balance Sheet – Component Unit – Public Library	107
Reconciliation of the Balance Sheet – Component Unit – Public Library to the Statement of Net Position	108
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Component Unit – Public Library	109
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Component Unit – Public Library to the Statement of Activities	110
Schedule of Expenditures – Budget and Actual – Component Unit – Public Library Fund	111-112
Other Information (Unaudited)	
Schedule of Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections	113
Schedule of Debt Service Requirements	114-116
Net Position by Component – Last Ten Fiscal Years	117
Changes in Net Position – Last Ten Fiscal Years	118-119
Fund Balances of Government Funds – Last Ten Fiscal Years	120
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	121



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, 2017, 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (on pages 3-12), pension and postemployment related information (on pages 74-79), budgetary comparison information (on page 80), and the notes to required supplementary information (on pages 81-83) 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
October 19, 2017

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2017

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, 2017.

FINANCIAL HIGHLIGHTS

- During the year, government-wide revenues for the primary government totaled \$32,603,944 while expenses totaled \$39,740,877, resulting in a decrease to net position of \$7,136,933. The Village's net position of business-type activities increased by \$984,506.
- The Village's net position totaled \$20,736,074 on April 30, 2017, which includes \$72,505,589 net investment in capital assets, \$14,276,665 subject to external restrictions, and an unrestricted net deficit of \$66,046,180.
- The General Fund reported a surplus this year of \$719,660, resulting in ending fund balance of \$7,922,725, 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 117-119 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).

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.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2017

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – continued

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. Detailed financial statements for the Lansing Public Library can be found on pages 107-112.

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.

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.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2017

USING THIS ANNUAL REPORT – Continued

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 - 73 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 74 - 83 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 84 - 112 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 113 – 121 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 \$20,736,074. The following table is the condensed Village of Lansing's Statement of Net Position as of April 30, 2017 and 2016.

VILLAGE OF LANSING, ILLINOIS

Management’s Discussion and Analysis
April 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Net Position (In Millions)					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 30.6	\$ 27.9	\$ 6.0	\$ 6.1	\$ 36.6	\$ 34.0
Interfund Balances	4.8	4.3	(4.8)	(4.3)	-	-
Capital Assets (net)	55.4	57.4	31.6	29.8	87.0	87.2
Total Assets	90.8	89.6	32.8	31.6	123.6	121.2
Deferred Outflows of Resources	18.1	21.1	0.5	0.6	18.6	21.7
Current Liabilities	3.6	3.9	1.7	1.5	5.3	5.4
Noncurrent Liabilities	103.1	103.6	2.5	2.7	105.6	106.3
Total Liabilities	106.7	107.5	4.2	4.2	110.9	111.7
Deferred Inflows of Resources	10.5	4.4	-	-	10.5	4.4
Net Position						
Net Investment in Capital Assets	41.7	42.8	30.8	28.7	72.5	71.5
Restricted	14.3	14.9	-	-	14.3	14.9
Unrestricted (Deficit)	(64.3)	(58.9)	(1.7)	(0.7)	(66.0)	(59.6)
Total Net Position	\$ (8.3)	\$ (1.2)	\$ 29.1	\$ 28.0	\$ 20.8	\$ 26.8

Of the Village’s net position, \$72,505,589 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, \$14,276,665, of the Village’s net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit, \$66,046,180, represents unrestricted net position.

VILLAGE OF LANSING, ILLINOIS

**Management's Discussion and Analysis
April 30, 2017**

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, 2017 and 2016.

	Net Position (In Millions)					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Services	\$ 5.0	\$ 4.8	\$ 7.1	\$ 6.9	\$ 12.1	\$ 11.7
Operating Grants/Contrib.	5.1	4.5	1.9	1.2	7.0	5.7
General Revenues:						
Property Taxes	11.8	10.4	-	-	11.8	10.4
Other Taxes	10.2	10.2	-	-	10.2	10.2
Miscellaneous	0.7	0.6	-	-	0.7	0.6
Transfers In (Out)	(0.2)	(0.2)	0.2	0.2	-	-
Total Revenues	<u>32.6</u>	<u>30.3</u>	<u>9.2</u>	<u>8.3</u>	<u>41.8</u>	<u>38.6</u>
Expenses:						
General Government	12.0	10.4	-	-	12.0	10.4
Public Safety	23.1	20.7	-	-	23.1	20.7
Interest Expense	0.6	0.6	-	-	0.6	0.6
Public Works	4.0	3.7	6.6	6.2	10.6	9.9
Airport	-	-	1.6	1.5	1.6	1.5
Total Expenses	<u>39.7</u>	<u>35.4</u>	<u>8.2</u>	<u>7.7</u>	<u>47.9</u>	<u>43.1</u>
Change in Net Position	(7.1)	(5.1)	1.0	0.6	(6.1)	(4.5)
Net Position - Beginning	(1.2)	3.9	28.1	27.4	26.9	31.3
Net Position - Ending	<u>\$ (8.3)</u>	<u>\$ (1.2)</u>	<u>\$ 29.1</u>	<u>\$ 28.0</u>	<u>\$ 20.8</u>	<u>\$ 26.8</u>

The net deficit position of the Village's governmental activities increased by \$7,136,933 in 2017 in relation to the Village's net deficit position of \$1,200,273 in 2016. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$(64,335,151) at April 30, 2017.

Net position of business-type activities increased by \$984,506 or 3.5 percent to \$29,073,280 in 2017 as compared to \$28,088,774 in 2016.

Governmental Activities

Revenues for governmental activities totaled \$32,603,944 while the cost of all governmental functions and net transfers totaled \$39,740,877. This results in a deficit of \$7,136,933. In 2016, expenses of \$35,420,979 exceeded revenues of \$30,310,913, resulting in a deficit of \$5,110,066.

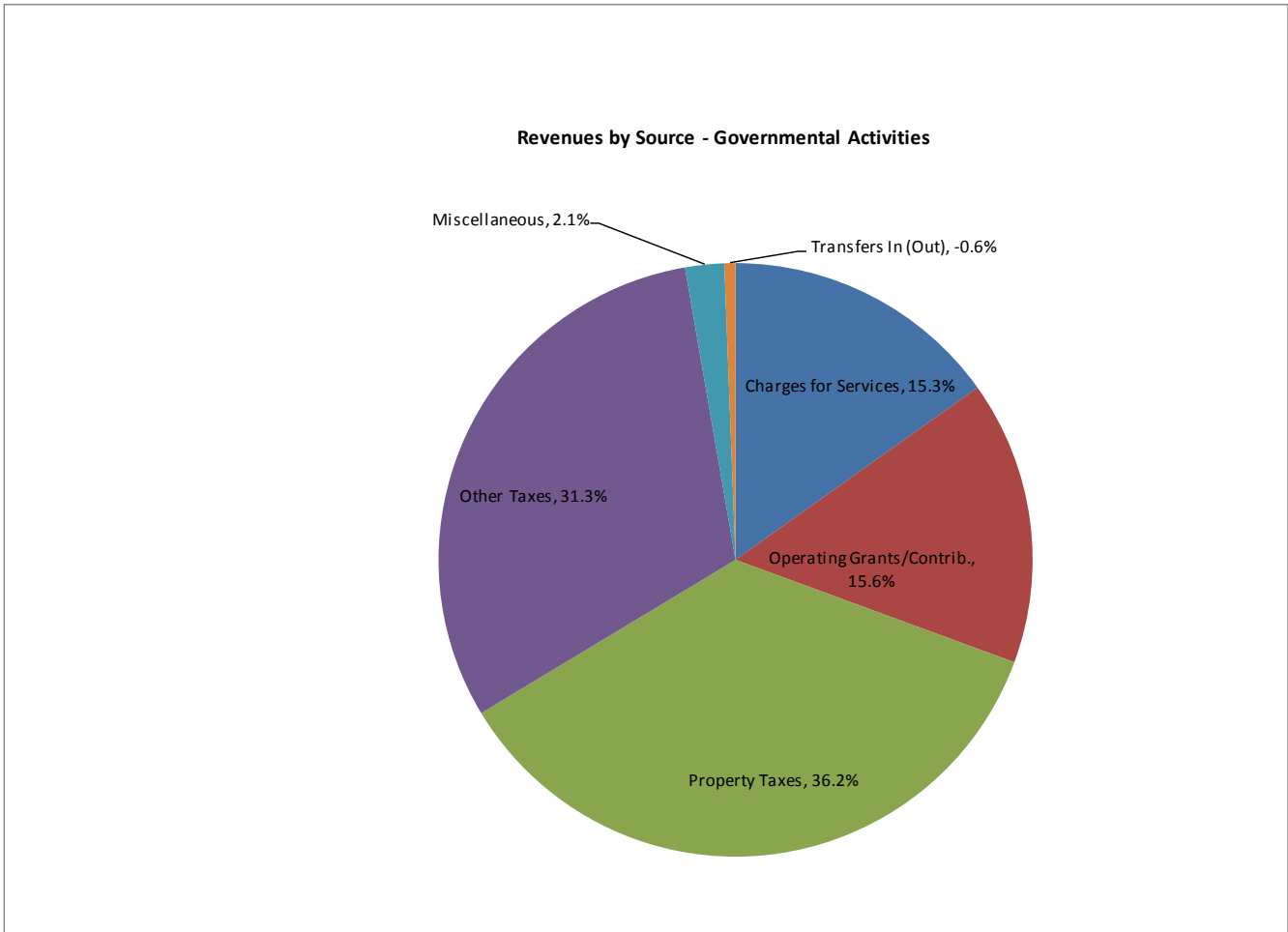
VILLAGE OF LANSING, ILLINOIS

**Management’s Discussion and Analysis
April 30, 2017**

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.



36.2 percent 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.

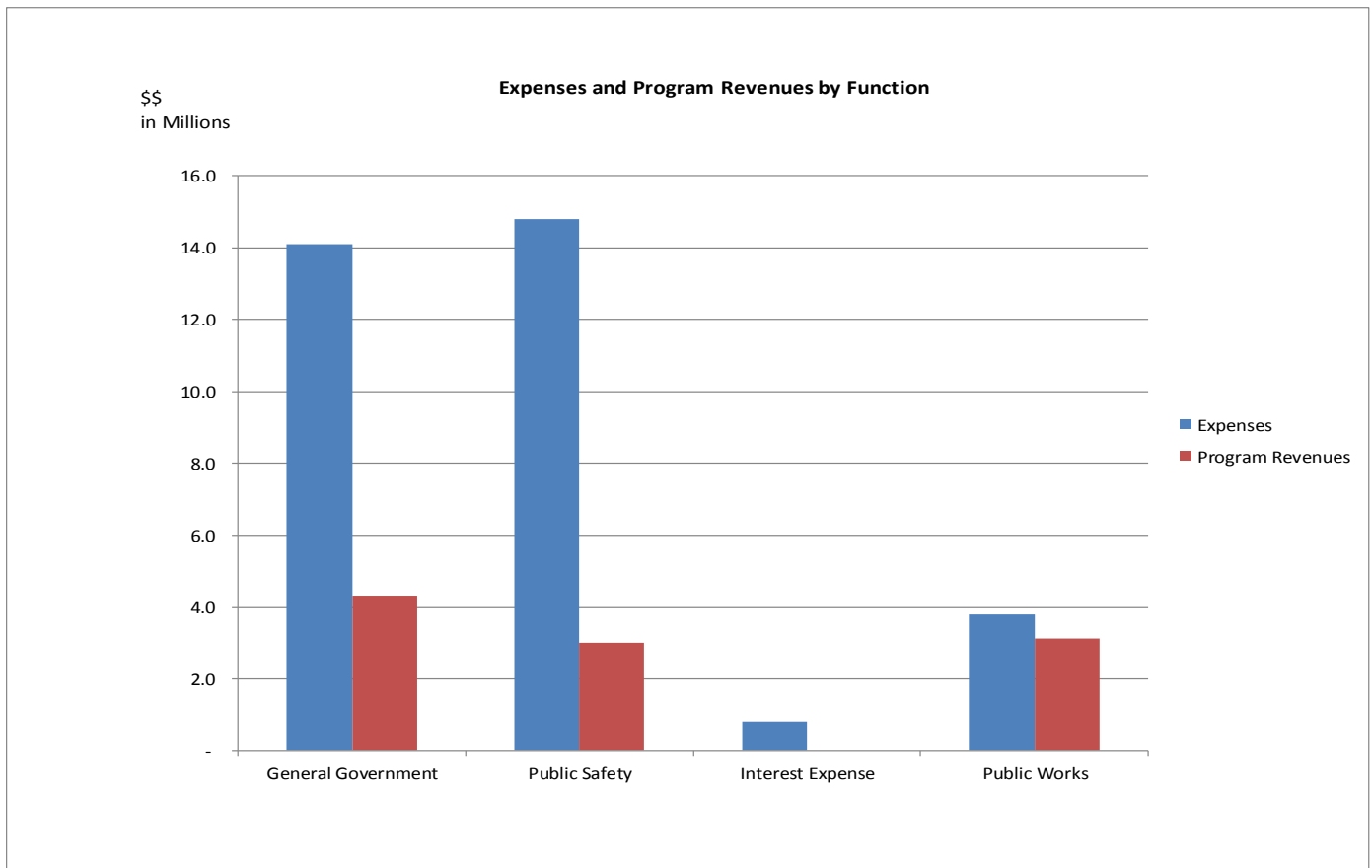
The 'Expenses and Program Revenues' Table emphasizes governmental program expenses greatly exceed revenues.

VILLAGE OF LANSING, ILLINOIS

Management’s Discussion and Analysis
April 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – continued



FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

Business-Type Activities

Business-type activities in 2017 posted total revenues and net transfers in of \$9,274,162, while the cost of all business-type activities totaled \$8,289,656. This results in an increase of net position of \$984,506. In 2016, revenues of \$8,305,779 exceed expenses of \$7,665,096, resulting in a surplus of \$640,683.

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

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 \$22,907,217, which is \$42,471 or 0.1 percent higher than last year’s total of \$22,864,746. Of the \$22,907,217 total, \$3,102,495, or approximately 13.5 percent, of the fund balance constitutes unassigned fund balance.

VILLAGE OF LANSING, ILLINOIS

Management's Discussion and Analysis April 30, 2017

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – continued

The General Fund reported a positive change in fund balance for the year of \$719,660, an increase of 10.0 percent. Increases in almost every category of revenue attributed to the increase. Budgeted expenditures totaled \$32,931,850 while actual expenditures totaled \$25,525,080. These variances are further outlined on the General Fund Budgetary Highlights on the pages 84-91.

The General Fund is the chief operating fund of the Village. At April 30, 2017, unassigned fund balance in the General Fund was \$3,677,989, which represents 46.4 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 14.4 percent of total General Fund expenditures.

The TIF Ridge Road Fund reported a decrease in fund balance in the amount of \$39,678 during fiscal year 2017. The fund serves to spur economic development and revitalization in the historic 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 façade 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. Plans continue 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. Construction on these two major projects will begin immediately following the end of the fiscal year.

The TIF Bernice Road Fund reported an increase in fund balance in the amount of \$817,529 during fiscal year 2017. This tax incremental financing district covers a commercial/industrial area of the Village. A significant amount of the \$514,810 of the current expenditures was for public works projects within the project area. Of that amount, \$414,349 was paid as part of a redevelopment agreement for eligible capital improvements in conjunction with the opening of a big box store in the previous year. The Village board approved a \$1.3 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 \$6,336,171 increased by \$122,916 or 1.9 percent. Operating expenses of \$5,481,648 were 7.4 percent higher than the prior year. This resulted in an increase in net position of \$1,704,337. This increase includes \$1,874,388 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, 2017 was \$21,607,353, while the previous fiscal year reported net position of \$19,903,016. Unrestricted net position in the Fund totaled \$2,993,519 at April 30, 2017. The Village anticipates beginning a major capital project of upgrading the Waterworks and Sewerage Fund's capital assets in the near future.

The Village reports the Municipal Airport fund as a major proprietary fund. The Municipal Airport Fund 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 \$717,602. The net position in the Municipal Airport Fund at April 30, 2017 was \$7,434,257, while the previous fiscal year reported net position of \$8,151,859. Unrestricted net position in the Fund was a deficit of \$4,736,218. During the fiscal year the Airport promoted the fuel sales located on the field, which were previously operated by a Fixed Base Operator.

VILLAGE OF LANSING, ILLINOIS

**Management’s Discussion and Analysis
April 30, 2017**

Proprietary Funds (continued)

The Airport entered into concession agreements with a couple of business operators who will begin to operate businesses within the airport property. The Airport management continues to address other operational issues to strengthen the financial viability of the Airport. The Airport reported \$109,808 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 \$1,314,527 in the current year and lower than budgeted revenues by \$17,017 in the prior year. In 2017, the lower than anticipated revenue was a direct result of lower taxes. The most significant reduction was in intergovernmental revenues which were \$696,797 lower than budgeted. In 2017, actual General Fund expenditures were lower than final budgeted expenditures by \$7,406,770 and lower than budgeted expenditures by \$1,494,658 in 2016. There was a \$719,660 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, 2017 and 2016 amounts to \$86,672,917 and \$87,245,267, 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	
	2017	2016	2017	2016	2017	2016
Land	\$ 10.2	\$ 10.3	\$ 10.0	\$ 9.9	\$ 20.2	\$ 20.2
Construction in Progress	1.7	1.0	1.2	1.0	2.9	2.0
Land Improvements	2.1	2.3	-	-	2.1	2.3
Buildings	6.8	6.8	-	-	6.8	6.8
Equipment	2.5	3.0	-	-	2.5	3.0
Infrastructure	31.7	34.0	-	-	31.7	34.0
Waterworks and Sewerage System	-	-	15.4	13.8	15.4	13.8
Municipal Airport System	-	-	5.0	5.1	5.0	5.1
	<u>\$ 55.0</u>	<u>\$ 57.4</u>	<u>\$ 31.6</u>	<u>\$ 29.8</u>	<u>\$ 86.6</u>	<u>\$ 87.2</u>

CAPITAL ASSETS AND DEBT ADMINISTRATION

This year’s major additions include:

Governmental Construction	\$ 715,249
Waterworks and Sewerage Construction	1,139,568
Waterworks and Sewerage System	<u>2,810,022</u>
	<u><u>\$ 4,664,839</u></u>

Additional information on the Village’s capital assets can be found in Note 4 on pages 39-41 of this report.

VILLAGE OF LANSING, ILLINOIS

**Management’s Discussion and Analysis
April 30, 2017**

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village had total outstanding debt of \$105,391,955 as compared to \$106,816,349 in the previous year. The following is a comparative statement of outstanding debt:

	Long - Term Debt Outstanding (In Millions)					
	Governmental		Business-type		Total	
	Activities	Activities	Activities	Activities	2017	2016
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 12.4	\$ 13.2	\$ 0.8	\$ 0.9	\$ 13.2	\$ 14.1
Unamortized Bond Discount/Premium	0.5	0.6	-	-	0.5	0.6
Installment Notes Payable	0.6	1.0	0.1	0.1	0.7	1.1
Compensated Absences	1.4	1.4	0.1	0.1	1.5	1.5
Net Pension Liability	78.6	79.3	1.6	1.6	80.2	80.9
Other Post Emp. Benefits	9.3	8.5	-	-	9.3	8.5
	<u>\$ 102.8</u>	<u>\$ 104.0</u>	<u>\$ 2.6</u>	<u>\$ 2.7</u>	<u>\$ 105.4</u>	<u>\$ 106.7</u>

Additional information on the Village’s long-term debt can be found in Note 5 on pages 41 - 45 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 2018 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 2018. The General Fund budgeted expenditures of \$33.4 million after transfers is an increase of 2.5 percent over the 2017 budget. Revenues for 2018 are budgeted at \$27.7 million, a 2 percent increase over the 2017 budget. The Village approves an operating budget for expenditures which is approximately 80 percent of its legal appropriation budget. For fiscal year 2018 the general fund operating budget expenditures is \$27.7 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, 2017

	Governmental Activities	Business-Type Activities	Total	Component Unit Public Library
Assets				
Current:				
Cash and cash equivalents	\$ 17,944,285	\$ 4,372,626	\$ 22,316,911	\$ 2,931,145
Receivables:				
Property taxes	8,502,344	-	8,502,344	1,237,426
Intergovernmental	1,171,365	64,805	1,236,170	-
Accounts, customers	2,749,941	1,475,303	4,225,244	-
Prepaid items	279,264	91,913	371,177	21,480
Interfund balances	4,810,528	(4,810,528)	-	-
Total current assets	35,457,727	1,194,119	36,651,846	4,190,051
Noncurrent:				
Due to / Advance to fiduciary funds	20,099	-	20,099	-
Property held for resale	373,639	-	373,639	-
Capital assets, not being depreciated	11,927,945	11,211,221	23,139,166	-
Capital assets, net of accumulated depreciation	43,122,823	20,410,928	63,533,751	3,122,703
Total noncurrent assets	55,444,506	31,622,149	87,066,655	3,122,703
Total assets	90,902,233	32,816,268	123,718,501	7,312,754
Deferred Outflows of Resources				
Deferred loss on refunding	152,089	-	152,089	-
Pension actuarial adjustments	17,898,002	543,317	18,441,319	221,488
Total deferred outflows of resources	18,050,091	543,317	18,593,408	221,488
Total assets and deferred outflows of resources	108,952,324	33,359,585	142,311,909	7,534,242

Village of Lansing, Illinois

Statement of Net Position (Deficit) (Continued)
April 30, 2017

	Governmental Activities	Business-Type Activities	Total	Component Unit Public Library
Liabilities				
Current:				
Accounts payable	\$ 1,792,242	\$ 949,281	\$ 2,741,523	\$ 62,450
Accrued payroll	250,418	33,180	283,598	19,591
Accrued interest	97,134	10,071	107,205	5,154
Other payables	95,308	-	95,308	-
Refundable deposits	141,983	537,389	679,372	-
General obligation bonds	880,000	145,000	1,025,000	155,000
Installment notes payable	313,305	22,647	335,952	-
Compensated absences	11,685	-	11,685	71,146
Total current liabilities	3,582,075	1,697,568	5,279,643	313,341
Noncurrent:				
General obligation bonds, net	12,031,997	606,000	12,637,997	670,101
Installment notes payable	256,275	64,193	320,468	-
Claims payable	1,436,701	142,206	1,578,907	70,122
Net pension liability	78,604,747	1,623,421	80,228,168	750,838
Due from / Advance from fiduciary funds	145,407	-	145,407	-
Other postemployment benefits	9,327,384	-	9,327,384	-
Compensated absences	1,388,500	116,801	1,505,301	-
Total noncurrent liabilities	103,191,011	2,552,621	105,743,632	1,491,061
Total liabilities	106,773,086	4,250,189	111,023,275	1,804,402
Deferred Inflows of Resources				
Deferred property taxes	8,048,298	-	8,048,298	1,193,012
Pension actuarial adjustments	2,468,146	36,116	2,504,262	29,256
Total deferred inflows of resources	10,516,444	36,116	10,552,560	1,222,268
Net Position (Deficit)				
Net investment in capital assets	41,721,280	30,784,309	72,505,589	2,297,602
Restricted:				
Street and bridge improvements	210,096	-	210,096	-
IMRF / FICA	868,351	-	868,351	-
Public safety	786,796	-	786,796	-
Capital projects	10,929,649	-	10,929,649	-
Debt service	1,481,773	-	1,481,773	-
Unrestricted (deficit)	(64,335,151)	(1,711,029)	(66,046,180)	2,209,970
Total net position (deficit)	\$ (8,337,206)	\$ 29,073,280	\$ 20,736,074	\$ 4,507,572

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Activities
Year Ended April 30, 2017

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	\$ 12,034,479	\$ -	\$ 3,963,525	\$ (8,070,954)	\$ -	\$ (8,070,954)	\$ -
Public safety	23,072,544	2,603,211	435,250	(20,034,083)	-	(20,034,083)	-
Public works	4,069,207	2,417,585	718,091	(933,531)	-	(933,531)	-
Interest and fees	564,647	-	-	(564,647)	-	(564,647)	-
Total governmental activities	<u>39,740,877</u>	<u>5,020,796</u>	<u>5,116,866</u>	<u>(29,603,215)</u>	<u>-</u>	<u>(29,603,215)</u>	<u>-</u>
Business-type activities							
Waterworks and sewerage	6,648,782	6,476,502	1,874,388	-	1,702,108	1,702,108	-
Municipal airport	1,640,874	629,192	109,808	-	(901,874)	(901,874)	-
Total business-type activities	<u>8,289,656</u>	<u>7,105,694</u>	<u>1,984,196</u>	<u>-</u>	<u>800,234</u>	<u>800,234</u>	<u>-</u>
Total primary government	<u>\$ 48,030,533</u>	<u>\$ 12,126,490</u>	<u>\$ 7,101,062</u>	<u>(29,603,215)</u>	<u>800,234</u>	<u>(28,802,981)</u>	<u>-</u>
Component unit:							
Public Library	<u>\$ 1,880,163</u>	<u>\$ 23,326</u>	<u>\$ 21,839</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,834,998)</u>
General revenues							
Taxes:							
Property				11,760,668	-	11,760,668	2,557,988
Sales				6,397,100	-	6,397,100	-
Utility				1,446,840	-	1,446,840	-
Replacement				244,297	-	244,297	-
Motel				769,511	-	769,511	-
Other				1,339,106	-	1,339,106	-
Investment income				13,226	-	13,226	2,807
Miscellaneous				679,806	-	679,806	4,611
Transfers in				3,109,146	229,334	3,338,480	-
Transfers (out)				(3,293,418)	(45,062)	(3,338,480)	-
Total general revenues and transfers				<u>22,466,282</u>	<u>184,272</u>	<u>22,650,554</u>	<u>2,565,406</u>
Change in net position				(7,136,933)	984,506	(6,152,427)	730,408
Net position (deficit), May 1, 2016				<u>(1,200,273)</u>	<u>28,088,774</u>	<u>26,888,501</u>	<u>3,777,164</u>
Net position (deficit), April 30, 2017				<u>\$ (8,337,206)</u>	<u>\$ 29,073,280</u>	<u>\$ 20,736,074</u>	<u>\$ 4,507,572</u>

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Balance Sheet - Governmental Funds
April 30, 2017

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	TIF Ridge Road	TIF Bernice Road		
Assets					
Cash and cash equivalents	\$ 2,881,078	\$ 7,754,216	\$ -	\$ 6,246,303	\$ 16,881,597
Receivables					
Property taxes	4,418,352	870,826	1,628,837	1,584,329	8,502,344
Intergovernmental	1,067,934	-	-	103,431	1,171,365
Accounts, net	2,749,941	-	-	-	2,749,941
Due from other funds	3,341	515,265	-	29,098	547,704
Advance to other funds	3,859,500	714,395	-	751,819	5,325,714
Property held for resale	14,912	101,018	4,409	253,300	373,639
Prepaid items	279,264	-	-	-	279,264
Total assets	\$ 15,274,322	\$ 9,955,720	\$ 1,633,246	\$ 8,968,280	\$ 35,831,568
Liabilities					
Accounts payable	\$ 579,089	\$ 115,129	\$ 168,872	\$ 929,152	\$ 1,792,242
Accrued payroll	228,541	1,149	448	20,280	250,418
Refundable deposits	141,983	-	-	-	141,983
Other	46,513	26,153	-	22,642	95,308
Due to other funds	2,588	-	29,098	2,755	34,441
Advance from other funds	957,102	-	-	196,655	1,153,757
Total liabilities	1,955,816	142,431	198,418	1,171,484	3,468,149
Deferred Inflows of Resources					
Deferred property taxes	4,287,113	862,377	1,628,837	1,569,207	8,347,534
Deferred intergovernmental revenue	1,108,668	-	-	-	1,108,668
Total deferred inflows of resources	5,395,781	862,377	1,628,837	1,569,207	9,456,202
Fund Balances					
Nonspendable for advances	3,859,500	714,395	-	751,819	5,325,714
Nonspendable for property held for resale	14,912	-	-	-	14,912
Nonspendable for prepaid items	279,264	-	-	-	279,264
Restricted	91,060	8,236,517	4,409	5,852,846	14,184,832
Unassigned	3,677,989	-	(198,418)	(377,076)	3,102,495
Total fund balances	7,922,725	8,950,912	(194,009)	6,227,589	22,907,217
Total liabilities, deferred inflows of resources and fund balances	\$ 15,274,322	\$ 9,955,720	\$ 1,633,246	\$ 8,968,280	\$ 35,831,568

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, 2017

Total fund balances-governmental funds	\$ 22,907,217
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.	55,050,768
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.	1,108,668
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.	299,236
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	17,898,002
Deferred inflows due to pensions	(2,468,146)
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.	62,840
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.	(605,837)
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.	152,089
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	(58,980,327)
Net pension liability - Firefighters' Pension Plan	(16,352,763)
Net pension liability - IMRF	(3,271,657)
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	(12,369,000)
Installment notes payable	(569,580)
Accrued interest	(97,134)
Claims payable	(826,449)
Other postemployment benefits	(9,327,384)
Compensated absences	(1,400,185)
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.	452,436
Net position (deficit) of governmental activities	<u>\$ (8,337,206)</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, 2017

	Major funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	TIF Ridge Road	TIF Bernice Road		
Revenues:					
Program:					
Charges for services	\$ 2,418,485	\$ -	\$ -	\$ -	\$ 2,418,485
Licenses and permits	875,302	-	-	-	875,302
Intergovernmental	4,035,401	28,185	-	1,151,957	5,215,543
Fines and forfeitures	1,727,009	-	-	201,384	1,928,393
General:					
Property taxes	7,811,342	1,141,525	-	2,844,145	11,797,012
Other taxes	9,952,557	-	-	-	9,952,557
Interest	5,775	6,957	-	6,150	18,882
Miscellaneous	661,833	-	-	54,310	716,143
Total revenues	27,487,704	1,176,667	-	4,257,946	32,922,317
Expenditures:					
Current:					
General government	3,872,242	69,945	70,051	1,028,940	5,041,178
Public safety	16,833,082	-	-	335,029	17,168,111
Public works	3,400,335	-	-	162,028	3,562,363
Capital outlay	1,419,421	1,146,400	444,759	2,017,441	5,028,021
Debt service:					
Principal	-	-	-	1,251,790	1,251,790
Interest and fees	-	-	-	644,111	644,111
Total expenditures	25,525,080	1,216,345	514,810	5,439,339	32,695,574
Excess (deficiency) of revenues over (under) expenditures	1,962,624	(39,678)	(514,810)	(1,181,393)	226,743
Other financing sources (uses):					
Transfers in	-	-	1,332,339	1,776,807	3,109,146
Transfers (out)	(1,242,964)	-	-	(2,050,454)	(3,293,418)
Total other financing sources (uses)	(1,242,964)	-	1,332,339	(273,647)	(184,272)
Change in fund balances	719,660	(39,678)	817,529	(1,455,040)	42,471
Fund balances (deficit):					
May 1, 2016	7,203,065	8,990,590	(1,011,538)	7,682,629	22,864,746
April 30, 2017	\$ 7,922,725	\$ 8,950,912	\$ (194,009)	\$ 6,227,589	\$ 22,907,217

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, 2017

Net change in fund balances-total governmental funds	\$ 42,471
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	1,029,997
Depreciation	(3,200,816)
Loss on disposal of capital assets	(236,793)
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	(2,993,575)
Deferred inflows of resources related to pension expense	(2,329,363)
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	(1,164,432)
Current year deferred balance	1,108,668
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	(328,529)
Current year deferred balance	299,236
Repayment of principal on long-term debt is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.	
Payment of principal on bonds	860,000
Repayment of principal on long-term note payable is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.	
Payment of principal on lease	391,790

(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, 2017**

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	660,608
Change in accrued interest	4,207
Change in claims payable	(530,898)
Change in other postemployment benefits	(766,016)
Change in compensated absences	(16,752)
Amortization of bond discount	(6,377)
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.

(41,993)

Change in net position of governmental activities

\$ (7,136,933)

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Net Position
Enterprise Funds
April 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Municipal Airport	Waterworks and Sewerage	Total	Internal Service Fund
Assets				
Current Assets				
Cash and cash equivalents	\$ 24,500	\$ 4,273,738	\$ 4,298,238	\$ 1,224,768
Receivables, Accounts:				
Customers, net of allowance for doubtful accounts	23,369	835,148	858,517	-
Unbilled services	-	616,786	616,786	-
Intergovernmental	64,805	-	64,805	-
Prepaid assets	38,486	53,427	91,913	-
Total current assets	151,160	5,779,099	5,930,259	1,224,768
Capital Assets				
Land and improvements	7,888,445	2,070,178	9,958,623	-
Construction in process	152,120	1,100,478	1,252,598	-
Municipal airport system	17,193,285	-	17,193,285	-
Waterworks and sewerage system	-	42,887,397	42,887,397	-
	25,233,850	46,058,053	71,291,903	-
Less accumulated depreciation	12,225,535	27,444,219	39,669,754	-
Net capital assets	13,008,315	18,613,834	31,622,149	-
Advances from other funds	-	233,251	233,251	-
Total assets	13,159,475	24,626,184	37,785,659	1,224,768
Deferred Outflows of Resources				
Pension actuarial adjustments	118,848	424,469	543,317	-
Liabilities				
Current Liabilities				
Accounts payable	99,272	850,009	949,281	-
Claims payable	-	99,488	99,488	703,327
Accrued payroll	7,231	25,949	33,180	-
Accrued interest	10,071	-	10,071	-
Deposits	12,799	524,590	537,389	-
Due to other funds	-	515,265	515,265	-
General obligation bond payable	145,000	-	145,000	-
Installment note payable	22,647	-	22,647	-
Total current liabilities	297,020	2,015,301	2,312,321	703,327
Noncurrent Liabilities				
General obligation bond payable	606,000	-	606,000	-
Installment note payable	64,193	-	64,193	-
Advance from other funds	4,528,514	-	4,528,514	-
Net pension obligation	323,974	1,299,447	1,623,421	-
Compensated absences	21,104	95,697	116,801	-
Total liabilities	5,840,805	3,410,445	9,251,250	703,327
Deferred Inflows of Resources				
Pension actuarial adjustments	3,261	32,855	36,116	-
Net Position				
Net investment in capital assets	12,170,475	18,613,834	30,784,309	-
Unrestricted	(4,736,218)	2,993,519	(1,742,699)	521,441
Total net position	\$ 7,434,257	\$ 21,607,353	29,041,610	\$ 521,441
Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds.			31,670	
Net position of business-type activities reported in the government-wide statement of net position.			<u>\$ 29,073,280</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, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Municipal Airport	Waterworks and Sewerage	Total	Internal Service Fund
Operating revenues:				
Municipal airport fees and charges	\$ 616,480	\$ -	\$ 616,480	\$ -
Water sales and sewer charges	-	6,336,171	6,336,171	-
Other fees	-	115,113	115,113	-
Other	5,000	1,260	6,260	3,797,875
Total operating revenues	621,480	6,452,544	7,074,024	3,797,875
Operating expenses, other than depreciation	964,522	5,481,648	6,446,170	3,848,094
Operating (loss) income before depreciation	(343,042)	970,896	627,854	(50,219)
Depreciation	624,742	1,140,947	1,765,689	-
Operating loss	(967,784)	(170,051)	(1,137,835)	(50,219)
Nonoperating income (expense):				
Interest expense	(43,898)	-	(43,898)	-
Capital contributions	109,808	1,874,388	1,984,196	-
Transfers in	229,334	-	229,334	-
Transfers out	(45,062)	-	(45,062)	-
Total nonoperating income (expense)	250,182	1,874,388	2,124,570	-
Change in net position	(717,602)	1,704,337	986,735	(50,219)
Net position				
May 1, 2016	8,151,859	19,903,016	28,054,875	571,660
April 30, 2017	<u>\$ 7,434,257</u>	<u>\$ 21,607,353</u>	29,041,610	<u>\$ 521,441</u>
Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds.			(2,229)	
Change in net position of business-type activities reported in the government-wide statement of activities.			<u>\$ 984,506</u>	

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2017

	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	\$ 556,260	\$ 6,413,495	\$ 6,969,755	\$ -
Received from interfund services provided	-	-	-	195,242
Payments to employees	(264,978)	(582,984)	(847,962)	-
Payments to suppliers	(622,770)	(4,643,693)	(5,266,463)	-
Net cash (used in) provided by operating activities	<u>(331,488)</u>	<u>1,186,818</u>	<u>855,330</u>	<u>195,242</u>
Cash Flows from Noncapital Financing Activities				
Decrease in due to other funds	482,946	-	482,946	-
Transfers in	229,334	-	229,334	-
Transfers out	(45,062)	-	(45,062)	-
Net cash provided by noncapital financing activities	<u>667,218</u>	<u>-</u>	<u>667,218</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Capital assets purchased	(95,942)	(1,520,813)	(1,616,755)	-
Principal paid on general obligation bonds	(140,000)	-	(140,000)	-
Principal paid on installment note payable	(42,251)	-	(42,251)	-
Proceeds from installment note	-	-	-	-
Interest paid	(43,898)	-	(43,898)	-
Net cash used in capital and related financing activities	<u>(322,091)</u>	<u>(1,520,813)</u>	<u>(1,842,904)</u>	<u>-</u>
Net change in cash and cash equivalents	13,639	(333,995)	(320,356)	195,242
Cash and cash equivalents:				
May 1, 2016	<u>10,861</u>	<u>4,607,733</u>	<u>4,618,594</u>	<u>1,029,526</u>
April 30, 2017	<u>\$ 24,500</u>	<u>\$ 4,273,738</u>	<u>\$ 4,298,238</u>	<u>\$ 1,224,768</u>
Supplemental schedule of noncash capital and related financing activities				
Capital contribution of equipment	<u>\$ 109,808</u>	<u>\$ 1,874,388</u>	<u>\$ 1,984,196</u>	<u>\$ -</u>

(Continued)

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Cash Flows – Enterprise Funds (Continued)
Year Ended April 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Municipal Airport	Waterworks and Sewerage	Total	Internal Service Fund
Reconciliation of operating loss to net cash (used in) provided by operating activities:				
Operating loss	\$ (967,784)	\$ (170,051)	\$ (1,137,835)	\$ (50,219)
Adjustments to reconcile operating loss to net cash (used in) provided by operating activities:				
Depreciation	624,742	1,140,947	1,765,689	-
Changes in assets and liabilities:				
Accounts receivable	(49,759)	(64,464)	(114,223)	-
Prepaid assets	(12,180)	(3,875)	(16,055)	-
Accounts payable	84,925	162,909	247,834	-
Claims payable	-	71,047	71,047	245,461
Accrued payroll	602	2,478	3,080	-
Accrued interest	(3,185)	-	(3,185)	-
Other liability	-	(11,492)	(11,492)	-
Deposits	(15,461)	25,415	9,954	-
Compensated absences payable	2,295	(4,270)	(1,975)	-
Deferred outflows of pension contributions	4,317	38,174	42,491	-
Total adjustments	636,296	1,356,869	1,993,165	245,461
Net cash (used in) provided by operating activities	\$ (331,488)	\$ 1,186,818	\$ 855,330	\$ 195,242

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Fiduciary Net Position
Fiduciary Funds
April 30, 2017

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 7,619,669	\$ 83,258
Investments:		
U.S. government agencies	1,196,313	-
Corporate bonds	9,922,342	-
Mutual funds	13,866,602	-
Insurance contracts	13,181,446	-
Receivables:		
Accrued interest	111,776	-
Other	-	19,513
Due from other funds	2,588	-
Advance from other funds	-	142,819
Total assets	45,900,735	245,590
Liabilities		
Accounts payable	14,297	226,077
Due to other funds	586	-
Advance to other funds	-	19,513
Total liabilities	14,883	245,590
Net Position		
Restricted for pensions	\$ 45,885,852	\$ -

See Notes to Basic Financial Statements.

Village of Lansing, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2017

Additions:

Contributions:

Employer	\$ 4,604,745
Plan member	<u>704,314</u>
Total contributions	<u>5,309,059</u>

Investment income (expense):

Net appreciation in fair value	1,509,505
Interest	814,177
Less investment expenses	<u>(147,790)</u>
Total investment income (expense)	<u>2,175,892</u>

Total additions 7,484,951

Deductions:

Benefits and refunds	4,434,480
Administrative expenses	<u>93,000</u>
Total deductions	<u>4,527,480</u>

Change in net position 2,957,471

Net position restricted for pensions:

May 1, 2016	<u>42,928,381</u>
April 30, 2017	<u>\$ 45,885,852</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, 2017, the Village received contributed capital consisting of municipal airport and waterworks and sewerage systems of \$109,808 and \$1,874,388, 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 future 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.

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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, 2017, 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, 2017, 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, 2017, the Village's fund balance restrictions were for the following purposes:

Restricted purpose:

Street and bridge improvements	\$ 210,096
IMRF / FICA	799,217
Foreign fire insurance	70,319
Public safety - police forfeitures and seizures	523,050
Public safety - paid on call retirement fund	20,741
Public safety - 911 surcharges	172,686
TIF Ridge Road	8,236,517
TIF Bernice Road	4,409
Debt service	1,459,074
Capital projects	<u>2,688,723</u>
	<u>\$ 14,184,832</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.

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, 2017 is as follows:

	Governmental & Business- Type Activities	Fiduciary Funds			Component Unit
		Police Pension Fund	Fire Pension Fund	Agency Funds	Lansing Library
Petty Cash	\$ 2,650	\$ -	\$ -	\$ -	\$ 475
Demand Deposits	22,231,700	3,215,815	2,281,404	83,258	2,930,670
Certificate of Deposit	-	2,122,450	-	-	-
Illinois Funds	82,561	-	-	-	-
U.S. Government obligations	-	834,845	361,468	-	-
Municipal / Corporate Bonds	-	7,277,662	2,644,680	-	-
Mutual Funds	-	9,954,295	3,912,307	-	-
Insurance Contracts	-	9,479,682	3,701,764	-	-
Total	<u>\$ 22,316,911</u>	<u>\$ 32,884,748</u>	<u>\$ 12,901,623</u>	<u>\$ 83,258</u>	<u>\$ 2,931,145</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, 2017, the Village was not exposed to custodial credit risk on deposits. As of April 30, 2017, 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 Pension Boards.

As of April 30, 2017, 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	\$ 834,845	\$ -	\$ 413,558	\$ 421,287	\$ -
Municipal/Corporate bonds	7,277,662	938,960	3,313,088	2,537,610	488,004
Total Police Pension	8,112,507	938,960	3,726,646	2,958,897	488,004
Firefighters' Pension Fund:					
U.S. Agencies	361,468	-	180,916	180,552	-
Municipal/Corporate bonds	2,644,680	413,055	1,233,371	998,254	-
Total Firefighters' Pension	3,006,148	413,055	1,414,287	1,178,806	-
Total Fiduciary Activities	\$ 11,118,655	\$ 1,352,015	\$ 5,140,933	\$ 4,137,703	\$ 488,004

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, 2017, 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 (\$722,874), A2 (\$715,739), A3 (\$1,434,832), Ba1 (\$227,867), Baa1 (\$2,266,243), and Baa2 (\$1,910,107) 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 (\$209,082), A3 (\$576,003), Baa1 (\$883,733) and Baa2 (\$975,862) 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, 2017, the Village, Library, and Pension Funds are within their investment policies.

As of April 30, 2017, the Village's fair values of investments in insurance contracts were \$13,181,446.

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.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

Fair Value Measurements

The Village implemented GASB Statement No. 72, *Fair Value Measurement and Application*, for the year ended April 30, 2017. In accordance with this Statement, the Village categorized its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation on the inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village has the following recurring fair value measurements as of April 30, 2017 using a matrix pricing model:

Investments by fair value level	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Police Pension Fund:				
U.S. Government Securities	\$ 834,845	\$ -	\$ 834,845	\$ -
Municipal/Corporate Bonds	7,277,662	-	7,277,662	-
Insurance Contracts	9,479,682	-	-	9,479,682
Equity Investments - Mutual Funds	9,954,295	9,954,295	-	-
Firefighters' Pension Fund:				
U.S. Government Securities	361,468	-	361,468	-
Municipal/Corporate Bonds	2,644,680	-	2,644,680	-
Insurance Contracts	3,701,764	-	-	3,701,764
Equity Investments - Mutual Funds	3,912,307	3,912,307	-	-
	<u>\$ 38,166,703</u>	<u>\$ 13,866,602</u>	<u>\$ 11,118,655</u>	<u>\$ 13,181,446</u>

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 2. Cash and Investments (Continued)

The Village has investments measured at net asset value (NAV) such as the Illinois Funds. In addition, the Village has investments measured at amortized cost as the remaining maturity at purchase is less than one year, such as participating certificates of deposit and money market accounts. The following are investments measured at NAV or amortized cost.

Investments measured by the net asset value (NAV) or amortized cost	April 30, 2017	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Village:				
Illinois Funds	\$ 82,561	n/a	Daily	1 day
Police Pension Fund:				
Money Market	1,400,509	n/a	Daily	1 day
Certificate of deposits	2,122,450	n/a	Daily	1 day
Firefighter's Pension Fund:				
Money Market	1,360,111	n/a	Daily	1 day
	<u>\$ 4,965,631</u>			

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 2016 property tax assessment was levied in December 2016. Approximately one-half the levied amount is intended to finance the fiscal year beginning May 1, 2016, 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, 2016	Additions	Deletions and Transfers	Balance, April 30, 2017
Capital assets not being depreciated:				
Land	\$ 10,298,905	\$ -	\$ 57,653	\$ 10,241,252
Construction in progress	971,444	715,249	-	1,686,693
	<u>11,270,349</u>	<u>715,249</u>	<u>57,653</u>	<u>11,927,945</u>
Capital assets being depreciated:				
Land improvements	3,650,571	10,000	81,469	3,579,102
Buildings	11,634,414	288,953	98,098	11,825,269
Equipment	7,938,135	68,431	205,677	7,800,889
Infrastructure	57,890,153	5,017	-	57,895,170
	<u>81,113,273</u>	<u>372,401</u>	<u>385,244</u>	<u>81,100,430</u>
Less accumulated depreciation for:				
Land improvements	1,369,913	136,072	4,230	1,501,755
Buildings	4,788,112	247,480	-	5,035,592
Equipment	4,890,063	532,874	144,221	5,278,716
Infrastructure	23,877,154	2,284,390	-	26,161,544
	<u>34,925,242</u>	<u>3,200,816</u>	<u>148,451</u>	<u>37,977,607</u>
Total capital assets being depreciated, net	<u>46,188,031</u>	<u>(2,828,415)</u>	<u>236,793</u>	<u>43,122,823</u>
Governmental activities capital assets, net	<u>\$ 57,458,380</u>	<u>\$ (2,113,166)</u>	<u>\$ 294,446</u>	<u>\$ 55,050,768</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, 2016	Additions	Deletions and Transfers	Balance, April 30, 2017
Capital assets not being depreciated:				
Land	\$ 9,956,104	\$ 2,519	\$ -	\$ 9,958,623
Construction in process	957,571	1,139,568	844,541	1,252,598
	<u>10,913,675</u>	<u>1,142,087</u>	<u>844,541</u>	<u>11,211,221</u>
Capital assets being depreciated:				
Waterworks and sewerage system	40,095,375	2,810,022	18,000	42,887,397
Municipal airport system	16,699,902	493,383	-	17,193,285
	<u>56,795,277</u>	<u>3,303,405</u>	<u>18,000</u>	<u>60,080,682</u>
Less accumulated depreciation for:				
Waterworks and sewerage system	26,321,272	1,138,276	15,329	27,444,219
Municipal airport system	11,600,793	624,742	-	12,225,535
	<u>37,922,065</u>	<u>1,763,018</u>	<u>15,329</u>	<u>39,669,754</u>
Total capital assets being depreciated, net	<u>18,873,212</u>	<u>1,540,387</u>	<u>2,671</u>	<u>20,410,928</u>
Business-type activities capital assets, net	<u>\$ 29,786,887</u>	<u>\$ 2,682,474</u>	<u>\$ 847,212</u>	<u>\$ 31,622,149</u>

Component Unit Activities

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

	Balance, May 1, 2016	Additions	Deletions and Transfers	Balance, April 30, 2017
Capital assets being depreciated:				
Land improvements	\$ 198,305	\$ -	\$ -	\$ 198,305
Buildings	3,470,654	1,185,197	-	4,655,851
Equipment	2,547,988	-	15,274	2,532,714
	<u>6,216,947</u>	<u>1,185,197</u>	<u>15,274</u>	<u>7,386,870</u>
Less accumulated depreciation for:				
Land improvements	31,115	9,359	-	40,474
Buildings	1,628,233	81,523	-	1,709,756
Equipment	2,523,233	5,978	15,274	2,513,937
	<u>4,182,581</u>	<u>96,860</u>	<u>15,274</u>	<u>4,264,167</u>
Total capital assets being depreciated, net	<u>\$ 2,034,366</u>	<u>\$ 1,088,337</u>	<u>\$ -</u>	<u>\$ 3,122,703</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	\$ 2,538,583	\$ -	\$ -
Public safety	129,416	-	-
Public works	532,817	1,140,947	-
Municipal airport	-	624,742	-
Library	-	-	96,860
	<u>\$ 3,200,816</u>	<u>\$ 1,765,689</u>	<u>\$ 96,860</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, 2017:

	Balance, May 1, 2016	Additions	Reductions	Balance, April 30, 2017	Due Within One Year
General obligation bonds	\$ 13,229,000	\$ -	\$ 860,000	\$ 12,369,000	\$ 880,000
Installment notes payable	961,370	-	391,790	569,580	313,305
Unamortized bond premium	709,695	-	103,858	605,837	-
Unamortized bond discount	(69,217)	-	(6,377)	(62,840)	-
Compensated absences*	1,383,433	1,171,099	1,154,347	1,400,185	11,685
Net pension liability**	79,265,355	14,351,655	15,012,263	78,604,747	-
Other postemployment benefits*	8,561,368	766,016	-	9,327,384	-
	<u>\$ 104,041,004</u>	<u>\$ 16,288,770</u>	<u>\$ 17,515,881</u>	<u>\$ 102,813,893</u>	<u>\$ 1,204,990</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, 2017:

	Balance, May 1, 2016	Additions	Reductions	Balance, April 30, 2017	Due Within One Year
General obligation bonds	\$ 891,000	\$ -	\$ 140,000	\$ 751,000	\$ 145,000
Installment notes payable	129,091	-	42,251	86,840	22,647
Net pension liability	1,636,478	253,640	266,697	1,623,421	-
Compensated absences	118,776	95,623	97,598	116,801	-
	<u>\$ 2,775,345</u>	<u>\$ 349,263</u>	<u>\$ 546,546</u>	<u>\$ 2,578,062</u>	<u>\$ 167,647</u>

Component Unit

The following is a summary of debt transactions of the Library's governmental activities for the year ended April 30, 2017:

	Balance, May 1, 2016	Additions	Reductions	Balance, April 30, 2017	Due Within One Year
General obligation bonds	\$ 990,000	\$ -	\$ 150,000	\$ 840,000	\$ 155,000
Unamortized bond discount	(17,929)	-	(3,030)	(14,899)	-
Net pension liability	770,923	103,264	123,349	750,838	-
Compensated absences	67,922	76,733	73,509	71,146	-
	<u>\$ 1,810,916</u>	<u>\$ 179,997</u>	<u>\$ 343,828</u>	<u>\$ 1,647,085</u>	<u>\$ 155,000</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, 2017, 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 \$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 4.00% 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. 5,985,000

Total General Obligation Bonds 12,369,000

Installment Notes Payable:

Interest-free note for the purchase of a fire truck with principal of \$11,000 in 2018 through 2025. The General Fund is responsible for making the required payments on this note. 88,000

Installment note for the purpose of financing toters with principal of \$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. 427,600

Installment note for the purpose of financing phone equipment with principal of \$18,843 in 2018, \$21,795 in 2019, and \$13,342 in 2020. Interest is at a rate of 6.12%. The General Fund is responsible for making the required payments on this lease. 53,980

Total Installment Notes Payable 569,580

Total Governmental Activities \$ 12,938,580

(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 \$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.	\$ 300,000
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>751,000</u>
Installment note for the purpose of financing fuel equipment with principal of \$22,647 in 2018, \$25,305 in 2019, \$25,945 in 2020, and \$12,943 in 2021. Interest is at a rate of 2.50%. The Airport Fund is responsible for making the required payments on this note.	<u>86,840</u>
Total Installment Notes Payable	<u>86,840</u>
Total Business-Type Activities	<u><u>\$ 837,840</u></u>

Component Unit Activities:

2011 General Obligation Bonds, due in annual installments of \$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 3.25% to 4.00%. The Library Fund is responsible for the required repayments on these bonds.	<u><u>\$ 840,000</u></u>
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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	
2018	\$ 880,000	\$ 595,756	\$ 313,305	\$ 9,809	\$ 1,798,870
2019	915,000	560,556	176,933	2,766	1,655,255
2020	1,000,000	514,806	24,342	274	1,539,422
2021	1,015,000	464,806	11,000	-	1,490,806
2022	1,510,000	414,056	11,000	-	1,935,056
2023-2027	5,023,934	1,144,286	33,000	-	6,201,220
2028-2029	2,025,066	163,101	-	-	2,188,167
	<u>\$ 12,369,000</u>	<u>\$ 3,857,367</u>	<u>\$ 569,580</u>	<u>\$ 12,849</u>	<u>\$ 16,808,796</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	
2018	\$ 145,000	\$ 36,572	\$ 22,647	\$ 1,756	\$ 205,975
2019	155,000	28,597	25,305	1,316	210,218
2020	-	20,072	25,945	676	46,693
2021	-	20,072	12,943	93	33,108
2022	-	20,072	-	-	20,072
2023-2027	451,000	66,595	-	-	517,595
	<u>\$ 751,000</u>	<u>\$ 191,980</u>	<u>\$ 86,840</u>	<u>\$ 3,841</u>	<u>\$ 1,033,661</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	
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>\$ 840,000</u>	<u>\$ 100,163</u>	<u>\$ 940,163</u>

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems

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 enrolled in the plan **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 enrolled in the plan **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, 2016, the following employees were covered by the benefit terms:

	<u>Membership</u>
Inactive Plan members or beneficiaries currently receiving benefits	112
Inactive Plan members entitled to benefits but not yet receiving them	54
Active Plan members	<u>96</u>
Total membership	<u><u>262</u></u>

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Illinois Municipal Retirement Fund (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 2017 and 2016 were 19.20 percent and 21.23 percent, respectively. For the fiscal year ended April 30, 2017, the Village contributed \$938,672 to the plan. The contributions as of April 30, 2017 are reported in the financial statements as follows:

Governmental Activities - general government expense	\$ 543,935
Business-Type Activities	
Municipal Airport	53,863
Waterworks and Sewerage	216,042
Component Unit - Library	<u>124,832</u>
 Total	 <u><u>\$ 938,672</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, 2016. 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, 2016:

- 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 7.50%.
- **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 2012). 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 2012). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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:

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Illinois Municipal Retirement Fund (continued)

Asset Class	Portfolio Target Percentage	Long-term Expected Real Rate of Return
Cash and cash equivalents	1%	2.25%
Domestic equity	38%	6.85%
International equity	17%	6.75%
Fixed income	27%	3.00%
Real estate	8%	5.75%
Alternative investments	9%	2.65% - 7.35%
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 3.78 percent, and the resulting single discount rate is 7.50 percent.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Illinois Municipal Retirement Fund (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, 2016:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 34,345,036	\$ 28,451,672	\$ 5,893,364
Changes for the year:			
Service cost	491,981	-	491,981
Interest on the total pension liability	2,510,748	-	2,510,748
Differences between expected and actual experience of the total pension liability	(245,505)	-	(245,505)
Changes of assumptions	(117,260)	-	(117,260)
Contributions - employer	-	946,936	(946,936)
Contributions - employee	-	200,716	(200,716)
Net investment income	-	1,976,331	(1,976,331)
Benefit payments, including refunds of employee contributions	(1,959,896)	(1,959,896)	-
Other (net transfer)	-	(236,571)	236,571
Net changes	680,068	927,516	(247,448)
Balances at December 31, 2016	\$ 35,025,104	\$ 29,379,188	\$ 5,645,916

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 7.50 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 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability	\$ 9,861,934	\$ 5,645,916	\$ 2,163,149

The net pension liability as of April 30, 2017 is reported on the financial statements as follows:

Governmental Activities	\$ 3,271,657
Business-Type Activities	
Municipal Airport	323,974
Waterworks and Sewerage	1,299,447
Component Unit - Library	750,838
	<u>\$ 5,645,916</u>

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Illinois Municipal Retirement Fund (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2017, the Village recognized pension expense of \$287,393. Pension expense is reported in the financial statements as follows:

Governmental Activities	\$ 212,995
Business-Type Activities	
Municipal Airport	4,317
Waterworks and Sewerage	38,174
Component Unit - Library	31,907
	<u>31,907</u>
	<u>\$ 287,393</u>

At April 30, 2017, 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	\$ -	\$ 250,289
Changes of assumptions	16,079	84,266
Net difference between projected and actual earnings on pension plan investments	1,290,961	-
Total deferred amounts to be recognized in pension expense in future periods	<u>1,307,040</u>	<u>334,555</u>
Employer contribution subsequent to the measurement date	333,352	-
Cost sharing allocation method	<u>-</u>	<u>24,459</u>
Total Deferred Amounts Related to Pensions	<u>\$ 1,640,392</u>	<u>\$ 359,014</u>
Governmental Activities	\$ 875,587	\$ 293,642
Business-Type Activities		
Municipal Airport	118,848	3,261
Waterworks and Sewerage	424,469	32,855
Component Unit - Library	<u>221,488</u>	<u>29,256</u>
	<u>\$ 1,640,392</u>	<u>\$ 359,014</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:	
2017	\$ 280,644
2018	302,306
2019	365,893
2020	23,642
2021	-
Thereafter	-
Total	<u>\$ 972,485</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 this 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, 2017, 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 2017.

Plan Membership:

At April 30, 2017, 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	2
Active Plan members	<u>58</u>
Total membership	<u><u>110</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, and survivor benefits.

Covered employees participating in an Article 4 plan before January 1, 2011 (tier 1 employees) 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 percent of such salary for each additional year of service over 20 years up to 30 years, and 1 percent of such salary for each additional year of service over 30 years to a maximum of 75 percent of such salary. Tier 1 firefighters who retire with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Police Pension Fund (Continued)

Plan Description (Continued)

Covered employees who began participation in an Article 4 plan on or after January 1, 2011 (tier 2 employees), upon attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly retirement benefit of 2.5% of his final average salary for each year of service, to a maximum of 75%. The pension of tier 2 employees who are retiring at age 50 with 10 or more years of creditable service shall be reduced by one-half of 1% for each month the employee is under age 55. Final average salary is the highest total earnings during any 96 consecutive months within the last 120 months of service, divided by 96. The annual salary base for this purpose shall not exceed \$117,213 as of January 1, 2017. The maximum salary base increases each year by the lesser of 3% or one-half the Consumer Price Index.

The monthly benefit of a tier 1 police officer shall increase annually, following the first anniversary date of retirement and be paid upon reaching the age of 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly benefit of a tier 2 police officer shall increase annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or one half of the consumer price index, whichever is less, of the original pension.

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, 2017, the statutory minimum which the Village was required to contribute was \$3,053,307, or 62.36% 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, 2017:

<u>Asset Class</u>	<u>Minimum Target Asset Allocation</u>	<u>Maximum Target Asset Allocation</u>
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, 2017:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	3.00%	2.50%	0.50%
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, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.37 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, 2017 using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	April 30, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll
Discount Rate used for the Total Pension Liability	5.95%
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)	3.82%
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, 2017 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 5.95 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 39 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, 2016	\$ 90,752,815	\$ 30,712,745	\$ 60,040,070
Changes for the year:			
Service cost	1,460,486	-	1,460,486
Interest on the total pension liability	5,303,120	-	5,303,120
Actuarial experience	(612,830)	-	(612,830)
Changes of assumptions	(1,716,544)	-	(1,716,544)
Contributions - employer	-	3,452,598	(3,452,598)
Contributions - employee	-	483,553	(483,553)
Net investment income	-	1,623,833	(1,623,833)
Benefit payments, including refunds of employee contributions	(3,249,490)	(3,249,490)	-
Other (net transfer)	-	(66,009)	66,009
Net changes	1,184,742	2,244,485	(1,059,743)
Balances at April 30, 2017	\$ 91,937,557	\$ 32,957,230	\$ 58,980,327

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 5.95 percent, as well as what the Village's 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 4.95%	Current Discount Rate 5.95%	1% Increase 6.95%
Net pension liability	\$ 74,062,283	\$ 58,980,327	\$ 46,904,514

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, 2017, the Village recognized pension expense of \$3,407,657. At April 30, 2017, 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	\$ 672,632	\$ 518,837
Changes of assumptions	9,780,567	1,453,270
Net difference between projected and actual earnings on pension plan investments	1,789,937	-
Total Deferred Amounts Related to Pensions	<u>\$ 12,243,136</u>	<u>\$ 1,972,107</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:	
2018	\$ 2,685,809
2019	2,685,809
2020	2,685,805
2021	2,235,234
2022	164,144
Thereafter	<u>(185,772)</u>
Total	<u>\$ 10,271,029</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, 2017, 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 2017.

Plan Membership:

At April 30, 2017, 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	1
Active Plan members	<u>29</u>
Total membership	<u><u>48</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, and survivor benefits.

Covered employees participating in an Article 4 plan before January 1, 2011 (tier 1 employees) 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 percent of such salary for each additional year of service over 20 years up to 30 years, and 1 percent of such salary for each additional year of service over 30 years to a maximum of 75 percent of such salary. Tier 1 firefighters who retire with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 6. Employee Retirement Systems (Continued)

Firefighters' Pension Fund (Continued)

Plan Description (Continued)

Covered employees who began participation in an Article 4 plan on or after January 1, 2011 (tier 2 employees), upon attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly retirement benefit of 2.5 percent of his final average salary for each year of service, to a maximum of 75 percent. The pension of tier 2 employees who are retiring at age 50 with 10 or more years of creditable service shall be reduced by one-half of 1 percent for each month the employee is under age 55. Final average salary is the highest total earnings during any 96 consecutive months within the last 120 months of service, divided by 96. The annual salary base for this purpose shall not exceed \$117,213 as of January 1, 2017. The maximum salary base increases each year by the lesser of 3 percent or one-half the Consumer Price Index.

The monthly benefit of a tier 1 firefighter shall increase annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter. The monthly benefit of a tier 2 firefighter shall increase annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3 percent or one half of the consumer price index, whichever is less, of the original pension.

Contributions:

Covered firefighter employees are required to contribute 9.455 percent 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 percent 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 percent 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, 2017, the statutory minimum which the Village was required to contribute was \$1,049,294, or 45.42 percent 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, 2017:

<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, 2017:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	3.00%	2.50%	0.50%
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, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.66 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, 2017, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	April 30, 2017
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)	3.82%
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, 2017 valuation were based on the results of an actuarial assumption study for the period including various municipal fiscal years ending December 2009-June 2016.

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, 2016	\$ 27,954,958	\$ 12,215,636	\$ 15,739,322
Changes for the year:			
Service cost	657,610	-	657,610
Interest on the total pension liability	1,846,966	-	1,846,966
Actuarial experience	232,831	-	232,831
Changes of assumptions	(225,988)	-	(225,988)
Contributions - employer	-	1,152,147	(1,152,147)
Contributions - employee	-	219,871	(219,871)
Contributions - other	-	1,636	(1,636)
Net investment income	-	551,314	(551,314)
Benefit payments, including refunds of employee contributions	(1,184,990)	(1,184,990)	-
Other (net transfer)	-	(26,990)	26,990
Net changes	1,326,429	712,988	613,441
Balances at April 30, 2017	\$ 29,281,387	\$ 12,928,624	\$ 16,352,763

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 Village's 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	\$ 20,900,504	\$ 16,352,763	\$ 12,682,845

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, 2017, the Village recognized pension expense of \$1,041,678. At April 30, 2017, 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	\$ 1,324,386	\$ -
Changes of assumptions	2,717,544	202,398
Net difference between projected and actual earnings on pension plan investments	737,350	-
Total Deferred Amounts Related to Pensions	<u>\$ 4,779,280</u>	<u>\$ 202,398</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:	
2018	\$ 713,777
2019	713,777
2020	713,777
2021	542,310
2022	486,572
Thereafter	1,406,669
Total	<u>\$ 4,576,882</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, 2017**

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 5,338,265	\$ 2,281,404	\$ 7,619,669
Investments:			
U.S. government agencies	834,845	361,468	1,196,313
Corporate bonds	7,277,662	2,644,680	9,922,342
Mutual funds	9,954,295	3,912,307	13,866,602
Insurance contracts	9,479,682	3,701,764	13,181,446
Receivables:			
Due from other funds	2,588	-	2,588
Accrued interest	80,880	30,896	111,776
Total assets	32,968,216	12,932,519	45,900,735
Liabilities			
Accounts payable	10,986	3,311	14,297
Due to other funds	-	586	586
Total liabilities	10,986	3,897	14,883
Net Position			
Restricted for pensions	<u>\$ 32,957,230</u>	<u>\$ 12,928,622</u>	<u>\$ 45,885,852</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, 2017

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 3,452,598	\$ 1,152,147	\$ 4,604,745
Plan members	483,553	220,761	704,314
Total contributions	<u>3,936,151</u>	<u>1,372,908</u>	<u>5,309,059</u>
Investment income (expense):			
Net increase (decrease) in fair value	1,119,084	390,421	1,509,505
Interest	601,205	212,972	814,177
Investment expenses	(96,457)	(51,333)	(147,790)
Total investment income (expense)	<u>1,623,832</u>	<u>552,060</u>	<u>2,175,892</u>
Total additions	<u>5,559,983</u>	<u>1,924,968</u>	<u>7,484,951</u>
Deductions			
Benefits and refunds	3,249,490	1,184,990	4,434,480
Administrative expenses	66,008	26,992	93,000
Total deductions	<u>3,315,498</u>	<u>1,211,982</u>	<u>4,527,480</u>
Change in net position	<u>2,244,485</u>	<u>712,986</u>	<u>2,957,471</u>
Net positions restricted for pensions May 1, 2016	<u>30,712,745</u>	<u>12,215,636</u>	<u>42,928,381</u>
April 30, 2017	<u>\$ 32,957,230</u>	<u>\$ 12,928,622</u>	<u>\$ 45,885,852</u>

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, 2015	\$ 112,626
Incurred claims	3,567,380
Claim payments	<u>(3,222,140)</u>
Unpaid claims at April 30, 2016	457,866
Incurred claims	3,174,791
Claim payments	<u>(2,929,330)</u>
Unpaid claims at April 30, 2017	<u><u>\$ 703,327</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 \$945,702 of workers' compensation claims payable as of April 30, 2017. Of that amount, \$826,449, \$99,488, and \$19,765 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, 2017.

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, 2017, these commitments are as follows:

<u>District</u>	<u>Commitment</u>
<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, 2017, the total economic assistance provided under this agreement was \$892,722.
<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, 2017, the total economic assistance provided under this agreement was \$765,743.

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 percent on the first \$100,000 of sales tax paid by the business, 100 percent on the second \$100,000, and 50 percent 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, 2017, the total economic assistance provided under this agreement was \$1,497,136 and \$1,210,625, respectively.

Cook County Economic Incentives

The Cook County Assessor's Office, in conjunction with municipalities located within Cook County and within the Village's boundaries, encourage certain industrial and commercial development by offering real estate tax incentive programs (such as Class 6a, 6b, 7 and 8) for the development of new industrial facilities, the rehabilitation of existing industrial structures, and industrial utilization of abandoned buildings or areas experiencing severe stagnation. These programs offer qualified properties a reduced equalized assessed valuation for up to 12 years. The Village estimates its portion of annual abatement of property taxes to various local companies under this development incentive approximates \$430,000.

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, 2017, are shown as follows:

<u>Fund</u>	<u>Due from Other Funds</u>
General Fund	
Nonmajor Governmental Funds	\$ 2,755
Fiduciary Funds	586
Nonmajor Governmental Funds	
TIF Bernice Road	29,098
Fiduciary Funds	
General Fund	2,588
TIF Ridge Road Fund	
Waterworks and Sewerage Fund	<u>515,265</u>
Total	<u><u>\$ 550,292</u></u>

<u>Fund</u>	<u>Due to Other Funds</u>
General Fund	
Fiduciary Funds	\$ 2,588
TIF Bernice Road	
Nonmajor Governmental Funds	29,098
Nonmajor Governmental Funds	
General Fund	2,755
Waterworks and Sewerage Fund	
TIF Ridge Road	515,265
Fiduciary Funds	
General Fund	<u>586</u>
Total	<u><u>\$ 550,292</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	3,662,845
TIF Ridge Road Fund	
General Fund	581,032
Airport Fund	133,363
Waterworks and Sewerage Fund	
General Fund	233,251
Nonmajor Governmental Funds	
Airport Fund	732,306
Agency Fund	19,513
Agency Fund	
General Fund	<u>142,819</u>
Total	<u><u>\$ 5,701,784</u></u>

Fund	Advance From Other Funds
General Fund	
TIF Ridge Road Fund	\$ 581,032
Waterworks and Sewerage Fund	233,251
Agency Fund	142,819
Airport Fund	
General Fund	3,662,845
TIF Ridge Road Fund	133,363
Nonmajor Governmental Funds	732,306
Nonmajor Governmental Funds	
General Fund	196,655
Agency Fund	
Nonmajor Governmental Funds	<u>19,513</u>
Total	<u><u>\$ 5,701,784</u></u>

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

Advances are used to distinguish long-term internal borrowings.

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, 2017 are as follows:

<u>Fund</u>	<u>Transfers In</u>
Nonmajor Governmental Funds	
General Fund	\$ 1,242,964
Nonmajor Governmental Funds	533,843
Bernice Road TIF	1,332,339
Airport Fund	
Nonmajor Governmental Funds	184,272
Total	<u>\$ 3,293,418</u>
<u>Fund</u>	<u>Transfers Out</u>
General Fund	
Nonmajor Governmental Funds	\$ 1,242,964
Nonmajor Governmental Funds	
Nonmajor Governmental Funds	533,843
Airport Fund	184,272
Bernice Road TIF	
Nonmajor Governmental Funds	1,332,339
	<u>\$ 3,293,418</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, 2017 are as follows:

	<u>Deficit Amount</u>
Capital Project Funds:	
TIF Bernice Road	\$ (194,009)
TIF Torrence Avenue	(123,776)

Note 11. Postemployment Healthcare Plan

Plan Description. The Village provides employer paid retiree medical (including prescription drugs) to current and future eligible retirees. 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 2017, the Village contributed \$1,091,527 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, 2017 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, 2017, 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	342,455
Adjustment to annual required contribution	(435,030)
Annual OPEB cost (expense)	<u>1,857,543</u>
Contributions made	<u>1,091,527</u>
Increase in net OPEB obligation	766,016
Net OPEB obligation beginning of year	<u>8,561,368</u>
Net OPEB obligation end of year	<u><u>\$ 9,327,384</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 2017 and the two preceding years were as follows:

Fiscal Year Ending	Annual OPEB Costs	Percentage of OPEB Costs Contributed	Net OPEB Obligation
4/30/2017	\$ 1,857,543	58.76%	\$ 9,327,384
4/30/2016	1,828,026	59.63%	8,561,368
4/30/2015	1,915,611	46.10%	7,823,462

Funded Status and Funding Progress. As of April 30, 2017, 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 191.5 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, 2017 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, 2017 was 28 years.

Village of Lansing, Illinois

Notes to Basic Financial Statements

Note 12. Pronouncements Issued But Not Yet Adopted

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

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. 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.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, will be effective for the Village beginning with its year ending April 30, 2020. This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement.

GASB Statement No. 84, *Fiduciary Activities*, will be effective for the Village beginning with its year ending April 30, 2020. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

GASB Statement No. 85, *Omnibus 2017*, will be effective for the Village beginning with its year ending April 30, 2019. The objective of this statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits).

Village of Lansing, Illinois

Notes to Basic Financial Statements

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

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, will be effective for the Village beginning with its year ending April 30, 2019. The objective of this statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to the financial statements for debt that is defeased in substance.

GASB Statement No. 87, *Leases*, will be effective for the village beginning with its year ending April 30, 2021. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

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
Postemployment Healthcare Plan**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued 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 %
4/30/2014	-	21,951,610	21,951,610	-	11,602,149	189.2
4/30/2012	-	19,364,687	19,364,687	-	11,688,690	165.7

The Village has elected to have biennial valuations performed. Information has been presented for as many years as available.

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
4/30/2017	\$ 1,950,118	55.97%
4/30/2016	1,950,118	55.90%
4/30/2015	1,978,304	46.83%

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,	2016	2015	2014
Total pension liability			
Service cost	\$ 491,981	\$ 469,465	\$ 487,490
Interest on the total pension liability	2,510,748	2,456,198	2,319,371
Differences between expected and actual experience	(245,505)	(175,415)	(60,492)
Changes in assumptions	(117,260)	38,185	1,158,124
Benefit payments	(1,959,896)	(2,091,083)	(1,876,018)
Net change in total pension liability	680,068	697,350	2,028,475
Total pension liability—beginning	34,345,036	33,647,686	31,619,211
Total pension liability—ending (a)	\$ 35,025,104	\$ 34,345,036	\$ 33,647,686
Plan fiduciary net position			
Contributions - Employer	\$ 946,936	\$ 896,079	\$ 859,366
Contributions - Member	200,716	198,370	191,947
Pension plan net investment income	1,976,331	140,559	1,671,435
Benefit payments	(1,959,896)	(2,091,083)	(1,876,018)
Pension plan administrative expense	(236,571)	697,724	(49,634)
Net change in plan fiduciary net position	927,516	(158,351)	797,096
Plan fiduciary net position—beginning	28,451,672	28,610,023	27,812,927
Plan fiduciary net position—ending (b)	\$ 29,379,188	\$ 28,451,672	\$ 28,610,023
Net pension liability - ending (a) - (b)	\$ 5,645,916	\$ 5,893,364	\$ 5,037,663
Plan fiduciary net position as a percentage of the total pension liability	83.88%	82.84%	85.03%
Covered-Employee Payroll	\$ 4,460,366	\$ 4,291,562	\$ 4,143,821
Employer net pension liability as a percentage of covered-employee payroll	126.58%	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 compiled, 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,	2017	2016	2015
Total pension liability			
Service cost	\$ 1,460,486	\$ 1,218,745	\$ 918,723
Interest on the total pension liability	5,303,120	4,230,790	4,819,714
Differences between expected and actual experience	(612,830)	992,174	-
Changes in assumptions	(1,716,544)	14,426,919	-
Benefit payments	(3,249,490)	(3,163,706)	(3,087,204)
Net change in total pension liability	1,184,742	17,704,922	2,651,233
Total pension liability—beginning	90,752,815	73,047,893	70,396,660
Total pension liability—ending (a)	\$ 91,937,557	\$ 90,752,815	\$ 73,047,893
Plan fiduciary net position			
Contributions - Employer	\$ 3,452,598	\$ 2,670,076	\$ 2,647,787
Contributions - Member	483,553	561,720	479,632
Pension plan net investment income	1,623,833	(97,257)	1,357,778
Benefit payments	(3,249,490)	(3,163,706)	(3,087,204)
Pension plan administrative expense	(66,009)	(36,579)	(36,959)
Net change in plan fiduciary net position	2,244,485	(65,746)	1,361,034
Plan fiduciary net position—beginning	30,712,745	30,778,491	29,417,457
Plan fiduciary net position—ending (b)	\$ 32,957,230	\$ 30,712,745	\$ 30,778,491
Net pension liability - ending (a) - (b)	\$ 58,980,327	\$ 60,040,070	\$ 42,269,402
Plan fiduciary net position as a percentage of the total pension liability	35.85%	33.84%	42.13%
Covered-Employee Payroll	\$ 5,221,161	\$ 4,896,004	\$ 4,758,282
Employer net pension liability as a percentage of covered-employee payroll	1129.64%	1226.31%	888.33%
Annual money-weighted rate of return, net of investment expense	5.37%	-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,	2017	2016	2015
Total pension liability			
Service cost	\$ 657,610	\$ 587,346	\$ 579,723
Interest on the total pension liability	1,846,966	1,460,806	1,339,708
Differences between expected and actual experience	232,831	1,398,715	(1,383,452)
Changes in assumptions	(225,988)	3,406,404	2,340,955
Benefit payments	(1,184,990)	(1,079,777)	(1,002,441)
Net change in total pension liability	1,326,429	5,773,494	1,874,493
Total pension liability—beginning	27,954,958	22,181,464	20,306,971
Total pension liability—ending (a)	<u>\$ 29,281,387</u>	<u>\$ 27,954,958</u>	<u>\$ 22,181,464</u>
Plan fiduciary net position			
Contributions - Employer	\$ 1,152,147	\$ 1,012,630	\$ 893,065
Contributions - Member	219,871	218,944	207,627
Contributions - Other	1,636	-	-
Pension plan net investment income	551,314	(34,681)	473,845
Benefit payments	(1,184,990)	(1,079,777)	(1,002,441)
Pension plan administrative expense	(26,990)	(25,624)	(22,179)
Net change in plan fiduciary net position	712,988	91,492	549,917
Plan fiduciary net position—beginning	12,215,636	12,124,144	11,574,227
Plan fiduciary net position—ending (b)	<u>\$ 12,928,624</u>	<u>\$ 12,215,636</u>	<u>\$ 12,124,144</u>
Net pension liability - ending (a) - (b)	\$ 16,352,763	\$ 15,739,322	\$ 10,057,320
Plan fiduciary net position as a percentage of the total pension liability	44.15%	43.70%	54.66%
Covered-Employee Payroll	\$ 2,447,331	\$ 2,370,896	\$ 2,112,271
Employer net pension liability as a percentage of covered-employee payroll	668.19%	663.86%	476.14%
Annual money-weighted rate of return, net of investment expense	4.66%	-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

	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 3,371,331	\$ 2,975,133	\$ 2,923,431	\$ 2,638,555	\$ 2,216,366
Contributions in Relation to the Actuarial Determined Contribution	3,452,598	2,670,076	2,647,787	2,275,526	2,215,909
Contribution Deficiency (excess)	\$ (81,267)	\$ 305,057	\$ 275,644	\$ 363,029	\$ 457
Covered-Employee Payroll	\$ 5,221,161	\$ 4,896,004	\$ 4,758,282	\$ 4,574,148	\$ 4,496,541
Contributions as a Percentage of Covered-Employee Payroll	66.13%	54.54%	55.65%	49.75%	49.28%

Firefighters' Pension Plan

	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 1,210,276	\$ 833,082	\$ 1,210,276	\$ 833,082	\$ 696,364
Contributions in Relation to the Actuarial Determined Contribution	1,152,147	1,012,630	893,065	731,932	437,530
Contribution Deficiency (excess)	\$ 58,129	\$ (179,548)	\$ 317,211	\$ 101,150	\$ 258,834
Covered-Employee Payroll	\$ 2,447,331	\$ 2,370,896	\$ 2,112,271	\$ 2,247,765	\$ 2,152,558
Contributions as a Percentage of Covered-Employee Payroll	47.08%	42.71%	42.28%	32.56%	20.33%

Illinois Municipal Retirement Fund

	2017	2016	2015	2014	2013
Actuarially Determined Contribution	\$ 946,936	\$ 896,078	\$ 878,490	\$ -	\$ -
Contributions in Relation to the Actuarial Determined Contribution	946,936	896,079	859,366	-	-
Contribution Deficiency (excess)	\$ -	\$ (1)	\$ 19,124	\$ -	\$ -
Covered-Employee Payroll	\$ 4,460,366	\$ 4,291,562	\$ 4,143,921	\$ -	\$ -
Contributions as a Percentage of Covered-Employee Payroll	21.23%	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, 2017

	Final Budget	Actual	Variance
Revenues:			
Program:			
Charges for services	\$ 2,415,000	\$ 2,418,485	\$ 3,485
Licenses and permits	920,800	875,302	(45,498)
Intergovernmental	4,732,198	4,035,401	(696,797)
Fines and forfeitures	1,659,200	1,727,009	67,809
General:			
Property taxes	8,264,481	7,811,342	(453,139)
Other taxes	10,138,779	9,952,557	(186,222)
Interest	2,000	5,775	3,775
Miscellaneous	669,773	661,833	(7,940)
Total revenues	<u>28,802,231</u>	<u>27,487,704</u>	<u>(1,314,527)</u>
Expenditures:			
Current:			
General government	5,086,921	3,872,242	1,214,679
Public safety	20,470,861	16,833,082	3,637,779
Public works	4,238,862	3,400,335	838,527
Capital outlay	3,135,206	1,419,421	1,715,785
Total expenditures	<u>32,931,850</u>	<u>25,525,080</u>	<u>7,406,770</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,129,619)</u>	<u>1,962,624</u>	<u>6,092,243</u>
Other financing sources (uses):			
Transfers in	45,000	-	(45,000)
Transfers (out)	(2,151,386)	(1,242,964)	908,422
Total other financing sources (uses)	<u>(2,106,386)</u>	<u>(1,242,964)</u>	<u>863,422</u>
Change in fund balance	<u>\$ (6,236,005)</u>	<u>719,660</u>	<u>\$ 6,955,665</u>
Fund balances:			
May 1, 2016		<u>7,203,065</u>	
April 30, 2017		<u>\$ 7,922,725</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.

Village of Lansing, Illinois

Notes to Required Supplementary Information

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	April 30, 2017
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	25 Years
Investment rate of return	7.00%
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%
Mortality Table	Lauterbach & Amen (L&A) 2016 Illinois Police

Firefighters' Pension Plan

Methods and Assumptions

Valuation date	April 30, 2017
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	25 Years
Investment rate of return	6.75%
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%
Mortality Table	Lauterbach & Amen (L&A) 2016 Illinois Firefighter's

Village of Lansing, Illinois

Notes to Required Supplementary Information

Note 2. Pension Contributions (Continued)

Illinois Municipal Retirement Fund

Methods and Assumptions

Valuation date	December 31, 2016
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	27-year closed period until remaining period reaches 15 years (then 15-year rolling period)
Investment rate of return	7.50%
Projected Individual Salary Increases	3.75% - 14.5%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.75%
Inflation Rate Included	2.75%
Mortality Table	

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment 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 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Supplementary Information

Village of Lansing, Illinois

**Schedule of Revenues - Budget and Actual
General Fund
Year Ended April 30, 2017**

	Original and Final Budget	Actual
Charges for services:		
Refuse billing	\$ 2,405,000	\$ 2,408,837
Toter rental	10,000	8,748
Application fee	-	900
Total charges for services	<u>2,415,000</u>	<u>2,418,485</u>
Licenses and permits:		
Business licenses	162,500	118,123
Vehicle licenses	537,600	499,400
Other licenses	15,700	14,810
Building permits	170,000	211,416
Electrical permits	10,000	10,322
Plumbing permits	15,000	10,264
Heating, air conditioning, and other permits	10,000	10,967
Total licenses and permits	<u>920,800</u>	<u>875,302</u>
Intergovernmental:		
State income	2,889,762	2,677,983
Replacement tax	180,506	244,297
Grants	1,661,930	1,113,121
Total intergovernmental	<u>4,732,198</u>	<u>4,035,401</u>
Fines and fees:		
Court fines	65,000	31,571
IDROP tickets	120,000	113,618
Towing fines	125,000	105,500
Other fines	221,500	237,712
Building/elevator inspection fees	359,000	378,077
Planning/zoning fees	14,000	10,515
Paramedic fees	750,000	849,211
Other fees	4,700	805
Total fines and fees	<u>1,659,200</u>	<u>1,727,009</u>
Property taxes:		
General	8,264,481	7,811,342
Total property taxes	<u>8,264,481</u>	<u>7,811,342</u>
Other taxes:		
Sales tax	6,568,779	6,397,100
Utility tax	1,400,000	1,446,840
Video gaming tax	120,000	135,315
Cable TV franchise fee	465,000	462,947
Phone franchise fee	775,000	707,052
Motel tax	760,000	769,511
Foreign fire insurance	50,000	33,792
Total other taxes	<u>10,138,779</u>	<u>9,952,557</u>
Interest	<u>2,000</u>	<u>5,775</u>
Miscellaneous:		
Miscellaneous other revenue	500,500	520,065
Rental income	144,373	123,857
Builders club	12,800	10,684
Donations	12,100	7,227
Total miscellaneous	<u>669,773</u>	<u>661,833</u>
Total revenues	<u>\$ 28,802,231</u>	<u>\$ 27,487,704</u>

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
General government:		
General administrative and support:		
Administration:		
Salaries - exempt	\$ 82,816	\$ 69,742
Salaries - part time	40,924	24,836
Salaries - elected officials	165,600	138,099
Employee insurance	59,103	41,989
Unemployment taxes	24,000	-
Legal service	156,000	114,187
Janitorial service	15,600	9,135
Other professional services	51,600	8,049
Postage	600	226
Telephone	840	-
Publishing / advertising	6,000	2,856
Printing / copying	1,200	112
Community relations	19,200	14,971
Azavar contingency payments	18,000	13,180
Dues	33,937	28,760
Travel expense	1,200	107
Professional expenses	1,200	33
Training	2,400	357
Public utility services	8,400	6,586
Office supplies	2,400	2,256
Institutional supplies	10,320	1,651
MSI code violations	120,000	80,274
Miscellaneous expense	4,800	1,082
Total administration	<u>826,140</u>	<u>558,488</u>
Finance:		
Salaries - exempt	85,874	71,598
Salaries - clerical	92,014	77,894
Salaries - part time	72,033	44,684
Salaries - over time	12,000	3,219
Employee insurance	148,461	128,911
Unemployment insurance	489,118	468,935
Contract maintenance - equipment	30,121	23,154
Auditing fees	35,490	14,400
Other professional fees	1,200	135
Postage	12,000	9,995
Publishing / advertising	2,400	831
Printing / copying	24,000	16,963
Dues	1,860	1,150
Travel	1,260	291
Training	3,840	470
Bank charges	9,600	7,427
Liability insurance	567,354	439,765
Office supplies	12,720	9,204
Total finance	<u>1,601,345</u>	<u>1,319,026</u>

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
General government: (continued)		
General administrative and support: (continued)		
Information technology:		
Salaries - exempt	\$ 87,446	\$ 72,871
Salaries - part-time	24,000	9,234
Employee insurance	26,968	22,178
Contract maintenance	13,608	8,771
Telephone	37,438	33,241
Publishing and advertising	2,760	1,292
Printing and copying	2,400	-
Dues	120	39
Travel expenses	600	-
Training education	3,000	2,277
Automotive fuel/oil	1,440	33
Website development	8,160	8,623
General hardware / software purchase	81,744	54,757
Virus protection	4,560	4,406
IT expenses	18,720	1,037
WAN	26,160	29,134
Support services	28,800	24,000
Rental housing program support	1,800	-
Total information technology	<u>369,724</u>	<u>271,893</u>
Boards and commissions:		
Member fees	2,520	2,615
Police and Fire professional service	24,000	23,211
Postage	1,800	399
Publishing / advertising	3,600	1,444
Dues	600	-
Training	600	68
Publications	960	-
Office supplies	360	140
Operating supplies	360	48
Total boards and commissions	<u>34,800</u>	<u>27,925</u>
Total general and administrative support	<u>2,832,009</u>	<u>2,177,332</u>

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)

General Fund
Year Ended April 30, 2017

	Original and Final Budget	Actual
General government: (continued)		
Community development:		
Building:		
Salaries - exempt	\$ 169,994	\$ 146,587
Salaries - clerical	72,327	59,663
Salaries - inspectors	128,720	101,297
Salaries - part time	16,460	9,685
Overtime - clerical	600	91
Overtime - inspectors	600	-
Employee insurance	153,919	125,893
Contract maintenance - building	24,000	21,075
Contract maintenance - municipal property	108,000	96,039
Contract maintenance - equipment	12,000	9,250
Property maintenance	18,000	9,340
Residential lawn maintenance	54,000	36,289
Other professional services	4,500	575
Postage	1,200	1,615
Telephone	6,000	6,098
Printing / copying	600	360
Flood activities	3,600	702
Elevator inspection fees	15,600	16,175
Dues	720	535
Travel expense	600	363
Training	4,800	3,493
Publications	2,400	1,386
Bad debt write-off (recovery)	24,000	15,116
Electrical inspector	20,400	19,035
Plumbing inspector	24,000	14,175
Inspectors - contractual	20,400	14,260
Office supplies	3,000	3,101
Automotive fuel / oil	6,600	2,621
Other general supplies	360	553
Maintenance supplies - building	1,800	1,516
Maintenance supplies - vehicles	6,000	3,385
Lease purchase	7,200	7,463
Total building	<u>912,400</u>	<u>727,736</u>

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
General government: (continued)		
Community development: (continued)		
Planning and development:		
Salaries - exempt	\$ 9,000	\$ 7,841
Salaries - clerical	5,789	4,824
Employee insurance	60,025	50,534
Legal service	6,000	3,972
Other professional services	12,000	15,492
Postage	540	294
Telephone	1,200	1,336
Printing	1,200	581
Sales tax reimbursement agreements	492,000	398,480
Tourism / Marketing promotion	325,200	157,760
Dues	1,662	755
Travel	3,780	1,085
Professional expenses	44,400	41,114
Training	4,200	2,779
Publications	360	-
Appraisals	5,760	-
Office supplies	600	343
Operating supplies	600	630
Computer software	3,600	979
Economic development	-	-
Total planning and development	<u>977,916</u>	<u>688,799</u>
Channel 4 LNN:		
Salaries - support staff	63,000	45,289
Salaries - part time	40,320	8,874
Salaries - over time	-	278
Employee insurance	15,534	9,594
Contract services	30,600	39,898
Repairs	2,400	1,163
Telephone	3,360	1,378
Office supplies	3,840	568
Production supplies	7,800	4,798
Promotions	2,400	577
Total Channel 4 LNN	<u>169,254</u>	<u>112,417</u>
Youth center:		
Salaries - exempt	51,688	43,073
Salaries - part time	73,472	68,666
Employee insurance	26,968	22,202
Contract maintenance - building	1,680	994
Contract maintenance - equipment	2,160	3,927
Janitorial service	9,734	7,696
Telephone	1,440	1,608
Printing / copying	900	-
Special events	4,500	1,542
Public utility services	1,800	-
Miscellaneous	360	-
Office supplies	480	159
Concession supplies	12,000	10,070
Other general supplies	4,560	1,193
Maintenance supplies - building	1,560	4,047
Maintenance supplies - equipment	2,040	781
Total youth center	<u>195,342</u>	<u>165,958</u>
Total community development	<u>2,254,912</u>	<u>1,694,910</u>
Total general government	<u>5,086,921</u>	<u>3,872,242</u>

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
Public safety:		
Police:		
Salaries - exempt	\$ 610,893	\$ 506,908
Salaries - clerical	182,208	151,840
Salaries - telecommunications	535,372	419,945
Salaries - record clerks	156,117	127,113
Salaries - sergeants / lieutenants	1,579,305	1,266,575
Salaries - police officers	3,925,311	3,127,968
Salaries - custodian	54,340	45,283
Salaries - part time	66,000	50,630
Salaries - crossing guards	195,917	152,245
Overtime - clerical	600	-
Overtime - telecommunications	98,400	78,563
Overtime - record clerks	1,200	-
Overtime - sergeants / lieutenants	104,550	77,093
Overtime - police officers	430,500	440,120
Overtime - custodian	1,200	-
Employee insurance	1,943,268	1,515,114
Pension contribution	4,045,597	3,452,598
Uniform expense	73,008	61,473
Education assistance	20,120	10,170
SO. Sub major crime task force	2,400	2,993
Animal control officer	46,402	37,724
Contract maintenance - building	43,591	36,286
Contract maintenance - equipment	12,451	7,171
Contract maintenance - vehicles	42,000	36,436
Contract maintenance - other	121,403	98,221
Medical service	4,898	3,876
Other professional services	17,316	12,868
Postage	6,000	6,370
Telephone	13,200	12,986
Dues	936	610
Travel expense	9,000	5,987
Training	41,520	36,534
Publications	1,350	440
Public utility services	7,200	-
Office supplies	13,860	12,357
Automotive fuel	120,000	83,037
Operating supplies	25,692	19,015
Local law enforcement expense (bracelet / tow)	16,680	3,356
Institutional supplies	1,050	851
Other general supplies	8,100	5,693
Maintenance supplies - building	13,800	13,029
Maintenance supplies - equipment	600	364
Maintenance supplies - vehicles	30,000	34,869
Total police	14,623,355	11,954,711

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
Public safety: (continued)		
Fire:		
Salaries - exempt	\$ 288,664	\$ 240,803
Salaries - clerical	43,400	35,478
Salaries - firefighters	2,646,734	2,065,810
Salaries - part time	185,664	145,884
Overtime - clerical	1,200	384
Overtime - firefighters	150,000	299,703
Employee insurance	726,204	585,309
Pension contribution	1,365,780	1,152,147
Uniform expense	30,000	21,827
Contract maintenance - building	39,120	33,431
Contract maintenance - equipment	4,800	4,665
Contract maintenance - vehicle	88,800	81,131
Contract maintenance - other	44,820	38,536
Other professional services	20,400	10,586
Medical billings	42,000	40,409
Postage	480	314
Telephone	12,600	8,593
Fire prevention	1,800	1,625
Printing / copying	840	999
Mutual aid	6,660	5,843
Dues	900	624
Travel expense	3,600	2,286
Training	18,300	10,151
Public utility services	3,600	-
Office supplies	3,600	3,031
Automotive fuel	40,200	24,592
Operating supplies	34,500	33,960
Small tools	1,800	882
Maintenance supplies - building	1,800	1,708
Maintenance supplies - equipment	6,000	5,458
Maintenance supplies - vehicles	16,800	13,181
Public education	1,800	1,019
Leased equipment	5,040	3,626
Dive team	3,600	4,376
POC retirement	6,000	-
Total fire	<u>5,847,506</u>	<u>4,878,371</u>
Total public safety	<u>20,470,861</u>	<u>16,833,082</u>

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
 General Fund
 Year Ended April 30, 2017

	Original and Final Budget	Actual
Public works:		
Street:		
Salaries - exempt	\$ 761,735	\$ 622,713
Salaries - part time	18,000	46,723
Overtime - clerical	1,200	-
Overtime - public works	58,800	58,124
Employee insurance	387,462	294,049
Uniform expense	7,200	3,794
Contract maintenance - building	17,591	13,534
Contract maintenance - equipment	29,760	13,011
Contract maintenance - vehicles	6,000	3,542
Contract maintenance - street / sidewalk	60,000	8,231
Contract maintenance - street lights	12,000	13,507
Contract maintenance - traffic lights	22,200	23,869
Other professional service	900	959
Postage	120	-
Telephone	15,600	12,587
Printing / copying	360	29
Dues	900	30
Training	1,800	1,856
Allowance for uncollectible accounts	12,000	1,098
Public utilities	22,800	14,151
Street lighting - electric	264,000	213,327
Grass / leaves / branches / disposal fees	20,400	684
Office supplies	3,600	609
Safety supplies	1,800	1,646
Automotive fuel	36,000	21,247
Operating supplies	18,000	19,585
Maintenance supplies - snow equipment	60,000	33,066
Maintenance supplies - vehicle	4,800	1,993
Maintenance supplies - street lights	8,400	6,841
Maintenance supplies - traffic signals	3,600	2,852
Tree removal	12,000	1,795
Site restoration	54,000	33,505
Sign maintenance and equipment	24,000	21,018
Homewood disposal	2,291,834	1,910,360
Total public works	4,238,862	3,400,335
Capital outlay	3,135,206	1,419,421
Total expenditures	\$ 32,931,850	\$ 25,525,080

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2017

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,839,613	\$ 2,953,407	\$ 1,453,283	\$ 6,246,303
Receivables:				
Property taxes	508,229	909,161	166,939	1,584,329
Intergovernmental	103,431	-	-	103,431
Due from other funds	-	29,098	-	29,098
Advance to other funds	-	19,513	732,306	751,819
Property held for resale	-	253,300	-	253,300
Total assets	\$ 2,451,273	\$ 4,164,479	\$ 2,352,528	\$ 8,968,280
Liabilities				
Accounts payable	\$ 38,540	\$ 890,612	\$ -	\$ 929,152
Accrued payroll	18,333	1,947	-	20,280
Other	-	22,642	-	22,642
Due to other funds	2,539	-	216	2,755
Advance from other funds	196,655	-	-	196,655
Total liabilities	256,067	915,201	216	1,171,484
Deferred Inflows of Resources				
Deferred property taxes	490,157	918,118	160,932	1,569,207
Fund Balances				
Nonspendable	-	19,513	732,306	751,819
Restricted	1,705,049	2,688,723	1,459,074	5,852,846
Unassigned	-	(377,076)	-	(377,076)
Total fund balances	1,705,049	2,331,160	2,191,380	6,227,589
Total liabilities, deferred inflows of resources and fund balances	\$ 2,451,273	\$ 4,164,479	\$ 2,352,528	\$ 8,968,280

Village of Lansing, Illinois

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2017**

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues:				
Program:				
Intergovernmental	\$ 951,957	\$ 200,000	\$ -	\$ 1,151,957
Fines and forfeitures	201,384	-	-	201,384
General:				
Property taxes	1,004,050	1,505,381	334,714	2,844,145
Interest	1,054	3,211	1,885	6,150
Miscellaneous	-	54,310	-	54,310
Total revenues	2,158,445	1,762,902	336,599	4,257,946
Expenditures:				
Current:				
General government	895,047	133,893	-	1,028,940
Public safety	335,029	-	-	335,029
Public works	162,028	-	-	162,028
Capital outlay	344,689	1,672,752	-	2,017,441
Debt service:				
Principal	-	-	1,251,790	1,251,790
Interest and fees	-	-	644,111	644,111
Total expenditures	1,736,793	1,806,645	1,895,901	5,439,339
Excess (deficiency) of revenues over (under) expenditures	421,652	(43,743)	(1,559,302)	(1,181,393)
Other financing sources (uses):				
Transfers in	-	-	1,776,807	1,776,807
Transfers (out)	(533,843)	(1,332,339)	(184,272)	(2,050,454)
Total other financing sources (uses)	(533,843)	(1,332,339)	1,592,535	(273,647)
Change in fund balances	(112,191)	(1,376,082)	33,233	(1,455,040)
Fund balances:				
May 1, 2016	1,817,240	3,707,242	2,158,147	7,682,629
April 30, 2017	\$ 1,705,049	\$ 2,331,160	\$ 2,191,380	\$ 6,227,589

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2017

	IMRF / FICA	Motor Fuel Tax	Police Department Forfeiture	Police Department Forfeiture Justice	911	Total
Assets						
Cash and cash equivalents	\$ 801,995	\$ 381,083	\$ 318,625	\$ 200,216	\$ 137,694	\$ 1,839,613
Receivables:						
Property taxes	508,229	-	-	-	-	508,229
Intergovernmental	22	62,030	5,067	-	36,312	103,431
Total assets	\$ 1,310,246	\$ 443,113	\$ 323,692	\$ 200,216	\$ 174,006	\$ 2,451,273
Liabilities						
Accounts payable	\$ -	\$ 36,362	\$ 790	\$ 68	\$ 1,320	\$ 38,540
Accrued payroll	18,333	-	-	-	-	18,333
Due to other funds	2,539	-	-	-	-	2,539
Advance from other funds	-	196,655	-	-	-	196,655
Total liabilities	20,872	233,017	790	68	1,320	256,067
Deferred Inflows of Resources						
Deferred property taxes	490,157	-	-	-	-	490,157
Fund Balances						
Restricted	799,217	210,096	322,902	200,148	172,686	1,705,049
Total liabilities, deferred inflows of resources and fund balances	\$ 1,310,246	\$ 443,113	\$ 323,692	\$ 200,216	\$ 174,006	\$ 2,451,273

Village of Lansing, Illinois

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 April 30, 2017

	IMRF / FICA	Motor Fuel Tax	Police Department Forfeiture	Police Department Forfeiture Justice	911	Total
Revenues:						
Property taxes	\$ 1,004,050	\$ -	\$ -	\$ -	\$ -	\$ 1,004,050
Intergovernmental:						
Allotments	-	718,091	-	-	-	718,091
911 surcharge	-	-	-	-	227,799	227,799
Grants	-	-	6,067	-	-	6,067
Fees and services:						
Police Department seizures	-	-	114,071	87,313	-	201,384
Interest	-	484	309	166	95	1,054
Total revenues	1,004,050	718,575	120,447	87,479	227,894	2,158,445
Expenditures:						
Current:						
General government, pension contributions	895,047	-	-	-	-	895,047
Public safety, police	-	-	137,526	52,058	145,445	335,029
Public works	-	162,028	-	-	-	162,028
Capital outlay	-	231,336	3,407	74,525	35,421	344,689
Total expenditures	895,047	393,364	140,933	126,583	180,866	1,736,793
Excess (deficiency) of revenues over (under) expenditures	109,003	325,211	(20,486)	(39,104)	47,028	421,652
Other financing uses						
Transfers out	-	(450,000)	-	-	(83,843)	(533,843)
Total other financing uses	-	(450,000)	-	-	(83,843)	(533,843)
Change in fund balances	109,003	(124,789)	(20,486)	(39,104)	(36,815)	(112,191)
Fund balances:						
May 1, 2016	690,214	334,885	343,388	239,252	209,501	1,817,240
April 30, 2017	\$ 799,217	\$ 210,096	\$ 322,902	\$ 200,148	\$ 172,686	\$ 1,705,049

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, 2017

	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	\$ 1,100,000	\$ 1,004,050	\$ -	\$ -	\$ -	\$ -
Intergovernmental:						
Allotments	-	-	735,560	718,091	-	-
Grants	-	-	-	-	-	6,067
Fees and services:						
Police Department seizures	-	-	-	-	-	114,071
Interest	-	-	150	484	-	309
Total revenues	1,100,000	1,004,050	735,710	718,575	-	120,447
Expenditures:						
Current:						
General government, pension contributions	1,277,734	895,047	-	-	-	-
Public safety, police	-	-	-	-	242,316	137,526
Public works	-	-	393,125	162,028	-	-
Capital outlay	-	-	-	231,336	33,600	3,407
Total expenditures	1,277,734	895,047	393,125	393,364	275,916	140,933
Excess (deficiency) of revenues over (under) expenditures	(177,734)	109,003	342,585	325,211	(275,916)	(20,486)
Other financing uses						
Transfers out	-	-	(450,000)	(450,000)	(30,000)	-
Total other financing uses	-	-	(450,000)	(450,000)	(30,000)	-
Change in fund balances	\$ (177,734)	109,003	\$ (107,415)	(124,789)	\$ (305,916)	(20,486)
Fund balances:						
May 1, 2016		<u>690,214</u>		<u>334,885</u>		<u>343,388</u>
April 30, 2017		<u>\$ 799,217</u>		<u>\$ 210,096</u>		<u>\$ 322,902</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, 2017

	Police Department Forfeiture Justice		911		Total	
	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual
Revenues:						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,004,050
Intergovernmental:						
Allotments	-	-	-	-	735,560	718,091
911 surcharge	-	-	205,000	227,799	205,000	227,799
Grants	-	-	-	-	-	6,067
Fees and services:						
Police Department seizures	-	87,313	-	-	-	201,384
Interest	-	166	100	95	250	1,054
Total revenues	-	87,479	205,100	227,894	2,040,810	2,158,445
Expenditures:						
Current:						
General government, pension contributions	-	-	-	-	1,277,734	895,047
Public safety, police	171,810	52,058	191,482	145,445	605,608	335,029
Public works	-	-	-	-	393,125	162,028
Capital outlay	112,560	74,525	48,000	35,421	194,160	344,689
Total expenditures	284,370	126,583	239,482	180,866	2,470,627	1,736,793
Excess (deficiency) of revenues over (under) expenditures	(284,370)	(39,104)	(34,382)	47,028	(429,817)	421,652
Other financing uses						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(100,612)	(83,843)	(580,612)	(533,843)
Total other financing uses	-	-	(100,612)	(83,843)	(580,612)	(533,843)
Change in fund balances	\$ (284,370)	(39,104)	\$ (134,994)	(36,815)	\$ (1,010,429)	(112,191)
Fund balances:						
May 1, 2016		<u>239,252</u>		<u>209,501</u>		<u>1,817,240</u>
April 30, 2017		<u>\$ 200,148</u>		<u>\$ 172,686</u>		<u>\$ 1,705,049</u>

Village of Lansing, Illinois

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 April 30, 2017

	TIF The Landings	TIF West Lansing	Community Development Block Grant	TIF Torrence Avenue	Total
Assets					
Cash and cash equivalents	\$ 325,265	\$ 2,496,162	\$ 23,137	\$ 108,843	\$ 2,953,407
Property tax receivable	-	721,625	-	187,536	909,161
Due from other funds	-	29,098	-	-	29,098
Advance to other funds	-	19,513	-	-	19,513
Property held for resale	-	-	-	253,300	253,300
Total assets	\$ 325,265	\$ 3,266,398	\$ 23,137	\$ 549,679	\$ 4,164,479
Liabilities					
Accounts payable	\$ 324,521	\$ 86,978	\$ -	\$ 479,113	\$ 890,612
Accrued payroll	-	448	-	1,499	1,947
Other	-	17,335	-	5,307	22,642
Total liabilities	324,521	104,761	-	485,919	915,201
Deferred Inflows of Resources					
Deferred property taxes	-	730,582	-	187,536	918,118
Fund Balances					
Nonspendable	-	19,513	-	-	19,513
Restricted	744	2,411,542	23,137	253,300	2,688,723
Unassigned	-	-	-	(377,076)	(377,076)
Total fund balances (deficit)	744	2,431,055	23,137	(123,776)	2,331,160
Total liabilities and fund balances	\$ 325,265	\$ 3,266,398	\$ 23,137	\$ 549,679	\$ 4,164,479

Village of Lansing, Illinois

Combining Statements of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 Year Ended April 30, 2017

	TIF The Landings	TIF West Lansing	Community Development Block Grant	TIF Torrence Avenue	Total
Revenues:					
Property taxes	\$ -	\$ 1,505,381	\$ -	\$ -	\$ 1,505,381
Intergovernmental, grants	-	-	200,000	-	200,000
Miscellaneous	-	-	-	54,310	54,310
Interest	648	2,563	-	-	3,211
Total revenues	648	1,507,944	200,000	54,310	1,762,902
Expenditures:					
General government	-	39,268	-	94,625	133,893
Capital outlay, project costs	-	883,125	200,000	589,627	1,672,752
Total expenditures	-	922,393	200,000	684,252	1,806,645
Deficiency of revenues under expenditures	648	585,551	-	(629,942)	(43,743)
Other financing use					
Transfer (out)	-	(1,332,339)	-	-	(1,332,339)
Total other financing use	-	(1,332,339)	-	-	(1,332,339)
Change in fund balances	648	(746,788)	-	(629,942)	(1,376,082)
Fund balances (deficit):					
May 1, 2016	96	3,177,843	23,137	506,166	3,707,242
April 30, 2017	\$ 744	\$ 2,431,055	\$ 23,137	\$ (123,776)	\$ 2,331,160

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, 2017

	TIF The Landings		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	Original and Final Budget	Actual
Revenues:								
Property taxes	\$ -	\$ -	\$ 1,300,000	\$ 1,505,381	\$ -	\$ -	\$ -	\$ -
Intergovernmental, grants	-	-	-	-	200,000	200,000	-	-
Miscellaneous	-	-	-	-	-	-	-	54,310
Interest	-	648	4,000	2,563	-	-	-	-
Total revenues	-	648	1,304,000	1,507,944	200,000	200,000	-	54,310
Expenditures:								
General government	-	-	62,807	39,268	-	-	132,375	94,625
Capital outlay, project costs	-	-	828,000	883,125	240,000	200,000	2,071,200	589,627
Total expenditures	-	-	890,807	922,393	240,000	200,000	2,203,575	684,252
Excess (deficiency) of revenues over (under) expenditures	-	648	413,193	585,551	(40,000)	-	(2,203,575)	(629,942)
Other financing source (use)								
Transfers in	-	-	-	-	-	-	1,836,312	-
Transfers (out)	-	-	(3,802,382)	(1,332,339)	-	-	-	-
Total other financing source (use)	-	-	(3,802,382)	(1,332,339)	-	-	1,836,312	-
Change in fund balances	\$ -	648	\$ (3,389,189)	(746,788)	\$ (40,000)	-	\$ (367,263)	(629,942)
Fund balances (deficit):								
May 1, 2016		<u>96</u>		<u>3,177,843</u>		<u>23,137</u>		<u>506,166</u>
April 30, 2017		<u>\$ 744</u>		<u>\$ 2,431,055</u>		<u>\$ 23,137</u>		<u>\$ (123,776)</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, 2017

	Original and Final Budget	Actual
Revenues:		
Property taxes	\$ 340,163	\$ 334,714
Interest	1,500	1,885
Total revenues	<u>341,663</u>	<u>336,599</u>
Expenditures:		
Debt service:		
Principal	1,250,129	1,251,790
Interest and fees	648,579	644,111
Total expenditures	<u>1,898,708</u>	<u>1,895,901</u>
Deficiency of revenues under expenditures	(1,557,045)	(1,559,302)
Other financing sources (uses):		
Transfers in	1,802,713	1,776,807
Transfers (out)	(221,126)	(184,272)
Total other financing sources (uses)	<u>1,581,587</u>	<u>1,592,535</u>
Change in fund balance	<u>\$ 24,542</u>	33,233
Fund balances:		
May 1, 2016		<u>2,158,147</u>
April 30, 2017		<u>\$ 2,191,380</u>

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
Municipal Airport
Year Ended April 30, 2017

	Original and Final Budget	Actual
Municipal airport fees and charges		
Hangar rental	\$ 310,000	\$ 317,745
Fuel rental	358,029	183,001
Tie down fees	2,835	3,073
FBO rents	-	41,661
FBO operating fees	-	3,555
Land rent	15,000	10,787
Other	54,800	61,658
Total revenues	740,664	621,480
Operating expenses other than depreciation:		
Salaries - exempt	114,390	95,741
Salaries - support staff	179,422	150,647
Salaries - part time	14,022	8,282
Overtime - support staff	6,000	14,337
Pension payment - FICA	24,008	20,478
Employee insurance	81,585	44,548
Workmen's compensation insurance	7,541	12,079
Pension payment - IMRF	61,604	58,180
Contract maintenance	40,200	65,698
Legal service	18,000	4,516
Janitorial service	7,200	5,500
Other professional services	4,800	6,915
Veteran's memorial	360	-
Postage	960	677
Telephone	9,000	10,807
Publishing / advertising	3,600	25
Dues	900	575
Travel expense	2,520	483
Training	2,400	-
Publications	90	58
Bank service charge	3,600	6,223
Allowance for uncollectible	1,200	2,303
Public utility services	54,000	56,020
General insurance	36,600	21,819
Office supplies	900	240
Automotive fuel / oil	6,000	5,847
Aviation fuel for sale	325,000	167,619
Field operating costs	10,800	10,684
Small tools	1,800	1,397
Institutional supplies	4,200	2,101
Other general supplies	2,640	2,111
Maintenance supplies	1,800	1,040
Maintenance supplies - equipment	4,800	6,478
Maintenance supplies - vehicle	1,800	3,096
Maintenance supplies - rental building	6,720	5,628
Contract maintenance - airside NAV	13,200	9,617
Contract maintenance - airside field	36,000	29,712
Capital improvements	105,000	41,183
Capital Outlay	83,400	187,800
Less capitalized assets	-	(95,942)
Total operating expenses, other than depreciation	1,278,062	964,522

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual (Continued)
Municipal Airport
Year Ended April 30, 2017

	Original and Final Budget	Actual
Operating loss before depreciation	\$ (537,398)	\$ (343,042)
Depreciation	-	624,742
Operating loss	<u>(537,398)</u>	<u>(967,784)</u>
Nonoperating income (expense):		
Interest expense	(114,436)	(43,898)
Principal payments	(164,066)	-
Capital contributions	-	109,808
Transfers in	634,292	229,334
Transfers out	(113,076)	(45,062)
Total nonoperating income (expense)	<u>242,714</u>	<u>250,182</u>
Change in net position	<u><u>\$ (294,684)</u></u>	(717,602)
Net position		
May 1, 2016		<u>8,151,859</u>
April 30, 2017		<u><u>\$ 7,434,257</u></u>

Village of Lansing, Illinois

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
 Waterworks and Sewerage
 Year Ended April 30, 2017

	Original and Final Budget	Actual
Water sales and sewer charges:		
Water sales	\$ 4,150,000	\$ 4,399,823
Water sales - other	990,000	968,465
Sewer charge	700,000	740,069
Penalties	160,000	175,901
Other	50,000	51,913
Total water sales and sewer charges	6,050,000	6,336,171
Other fees,		
Maintenance fees	114,000	115,113
Other:		
State grant	4,800,000	-
Other	-	1,260
Total other	4,800,000	1,260
Total operating revenues	10,964,000	6,452,544
Operating expenses other than depreciation:		
Water:		
Salaries - exempt	142,884	50,428
Salaries - clerical	142,252	100,069
Salaries - public works	576,372	413,503
Salaries - part time	60,953	38,163
Overtime - clerical	8,400	4,543
Overtime - public works	96,000	72,215
Pension payment - FICA	68,071	51,870
Employee insurance	364,647	242,209
Unemployment benefits	-	652
Workmen's compensation insurance	39,249	46,211
Uniform allowance	6,600	4,444
Pension payment - IMRF	178,339	174,247
Contract maintenance - building	42,000	26,258
Contract maintenance - equipment	38,419	28,530
Contract maintenance - vehicle	2,400	430
Contract maintenance - utility system	192,000	127,259
Auditing fees	30,000	25,000
Legal service	72,000	4,204
Other professional services	12,600	49,944
Postage	27,600	21,455
Telephone	19,620	21,170
Printing / copying	6,000	3,433
Dues	1,440	190
Training	12,000	2,790
Bank service charges	10,200	7,854
Allowance for uncollectible	18,000	2,396
Public utility services	156,000	130,155
General insurance	46,000	30,809
Rental	600	72
Water sampling testing	10,200	5,073
Water purchase	2,400,000	1,844,936
Site restoration	252,000	243,959
Office supplies	14,400	10,904
Safety supplies	6,000	1,370
Automotive fuel / oil	36,000	16,808
Operating supplies	7,200	5,981
Chemicals	4,200	1,350
Maintenance supplies - building	1,200	1,778
Maintenance - supplies - equipment	12,000	6,776
Maintenance supplies - vehicle	6,000	830
Maintenance supplies - utility system	60,000	54,737
WAN	26,160	1,741
Water meters / reading system	5,796,000	26,000
Total water	11,002,006	3,902,746

(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, 2017

	Original and Final Budget	Actual
Sewer:		
Salaries - exempt	\$ 60,684	\$ 50,428
Salaries - clerical	87,510	51,769
Salaries - public works	381,805	235,419
Salaries - part-time	42,665	20,628
Overtime - clerical	7,656	-
Overtime - public works	72,000	32,916
Pension payment - FICA	39,419	29,752
Employee insurance	224,616	132,190
Unemployment benefits	120	-
Workmen's compensation insurance	23,859	84,833
Uniform allowance	4,800	1,492
Pension payment - IMRF	102,179	79,969
Contract maintenance - building	30,000	22,304
Contract maintenance - equipment	27,103	25,703
Contract maintenance - vehicle	3,000	555
Contract maintenance - utility system	198,000	141,426
Legal service	6,000	1,307
Other professional services	-	8,085
Telephone	30,000	28,100
Printing / copying	1,800	29
Travel expense	-	842
Training	7,800	606
Allowance for uncollectible	3,600	604
Public utility services	2,400	2,406
General insurance	27,963	19,997
Site restoration	3,600	790
Office supplies	3,600	664
Safety supplies	5,400	1,514
Automotive fuel / oil	36,000	14,036
Operating supplies	4,200	3,530
Maintenance supplies - building	600	59
Maintenance - supplies - equipment	12,000	6,493
Maintenance supplies - vehicle	3,000	498
Maintenance supplies - utility system	30,000	10,647
Capital outlay	4,874,400	569,311
Total sewer	<u>6,357,779</u>	<u>1,578,902</u>
Total operating expenses, other than depreciation	<u>17,359,785</u>	<u>5,481,648</u>
Operating (loss) income before depreciation	(6,395,785)	970,896
Depreciation	-	1,140,947
Operating loss	(6,395,785)	(170,051)
Nonoperating income (expense):		
Capital contributions	-	1,874,388
Change in net position	<u>\$ (6,395,785)</u>	<u>1,704,337</u>
Net position		
May 1, 2016		<u>19,903,016</u>
April 30, 2017		<u>\$ 21,607,353</u>

Village of Lansing, Illinois

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 April 30, 2017

	Balances May 1, 2016	Additions	Deletions	Balances April 30, 2017
SPECIAL SERVICE AREA				
Assets:				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Other receivables	19,513	-	-	19,513
Total assets	\$ 19,513	\$ -	\$ -	\$ 19,513
Liabilities:				
Advances to other funds	\$ 19,513	\$ -	\$ -	\$ 19,513
SPECIAL ASSESSMENT				
Assets:				
Cash and cash equivalents	\$ 83,234	\$ 24	\$ -	\$ 83,258
Advances from other funds	142,819	-	-	142,819
Total assets	\$ 226,053	\$ 24	\$ -	\$ 226,077
Liabilities:				
Accounts payable	\$ 226,053	\$ 24	\$ -	\$ 226,077
TOTAL				
Assets:				
Cash and cash equivalents	\$ 83,234	\$ 24	\$ -	\$ 83,258
Other receivables	19,513	-	-	19,513
Advances from other funds	142,819	-	-	142,819
Total assets	\$ 245,566	\$ 24	\$ -	\$ 245,590
Liabilities:				
Accounts payable	\$ 226,053	\$ 24	\$ -	\$ 226,077
Advances to other funds	19,513	-	-	19,513
Total liabilities	\$ 245,566	\$ 24	\$ -	\$ 245,590

Village of Lansing, Illinois

Balance Sheet - Component Unit - Public Library
April 30, 2017

	Public Library
<hr/>	
Assets	
Cash and cash equivalents	\$ 2,843,453
Property tax receivables	1,237,426
Prepaid items	<u>21,480</u>
Total assets	<u><u>\$ 4,102,359</u></u>
Liabilities	
Accounts payable	\$ 62,450
Accrued payroll	<u>19,591</u>
Total liabilities	82,041
Deferred Inflows of Resources	
Deferred property taxes	1,193,012
Fund Balances	
Nonspendable for prepaid items	21,480
Unassigned	<u>2,805,826</u>
Total fund balance	<u><u>2,827,306</u></u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 4,102,359</u></u>

Village of Lansing, Illinois

Reconciliation of the Balance Sheet - Component Unit - Public Library
to the Statement of Net Position
April 30, 2017

Total fund balance - component unit - public library	\$ 2,827,306
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.	3,122,703
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	221,488
Deferred inflows of resources due to pensions	(29,256)
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.	14,899
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	(840,000)
Net pension liability	(750,838)
Compensated absences	(71,146)
Claims payable	(19,765)
Accrued interest	(5,154)
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>37,335</u>
Net position of component unit - public library	<u>\$ 4,507,572</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, 2017

	Public Library	
	Original and Final Budget	Actual
Revenues:		
General:		
Property taxes	\$ 2,300,676	\$ 2,557,988
Fines	20,000	15,206
Library cards	500	407
Donations	300	1,271
Printing / vending	10,000	11,708
Lost materials	1,000	731
State grants	21,839	21,839
Interest	1,000	2,807
Miscellaneous	4,000	4,611
Total revenues	<u>2,359,315</u>	<u>2,616,568</u>
Expenditures:		
Current:		
General government	2,297,795	1,702,142
Debt service:		
Principal	227,700	150,000
Interest and fees	-	36,988
Capital outlay	1,620,000	1,207,360
Total expenditures	<u>4,145,495</u>	<u>3,096,490</u>
Change in fund balance	<u><u>\$ (1,786,180)</u></u>	<u>(479,922)</u>
Fund balances:		
May 1, 2016		<u>3,307,228</u>
April 30, 2017		<u><u>\$ 2,827,306</u></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, 2017**

Net change in fund balance - component unit - public library	\$ (479,922)
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	1,185,197
Depreciation	(96,860)
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	(39,040)
Deferred inflows of resources due to pensions	(12,952)
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	20,085
Change in compensated absences	(3,224)
Change in claims payable	15,356
Change in accrued interest	795
A portion of the net revenue of the internal service fund is reported with component unit activities.	<u>(5,997)</u>
Change in net position of component unit - public library	<u><u>\$ 730,408</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	\$ 680,092	\$ 572,183
Salaries - part time	404,398	259,336
FICA taxes	82,963	62,329
Employee insurance	228,780	214,938
Workmen's comp insurance	39,000	43,910
IMRF	150,058	124,832
Legal service	2,400	1,035
Programming - youth	12,000	6,062
Programming - adult	30,000	4,094
Programming - teens	6,000	1,464
E-Books	30,000	12,028
Computer service	84,000	39,898
Village services	18,000	15,000
Postage	6,000	1,512
Telephone	3,600	4,042
Printing/copying	19,200	10,236
Training	24,000	9,341
Bank service charges	600	340
Public utility services	36,000	32,841
General insurance	47,657	37,129
Office supplies	7,200	3,868
Processing and cataloging supplies	7,800	4,582
Operating supplies	2,400	1,841
Building	90,000	26,595
Building - maintenance supplies	8,400	6,058
Periodicals	13,200	10,176
Adult audio visual	42,000	24,858
YS audio visual	9,600	4,433
Online resources	42,000	28,036
Contract purchase	42,000	46,316
Adult non-fiction	24,000	20,018
Youth non-fiction	7,200	5,620
Adult fiction	30,000	21,634
Youth fiction	10,800	8,369
Adult material - pcgf	13,104	11,265
Youth material - pcgf	13,103	10,983
Adult reference	3,000	1,688
Youth reference	1,200	999
Reciprocal reimbursement books	1,800	69
Teen material	12,000	6,090
Professional collection	120	-
ADA	120	-
Public relations	7,200	3,631
Miscellaneous	4,800	2,463
Total general government	2,297,795	1,702,142

(continued)

Village of Lansing, Illinois

Schedule of Expenditures - Budget and Actual (Continued)
Component Unit - Public Library Fund
Year Ended April 30, 2017

	Original Budget	Actual
Debt service:		
Principal	\$ 227,700	\$ 150,000
Interest and fees	-	36,988
Total debt service	<u>227,700</u>	<u>186,988</u>
Capital outlay	<u>1,620,000</u>	<u>1,207,360</u>
Total expenditures	<u>\$ 4,145,495</u>	<u>\$ 3,096,490</u>

Other Information (Unaudited)

Village of Lansing, Illinois

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

	Tax Year				
	2016	2015	2014	2013	2012
Assessed valuations	\$ 356,811,027	\$ 356,183,515	\$ 360,141,814	\$ 381,638,640	\$ 408,111,322
Tax rates:					
Primary government, by fund:					
General	0.9093	0.9443	0.9340	0.8609	0.8191
Police Pension	1.0533	0.9369	0.7579	0.6877	0.6240
Fire Pension	0.4215	0.3195	0.2746	0.2248	0.1879
Illinois Municipal Retirement	0.1299	0.1446	0.1716	0.0864	
Social Security	0.1732	0.1446	0.1396	0.1295	0.1220
Bond and Interest	0.0995	0.1005	0.1002	0.0952	0.0957
Total primary government	2.7867	2.5904	2.3779	2.0845	1.8487
Lansing Public Library	0.7257	0.7270	0.6655	0.5812	0.5379
Total	3.5124	3.3174	3.0434	2.6657	2.3866
Tax extensions:					
Primary government, by fund					
General	\$ 3,244,500	\$ 3,363,554	\$ 3,363,554	\$ 3,285,700	\$ 3,125,949
Police Pension	3,758,380	3,337,200	2,729,500	2,624,458	2,381,409
Fire Pension	1,504,116	1,138,150	988,800	858,074	717,255
Illinois Municipal Retirement	463,500	515,000	618,000	329,919	334,750
Social Security	618,000	515,000	502,640	494,400	465,560
Bond and Interest	355,087	358,066	360,757	363,158	365,272
Total primary government	9,943,583	9,226,970	8,563,251	7,955,709	7,390,195
Lansing Public Library	2,589,431	2,589,431	2,396,579	2,218,090	2,052,893
Totals	\$ 12,533,014	\$ 11,816,401	\$ 10,959,830	\$ 10,173,799	\$ 9,443,088
Collections	\$ 5,784,713	\$ 10,158,751	\$ 10,335,888	\$ 9,723,334	\$ 9,072,729
Percent collections	46.16%	85.97%	94.31%	95.57%	96.08%

Village of Lansing, Illinois

Schedule of Debt Service Requirements
April 30, 2017

	Year Ending April 30	Interest rate	Principal	Interest	Total
General Obligation Serial Bonds					
2003 General Obligation Issue	2018	5.50%	\$ 145,000	\$ 16,500	\$ 161,500
Dated August 28, 2003	2019	5.50%	155,000	8,525	163,525
Interest payable June 1 and December 1 of each year at rates of 5.50%			<u>\$ 300,000</u>	<u>\$ 25,025</u>	<u>\$ 325,025</u>
The Airport Fund is responsible for the required payments on these bonds.					
General Obligation Serial Bonds					
2009B General Obligation Issue	2018	4.85%	\$ -	\$ 144,713	\$ 144,713
Dated June 1, 2009	2019	4.85%	-	144,713	144,713
Interest payable March 1 and September 1 of each year at rates ranging from 4.85% - 5.35%	2020	4.85%	-	144,713	144,713
	2021	4.85%	-	144,713	144,713
	2022	4.85%	450,000	144,713	594,713
The Debt Service Fund is responsible for the required payments on these bonds.	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>\$ 1,442,972</u>	<u>\$ 4,217,972</u>
General Obligation Refunding Serial Bonds					
2014 General Obligation Issue	2018	4.00%	\$ 880,000	\$ 290,450	\$ 1,170,450
Dated December 16, 2014	2019	5.00%	915,000	255,250	1,170,250
Interest payable March 1 and September 1 of each year at rates ranging from 4.00% - 5.00%	2020	5.00%	1,000,000	209,500	1,209,500
	2021	5.00%	1,015,000	159,500	1,174,500
	2022	5.00%	1,060,000	108,750	1,168,750
The Motor Fuel Tax Fund and Debt Service Fund are responsible for 22.173% and 77.827%, respectively, of the required payments on these bonds.	2023	5.00%	1,115,000	55,750	1,170,750
			<u>\$ 5,985,000</u>	<u>\$ 1,079,200</u>	<u>\$ 7,064,200</u>

(continued)

Village of Lansing, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2017

	Year Ending April 30	Interest rate	Principal	Interest	Total
Component Unit					
General Obligation Serial Bonds					
2011 General Obligation Issue	2018	3.25%	\$ 155,000	\$ 31,613	\$ 186,613
Dated May 26, 2011	2019	3.75%	160,000	26,575	186,575
Interest payable March 1 and	2020	3.75%	170,000	20,575	190,575
September 1 of each year	2021	4.00%	175,000	14,200	189,200
at rates of 3.25% to 4.00%	2022	4.00%	180,000	7,200	187,200
The Library is responsible for the required payments on these bonds.			<u>\$ 840,000</u>	<u>\$ 100,163</u>	<u>\$ 940,163</u>
Note Payable:					
Fire Truck	2018		\$ 11,000	\$ -	\$ 11,000
Dated December 8, 2004	2019		11,000	-	11,000
Principal payable yearly	2020		11,000	-	11,000
The General Fund is responsible for making the required payments on this note.	2021		11,000	-	11,000
	2022		11,000	-	11,000
	2023		11,000	-	11,000
	2024		11,000	-	11,000
	2025		11,000	-	11,000
				-	
			<u>\$ 88,000</u>	<u>\$ -</u>	<u>\$ 88,000</u>
General Obligation Serial Bonds					
2009A General Obligation Issue	2018	4.20%	\$ -	\$ 180,665	\$ 180,665
Dated April 30, 2009	2019	4.20%	-	180,665	180,665
Interest payable March 1 and	2020	4.20%	-	180,665	180,665
September 1 of each year at	2021	4.20%	-	180,665	180,665
rates ranging from 4.20% - 4.65%	2022	4.20%	-	180,665	180,665
The Debt Service Fund and	2023	4.20%	250,000	180,665	430,665
the Airport Fund are responsible	2024	4.30%	1,000,000	170,165	1,170,165
for 88.89% and 11.11%, respectively,	2025	4.40%	1,000,000	127,165	1,127,165
of the required payments on these	2026	4.55%	1,000,000	83,165	1,083,165
bonds.	2027	4.65%	810,000	37,665	847,665
			<u>\$ 4,060,000</u>	<u>\$ 1,502,150</u>	<u>\$ 5,562,150</u>

(continued)

Village of Lansing, Illinois

Schedule of Debt Service Requirements (Continued)
April 30, 2017

	Year Ending April 30	Interest rate	Principal	Interest	Total
Note Payable:					
TCF Financing					
Dated November 26, 2013	2018		\$ 283,462	\$ 7,254	\$ 290,716
Interest payable quarterly	2019		144,138	1,220	145,358
at nominal annual rates of 2.25%					
The General Fund is responsible for the required payments on this note.			\$ 427,600	\$ 8,474	\$ 436,074
Note Payable:					
Motorola Credit Corporation					
Dated November 1, 2014	2018		\$ 18,843	\$ 2,554	\$ 21,397
Principal and interest payable	2019		21,795	1,547	23,342
monthly at a rate of 6.12%	2020		13,342	274	13,616
The General Fund is responsible for the required payments on this note.			\$ 53,980	\$ 4,375	\$ 58,355
Note Payable:					
First National Bank of Illinois					
Dated October 20, 2015	2018		\$ 22,647	\$ 1,756	\$ 24,403
Principal and interest payable	2019		25,305	1,316	26,621
monthly at a rate of 2.50%	2020		25,945	676	26,621
The Airport Fund is responsible for making the required payments on this note.	2021		12,943	93	13,036
			\$ 86,840	\$ 3,841	\$ 90,681

Village of Lansing, Illinois

Net Position by Component - Last Ten Fiscal Years*
 April 30, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Net investment in capital assets	\$ 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	\$ 41,721,280
Restricted	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	14,276,665
Unrestricted	(8,302,550)	3,138,514	(155,162)	(926,912)	(1,458,373)	(2,340,523)	(1,579,990)	144,889	(58,860,976)	(64,335,151)
Total Governmental Activities Net Position	\$ 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)	\$ (8,337,206)
Business-Type Activities										
Net investment in capital assets	\$ 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	\$ 30,784,309
Unrestricted	(4,334,127)	(4,652,968)	(4,939,427)	(4,056,261)	(3,010,636)	(1,284,336)	(605,204)	180,537	(678,022)	(1,711,029)
Total Business-Type Activities Net Position	\$ 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	\$ 29,073,280
Primary Government										
Net investment in capital assets	\$ 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	\$ 72,505,589
Restricted	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	14,276,665
Unrestricted	(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)	(66,046,180)
Total Primary Government Net Position	\$ 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	\$ 20,736,074

* Accrual Basis of Accounting

Data Source : Village Records

Village of Lansing, Illinois

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
General Government	\$ 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	\$ 12,034,479
Public Safety	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	23,072,544
Public Works	-	-	-	-	2,941,967	2,872,923	5,235,406	3,823,229	3,661,316	4,069,207
Interest on Long-Term Debt	744,285	797,643	845,791	900,988	920,130	851,300	825,359	827,641	635,325	564,647
Total Governmental Activities Expenses	<u>26,852,993</u>	<u>30,366,892</u>	<u>30,827,747</u>	<u>31,723,346</u>	<u>30,468,506</u>	<u>29,008,005</u>	<u>31,056,329</u>	<u>33,507,810</u>	<u>35,420,979</u>	<u>39,740,877</u>
Business-Type Activities										
Waterworks and Sewerage	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	6,648,782
Airport	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	1,640,874
Total Business-Type Activities Expenses	<u>5,920,881</u>	<u>6,019,031</u>	<u>5,053,233</u>	<u>5,592,118</u>	<u>5,339,914</u>	<u>6,427,221</u>	<u>7,143,469</u>	<u>6,889,930</u>	<u>7,665,096</u>	<u>8,289,656</u>
Total Primary Government Expenses	<u>\$ 32,773,874</u>	<u>\$ 36,385,923</u>	<u>\$ 35,880,980</u>	<u>\$ 37,315,464</u>	<u>\$ 35,808,420</u>	<u>\$ 35,435,226</u>	<u>\$ 38,199,798</u>	<u>\$ 40,397,740</u>	<u>\$ 43,086,075</u>	<u>\$ 48,030,533</u>
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,272	\$ -	\$ -
Public Safety	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	2,603,211
Public Works	-	-	-	-	1,697,877	1,734,248	2,048,351	2,309,254	2,351,675	2,417,585
Operating Grants/Contributions	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	5,116,866
Capital Grants/Contributions	219,887	207,430	299,616	216,871	-	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>7,795,331</u>	<u>7,665,656</u>	<u>7,787,668</u>	<u>6,825,580</u>	<u>40,821,728</u>	<u>8,598,362</u>	<u>9,156,095</u>	<u>10,429,786</u>	<u>9,273,575</u>	<u>10,137,662</u>
Business-Type Activities										
Charges for Services										
Water and Sewer	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	6,476,502
Airport	492,071	530,731	453,764	424,426	437,774	500,927	498,262	438,668	522,437	629,192
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	1,984,196
Total Business-Type Activities Program Revenues	<u>5,045,574</u>	<u>4,822,144</u>	<u>4,948,881</u>	<u>7,169,764</u>	<u>6,569,041</u>	<u>8,213,161</u>	<u>7,960,125</u>	<u>7,398,881</u>	<u>8,119,082</u>	<u>9,089,890</u>
Total Primary Government Program Revenues	<u>\$ 12,840,905</u>	<u>\$ 12,487,800</u>	<u>\$ 12,736,549</u>	<u>\$ 13,995,344</u>	<u>\$ 47,390,769</u>	<u>\$ 16,811,523</u>	<u>\$ 17,116,220</u>	<u>\$ 17,828,667</u>	<u>\$ 17,392,657</u>	<u>\$ 19,227,552</u>
Net (Expense) Revenue										
Governmental Activities	\$ (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)	\$ (29,603,215)
Business-Type Activities	(875,307)	(1,196,887)	(104,352)	1,577,646	1,229,127	1,785,940	816,656	508,951	453,986	800,234
Total Primary Government Net (Expense) Revenue	<u>\$ (19,932,969)</u>	<u>\$ (23,898,123)</u>	<u>\$ (23,144,431)</u>	<u>\$ (23,320,120)</u>	<u>\$ 11,582,349</u>	<u>\$ (18,623,703)</u>	<u>\$ (21,083,578)</u>	<u>\$ (22,569,073)</u>	<u>\$ (25,693,418)</u>	<u>\$ (28,802,981)</u>

* Accrual Basis of Accounting
Data Source: Village Records

Village of Lansing, Illinois

Changes in Net Position - Last Ten Fiscal Years* (Continued)
 April 30, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 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	\$ 11,760,668
Utility	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	1,446,840
Other	275,892	314,333	276,789	1,783,806	2,021,883	2,009,467	1,912,034	2,096,470	1,373,240	1,339,106
Intergovernmental - Unrestricted										
State Sales and Use Taxes	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	6,397,100
Replacement Taxes	233,251	204,767	168,712	208,191	188,269	194,345	207,924	213,040	174,403	244,297
Other	-	-	-	-	-	-	-	-	773,771	769,511
Interest	426,400	168,972	90,843	69,807	27,773	16,496	28,626	20,735	14,357	13,226
Miscellaneous	1,140,746	1,466,330	1,429,863	1,801,483	1,860,151	648,878	832,059	619,900	553,662	679,806
Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Transfers	925,568	253,758	832,587	(104,577)	(191,374)	(127,212)	(190,722)	(184,427)	(186,697)	(184,272)
Total Governmental Activities	25,946,039	25,955,481	23,036,537	21,801,466	21,306,797	19,336,930	19,620,312	21,728,131	21,037,338	22,466,282
Business-Type Activities										
Interest	1,054	467	579	1,195	1,102	-	-	-	267,616	229,334
Transfers	(925,568)	(253,758)	(832,587)	104,577	191,374	127,212	190,722	184,427	(80,919)	(45,062)
Total Business-Type Activities	(924,514)	(253,291)	(832,008)	105,772	192,476	127,212	190,722	184,427	186,697	184,272
Total Primary Government General Revenues	\$ 25,021,525	\$ 25,702,190	\$ 22,204,529	\$ 21,907,238	\$ 21,499,273	\$ 19,464,142	\$ 19,811,034	\$ 21,912,558	\$ 21,224,035	\$ 22,650,554
Changes in Net Position										
Governmental Activities	\$ 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)	\$ (7,136,933)
Business-Type Activities	(1,799,821)	(1,450,178)	(936,360)	1,683,418	1,421,603	1,913,152	1,007,378	693,378	640,683	984,506
Total Primary Government	\$ 5,088,556	\$ 1,804,067	\$ (939,902)	\$ (1,412,882)	\$ 33,081,622	\$ 840,439	\$ (1,272,544)	\$ (656,515)	\$ (4,469,383)	\$ (6,152,427)

* Accrual Basis of Accounting
 Data Source: Village Records

Village of Lansing, Illinois

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Unreserved	\$ (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	4,153,676
Restricted	-	-	-	-	22,423	16,349	20,266	21,377	20,435	91,060
Unassigned	-	-	-	-	2,291,355	2,218,953	3,944,435	2,246,921	3,505,473	3,677,989
Total General Fund	<u>(1,496,168)</u>	<u>6,923,192</u>	<u>2,933,944</u>	<u>2,695,217</u>	<u>2,474,636</u>	<u>2,518,343</u>	<u>4,134,675</u>	<u>5,528,017</u>	<u>7,203,065</u>	<u>7,922,725</u>
All Other Governmental Funds										
Unreserved, Reported in,										
Special Revenue Funds	104,729	217,305	2,847,588	2,970,372	-	-	-	-	-	-
Debt Service Funds	4,301,920	1,898,519	2,878,406	3,188,362	-	-	-	-	-	-
Capital Projects Funds	16,963,504	14,515,664	15,989,748	14,531,391	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	2,025,130	1,466,214
Restricted	-	-	-	-	19,905,136	20,572,601	20,429,314	17,966,295	14,652,498	14,093,772
Unassigned	-	-	-	-	-	-	(481,053)	(753,567)	(1,015,947)	(575,494)
Total All Other Governmental Funds	<u>21,370,153</u>	<u>16,631,488</u>	<u>21,715,742</u>	<u>20,690,125</u>	<u>19,905,136</u>	<u>20,572,601</u>	<u>19,948,261</u>	<u>17,212,728</u>	<u>15,661,681</u>	<u>14,984,492</u>
Total Governmental Funds	<u>\$ 19,873,985</u>	<u>\$ 23,554,680</u>	<u>\$ 24,649,686</u>	<u>\$ 23,385,342</u>	<u>\$ 22,379,772</u>	<u>\$ 23,090,944</u>	<u>\$ 24,082,936</u>	<u>\$ 22,740,745</u>	<u>\$ 22,864,746</u>	<u>\$ 22,907,217</u>

* 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, 2017 (Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 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	\$ 21,749,569
Licenses, Permits and Fees	682,777	618,937	762,998	745,289	772,851	858,482	910,621	823,428	849,463	875,302
Intergovernmental	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	5,215,543
Charges for Services	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	2,418,485
Fines and Forfeitures	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	1,928,393
Interest	426,400	168,972	90,843	69,807	27,773	16,496	28,626	20,735	14,357	18,882
Miscellaneous	1,140,746	1,466,330	1,429,863	1,801,483	1,860,151	648,878	832,059	618,665	651,505	716,143
Total Revenues	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	32,922,317
Expenditures										
Current										
General Government	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	5,041,178
Public Safety	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	17,168,111
Public Works	-	-	-	-	2,808,136	2,647,837	4,966,490	3,547,428	3,430,532	3,562,363
Capital Outlay	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	5,028,021
Debt Service										
Principal	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	1,251,790
Interest and fees	744,285	920,796	814,273	867,235	887,151	820,227	801,783	784,869	735,740	644,111
Bond issuance costs	-	-	-	-	-	-	-	132,493	-	-
Total Expenditures	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	32,695,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	762,508	(6,549,146)	(3,438,458)	(2,241,767)	(814,196)	838,384	(516,569)	(1,395,636)	310,698	226,743
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	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	3,109,146
Transfers Out	(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)	(3,293,418)
Total Other Financing Sources (Uses)	2,225,568	10,229,841	4,533,464	977,423	(191,374)	(127,212)	1,508,561	53,445	(186,697)	(184,272)
Net Change in Fund Balances	\$ 2,988,076	\$ 3,680,695	\$ 1,095,006	\$ (1,264,344)	\$ (1,005,570)	\$ 711,172	\$ 991,992	\$ (1,342,191)	\$ 124,001	\$ 42,471
Debt Service as a Percentage of Noncapital Expenditures	19.8611%	20.8854%	6.7544%	4.5943%	5.6168%	6.7181%	6.3894%	6.2952%	6.1441%	5.7986%

* Modified Accrual Basis of Accounting
Data Source: Village Records