

VILLAGE OF
LYONS, ILLINOIS

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT



FOR THE FISCAL
YEAR ENDED
DECEMBER 31, 2009

VILLAGE OF LYONS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

Prepared by the
Finance Department

VILLAGE OF LYONS, ILLINOIS

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INTRODUCTORY SECTION

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

VILLAGE OF LYONS, ILLINOIS

List of Principal Officials

December 31, 2009

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Christopher Getty, President

Theresa Echeverria
Catherine Bergman
Daniel J. Kozdron

Richard E. Schuppe
Timothy L. Tvrdik
Patricia A. Wisneski

Dawn M. Campos, Village Clerk

ADMINISTRATIVE

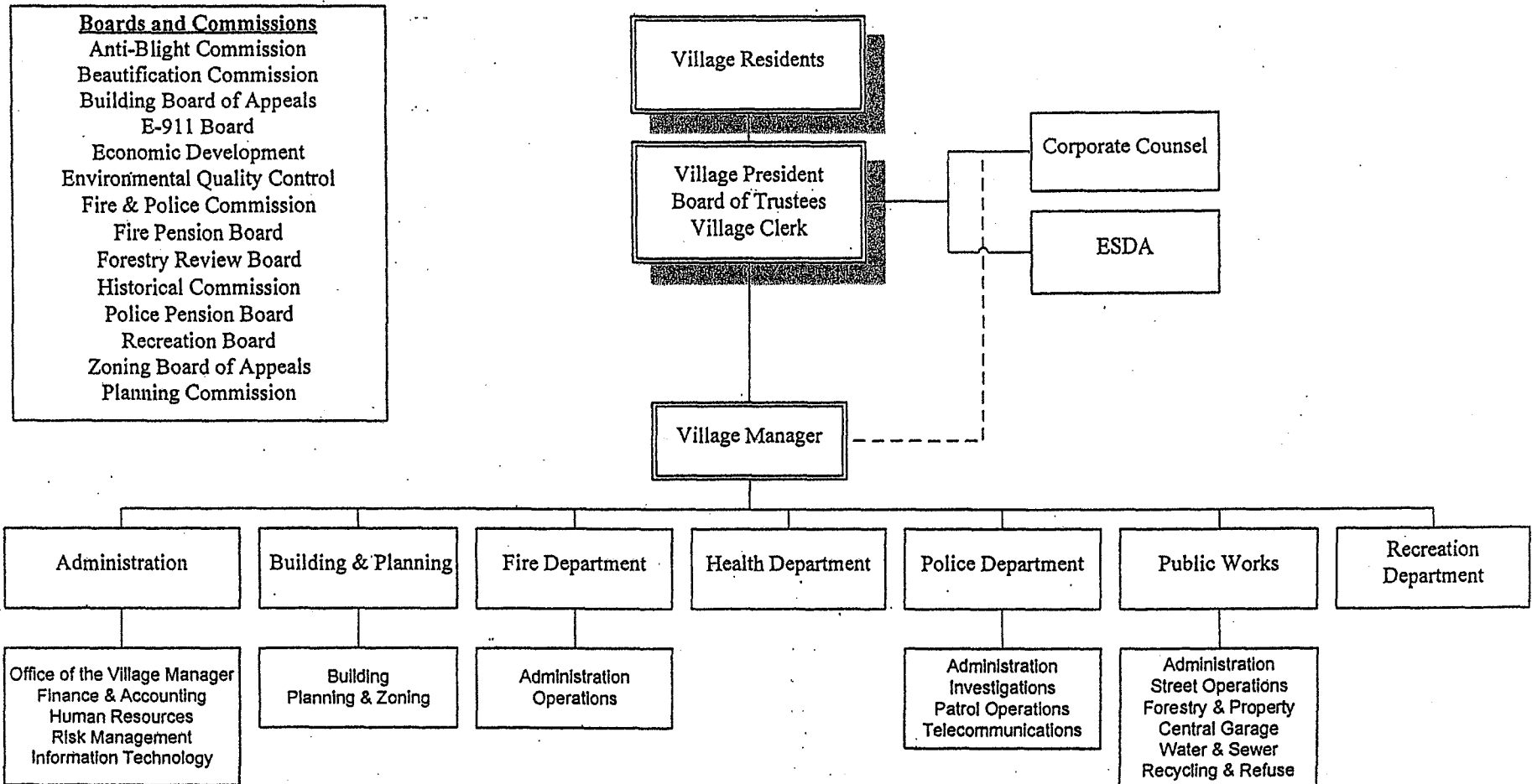
Roy T. Witherow, Village Manager

DEPARTMENT HEADS

Chief of Fire
Chief of Police
Director of Building and Planning
Director of Public Works
Recreation Director
Finance Manager
Village Nurse

Gordon J. Nord
Daniel E. Babich
James E. Barthel
Alex Bojovich
Barbara L. Blazina
Michelle R. Henn
Ines M. Lopez

Village of Lyons



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Lyons
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



Village of Lyons

4200 Lawndale Avenue, Lyons, IL 60534
Ph 708.442-4500 Fax 708.442 4431

July 8, 2010

The Honorable Village President
Members of the Board of Trustees
Residents of the Village of Lyons

Ladies and Gentlemen:

Submitted for your review and consideration is the Comprehensive Annual Financial Report (CAFR) for the Village of Lyons, Illinois, for the fiscal year ended December 31, 2009. Illinois State Statute requires municipal governments to publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. This CAFR is issued by the Village of Lyons in response to this requirement.

The CAFR consists of management's representations concerning the finances of the Village of Lyons. The responsibility for the accuracy of the data presented, as well as the completeness and fairness of the presentation, including disclosures, rests with the Village's Administration Department. The Administration Department believes the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and result of operations of the Village as measured by the financial activity of its various funds and account groups.

To provide a reasonable basis for making these representations, the Administration Department has established a comprehensive set of internal controls that are designed to protect the Village's assets from loss, theft, or misuse. These internal controls are also used to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's framework of internal controls has been designed to provide a reasonable, rather than an absolute assurance that the financial statements will be free from material misstatements. Included with this report are all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs.

The Village of Lyons financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements for the Village for the fiscal year ended December 31, 2009 are free of material misstatements. The independent audit consisted of examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental Accounting Standards Board Statement Number 34 requires that the Village provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A is found immediately following the report of the independent auditors.

Presentation of Information

The CAFR is presented in three sections: Introductory, Financial, and the Statistical Section. The Introductory Section includes a list of principal officials, an organization chart, and this transmittal letter. The Financial section includes:

- the Independent Auditor's Report;
- Management's Discussion and Analysis (MD&A);
- the Basic Financial Statements;
- the Required Supplementary Information; and
- Combining and Individual Fund Statements and Schedules.

The Statistical Section presents historical information about the Village's finances, property taxes, debt, and operations.

Profile of the Village of Lyons

The Village of Lyons, incorporated in 1888, is located approximately 14 miles southwest of the Chicago Loop in Cook County. The Village comprises a total land area of approximately 2.2 square miles and provides services to 10,255 residents (2000 census). Lyons currently operates according to the Council-Manager form of government (established by referendum) with the Village President, six members of the Board of Trustees, and the Village Clerk elected at large, on a staggered basis to four-year terms.

The Corporate Authorities of the Village, consisting of the Village President and the Board of Trustees, are vested with the legislative and policymaking authority for the Village. The Corporate Authorities exercise this authority by passing ordinances, adopting the budget, appointing committees, hiring and firing the Village Manager and Attorney, and overseeing the strategic planning process. The Village Manager is responsible for implementing the policies and ordinances approved by the Corporate Authorities, managing the day-to-day operations of the Village, and appointing and managing department directors.

The Village provides a full range of municipal services, including:

- general administration
- police protection and crime prevention
- fire suppression and emergency medical services
- fire prevention
- garbage collection and disposal
- construction and maintenance of roads, streets and infrastructure
- building and property maintenance
- building construction plan review and inspection services
- enforcement of planning and zoning codes
- economic development
- water distribution
- wastewater and storm water conveyance
- forestry
- public health services
- recreation services

These services are provided through the Village's seven Departments (Administration, Building, Planning and Zoning, Health Department, Police Department, Fire Department, Recreation Department, and Public Works) and are accounted for by the Village's 12 accounting funds (General Fund, Capital Improvement Fund, TIF #1 Operations Fund, TIF #2 Operations Fund, TIF #3 Operations Fund, TIF #4 Operations Fund, Debt Service Fund, TIF #1 Debt Service Fund, TIF #2 Debt Service Fund, Water & Sewer Fund, Garbage Collection Fund, and the Emergency 911 Fund).

Beyond the Village services described above, the Police Pension and the Firefighters' Pension Funds are included in the reporting entity in accordance with GAAP.

In addition, the Lyons Public Library, a discretely presented component unit is included in these financial statements. The Library is fiscally dependent on the Village because the Village Board accepts the Library's annual operating budget and tax levy and must approve any debt issuances.

The following Districts, Councils, Township and Agencies have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

- Lyons Township
- Lyons Local School District #103
- West Central Municipal Conference
- JS Morton High School District #201
- Brookfield – North Riverside Water District
- Metropolitan Water Reclamation District

Analysis of Economic and Business Environment

Understanding the environment in which the Village operates is an important precursor to understanding the financial statements. Village officials and stakeholders must analyze and understand changing social, demographic, economic, and financial environments to assess the municipality's present and future viability. A grasp of the environmental factors affecting the Village is necessary before the financial statements of the Village can be adequately analyzed.

Local Economy. The first couple of years of this decade were challenging for the national and regional economies due to the recession and slow economic growth experienced during the 2001 to 2003 time period. These events also had a negative impact on the local economy as local residents encountered economic stresses such as reductions in personal wealth (due to the stock market decline) and income (due to job losses or decreases in salary). To counter these economic challenges the Village began redevelopment efforts by establishing three TIF Districts to encourage redevelopment of certain areas in the Village.

In 2004 and 2005 the national and regional economies began a slow recovery from their malaise during the 2001 to 2003 time period. The economy returned to a normal pace of economic activity during the 2005 to late 2007 time period. During this period the local economy also improved and the Village benefited from this improvement in overall economic activity as well as its own redevelopment efforts in the various TIF Districts. In 2007 and 2008 the national and regional economies were impacted by the loss of confidence in the credit markets and high prices for energy and food. This has led to a slowing of economic activity and this is also impacting economic activity in the Village. However, the Village's redevelopment efforts have helped to lessen the impact of this economic slowdown due to new or expanded businesses in the Village since 2005 (the renovated Walgreen's, Starbucks, Jimmy Johns, Alternate Medi-Spa, Reliable Materials Lyons, Dunkin Donuts/Baskin Robbins, Metropolitan Bank, Standard Bank, Culver's).

The economic events described in the preceding paragraphs had a significant impact on the Village's financial condition as the Village's revenues declined in 2001 and 2002 due to the downturn in the economy. The decreases in revenue in 2001 and 2002 had a cascading impact on the following years because the revenues never fully recovered but expenses continued to increase. Prior to 2001, the Village consistently brought in more revenues than it expended. However, during the period from 2001 to 2005, the decline in revenues and the continuing increase in expenditures caused the Village to run a deficit every year in its General Corporate Fund. Decreases occurred primarily in the Village's receipt of Sales Tax and State of Illinois shared revenues as these elastic revenue sources were negatively impacted by the economic events of the period. At the same time revenues were decreasing, the expenses necessary to continue the same level of Village services increased due to increases in costs for salaries, pensions, health insurance, liability insurance, and energy (electricity, natural gas, and gasoline).

In contrast to these previous years, the financial results in the Village's general corporate fund were positive in fiscal year 2006, 2007, and 2008. The Village experienced increases in diverse revenue sources including sales tax, income tax, charges for services, quarry royalties, and interest earnings. In addition to these revenue increases, the Village reduced its expenditures by eliminating two positions and implementing cost reductions in other areas of operations. As a result of these changes the Village's General Corporate Fund produced a surplus balance in the amount of \$243,492 in 2006, \$170,576 in 2007, and \$171,819 in 2008. During 2009, the Village reported a decrease to the General Fund balance of \$115,674 as a result of the stale and even declining revenues that are the result of the weakened economy. Although the Village closely monitored expenditures during 2009, declines in sales and income taxes and other intergovernmental revenues were more than the Village anticipated at the start of the year.

Business and Economic Development in the Village. The primary business and economic development activity for the Village of Lyons involves the redevelopment and reuse of existing land in the Village. The Village is surrounded on all sides by incorporated areas and is therefore not able to expand through annexation. This means the primary concern of the Village is to use the land currently allocated for commercial and retail uses in the most productive manner. Thus, encouraging successful local businesses and redeveloping and reusing underutilized commercial and retail properties is of primary importance for the Village.

The redevelopment and reuse of existing commercial and retail properties has been encouraged by the Village Board through the establishment of four TIF Districts and the recent rezoning of the Village's business districts. Two of the TIF Districts are located in the downtown area and have produced successful redevelopment projects including two condominium buildings, a large senior living center, and a retail building that includes a Dunkin Donuts/Baskin Robins and also has space for an additional restaurant. The third TIF District is located along 1st Avenue on the west side of town and includes a successful commercial development that includes Walgreen's, Jimmy John's, Starbucks, and an Alternate Medi-Spa. The final TIF District is located at the corner of Ogden and Lawndale Avenues and is planned to include retail facilities as well the completed municipal complex (including Village Hall and the Police Department). The TIF has seen successful redevelopment in the addition of a Culvers to the corner of Ogden and Lawndale Avenues. The Village's largest recreational site, Smith Park, is located in this TIF District and is in the process of being relocated adjacent to the new municipal center and expanded by 50%.

In addition to the TIF activities, in 2005 the Village received a donation of 13 acres of land which will be used in conjunction with TIF #4 for new commercial and residential developments. In the future, the Village will receive an additional 45 acres of land once the former Lyons Quarry has been filled with clean compacted construction debris. It is anticipated that this process will be complete in 10 to 15 years.

In 2007, after an extensive analysis by the Zoning Board of Appeals/Planning Commission, the Village Board redefined Village business districts. Prior to this, there was only one classification for businesses. This new zoning action divided the Village into two types of business districts, B-1 for those entities generating significant retail sales tax revenue and B-2 for service oriented businesses such as law firms, doctors offices, and real estate agencies. B-1 districts were established along the high traffic corridors of Ogden Avenue, Harlem Avenue, 1st Avenue, and 47th Street. B-2 Districts were located along less busy arterial roads.

Another important redevelopment activity that occurred in the Village in recent years is the reconstruction of the riverwalk area along the south bank of the Des Plaines River. This project was undertaken with the idea of encouraging the use of the Des Plaines River by residents and visitors to the Village. The Riverwalk included the construction and landscaping of a significant portion of the river bank.

For the Future. The Village Board is committed to maintaining high levels of services and planning and implementing necessary infrastructure improvements and capital projects. The challenge that the Village faces in the future is controlling operating costs and prioritizing capital projects so that service levels can be maintained and projects can be effectively implemented without further need for additional revenues.

Analysis of Factors Affecting Financial Condition

The annual budget is the foundation of the Village's financial planning and control. All Funds and Departments of the Village are required to submit budget requests to the Administration Department by August of the year preceding the budget year. These requests are reviewed by the Administration Department to ensure the budget to be established from the requests can be supported by projected revenues for the forthcoming budget year. The budget is then compiled into a comprehensive budget document and presented to the Village Board in November. The Board reviews the budget document and makes recommendations for changes. Following this review and recommendation process, the Board holds a public hearing and adopts the budget at the same meeting. The hearing on and the adoption of the final budget is held at least thirty (30) days prior to the start of the initial budget year which is January 1 and at least ten (10) days prior to the hearing on the tax levy.

The Village maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Capital Improvement Fund, Debt Service Fund, Tax Increment Financing District Funds, Enterprise Funds, and Fiduciary Funds are included in the annual budget. The level of budgetary control (the level at which expenditures cannot legally exceed the budgeted amount) is established at the fund level.

None of the Village's financial policies had a significant impact on the current financial statements.

Acknowledgements

The timely preparation of the Financial Statements could not be accomplished without the efficient and dedicated services of the entire staff of the Administration Department. I would like to express my appreciation to all members of the department who helped and contributed to its preparation. The Administration Department would also like to thank all of the staff members from other Departments who contributed to compiling the information required for this document.

On behalf of the staff of the Administration Department, we would like to thank the Village President and members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support for this department, preparation of this report could not have been accomplished.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michelle Henn", followed by a long horizontal flourish line.

Michelle Henn
Finance Manager

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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

INDEPENDENT AUDITORS' REPORT

July 8, 2010

The Honorable Village President
Members of the Board of Trustees
Village of Lyons, Illinois

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Lyons, Illinois as of and for the year ended December 31, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Lyons, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the Lyons Public Library discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us; and our opinion, insofar as it related to the amounting included for the Lyons Public Library, is based solely on the report of the other auditor.

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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic 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 Lyons, Illinois as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund statements and schedules, as well as the information listed as supplemental schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Lyons, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

Village of Lyons, Illinois
July 8, 2010
Page 2

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
December 31, 2009

The management discussion and analysis of the Village of Lyons' financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2009. Please read it in conjunction with the transmittal letter on pages iv - ix and the Village's financial statements, which begin on Page 3.

Financial Highlights

- The Village's total net assets (total assets minus total liabilities) decreased \$2,225,904 (13.2%), from \$16,918,732 in 2008 to \$14,692,828 at the end of the 2009 fiscal year. Unrestricted net assets, that portion of net assets that may be used to meet the Village's operating obligations to residents and creditors, decreased from \$338,667 in 2008 to a deficit of \$2,716,308 at the end of 2009, a decrease of \$3,054,975.
- At the end of fiscal year 2009, total net assets of the Village's Governmental Activities decreased \$2,171,939 (16.2%) to a total of \$11,232,144. Unrestricted net assets for Governmental Activities at the end of 2009 were equal to negative \$3,329,560 (a decrease of \$3,649,259).
- At the end of 2009 Business-Type Activities had \$3,460,684 in total net assets and \$613,252 in unrestricted net assets. Total net assets decreased \$53,965 (1.5%) and unrestricted net assets decreased \$66,289 (10.1%).
- Program revenues and general revenues for Governmental Activities equaled \$9,640,509 in 2009 and were less than total expenses of \$11,812,448 by \$2,171,939. In 2008, revenues for Governmental Activities equaled \$10,532,193 and exceeded total expenses of \$10,238,951 by \$293,242.
- Program revenues and general revenues for Business-Type Activities equaled \$2,799,278 in 2009 and were less than total expenses of \$2,853,243 by \$53,965. In 2008, program and general revenues for Business-Type Activities equaled \$2,763,098 and exceeded total expenses of \$2,665,024 by \$98,074.
- The fund balance for the General Fund at the end of 2009 was equal to \$2,291,038, a decrease of \$115,674 (4.8%) from the beginning fund balance of \$2,406,712. The Unreserved General Fund Balance, the portion of the Fund Balance that can be used to finance ongoing operations, was equal to \$1,992,018 at the end of 2009 (this is equal to approximately 2.86 months of expenditures). This is a decrease of \$116,573 (5.5%) from the beginning Unreserved Fund Balance in the General Fund. The reserved fund balance is equal to \$299,020; however, the use of these resources is restricted by State law or prior commitment to certain types of uses.
- The other major Governmental Funds include the TIF #4 Operations Fund, the Capital Improvements Fund and the Debt Service Fund. The TIF #4 Operations Fund had an ending deficit fund balance of \$773,535, a decrease of \$1,635,213 from a beginning fund balance of \$861,678. The Capital Improvements Fund had an ending fund balance of \$1,608,686, an increase of \$750,566 from a beginning fund balance of \$858,120. The Debt Service Fund had an ending deficit fund balance of \$393,966 in 2009, a decrease of \$436,246 from the beginning fund balance of \$42,280.
- Business-Type Activities major funds include the Water & Sewer Fund, the Garbage Fund, and the Emergency 911 Fund. The Water & Sewer Fund included ending net assets of \$3,773,914 in 2009, an increase of \$317,134 (9.2%) from the beginning balance of \$3,456,780. The Garbage Fund's ending net assets were equal to a deficit of \$6,843, a decrease of \$14,480 from beginning net assets of \$7,637. The Emergency 911 Fund's ending net assets were equal to a deficit of \$306,387, a decrease of \$356,619 from the beginning balance of \$50,232.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
December 31, 2009

Using this Annual Report

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Assets and the Statement of Activities (on pages 3 - 6). These statements provide information about the activities of the Village of Lyons as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 7. For governmental activities, these statements provide information on the financing of municipal services in the short term as well as what remains for future spending. Fund financial statements also report on 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.

The government-wide financial statements provide readers with a broad overview of the Village of Lyons' finances, in a manner similar to a private-sector business. These statements are prepared on the accrual basis of accounting. The Statement of Net Assets reports information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other non-financial factors, such as changes in the Village's property tax base and the condition of the Village's roads, is needed to assess the overall financial and operating health of the Village.

The Statement of Activities presents information demonstrating the changes in the government's net assets during the most recent fiscal year. All changes in net assets 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, public works, and building and planning. The Business-Type Activities of the Village include water and sewer services, garbage collections, and Emergency 911 operations.

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 of Lyons, 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.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
December 31, 2009

Using this Annual Report (Continued)

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 expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. These financial statements are prepared using the modified accrual basis of accounting. 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.

In 2009, the Village operated through four major and five non-major individual governmental funds. The four major funds include the General Fund, the TIF #4 Operations Fund, the Capital Improvement Fund, and the Debt Service Fund. Information on the individual major funds is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

Information on the five non-major funds is aggregated in a column entitled "Nonmajor Governmental Funds" on the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The Village adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Proprietary Funds

The Village of Lyons maintains three proprietary funds that are used to report on functions presented as Business-Type Activities in the government-wide financial statements. The Village utilizes proprietary funds to account for its water and sewer services, garbage collection, and emergency 911 telephone operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer, Garbage, and Emergency 911 Funds.

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

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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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 of Lyons's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 17 - 18 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 are an integral part of the financial statements. The notes to the financial statements can be found on pages 19 - 65 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 of Lyons' Illinois Municipal Retirement Fund (IMRF), police and firefighter's employee pension obligations, net other postemployment benefit obligation, as well as budgetary comparison information for the General Fund and the TIF #4 Operations Fund. Required supplementary information can be found on pages 66 - 75 of this report. The combining statements referred to earlier in connection with non-major governmental and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 76 - 110 of this report. Finally, a supplemental section displaying the Village's long term debt requirements can be located on pages 111 - 123 and a statistical section providing information about financial, demographic and economic, and operating trends can be found on pages 124 - 152.

VILLAGE OF LYONS, ILLINOIS
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Government Wide Financial Analysis

Net assets (total assets less total liabilities) serve as a useful indicator of a government's financial position. Table 1 illustrates the Village of Lyons' total net assets, which equaled \$14,692,828 for the fiscal year ended December 31, 2009, a decrease of \$2,225,904 (13.2%) from fiscal year 2008 ending net assets of \$16,918,732.

Table 1: Net Assets Fiscal Year Ended December 31, 2009						
	Governmental Activities		Business-Type Activities		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets						
Current Assets	8,848,079	10,763,268	1,185,805	1,288,416	10,033,884	12,051,684
Capital Assets	32,321,579	30,269,259	4,167,889	4,153,052	36,489,468	34,422,311
Other Assets	255,505	233,265	21,175	28,233	276,680	261,498
Total Assets	41,425,163	41,265,792	5,374,869	5,469,701	46,800,032	46,735,493
Liabilities						
Current Liabilities	6,246,517	6,617,549	898,546	740,911	7,145,063	7,358,460
Non-Current Liabilities	23,946,502	21,244,160	1,015,639	1,214,141	24,962,141	22,458,301
Total Liabilities	30,193,019	27,861,709	1,914,185	1,955,052	32,107,204	29,816,761
Net Assets						
Invested in Capital Assets, Net of Debt	12,116,204	11,266,632	2,551,073	2,559,924	14,667,277	13,826,556
Restricted	2,445,500	2,457,150	296,359	296,359	2,741,859	2,753,509
Unrestricted	(3,329,560)	(319,699)	613,252	658,366	(2,716,308)	338,667
Total Net Assets	11,232,144	13,404,083	3,460,684	3,514,649	14,692,828	16,918,732
Total Liabilities & Net Assets	41,425,163	41,265,792	5,374,869	5,469,701	46,800,032	46,735,493

The Village's net assets include investments in capital assets net of debt, restricted assets, and unrestricted assets. Investments in capital assets net of related debt are equal to \$14,667,277 and comprise 99.8% of net assets. This portion of Net Assets represent the value of the Village's investments in capital assets and infrastructure (for example, land, streets, buildings, machinery, and equipment), less any related debt used to acquire those assets that remains 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 the related liabilities.

Restricted net assets are equal to \$2,741,859 (21.8% of total net assets) and are subject to external restrictions, either legal or contractual, on how they may be used. Unrestricted net assets for the Village are equal to a deficit of \$2,716,308 and represent those assets that may be used by the Village to finance day to day operations and meet long term obligations.

VILLAGE OF LYONS, ILLINOIS
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Government Wide Financial Analysis (Continued)

Net assets for Governmental Activities decreased \$2,171,939 (16.2%), from ending 2008 net assets of \$13,404,083. The decrease in total net assets for Governmental Activities is the result of a decrease of \$3,009,861 in unrestricted net assets, offset by an increase of \$849,572 in net assets invested in capital assets, net of related debt. The decrease in unrestricted net assets is the result of a decrease in fund balance of \$1,399,807 for the governmental funds coupled by an increase of \$491,089, \$189,390, and \$21,645 for the net pension obligation payable for the Police and Firefighters' Pension Funds, the net other postemployment benefit obligation payable, and compensated absences payable, respectively. Unrestricted net assets also decreased by \$1,608,686 in unspent bond proceeds at year-end.

The \$849,572 increase in net assets invested in capital assets, net of related debt was the result of capital outlays of \$2,237,875, offset by depreciation expense of \$185,555 and the retirement of debt of \$1,265,012.

Net assets of Business-Type Activities decreased \$53,965 in 2009, from ending 2008 net assets of \$3,514,649 to a 2009 ending total of \$3,460,684. Net assets for Business-Type Activities included \$613,252 in unrestricted net assets, \$296,359 in restricted net assets, and \$2,551,073 invested in capital assets net of related debt. Net assets invested in capital assets, net of related debt increased slightly as the result of net additions of \$357,972 and net deletions of \$343,135. The Village reported deletions in the Emergency 911 Fund as the result of the occupancy of the public safety building.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
December 31, 2009

Government Wide Financial Analysis (Continued)

Total Village revenues were equal to \$12,439,787 in 2009 and included \$4,869,030 in program revenues and \$7,570,757 in general revenues. Total Village expenses were equal to \$14,665,691 and exceeded total revenues by \$2,225,904, thus causing the total net assets of the Village to decrease.

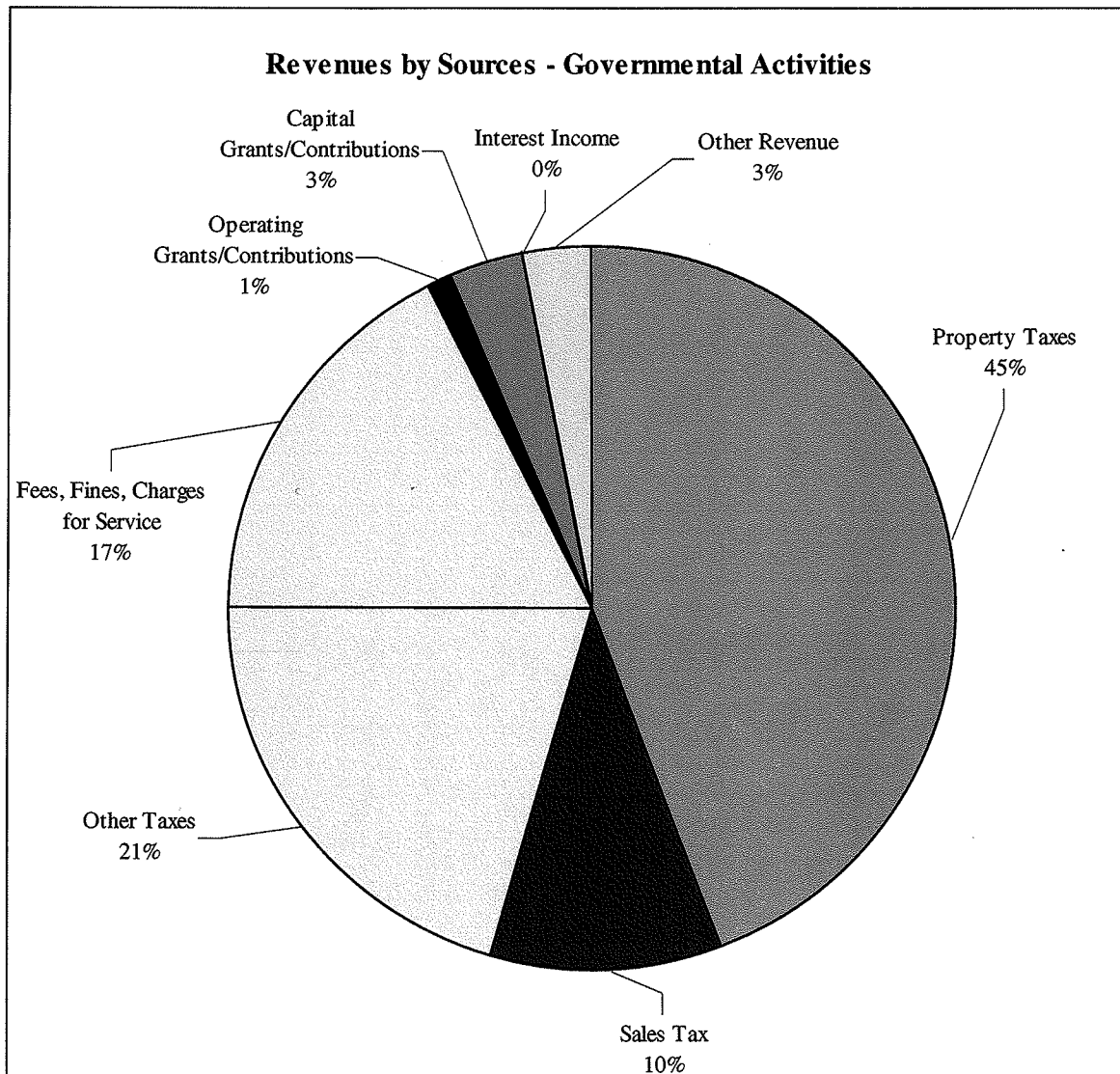
Table 2: Changes in Net Assets Fiscal Year Ended December 31, 2009						
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Fees, Fines, & Charges/Service	1,686,717	1,906,727	2,759,310	2,718,707	4,446,027	4,625,434
Operating Grants/Contributions	110,403	93,916	-	-	110,403	93,916
Capital Grants/Contributions	312,600	332,371	-	-	312,600	332,371
General Revenues						
Property Taxes	4,260,259	4,052,954	39,960	44,316	4,300,219	4,097,270
Sales Tax	995,009	1,100,754	-	-	995,009	1,100,754
Other Taxes	1,981,485	2,259,204	-	-	1,981,485	2,259,204
Interest Income	8,784	204,102	8	75	8,792	204,177
Other Revenue	285,252	582,165	-	-	285,252	582,165
Total Revenues	9,640,509	10,532,193	2,799,278	2,763,098	12,439,787	13,295,291
Expenses						
General Government	1,534,678	1,343,805	-	-	1,534,678	1,343,805
Public Safety	5,945,384	5,618,175	-	-	5,945,384	5,618,175
Public Works	1,406,473	1,017,491	-	-	1,406,473	1,017,491
Building, Planning & Zoning	265,979	256,725	-	-	265,979	256,725
Health	37,730	50,423	-	-	37,730	50,423
Recreation	188,544	322,768	-	-	188,544	322,768
Community Development	1,194,767	599,235	-	-	1,194,767	599,235
Community Affairs	-	-	-	-	-	-
Waterworks & Sewerage	-	-	1,826,306	1,945,604	1,826,306	1,945,604
Garbage Collection	-	-	621,574	604,501	621,574	604,501
Emergency 911 Operations	-	-	405,363	114,919	405,363	114,919
Interest on Long Term Debt	1,238,893	1,030,329	-	-	1,238,893	1,030,329
Total Expenses	11,812,448	10,238,951	2,853,243	2,665,024	14,665,691	12,903,975
Increase/(Decrease) in Net Assets Before Transfers	(2,171,939)	293,242	(53,965)	98,074	(2,225,904)	391,316
Net Transfers	-	-	-	-	-	-
Increase/(Decrease) in Net Assets	(2,171,939)	293,242	(53,965)	98,074	(2,225,904)	391,316
Net Assets, Beginning	13,404,083	13,110,841	3,514,649	3,416,575	16,918,732	16,527,416
Net Assets, Ending	11,232,144	13,404,083	3,460,684	3,514,649	14,692,828	16,918,732

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Government Wide Financial Analysis (Continued)

Governmental Activities

Revenues for Governmental Activities were equal to \$9,640,509 and included \$2,109,720 in program revenues and \$7,530,789 in general revenues. The following graph depicts the major Governmental Activity revenue sources for the Village.

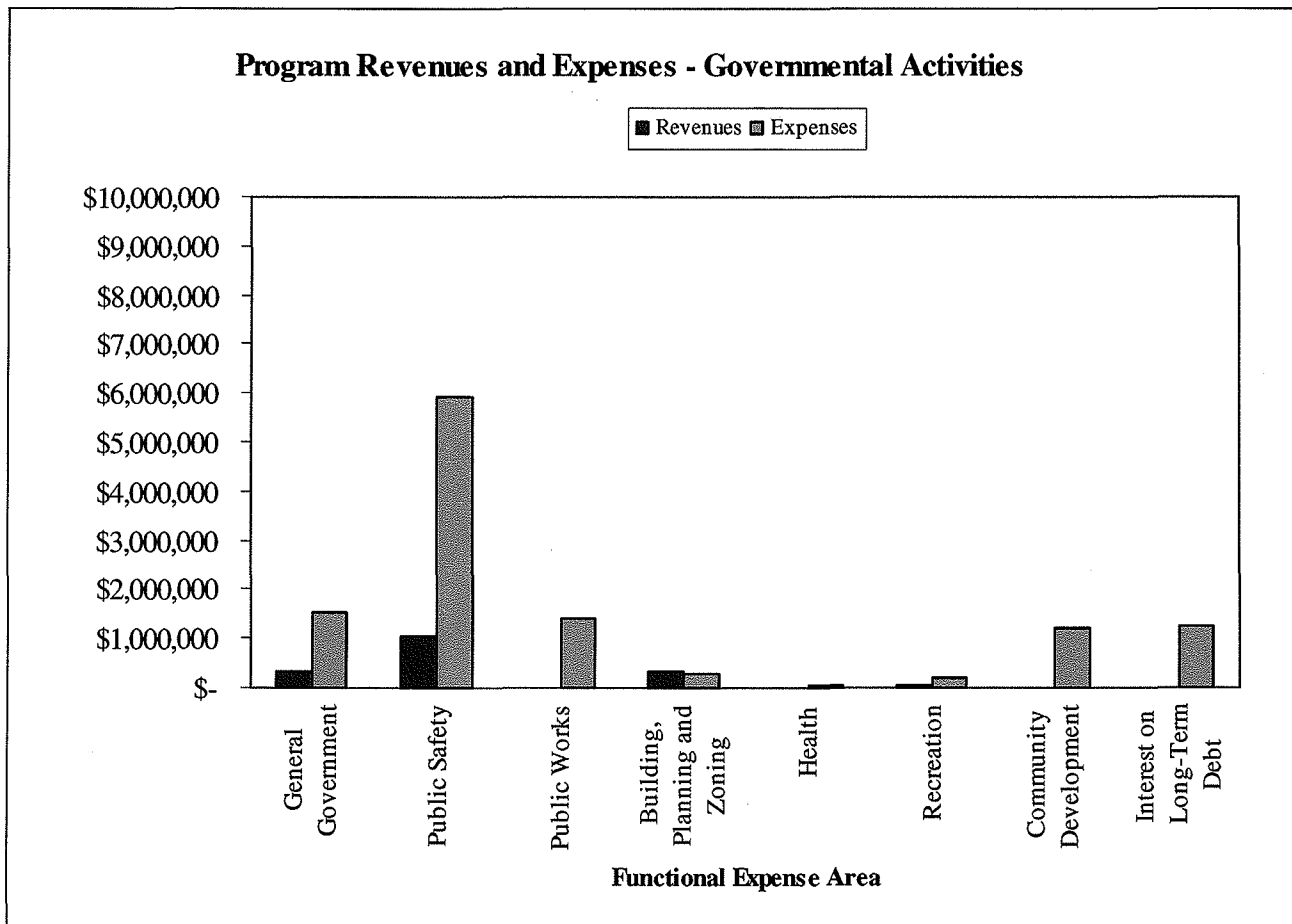


As illustrated by the graph, in 2009 the Village received 45% of its revenues from Property Taxes, 21% from Other Taxes, 17% from Fees, Fines, and Charges for Services, and 10% from Sales Tax. These are the largest sources of revenue for the Village in a typical year.

VILLAGE OF LYONS, ILLINOIS
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Government Wide Financial Analysis (Continued)

Governmental Activities (Continued)



The 'Program Revenues and Expenses' graph above identifies the various governmental functions and illustrates the relationship between the revenues supporting each function and the expenses associated with each function. As illustrated in the table, none of the governmental functions generated sufficient program revenues to offset related expenses in 2008.

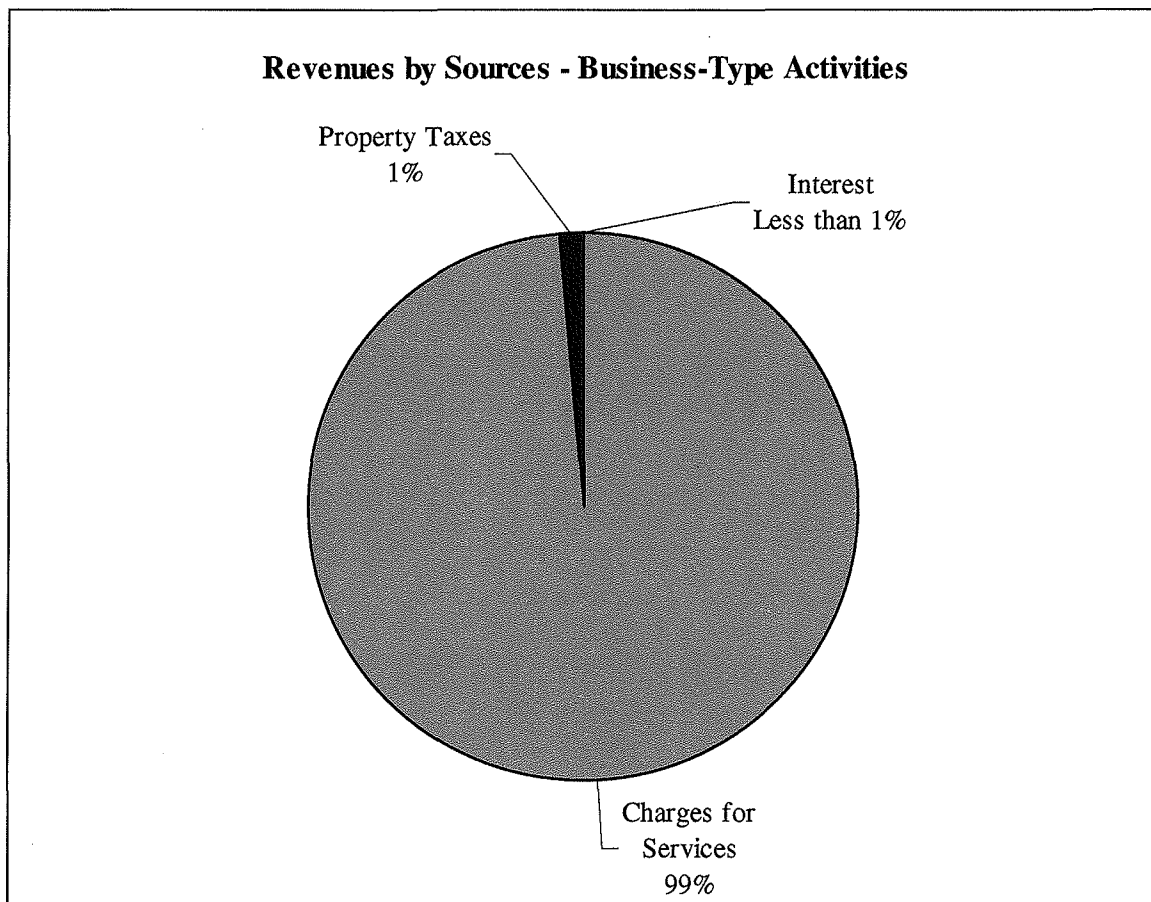
Since none of the functional areas generate sufficient revenues to support operations, the Village's general revenues (i.e., taxes and other general revenues) provide the resources necessary to continue general government operations. The combined total of general for Governmental Activities was equal to \$7,530,789 in 2009 (a decrease of \$668,390 or 8.2% from 2008). General revenues supplement the program revenues generated by each functional area to support the services and programs in that area. Without these general revenue sources, the Village would not be able to continue to provide the services and programs currently available to its residents. The \$668,390 decrease in general revenues is the result of the weak economy and particularly a \$277,719 decrease in other taxes, such as income taxes and a \$105,745 decrease in sales taxes.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Government Wide Financial Analysis (Continued)

Business-Type Activities

Revenues for the Village's Business-Type Activities equaled \$2,799,278 in 2009 and fell short of expenses of \$2,853,243 by \$53,965. Since expenses for Business-Type Activities exceeded revenues, net assets for Business-Type Activities decreased during 2009.



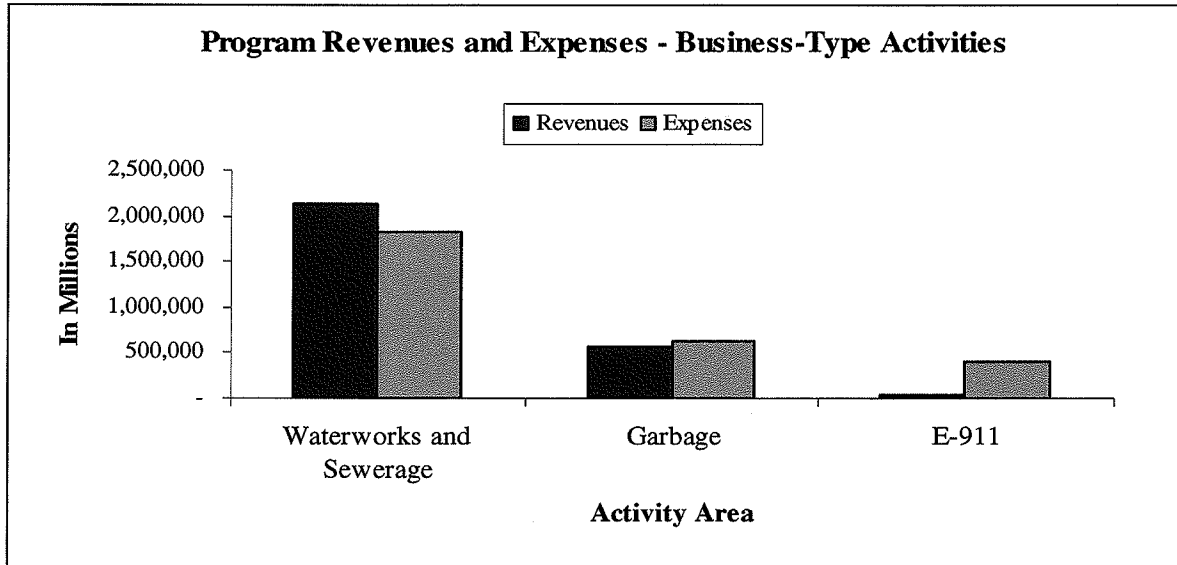
In terms of revenues by source, Business-Type Activities derive the majority of their revenues (99%) from Charges for Services. This is appropriate as these Village functions are similar to private sector entities; they are expected to provide services to residents and charge a fee for those services to support ongoing operations as well as the continuing capital investments necessary to maintain capital assets (i.e. Water and Sewer Systems).

The graph on the following page compares program revenues to expenses for water and sewer operations, garbage operations, and emergency 911 operations. When analyzed as a whole Business-Type Activities had a decrease in net assets, however, the "Program Revenues and Expenses" graph illustrates that water and sewer operations increased net assets while garbage and emergency 911 operations had a decrease in net assets.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Government Wide Financial Analysis (Continued)

Business Type Activities (Continued)



Financial Analysis of the Government's Funds

The Village of Lyons uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Each Fund is a separate set of self-balancing accounts that include all of its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. There are three different types of funds, governmental, proprietary, and fiduciary (please see pages 22 - 24 in the Notes to the Financial Statements for a complete description of these different types of Funds).

Governmental Funds

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

As of the end of the current fiscal year, governmental funds combined ending fund balances were equal to \$3,892,151. The General Fund had an ending fund balance of \$2,291,038, the TIF #4 Operations fund had an ending deficit fund balance of \$773,535, the Capital Improvements Fund had an ending fund balance of \$1,608,686, the Debt Service Fund had an ending deficit fund balance of \$393,966, and the Non-Major Governmental Funds had combined ending fund balances of \$1,159,928.

The Village's General Fund is used to account for the resources and expenses associated with those services generally associated with a municipal government such as police protection, fire suppression and prevention, street maintenance, forestry, property maintenance, building code enforcement, zoning code enforcement, and general administration. The TIF #4 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #4. The Capital Improvement Fund is used to account for the resources related to construction of capital projects; examples include street construction and the new municipal facility. The Debt Service Fund is used to account for the resources and expenses related to the Village's debt service activities.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Financial Analysis of the Government's Funds (Continued)

Governmental Funds (Continued)

The General Fund expended \$8,358,917, \$648,063 more than the \$7,710,854 in revenues brought in by the Fund. However, the General Fund also received net transfers of \$32,389 and debt issuance proceeds of \$500,000, thereby producing a decrease in fund balance during 2009 of \$115,674. The majority of expenditures in the General Fund are for Public Safety (\$5,379,343 or 64.4% of total General Fund expenditures), General Government (\$1,320,869 or 15.8% of the total), and Public Works (\$1,103,928 or 13.2% of total General Fund expenditures). Although the Village worked to closely monitor expenditures during the year, the decline in revenues as a result of the slumping economy resulted in the \$115,674 decrease to fund balance for 2009.

The TIF #4 Operations Fund received \$9,965 in revenues and expended \$1,371,678, causing a decrease in the Fund Balance of \$1,635,213. This decrease was anticipated as the Village utilized previous debt proceeds to fund the TIF#4 development.

The Capital Improvements Fund received total revenues and financing sources of \$3,513,515, including \$325,015 in revenues, and \$2,915,000 in debt proceeds. Net Transfers to the Capital Improvement fund were a negative \$3,500. Expenditures were equal to \$2,438,621. Revenues and financing sources exceeded expenditures by \$750,566 thereby increasing the fund balance by \$750,566 to an ending balance of \$1,608,686. In 2009, the majority of expenditures in the Capital Improvements Fund were utilized for construction costs related to the municipal facility.

The Debt Service Fund received \$626,868 in revenues and \$302,861 in net transfers but expended \$1,365,975, causing a decrease in the Fund Balance of \$436,246.

The combined Non-major Governmental Funds received \$1,527,701 in revenues and transfers in during 2009; \$36,760 more than the \$1,490,941 in expenditures and transfers out by these funds. These expenditures in the Non-major Governmental Funds were in the TIF District Funds and included interest payments and debt principal retirements.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but from a different accounting perspective. Proprietary funds are accounted for according to full accrual accounting, similar to a private sector enterprise. The Net Assets remaining to the Fund at the end of the year provide information about the Funds ability to continue operations in future years.

The Village reports the Water and Sewer Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Pre-treated potable water is purchased from the Brookfield-North Riverside Water Commission and distributed to residents of the Village. The Village sells water to municipal customers at rates that are intended to provide sufficient resources for current operations as well as necessary investments in the capital infrastructure supporting the water system.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Financial Analysis of the Government's Funds (Continued)

Proprietary Funds (Continued)

The wastewater system consists of the sanitary sewer main system for collection of wastewater; the collected wastewater is discharged to the Metropolitan Water Reclamation District. The wastewater system is also financed through charges for services.

The Water and Sewer Fund expended \$1,826,306, \$317,134 more than the \$2,143,440 in revenues received by the Fund. The expenses in the Water and Sewer Fund support the operations of the water and sewer systems and provide resources for investing in the capital infrastructure.

The Village also reports the Garbage Fund as a major proprietary fund. This Fund is used by the Village to account for the resources and expenses associated with the collection and disposal of solid waste and recyclables.

The Garbage Fund expended \$621,574, \$14,480 less than the \$607,094 in revenues and property taxes received by the Fund thereby decreasing the net assets to a deficit of \$6,843 at the end of 2009. The decrease to net assets was the result of a slight increase in waste disposal costs and a decrease in property tax receipts. Expenses in this Fund support the operations of the refuse and recycling collection and disposal operations.

The Village reports the Emergency 911 as a major proprietary Fund. This fund is used to account for the resources and expenses associated with operating the emergency 911 communications systems. The Emergency 911 Fund expended \$405,363, including \$343,135 in the disposal of capital assets, \$356,619 less than the \$48,744 in revenues received by the Fund.

Budgetary Highlights

No revisions were made to the General Fund budget during the year. Final actual revenues of \$7,710,854 fell short of budgeted revenues of \$8,536,550 by \$825,696. As previously discussed, the weak economy resulted in lower than anticipated property taxes and other taxes such as sales and income tax (\$296,776), interest earnings (\$76,234), and declines in many of the Village's charges for services and fines.

Actual expenditures of \$8,358,917 for the year were \$247,819 lower than budgeted as a result of the close monitoring of expenditures during the year in an attempt to offset the Village's declining revenue base.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Capital Assets and Debt Administration

Capital Assets

The Village of Lyons' investment in capital assets for its governmental and business type activities as of December 31, 2009 was equal to \$36,489,468 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, streets and related infrastructure, sidewalks, and bridges.

In 2009, the Village's investment in capital assets increased \$2,067,157 (additions less depreciation) from a beginning balance of \$34,422,311 to an ending balance of \$36,489,468. A major portion of this increase was due to the completion of the new municipal facility. The Village also purchased new emergency 911 equipment.

Table 3: Capital Assets - Net of Depreciation			
As of December 31, 2009			
	Governmental Activities	Business-type Activities	Total
Land	\$ 14,020,058	\$ 91,021	\$ 14,111,079
Buildings & Improvements	15,200,399	206,123	15,406,522
Vehicles & Equipment	551,020	502,276	1,053,296
Infrastructure	2,550,102	3,368,469	5,918,571
Total	<u>\$ 32,321,579</u>	<u>\$ 4,167,889</u>	<u>\$ 36,489,468</u>

Major additions undertaken in 2009 included:

E-911 Equipment	\$ 460,890
Village Hall/Public Safety Building	2,237,875
	<u>2,698,765</u>

Additional information on the Village's capital assets can be found in Note 3 on pages 55 – 57 of this report.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
December 31, 2009

Capital Assets and Debt Administration (Continued)

Debt Administration

On December 31, 2009, the Village had three General Obligation Bond issues outstanding. The first issue outstanding is the \$595,000 General Obligation Series of 2003 with a remaining balance of \$85,000, proceeds from which were used to fund the purchase of various capital improvements and vehicle purchases. The second General Obligation Debt issue outstanding is the \$7,000,000 General Obligation Bond issue, Series 2005 with a remaining balance of \$6,215,000, proceeds from which were used for the construction of a new Police Facility. The third General Obligation Debt issue outstanding is the \$1,030,000 General Obligation Bond issue, Series 2009 with a remaining balance of \$1,030,000, proceeds from which were also used to fund construction costs related to the new municipal building.

In addition to General Obligation Bond Debt, the Village also has General Obligation Debt Certificates, Series 2007 in the amount of \$4,000,000 outstanding and Series 2009 in the amount of \$1,885,000 outstanding. The Village also has several General Obligation land and equipment loans outstanding with a total valuation of \$1,120,998.

The Village also has a number of outstanding Alternate Revenue Bond issues related to its TIF Districts and its Water and Sewer Operations. These include the \$1,215,000 Alternate Revenue Bond, Series 2002 for TIF District #2, the \$760,000 Alternate Revenue Bond, Series 2003 for TIF District #1, and the \$3,768,000 Alternate Revenue Bond, Series 1997 which refunded bonds that were issued in the early 1990s for Water and Sewer Repairs and had a remaining balance of \$1,145,000.

The Village also has four revenue bond issues outstanding, the Senior Lien Revenue Bonds, Series 2004 with a remaining balance of \$1,462,833, the Junior Lien Revenue Bonds, Series 2006 with a remaining balance of \$957,945, the Junior Lien Revenue Bonds, Series 2007 with a remaining balance of \$398,285, and the Senior Lien Revenue Bonds, series 2008 with a remaining balance of \$2,684,000.

Table 4: Loans Payable, General Obligation Bonds, Debt Certificates, Alternate Revenue Water and Sewer and TIF Bonds, and Revenue TIF Bonds As of December 31, 2009			
	Governmental Activities	Business-type Activities	Total
Loans Payable	\$ 1,023,417	\$ 471,816	\$ 1,495,233
Installment Notes	97,581	-	97,581
General Obligation Bonds	7,330,000	-	7,330,000
Debt Certificates	5,885,000	-	5,885,000
Alternate Revenue TIF Bonds	1,975,000	-	1,975,000
Revenue TIF Bonds	5,503,063	-	5,503,063
Alternate Revenue Water Bond	-	1,145,000	1,145,000
Total	\$ 21,814,061	\$ 1,616,816	\$ 23,430,877

In 2009, the Village issued the \$1,030,000 in general obligation bonds to complete construction on the new Village Hall, \$1,885,000 in debt certificates to equip the new municipal center and complete other Village improvements.

VILLAGE OF LYONS, ILLINOIS
Management Discussion and Analysis
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Capital Assets and Debt Administration (Continued)

Debt Administration (Continued)

Under current state statutes, the Village's general obligation bonded debt issuances are subject to a legal limitation as illustrated in the following table.

Legal Debt Margin Analysis	
Assessed Valuation (2008 Levy)	\$ 228,997,667
Statutory Debt Limit	8.625%
Legal Debt Limit - 8.625% of Assessed Value	19,751,049
Debt Applicable to Limit - GO Bonds and Debt Certificates	13,215,000
Legal Debt Margin	6,536,049

As shown in the above table, the Village's gross general obligation bonded debt is below the legal limit authorized under state statutes. Additional information on the Village's long-term debt can be found in Note 3 on pages 40 - 51 of this report.

Economic Factors and Next Year's Budget

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2010 budget and the associated property tax rates and charges for services. One of those factors is the economy. As discussed in the Transmittal Letter (pages i - vi), the Village is anticipating continued difficult economic times in 2010 and 2011 as the national, regional, and local economies recover from the challenges of the recent recession, including reductions in real estate values, credit industry woes, rising inflation, and unemployment. These challenges are likely to prolong the noted suppression in consumer spending and household income, both of which may negatively impact the Village's revenues. The Village has been able to avoid some of the negative effects of the economic recession due to the addition of businesses in the Village and the Village's diverse and stable tax base.

Based on the potential for negative impacts on the Village's revenue base due to the recession, the Village was conservative when estimating 2010 revenues.

Requests for Information

This financial report is designed to provide a general overview of the Village of Lyons' finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Department, Village of Lyons, 4200 Lawndale Avenue, Lyons, Illinois, 60534.

BASIC FINANCIAL STATEMENTS

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

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

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

VILLAGE OF LYONS, ILLINOIS

**Statement of Net Assets
December 31, 2009**

See Following Page

VILLAGE OF LYONS, ILLINOIS

Statement of Net Assets December 31, 2009

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Public Library
ASSETS				
Current Assets				
Cash and Investments	\$ 3,040,403	663,081	3,703,484	301,487
Restricted Cash and Investments	-	296,359	296,359	-
Receivables - Net of Allowances	4,616,000	577,496	5,193,496	622,950
Internal Balances	351,131	(351,131)	-	-
Land Held for Resale	574,000	-	574,000	-
Prepays	266,545	-	266,545	10,574
Total Current Assets	8,848,079	1,185,805	10,033,884	935,011
Noncurrent Assets				
Capital Assets				
Nondepreciable	14,020,058	91,021	14,111,079	596,864
Depreciable	21,289,371	6,161,047	27,450,418	793,083
Accumulated Depreciation	(2,987,850)	(2,084,179)	(5,072,029)	(447,756)
	32,321,579	4,167,889	36,489,468	942,191
Other Assets				
Net Pension Asset	145,504	-	145,504	-
Unamortized Bond Issue Costs	110,001	21,175	131,176	-
Total Noncurrent Assets	32,577,084	4,189,064	36,766,148	942,191
Total Assets	41,425,163	5,374,869	46,800,032	1,877,202

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

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	1,124,133	155,907	1,280,040	6,438
Accrued Payroll	148,375	5,201	153,576	3,474
Other Accrued Liabilities	259,820	-	259,820	-
Accrued Interest Payable	142,986	35,916	178,902	-
Unearned Revenues	3,423,600	45,000	3,468,600	-
Current Portion Long-Term Debt				
Compensated Absences Payable	205,021	11,069	216,090	-
Mortgage Payable	-	-	-	-
Loans Payable	90,001	170,453	260,454	-
Installment Notes Payable	97,581	-	97,581	-
Debt Certificates Payable	225,000	-	225,000	10,000
Alternate Revenue Bonds Payable	80,000	475,000	555,000	-
General Obligation Bonds Payable	450,000	-	450,000	-
Total Current Liabilities	6,246,517	898,546	7,145,063	19,912
Noncurrent Liabilities				
Net Pension Obligation Payable	1,881,505	-	1,881,505	-
Net Other Post-Employment Benefits				
Obligation Payable	373,432	-	373,432	-
Compensated Absences Payable	820,086	44,276	864,362	-
Mortgage Payable	-	-	-	-
Loans Payable	933,416	301,363	1,234,779	-
Debt Certificates Payable	5,660,000	-	5,660,000	260,000
Revenue Bonds Payable	5,503,063	-	5,503,063	-
Alternate Revenue Bonds Payable	1,895,000	670,000	2,565,000	-
General Obligation Bonds Payable	6,880,000	-	6,880,000	-
Total Noncurrent Liabilities	23,946,502	1,015,639	24,962,141	260,000
Total Liabilities	30,193,019	1,914,185	32,107,204	279,912
NET ASSETS				
Invested in Capital Assets - Net of Related Debt	12,116,204	2,551,073	14,667,277	672,191
Restricted - Special Levies	455,450	-	455,450	-
Restricted - Recreation	80,387	-	80,387	-
Restricted - Public Safety	198,938	-	198,938	-
Restricted - Debt Service	444,326	296,359	740,685	-
Restricted - Capital Projects	1,266,399	-	1,266,399	-
Unrestricted	(3,329,560)	613,252	(2,716,308)	925,099
Total Net Assets	11,232,144	3,460,684	14,692,828	1,597,290

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

VILLAGE OF LYONS, ILLINOIS

Statement of Activities

Year Ended December 31, 2009

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 1,534,678	331,915	-	-
Building, Planning and Zoning	265,979	341,380	-	-
Health	37,730	195	-	-
Public Safety	5,945,384	954,450	110,403	-
Community Development	1,194,767	-	-	-
Recreation	188,544	58,777	-	-
Public Works	1,406,473	-	-	312,600
Interest on Long-Term Debt	1,238,893	-	-	-
Total Governmental Activities	11,812,448	1,686,717	110,403	312,600
Business-Type Activities				
Water and Sewer	1,826,306	2,143,440	-	-
Garbage	621,574	567,134	-	-
Emergency 911	405,363	48,736	-	-
Total Business-Type Activities	2,853,243	2,759,310	-	-
	14,665,691	4,446,027	110,403	312,600
Component Unit - Public Library	536,228	23,162	13,149	-

General Revenues

Taxes

Property Taxes

Sales Taxes

State Income Taxes

Utility Taxes

Other Taxes

Interest

Miscellaneous

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net Expense/Revenue			
Governmental Activities	Primary Government		Component Unit Public Library
	Business-Type Activities	Total	
(1,202,763)	-	(1,202,763)	(461,648)
75,401	-	75,401	-
(37,535)	-	(37,535)	-
(4,880,531)	-	(4,880,531)	-
(1,194,767)	-	(1,194,767)	-
(129,767)	-	(129,767)	-
(1,093,873)	-	(1,093,873)	-
(1,238,893)	-	(1,238,893)	(999)
(9,702,728)	-	(9,702,728)	(462,647)
-	317,134	317,134	-
-	(54,440)	(54,440)	-
-	(356,627)	(356,627)	-
-	(93,933)	(93,933)	-
(9,702,728)	(93,933)	(9,796,661)	-
-	-	-	(499,917)
4,260,259	39,960	4,300,219	578,734
995,009	-	995,009	-
833,531	-	833,531	-
905,510	-	905,510	-
242,444	-	242,444	7,067
8,784	8	8,792	886
285,252	-	285,252	1,700
7,530,789	39,968	7,570,757	588,387
(2,171,939)	(53,965)	(2,225,904)	88,470
13,404,083	3,514,649	16,918,732	1,508,820
11,232,144	3,460,684	14,692,828	1,597,290

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

VILLAGE OF LYONS, ILLINOIS

Balance Sheet - Governmental Funds December 31, 2009

	General
<hr/>	
ASSETS	
Cash and Investments	\$ 859,215
Receivables - Net of Allowances	
Property Taxes	3,080,500
Other Taxes	584,494
Accounts	15,547
Due from Other Funds	1,029,822
Inventory - Land Held for Resale	-
Prepays	19,695
	<hr/>
Total Assets	<u>5,589,273</u>
 LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	309,696
Accrued Payroll	148,375
Other Accrued Liabilities	93,464
Due to Other Funds	-
Unearned/Deferred Revenues	2,746,700
Total Liabilities	<u>3,298,235</u>
 Fund Balances	
Reserved - Inventory/Prepays	19,695
Reserved - Recreation	80,387
Reserved - Public Safety	198,938
Reserved - Debt Service	-
Reserved - Capital Projects	-
Unreserved - General	1,992,018
Unreserved - Special Revenue	-
Unreserved - Debt Service	-
Total Fund Balances	<u>2,291,038</u>
	 <hr/>
Total Liabilities and Fund Balances	<u>5,589,273</u>

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

TIF #4 Operations	Debt Service	Capital Improvements	Nonmajor Funds	Total Governmental Funds
-	-	1,238,465	942,723	3,040,403
-	755,833	-	102,011	3,938,344
-	-	-	-	584,494
-	-	77,615	-	93,162
-	-	295,068	36,353	1,361,243
359,000	-	215,000	-	574,000
-	-	127,287	119,563	266,545
359,000	755,833	1,953,435	1,200,650	9,858,191
397,010	68,309	344,749	4,369	1,124,133
-	-	-	-	148,375
-	166,356	-	-	259,820
735,525	238,234	-	36,353	1,010,112
-	676,900	-	-	3,423,600
1,132,535	1,149,799	344,749	40,722	5,966,040
359,000	-	342,287	119,563	840,545
-	-	-	-	80,387
-	-	-	-	198,938
-	-	-	587,312	587,312
-	-	1,266,399	-	1,266,399
-	-	-	-	1,992,018
(1,132,535)	-	-	453,053	(679,482)
-	(393,966)	-	-	(393,966)
(773,535)	(393,966)	1,608,686	1,159,928	3,892,151
359,000	755,833	1,953,435	1,200,650	9,858,191

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

VILLAGE OF LYONS, ILLINOIS

Reconciliation of Total Governmental Fund Balance to the Statement of Net Assets - Governmental Activities

December 31, 2009

Total Governmental Fund Balances	\$ 3,892,151
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Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	32,321,579
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A net pension asset is not considered to represent a financial resource and therefore, is not reported in the funds.	145,504
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Unamortized bond issuance costs are not considered to represent a financial resource and therefore, are not reported in the funds.	110,001
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Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Net Pension Obligation Payable	(1,881,505)
Net Other Post-Employment Benefits Obligation Payable	(373,432)
Compensated Absences Payable	(1,025,107)
Loans Payable	(1,023,417)
Installment Notes Payable	(97,581)
Debt Certificates Payable	(5,885,000)
Revenue Bonds Payable	(5,503,063)
Alternate Revenue Source Bonds Payable	(1,975,000)
General Obligation Bonds Payable	(7,330,000)
Accrued Interest Payable	<u>(142,986)</u>

Net Assets of Governmental Activities	<u>11,232,144</u>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF LYONS, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2009**

See Following Page

VILLAGE OF LYONS, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended December 31, 2009

	General
Revenues	
Taxes	\$ 5,638,724
Intergovernmental	110,403
Licenses, Permits and Fees	341,380
Charges for Services	589,219
Fines and Forfeitures	756,118
Interest	7,016
Miscellaneous	267,994
Total Revenues	<u>7,710,854</u>
Expenditures	
Current	
General Government	1,320,869
Building, Planning and Zoning	265,979
Health	37,730
Public Safety	5,379,343
Community Development	-
Recreation	188,544
Public Works	1,103,928
Capital Outlay	62,524
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>8,358,917</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(648,063)</u>
Other Financing Sources (Uses)	
Debt Issuance	500,000
Discount on Debt Issuance	-
Transfers In	335,250
Transfers Out	(302,861)
	<u>532,389</u>
Net Change in Fund Balances	(115,674)
Fund Balances - Beginning	<u>2,406,712</u>
Fund Balances - Ending	<u>2,291,038</u>

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

TIF #4 Operations	Debt Service	Capital Improvements	Nonmajor Funds	Total Governmental Funds
8,774	621,868	-	967,387	7,236,753
-	-	312,600	-	423,003
-	-	-	-	341,380
-	-	-	-	589,219
-	-	-	-	756,118
678	-	670	420	8,784
513	5,000	11,745	-	285,252
9,965	626,868	325,015	967,807	9,640,509
-	-	-	-	1,320,869
-	-	-	-	265,979
-	-	-	-	37,730
-	-	-	-	5,379,343
384,220	-	-	24,131	408,351
-	-	-	-	188,544
-	-	-	-	1,103,928
784,288	-	2,399,095	2,128	3,248,035
8,000	732,141	-	524,871	1,265,012
195,170	633,834	39,526	314,667	1,183,197
1,371,678	1,365,975	2,438,621	865,797	14,400,988
(1,361,713)	(739,107)	(2,113,606)	102,010	(4,760,479)
-	-	2,915,000	-	3,415,000
-	-	(54,328)	-	(54,328)
-	302,861	273,500	559,894	1,471,505
(273,500)	-	(270,000)	(625,144)	(1,471,505)
(273,500)	302,861	2,864,172	(65,250)	3,360,672
(1,635,213)	(436,246)	750,566	36,760	(1,399,807)
861,678	42,280	858,120	1,123,168	5,291,958
(773,535)	(393,966)	1,608,686	1,159,928	3,892,151

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

VILLAGE OF LYONS, ILLINOIS

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

Year Ended December 31, 2009

Net Change in Fund Balances - Total Governmental Funds	\$ (1,399,807)
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Amounts reported for governmental activities in the Statement of Activities
are different because:

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

Capital Outlays	2,237,875
Depreciation Expense	(185,555)

An addition to a net pension asset is not considered to be an increase in a
financial asset in the governmental funds.

	29,028
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The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation Payable	(491,089)
Additions to Net Other Post-Employment Benefits Obligation Payable	(189,390)
Additions to Compensated Absences Payable	(21,645)
Issuance of Debt	(3,415,000)
Retirement of Debt	1,265,012
Amortization of Debt Issuance Costs	(6,788)

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

5,420

Changes in Net Assets of Governmental Activities

<u>(2,171,939)</u>

VILLAGE OF LYONS, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2009**

See Following Page

VILLAGE OF LYONS, ILLINOIS

**Statement of Net Assets - Proprietary Funds
December 31, 2009**

	Business-Type Activities - Enterprise Funds			
	Water and Sewer	Garbage	Emergency 911	Totals
ASSETS				
Current Assets				
Cash and Investments	\$ 647,947	-	15,134	663,081
Restricted Cash and Investments	296,359	-	-	296,359
Receivables - Net of Allowances				
Property Taxes	-	50,072	-	50,072
Accounts	417,802	109,622	-	527,424
Total Current Assets	1,362,108	159,694	15,134	1,536,936
Noncurrent Assets				
Capital Assets				
Nondepreciable	91,021	-	-	91,021
Depreciable	5,700,157	-	460,890	6,161,047
Accumulated Depreciation	(2,084,179)	-	-	(2,084,179)
	3,706,999	-	460,890	4,167,889
Other Assets				
Unamortized Bond Issue Costs	21,175	-	-	21,175
Total Noncurrent Assets	3,728,174	-	460,890	4,189,064
Total Assets	5,090,282	159,694	476,024	5,726,000

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

	Business-Type Activities - Enterprise Funds			
	Water and Sewer	Garbage	Emergency 911	Totals
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 100,946	54,961	-	155,907
Accrued Payroll	4,123	1,078	-	5,201
Accrued Interest Payable	9,463	-	26,453	35,916
Due to Other Funds	-	56,063	295,068	351,131
Unearned/Deferred Revenue	-	45,000	-	45,000
Compensated Absences Payable	9,182	1,887	-	11,069
Loans Payable	-	-	170,453	170,453
Alternate Revenue Bonds Payable	475,000	-	-	475,000
Total Current Liabilities	598,714	158,989	491,974	1,249,677
Noncurrent Liabilities				
Compensated Absences Payable	36,728	7,548	-	44,276
Loans Payable	10,926	-	290,437	301,363
Alternate Revenue Bonds Payable	670,000	-	-	670,000
Total Noncurrent Liabilities	717,654	7,548	290,437	1,015,639
Total Liabilities	1,316,368	166,537	782,411	2,265,316
NET ASSETS				
Invested in Capital Assets - Net of				
Related Debt	2,551,073	-	-	2,551,073
Restricted - Debt Service	296,359	-	-	296,359
Unrestricted	926,482	(6,843)	(306,387)	613,252
Total Net Assets	3,773,914	(6,843)	(306,387)	3,460,684

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

VILLAGE OF LYONS, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds Year Ended December 31, 2009

	Business-Type Activities - Enterprise Funds			
	Water and Sewer	Garbage	Emergency 911	Totals
Operating Revenues				
Charges for Services	\$ 2,143,440	567,134	47,736	2,758,310
Operating Expenses				
Administration	122,643	48,079	-	170,722
Operations	1,519,824	573,495	25,389	2,118,708
Capital Outlay	8,942	-	10,386	19,328
Depreciation and Amortization	109,976	-	-	109,976
Total Operating Expenses	1,761,385	621,574	35,775	2,418,734
Operating Income (Loss)	382,055	(54,440)	11,961	339,576
Nonoperating Revenues (Expenses)				
Property Taxes	-	39,960	-	39,960
Interest Income	-	-	8	8
Other Income	-	-	1,000	1,000
Disposal of Capital Assets	-	-	(343,135)	(343,135)
Interest and Fiscal Charges	(64,921)	-	(26,453)	(91,374)
	(64,921)	39,960	(368,580)	(393,541)
Change in Net Assets	317,134	(14,480)	(356,619)	(53,965)
Net Assets - Beginning	3,456,780	7,637	50,232	3,514,649
Net Assets - Ending	3,773,914	(6,843)	(306,387)	3,460,684

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

VILLAGE OF LYONS, ILLINOIS

Statement of Cash Flows - Proprietary Funds Year Ended December 31, 2009

	Business-Type Activities - Enterprise Funds			
	Water and Sewer	Garbage	Emergency 911	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 2,121,241	597,436	48,736	2,767,413
Payments to Employees	(318,922)	(38,345)	-	(357,267)
Payments to Suppliers	(1,376,780)	(559,091)	(35,775)	(1,971,646)
	425,539	-	12,961	438,500
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	-	-	(460,890)	(460,890)
Principal Paid on General Obligation Bonds	(465,435)	-	-	(465,435)
Debt Issued for Capital	-	-	460,890	460,890
Interest Paid on General Obligation Bonds	(64,921)	-	-	(64,921)
	(530,356)	-	-	(530,356)
Cash Flows from Investing Activities				
Interest Received	-	-	8	8
Net Change in Cash and Cash Equivalents	(104,817)	-	12,969	(91,848)
Cash and Cash Equivalents - Beginning	1,049,123	-	2,165	1,051,288
Cash and Cash Equivalents - Ending	944,306	-	15,134	959,440
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	382,055	(54,440)	11,961	339,576
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:				
Other Nonoperating Revenues	-	39,960	1,000	40,960
Depreciation and Amortization Expense	109,976	-	-	109,976
(Increase) Decrease in Current Assets	(22,199)	(9,658)	-	(31,857)
Increase (Decrease) in Current Liabilities	(44,293)	24,138	-	(20,155)
Net Cash Provided by Operating Activities	425,539	-	12,961	438,500

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

VILLAGE OF LYONS, ILLINOIS

**Statement of Net Assets - Fiduciary Funds
December 31, 2009**

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS		
Cash and Cash Equivalents	\$ 253,783	19,445
Investments		
U.S. Government and Agency Securities	3,705,226	-
State and Local Government Securities	914,823	-
Mutual Funds	4,057,124	-
Receivables		
Accrued Interest	34,923	-
Total Assets	8,965,879	19,445
LIABILITIES		
Due to Other Governments	-	19,445
NET ASSETS		
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	8,965,879	-

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

VILLAGE OF LYONS, ILLINOIS

Statement of Changes in Net Assets - Fiduciary Funds Year Ended December 31, 2009

	Pension Trust
Additions	
Contributions - Employer	\$ 235,234
Contributions - Plan Members	201,860
Total Contributions	<u>437,094</u>
Investment Income	
Interest Earned	267,683
Net Change in Fair Value	<u>556,308</u>
	823,991
Less Investment Expenses	<u>(13,451)</u>
Net Investment Income	<u>810,540</u>
Total Additions	<u>1,247,634</u>
Deductions	
Administration	26,548
Benefits and Refunds	<u>770,552</u>
Total Deductions	<u>797,100</u>
Change in Net Assets	450,534
Net Plan Assets Held in Trust for Pension Benefits	
Beginning	<u>8,515,345</u>
Ending	<u><u>8,965,879</u></u>

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lyons, Illinois, is a non-home rule municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highways and streets, sanitation, health and social services, public improvements, planning and zoning, community development, culture and recreation, water, sewer, garbage and emergency 911 services, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP in the United States). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP in the United States and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Lyons
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System
Discretely Presented Component Unit:	Lyons Public Library

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

Blended Component Units – Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

Discretely Presented Component Units – Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Units

Police Pension Employees Retirement System

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

Firefighters' Pension Employees Retirement System

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

Discretely Presented Component Unit

Lyons Public Library

The Lyons Public Library provides library services to residents of the Village. The members of the board are elected by the public. However, the Library is fiscally dependent upon the Village because the Village's board accepts the Library's budget and tax levies and must approve any debt issuances. Separate audited financial statements as of December 31, 2009 are available from the Lyons Public Library, 4209 Joliet Ave., Lyons, Illinois 60534.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general government, building, planning and zoning, health, public safety, community development, recreation and public works services are classified as governmental activities. The Village's water and sewer services, garbage, and emergency 911 operations are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the TIF #4 Operations Fund, and four nonmajor special revenue funds. The TIF #4 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #4.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds – Continued

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. There is one major Debt Service Fund and two nonmajor Debt Service Funds. The Debt Service Funds are used to account for the accumulation of resources for and all payment of general long-term debt principal, interest and related costs.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village reports the Capital Improvement Fund as a major fund, which accounts for costs associated with the construction of the new Village hall and police station as well as costs for capital equipment purchases and capital infrastructure improvements.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains three major enterprise funds which include the Water and Sewer Fund, the Garbage Fund, and the Emergency 911 Fund. The Water and Sewer Fund accounts for the revenues and expenses related to the operation of the Village's water and sewer enterprise. Revenues are generated through charges to users based upon water consumption. The Garbage Fund accounts for the revenues and expenses related to the operation of the Village's garbage enterprise. Revenues are generated through charges to users based on a fixed fee charged by the outside waste remover. The Emergency 911 Fund accounts for revenues and expenses to operate an emergency 911 system.

Fiduciary Funds

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police and Firefighters' Pension Funds account for the accumulation of resources to be used for retirement annuity payments to employees at appropriate amounts and times in the future. Resources are contributed by employees at fixed rates by law and by the Village at amounts determined by an annual actuarial study.

Agency Funds are used to account for assets held by the Village in a purely custodial capacity. The Agency Trust accounts for the collection and disbursement of funds seized by law enforcement and due to other governments.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

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

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

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

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services.

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

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

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

Restricted Cash and Investments

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by bond covenants.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report utility, garbage and emergency 911 charges as their major receivables.

Inventory – Land Held for Resale

Inventory of land held for resale is valued at cost using the specific identification method, and is recognized as an expenditure when sold/consumed.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 to \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

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

Buildings and Improvements	60 - 100 Years
Vehicles and Equipment	5 - 50 Years
Infrastructure	75 Years

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Unearned/Deferred Revenue

Governmental and proprietary funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Fund Equity

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

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

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

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Village follows the following procedures in establishing the budgetary data reflected in the financial statements:

- Prior to December 31, the Village budget officer submits to the Village Board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the Village to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

- Upon a two-thirds vote of the Board of Trustees, the annual budget may be revised. However, no amendment increasing the total budgeted expenditures can be made without providing the financing resources equal to the increase.
- Formal budgetary integration is employed as a management control device during the year for all governmental and proprietary fund types.
- Appropriations lapse at year end.
- The budget amounts are approved by the Village Board for the calendar year ended December 31, 2009.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget for the fiscal year:

Fund	Excess
TIF #4 Operations	\$ 1,346,678
Debt Service	1,333,578
TIF #1 Operations	13,229
TIF #2 Operations	1,123
TIF #3 Operations	356,355
TIF #1 Debt Service	298,414
TIF #2 Debt Service	196,676
Emergency 911	4,805

DEFICIT FUND EQUITY

The following funds had a deficit in fund equity as of the date of this report:

Fund	Deficit
TIF #4 Operations	\$ 773,535
Debt Service	393,966
TIF #2 Operations	2,397
Garbage	8,968
Emergency 911	306,387

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

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

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental, business-type and agency activities totaled \$3,788,525 and the bank balances totaled \$4,494,624. Additionally at year-end, the Village has \$222,736 invested in the Illinois Funds and \$8,027 invested in the Illinois Metropolitan Investment Fund.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's formal investment policy states that to the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds. The investments in the Illinois Funds and the Illinois Metropolitan Investment Fund have an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy does not further limit credit risk. At year-end, the Village's investment in the Illinois Funds and the Illinois Metropolitan Investment Fund were rated AAAm by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that certificates of deposit are permitted to be kept safe at the issuing bank provided they are fully collateralized and pledges are held at an independent third party institution. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy states that all securities will be held by a third party custodian as evidenced by safekeeping receipts. At year-end, the Village's investment in the Illinois Fund and the Illinois Metropolitan Investment Trust are not subject to custodial credit risk.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified by the following: limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury Securities), limiting investment in securities that have higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government pools (LGIP's), money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. At year-end, the Village's investment in the Illinois Fund represents more than 5 percent of the total cash and investment portfolio.

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

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$234,332 and the bank balances totaled \$234,332.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Notes	\$ 1,024,615	-	501,428	523,187	-
Federal Farm Credit Bank	1,154,147	-	699,856	454,291	-
Federal Home Loan Bank	595,344	-	79,922	256,719	258,703
Federal Home Loan Mortgage	705,595	-	438,173	267,422	-
Federal National Mortgage	130,430	-	130,430	-	-
Governmental National Mortgage	95,095	-	-	58,041	37,054
State and Local Obligations	914,823	914,823	-	-	-
Total	4,620,049	914,823	1,849,809	1,559,660	295,757

The Pension Fund assumes any callable securities will not be called.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund's deposits may not be returned to it. The Pension Fund does not have a formal written policy with regards to custodial credit risk for deposits.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the U.S. Government Securities are categorized as uninsured and unregistered for which the securities are held by the counterparty. Money market mutual funds and equity mutual funds are not subject to custodial credit risk disclosures. The Fund does not have a formal written policy with regards to custodial credit risk for investments.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration credit risk for investments. At year-end, the Pension Fund has over 5% of net plan assets invested in various agency securities as indicated in the table above. Agency investments represent a large portion of the portfolio; however the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

The Pension Board has diversified its equity mutual fund holdings as follows:

23% Large-Cap Equity Funds – \$941,106
11% Small-Cap Equity Funds – \$465,530
12% International Equity Fund – \$475,014
54% Schwab One Trust Account – \$2,175,474

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Investments. At year-end the carrying amount of the Fund's deposits totaled \$1,428 and the bank balances totaled \$1,428. At year-end the Fund also has \$18,023 invested in the Illinois Funds.

Interest Rate Risk. The Fund's investment policy states that the portfolio shall be structured to provide liquidity while at the same time matching investment maturities to projected fund liabilities. The Fund's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. The Fund's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return." At year-end, the Fund's investment in the Illinois Funds and was rated AAAM by Standard & Poor's.

Custodial Credit Risk. The Fund does not have a formal investment policy that limits the Fund's exposure to custodial credit risk for deposits. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund has no formal investment policy that limits the Fund's exposure to custodial credit risk for investments. Illinois Funds are not subject to custodial credit risk disclosures.

Concentration Risk. The Fund has no formal investment policy that limits the Fund's exposure to concentration risk. At year-end the Fund also has over 5 percent of net plan assets available for retirement benefits invested in the Illinois Funds.

PROPERTY TAXES

Property taxes for 2008 attach as an enforceable lien on January 1, 2008, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2009, and September 1, 2009. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 14,020,058	-	-	14,020,058
Construction in Progress	12,210,559	-	12,210,559	-
	26,230,617	-	12,210,559	14,020,058
Depreciable Capital Assets				
Buildings and Improvements	1,289,036	14,448,434	-	15,737,470
Vehicles and Equipment	1,899,122	-	-	1,899,122
Infrastructure	3,652,779	-	-	3,652,779
	6,840,937	14,448,434	-	21,289,371
Less Accumulated Depreciation				
Buildings and Improvements	515,854	21,217	-	537,071
Vehicles and Equipment	1,222,814	125,288	-	1,348,102
Infrastructure	1,063,627	39,050	-	1,102,677
	2,802,295	185,555	-	2,987,850
Total Depreciable Capital Assets, Net	4,038,642	14,262,879	-	18,301,521
Total Capital Assets, Net	30,269,259	14,262,879	12,210,559	32,321,579

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 2,774
Public Safety	103,980
Public Works	<u>78,801</u>
	<u>185,555</u>

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 91,021	-	-	91,021
Depreciable Capital Assets				
Buildings and Improvements	283,885	-	3,276	280,609
Vehicles and Equipment	830,215	460,890	697,416	593,689
Infrastructure	5,286,749	-	-	5,286,749
	<u>6,400,849</u>	<u>460,890</u>	<u>700,692</u>	<u>6,161,047</u>
Less Accumulated Depreciation				
Buildings and Improvements	72,878	4,677	3,069	74,486
Vehicles and Equipment	429,048	16,853	354,488	91,413
Infrastructure	1,836,892	81,388	-	1,918,280
	<u>2,338,818</u>	<u>102,918</u>	<u>357,557</u>	<u>2,084,179</u>
Total Depreciable Capital Assets, Net	<u>4,062,031</u>	<u>357,972</u>	<u>343,135</u>	<u>4,076,868</u>
Total Capital Assets, Net	<u>4,153,052</u>	<u>357,972</u>	<u>343,135</u>	<u>4,167,889</u>

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities – Continued

Depreciation expense was charged to business-type as follows:

Water and Sewer	<u>\$ 102,918</u>
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Component Unit – Public Library

Component Unit – Public Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 170,000	288,155	-	458,155
Construction in Progress	288,155	138,709	288,155	138,709
	<u>458,155</u>	<u>426,864</u>	<u>288,155</u>	<u>596,864</u>
Depreciable Capital Assets				
Buildings and Improvements	164,536	-	-	164,536
Furniture and Equipment	249,724	-	-	249,724
Equipment	125,244	3,633	-	128,877
Library Collection	244,818	55,786	50,658	249,946
	<u>784,322</u>	<u>59,419</u>	<u>50,658</u>	<u>793,083</u>
Less Accumulated Depreciation				
Buildings and Improvements	16,522	11,911	-	28,433
Furniture and Equipment	224,272	8,008	-	232,280
Equipment	81,361	13,870	-	95,231
Library Collection	93,506	48,964	50,658	91,812
	<u>415,661</u>	<u>82,753</u>	<u>50,658</u>	<u>447,756</u>
Total Depreciable Capital Assets, Net	<u>368,661</u>	<u>(23,334)</u>	<u>-</u>	<u>345,327</u>
Total Capital Assets, Net	<u>826,816</u>	<u>403,530</u>	<u>288,155</u>	<u>942,191</u>

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

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

Receivable Fund	Payable Fund	Amount
General	Garbage	\$ 56,063
General	TIF #4 Operations	735,525
General	Debt Service	238,234
Capital Improvements	Emergency 911	295,068
Nonmajor Governmental	Nonmajor Governmental	<u>36,353</u>
		<u>1,361,243</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

	Transfers In				Totals
	General	Debt Service	Capital Improvements	Nonmajor Governmental	
Transfers Out					
General	\$ -	302,861	-	-	302,861
TIF #4 Operations	-	-	273,500	-	273,500
Capital Improvements	270,000	-	-	-	270,000
Nonmajor Governmental	65,250	-	-	559,894	625,144
	<u>335,250</u>	<u>302,861</u>	<u>273,500</u>	<u>559,894</u>	<u>1,471,505</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Alternate Revenue Bonds

The Village issues bonds to provide funds for the acquisition and construction of major capital facilities. Alternate revenue bonds provide for the collection, segregation and distribution of certain incremental taxes and water and sewer charges for services received by the Village for the payment of principal and interest on the alternate revenue source bonds. Alternate revenue bonds outstanding are as follows:

<u>Issue</u>	<u>Fund Debt Retired By</u>	<u>Beginning Balances</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balances</u>
Alternate Revenue Bonds of 1997, due in annual installments of \$44,000 to \$475,000 plus interest at 4.50% to 5.00% through May 1, 2012.	Water and Sewer	\$ 1,600,000	-	455,000	1,145,000
Alternate Revenue Bonds of 2002, due in annual installments of \$40,000 to \$150,000 plus interest at 3.00% to 4.85% through January 1, 2022.	TIF #2 Debt Service	1,255,000	-	40,000	1,215,000
Alternate Revenue Bonds of 2003, due in annual installments of \$15,000 to \$95,000 plus interest at 3.85% to 5.00% through January 1, 2023.	TIF #1 Debt Service	785,000	-	25,000	760,000
		3,640,000	-	520,000	3,120,000

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2003, due in annual installments of \$80,000 to \$115,000 plus interest at 1.85% to 4.50% through January 1, 2010.	Debt Service	\$ 200,000	-	115,000	85,000
General Obligation Bonds of 2005, due in annual installments of \$45,000 to \$500,000 plus interest at 2.8% to 5.625% through December 15, 2026.	Debt Service	6,470,000	-	255,000	6,215,000
General Obligation Bonds of 2009A, due in annual installments of \$90,000 to \$115,000 plus interest at 2.20% to 4.00% through December 15, 2019.	Debt Service	-	1,030,000	-	1,030,000
		6,670,000	1,030,000	370,000	7,330,000

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Certificates

The Village issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates are direct obligations and pledge the full faith and credit of the Village. Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Debt Certificates of 2007, due in annual installments of \$95,000 to \$310,000 plus interest at 3.85% to 5.00% through December 1, 2027.	Debt Service	\$ 4,095,000	-	95,000	4,000,000
Debt Certificates of 2009B, due in annual installments of \$70,000 to \$140,000 plus interest at 1.85% to 4.85% through December 15, 2028.	Debt Service	-	1,885,000	-	1,885,000
		4,095,000	1,885,000	95,000	5,885,000

Tax Increment Financing Revenue Bonds

The Village also issued bonds for which the Village pledges income derived from the acquired or constructed assets to pay debt service.

TIF #1. The Junior Lien Revenue Bonds, Series 2006 were issued on May 1, 2006 and are due as incremental taxes are received from the Village's Tax Increment Financing #1 District with a final maturity of December 31, 2024 subject to available funds from the incremental taxes. The Village is required to perform an accounting on December 1 of each calendar year to determine the amount of incremental property taxes received. From the Village's calculations the following expenditures are made: (1) program expenditures equal to \$25,000 annually commencing on January 1, 2009, (2) deferred accrued interest being interest on the bonds which was due but not paid in prior calendar years, (3) current interest being interest due on the bonds at a rate of 7.00% from January 1 of the current calendar year, and (4) mandatory redemption of the outstanding principal amount of the bonds. A schedule of payments until retirement cannot be made as incremental tax revenues cannot be determined.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Tax Increment Financing Revenue Bonds – Continued

TIF #2. The Junior Lien Revenue Bonds, Series 2008A&B were issued on May 1, 2007 and are due as incremental taxes are received from the Village's Tax Increment Financing #2 District with a final maturity of December 31, 2024 subject to available funds from the incremental taxes. The Village is required to perform an accounting on December 1 of each calendar year to determine the amount of incremental property taxes received. From the Village's calculations the following expenditures are made: (1) deferred accrued interest being interest on the bonds which was due but not paid in prior calendar years on the Series 2007A bonds, (2) current interest being interest on the bonds at a rate of 7.00% from January 1 of the current calendar year for the Series 2007A bonds, (3) mandatory redemption of the outstanding principal amount of the Series 2007A bonds, (4) deferred accrued interest being interest on the bonds which was due but not paid in prior calendar years on the Series 2007B bonds, (5) current interest being interest on the bonds at a rate of 7.00% from January 1 of the current calendar year for the Series 2007B bonds, and (6) mandatory redemption of the outstanding principal amount of the Series 2007B bonds.

TIF #3. The Senior Lien Revenue Bonds, Series 2004 were issued on August 30, 2004 and are due as incremental taxes are received from the Village's Tax Increment Financing #3 District with a final maturity of January 1, 2024 subject to repayment at any time funds are available from the incremental taxes. The Village is required to perform an accounting on December 15 of each calendar year to determine the amount of incremental property taxes received. From the Village's calculations the following expenditures are made: (1) program expenditures equal to \$15,000 in calendar year 2004 and increasing by \$750 per year thereafter, (2) deferred accrued interest being interest on the bonds which was due but not paid in prior calendar years, (3) current interest being interest due on the bonds at a rate of 7.00% from January 1 to the current calendar year, and (4) mandatory redemption of the outstanding principal amount of the bonds. A schedule of payments until retirement cannot be made as incremental tax revenues cannot be determined.

TIF #4. The Senior Lien Revenue Bonds, Series 2008 were issued on February 19, 2008 and are due as incremental taxes are received from the Village's Tax Increment Financing #4 District with a final maturity of December 31, 2016 subject to repayment at any time funds are available from the incremental taxes. The Village is required to perform an accounting on December 15 of each calendar year to determine the amount of incremental property taxes received. From the Village's calculations the following expenditures are made: (1) payments to school districts for students as required by law, (2) payments to library districts for additional patrons as required by law, (3) annual administrative payment to the Village in the amount of \$10,000, (4) current interest being interest due on the bonds at a rate of 7.00% from December 31 to the current calendar year, and (5) mandatory redemption of the outstanding principal amount of the bonds. A schedule of payments until retirement cannot be made as incremental tax revenues cannot be determined.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Tax Increment Financing Revenue Bonds – Continued

Revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Senior Lien Revenue Bonds of 2004, due as incremental taxes are received plus interest at 7.0% through January 1, 2024.	TIF #3 Special Revenue	\$ 1,682,833	-	220,000	1,462,833
Junior Lien Revenue Bonds of 2006, due as incremental taxes are received plus interest at 7.0% through December 31, 2024.	TIF #1 Debt Service	1,116,000	-	158,055	957,945
Junior Lien Revenue Bonds of 2007 A&B, due as incremental taxes are received plus interest at 7.0% through December 31, 2024.	TIF #2 Debt Service	480,101	-	81,816	398,285
Senior Lien Revenue Bonds of 2008, due as incremental taxes are received plus interest at 7.0% through December 31, 2016.	TIF #4 Special Revenue	2,692,000	-	8,000	2,684,000
		5,970,934	-	467,871	5,503,063

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Loans Payable

The Village enters into loans payable to provide funds for acquisition of capital assets. Loans payable are direct obligations and pledge the full faith and credit of the Village. Loans payable currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Ambulance Loan of 2003, due in semi-annual installments of \$13,482 including interest at 4.05% through March 20, 2009.	Debt Service	\$ 13,019	-	13,019	-
Fire Department Car Loan of 2003, due in semi-annual installments of \$2,057 including interest at 4.05% through March 20, 2009.	Debt Service	1,987	-	1,987	-
Fire Truck and Land Loan of 2004, due in quarterly installments of \$17,774 including interest at 3.95% through November 22, 2009.	Debt Service	69,144	-	69,144	-
International Truck Loan of 2005, due in semi-annual installments of \$5,651 including interest at 4.54% through August 19, 2010.	Water and Sewer	21,361	-	10,435	10,926
Land Loan of 2007, due in monthly installments of \$3,178 including interest at 6.25% through January 1, 2015.	Debt Service	192,098	-	26,734	165,364

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Loans Payable – Continued

<u>Issue</u>	<u>Fund Debt Retired By</u>	<u>Beginning Balances</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balances</u>
Fire Truck Loan of 2008, due in quarterly installments of \$19,373 including interest at 4.70% through February 8, 2015.	Debt Service	\$ 416,729	-	58,676	358,053
E-911 Equipment Loan of 2009, due in annual installments of \$85,128 to \$102,923 plus interest at 6.45% through December 1, 2013.	Emergency 911	-	460,890	-	460,890
Line of Credit of 2009, due in one installment of \$500,000 plus interest at 4.50% through February 24, 2011.	General	-	500,000	-	500,000
		714,338	960,890	179,995	1,495,233

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Notes

Installment notes currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Note of 2008, due in annual installments of \$97,581 plus interest of 6.0% through October 17, 2010.	Debt Service	\$ 195,162	-	97,581	97,581

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 1,390,416	687,478	196,389	1,881,505	-
Compensated Absences	1,003,462	43,290	21,645	1,025,107	205,021
Alternate Revenue Bonds	2,040,000	-	65,000	1,975,000	80,000
General Obligation Bonds	6,670,000	1,030,000	370,000	7,330,000	450,000
Debt Certificates	4,095,000	1,885,000	95,000	5,885,000	225,000
Revenue Bonds	5,970,934	-	467,871	5,503,063	-
Loans Payable	692,977	500,000	169,560	1,023,417	90,001
Installment Notes	195,162	-	97,581	97,581	97,581
Net Other Post-Employment Benefits Obligation	184,042	215,583	26,193	373,432	-
	<u>22,241,993</u>	<u>4,361,351</u>	<u>1,509,239</u>	<u>25,094,105</u>	<u>1,147,603</u>

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 72,769	17,424	34,848	55,345	11,069
Alternate Revenue Bonds	1,600,000	-	455,000	1,145,000	475,000
Loans Payable	21,361	460,890	10,435	471,816	181,379
	<u>1,694,130</u>	<u>478,314</u>	<u>500,283</u>	<u>1,672,161</u>	<u>667,448</u>

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Component Unit - Public Library					
Mortgage Payable	\$ 14,242		14,242	-	-
Debt Certificates Payable	275,000	-	5,000	270,000	10,000
	<u>289,242</u>	<u>-</u>	<u>19,242</u>	<u>270,000</u>	<u>10,000</u>

The General Fund makes payments on the net pension obligation. Payments on the alternate revenue source bonds are made by the TIF #1 Debt Service Fund, TIF #2 Debt Service Fund and the Water and Sewer Fund. The Debt Service Fund makes payments on the general obligation bonds and the debt certificates. The TIF #1 Debt Service Fund, TIF #2 Debt Service Fund and TIF #3 Operations Fund makes payments on the revenue bonds. Payments on the loans payable are made by the Debt Service Fund and Water and Sewer Fund. The Lyons Public Library discretely presented component unit makes payments on the library mortgage payable and the library debt certificates. Compensated absences for governmental activities are generally liquidated by the general fund.

VILLAGE OF LYONS, ILLINOIS**Notes to the Financial Statements
December 31, 2009****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****LONG-TERM DEBT – Continued****Debt Service Requirements to Maturity**

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

Fiscal Year Ending Dec. 31	Governmental Activities					
	Alternate Revenue		General		Debt	
	Source Bonds		Obligation Bonds		Certificates	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 80,000	86,701	450,000	314,876	225,000	245,286
2011	80,000	83,703	360,000	301,984	230,000	237,928
2012	95,000	79,334	375,000	291,056	245,000	229,782
2013	105,000	76,337	385,000	278,004	250,000	220,805
2014	115,000	71,788	400,000	264,806	260,000	211,243
2015	125,000	66,762	415,000	250,254	270,000	201,122
2016	145,000	60,991	420,000	234,821	280,000	190,325
2017	150,000	54,547	440,000	218,387	295,000	178,938
2018	160,000	47,613	460,000	201,008	300,000	166,642
2019	185,000	39,719	475,000	182,262	315,000	153,986
2020	195,000	30,876	375,000	162,543	330,000	140,694
2021	210,000	21,283	385,000	146,605	345,000	126,726
2022	235,000	10,512	390,000	130,050	360,000	111,689
2023	95,000	2,375	500,000	112,500	370,000	95,886
2024	-	-	500,000	84,375	390,000	79,362
2025	-	-	500,000	56,250	410,000	61,772
2026	-	-	500,000	28,125	425,000	42,322
2027	-	-	-	-	445,000	21,088
2028	-	-	-	-	140,000	6,790
	1,975,000	732,541	7,330,000	3,257,906	5,885,000	2,722,386

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending Dec. 31	Governmental Activities			
	Loans		Installment	
	Payable		Notes	
	Principal	Interest	Principal	Interest
2010	\$ 90,001	25,630	97,581	5,855
2011	94,843	20,788	-	-
2012	99,905	15,726	-	-
2013	105,339	10,292	-	-
2014	111,024	4,607	-	-
2015	22,305	246	-	-
	<u>523,417</u>	<u>77,289</u>	<u>97,581</u>	<u>5,855</u>

Fiscal Year Ending Dec. 31	Business-Type Activities				Component Unit Public Library	
	Alternate Revenue		Loans		Debt Certificates	
	Source Bonds		Payable		Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 475,000	45,137	181,379	49,050	10,000	11,475
2011	390,000	23,750	90,828	18,733	10,000	11,050
2012	280,000	7,000	96,686	12,875	10,000	10,625
2013	-	-	102,923	6,639	10,000	1,020
2014	-	-	-	-	10,000	9,775
2015 - 2019	-	-	-	-	65,000	41,863
2020 - 2024	-	-	-	-	75,000	26,563
2025 - 2028	-	-	-	-	80,000	8,500
	<u>1,145,000</u>	<u>75,887</u>	<u>471,816</u>	<u>87,297</u>	<u>270,000</u>	<u>120,871</u>

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

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

Assessed Valuation - 2008	<u>\$ 228,997,667</u>
Legal Debt Limit - 8.625% of Assessed Value	19,751,049
Amount of Debt Applicable to Limit	
General Obligation Bonds and Debt Certificates	<u>13,215,000</u>
Legal Debt Margin	<u>6,536,049</u>

Bond Defeasances

In prior years the Village defeased a portion of its 1992 and 1995 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$1,010,000 on the 1992 bonds and \$100,000 on the 1995 bonds remain outstanding as of the date of this report.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET ASSET RESERVATIONS/RESTRICTIONS

The following is a schedule of fund balance/net asset reservations/restrictions as of the date of this report:

	Beginning Balances	Increases	Decreases	Ending Balances
Reserved/Restricted for Special Levies				
General Fund				
Illinois Municipal Retirement	\$ (109,329)	159,588	229,764	(179,505)
Street and Bridge	(428,585)	49,761	675,793	(1,054,617)
Fire Protection	(815,959)	399,347	684,403	(1,101,015)
Police Protection	(5,175,193)	624,027	3,590,608	(8,141,774)
Social Security	(183,961)	127,167	223,707	(280,501)
Auditing	(35,838)	15,330	21,580	(42,088)
Liability Insurance	(3,000)	235,738	255,680	(22,942)
Ambulance Service	(403,352)	274,441	484,946	(613,857)
	<u>(7,155,217)</u>	<u>1,885,399</u>	<u>6,166,481</u>	<u>(11,436,299)</u>
Negative Reserves Allocated to Unreserved Fund Balance	<u>7,155,217</u>			<u>11,436,299</u>
	<u>-</u>			<u>-</u>
TIF #4 Operations	861,678	<u>9,965</u>	<u>1,645,178</u>	(773,535)
Negative Reserves Allocated to Unreserved Fund Balance	<u>-</u>			<u>773,535</u>
	<u>861,678</u>			<u>-</u>
Nonmajor Governmental Funds				
TIF #1 Operations	76,302	398,246	448,182	26,366
TIF #2 Operations	26,432	143,735	172,564	(2,397)
TIF #3 Operations	378,494	425,695	375,105	429,084
	<u>481,228</u>	<u>967,676</u>	<u>995,851</u>	<u>453,053</u>
Negative Reserves Allocated to Unreserved Fund Balance	<u>-</u>			<u>2,397</u>
	<u>481,228</u>			<u>455,450</u>
Total Special Levies	<u>1,342,906</u>			<u>455,450</u>
Reserved/Restricted for Recreation				
General Fund	<u>69,558</u>	<u>62,850</u>	<u>52,021</u>	<u>80,387</u>
Reserved/Restricted for Public Safety				
General Fund	<u>114,171</u>	<u>240,765</u>	<u>155,998</u>	<u>198,938</u>

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through private insurance coverage. The Village has purchased insurance from private insurance companies, covered risks included medical, dental, life and other. Premiums have been displayed as expenditures/expenses in appropriate funds. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

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 employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan are held in trust on behalf of the employees. Accordingly, the assets are not reported in these financial statements.

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 7801 Ogden Ave., Lyons, Illinois 60534. IMRF also issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2009 was 10.22 percent.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	18
Current Employees	
Vested	15
Nonvested	<u>12</u>
	<u>45</u>

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

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 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 pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end, there were no active participating members of the Firefighters' Pension Plan and one retiree receiving benefits. All current firefighters contribute to the Village's Illinois Municipal Retirement Fund.

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements

December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Method Used to Value Investments

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

Significant Investments

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

Related Party Transactions

The investments in state and local securities in the Police and Firefighters' plans are investments with related parties included in plan assets (see related party transactions note disclosure).

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation

The Village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	10.22%	10.95%	0.00%
Employee	4.50%	9.91%	9.455%
Actuarial Valuation Date	12/31/2009	12/31/2007	12/31/2007
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	23 Years	25 Years	25 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The pension liability as determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." The IMRF plan does not have a net pension obligation. The pension obligation for the Police Pension Plan and the Firefighters' Pension Plan is as follows:

	Police Pension	Firefighters' Pension
Annual Required Contribution	\$ 652,875	12,743
Interest on the NPO (NPA)	97,329	(8,153)
Adjustment to the ARC	(62,726)	350
Annual Pension Cost	687,478	4,940
Actual Contribution	(196,389)	(33,968)
Change in NPO (NPA)	491,089	(29,028)
NPO (NPA) - Beginning of Year	1,390,416	(116,476)
NPO (NPA) - End of Year	1,881,505	(145,504)

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

The Village's annual required contribution for the current year and related information for each plan is as follows:

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2007	\$ 214,822	\$ 588,425	\$ 4,993
	2008	237,353	687,478	4,940
	2009	233,361	N/A	N/A
Actual Contributions	2007	214,822	214,665	38,825
	2008	237,353	196,389	33,968
	2009	233,361	199,799	35,435
Percentage of APC Contributed	2007	100.00%	36.48%	777.59%
	2008	100.00%	28.57%	687.61%
	2009	100.00%	N/A	N/A
Net Pension Obligation (Asset)	2007	-	1,016,656	(82,644)
	2008	-	1,390,416	(116,476)
	2009	-	1,881,505	(145,504)

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the most recent actuarial valuation and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/09	12/31/07	12/31/07
Percent Funded	69.22%	60.00%	8.11%
Actuarial Accrued Liability for Benefits	\$5,493,861	\$16,902,288	\$307,916
Actuarial Value of Assets	\$3,802,789	\$10,140,606	\$24,960
(Over) Under Funded Actuarial Accrued Liability (UAAL)	(\$1,691,072)	(\$6,761,682)	(\$282,956)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$2,283,378	\$1,960,148	\$0
Ratio of UAAL to Covered Payroll	74.06%	344.96%	N/A

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through the Illinois Municipal Retirement Fund.

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

The Village pays for the entire premiums for life for eligible disabled pensioners and \$125 per month for life for all other retirees. For the fiscal year ending December 31, 2009, retirees contributed \$5,422. Active employees do not contributed to the plan until retirement.

At December 31, 2009, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	9
Active Employees	<u>70</u>
Total	<u><u>79</u></u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of December 31, 2009, was calculated as follows:

Annual Required Contribution	\$ 215,583
Interest on the NOPEBO	-
Adjustment to the ARC	-
	<hr/>
Annual OPEB Cost	215,583
Actual Contribution	(26,193)
	<hr/>
Increase in the NOPEBO	189,390
NOPEBPO - Beginning of Year	<hr/> 184,042
NOPEBO - End of Year	<hr/> <hr/> 373,432

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2007	\$ N/A	\$ N/A	N/A %	\$ N/A
2008	213,813	29,771	13.90	184,042
2009	215,583	26,193	12.15	373,432

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2008, was as follows:

Actuarial Accrued Liability (AAL)	\$ 2,149,338
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	2,149,338
Funded Ratio (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	N/A
UAAL as a percentage of covered payroll	N/A

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

Actuarial Methods and Assumptions

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

VILLAGE OF LYONS, ILLINOIS

Notes to the Financial Statements December 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Actuarial Methods and Assumptions – Continued

In the December 31, 2008 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses and an annual healthcare cost trend rate of 8.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2009, was 29 years.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Illinois Municipal Retirement Fund
 - Schedule of Funding Progress
 - Employer Contributions
- Police Pension Fund
 - Schedule of Funding Progress
 - Employer Contributions
- Firefighters' Pension Fund
 - Schedule of Funding Progress
 - Employer Contributions
- Other Post-Employment Benefit Plan
 - Schedule of Funding Progress
 - Employer Contributions
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – TIF #4 Operations – Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF LYONS, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 2,893,243	\$ 3,559,908	81.27%	\$ 666,665	\$ 1,941,232	34.34%
2005	3,330,457	3,862,273	86.23%	531,816	2,020,429	26.32%
2006	3,536,726	4,235,532	83.50%	698,806	2,051,855	34.06%
2007	4,100,289	4,758,704	86.16%	658,415	2,154,684	30.56%
2008	3,436,417	5,052,887	68.01%	1,616,470	2,288,844	70.62%
2009	3,802,789	5,493,861	69.22%	1,691,072	2,283,378	74.06%

VILLAGE OF LYONS, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended Dec. 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 177,623	\$ 177,623	100.00%
2005	196,184	196,184	100.00%
2006	218,933	218,933	100.00%
2007	214,822	214,822	100.00%
2008	237,353	237,353	100.00%
2009	233,361	233,361	100.00%

VILLAGE OF LYONS, ILLINOIS

Police Pension Fund

Required Supplementary Information Schedule of Funding Progress December 31, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 8,443,194	\$ 12,994,749	64.97%	\$ 4,551,555	\$ 1,651,758	275.56%
2004	8,513,888	14,102,208	60.37%	5,588,320	1,739,653	321.23%
2005	9,064,323	15,421,592	58.78%	6,357,269	1,793,906	354.38%
2006	9,948,653	15,464,400	64.33%	5,515,747	1,862,702	296.12%
2007	10,140,606	16,902,288	60.00%	6,761,682	1,960,148	344.96%
2008	N/A	N/A	N/A	N/A	N/A	N/A

N/A - The Pension did not have an actuarial valuation performed for December 31, 2008.

VILLAGE OF LYONS, ILLINOIS

Police Pension Fund

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended Dec. 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 100,698	\$ 302,238	33.32%
2004	138,018	272,366	50.67%
2005	309,277	450,263	68.69%
2006	277,703	512,702	54.16%
2007	214,665	562,865	38.14%
2008	196,389	652,875	30.08%

VILLAGE OF LYONS, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Funding Progress

December 31, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 22,271	\$ 269,807	8.25%	\$ 247,536	\$ -	N/A
2004	19,772	268,358	7.37%	248,586	-	N/A
2005	23,856	258,859	9.22%	235,003	-	N/A
2006	20,621	249,519	8.26%	228,898	-	N/A
2007	24,960	307,916	8.11%	282,956	-	N/A
2008	22,109	297,921	7.42%	275,812	-	N/A

Note: The Firefighters' Pension fund has no active participating members.

VILLAGE OF LYONS, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended Dec. 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 2,608	\$ 8,999	28.98%
2004	58,000	10,333	561.31%
2005	37,179	10,671	348.41%
2006	30,422	10,386	292.91%
2007	38,825	10,428	372.31%
2008	33,968	12,743	266.56%

Note: The Firefighters' Pension fund has no active participating members.

VILLAGE OF LYONS, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information Schedule of Funding Progress December 31, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	-	2,149,338	0.00%	2,149,338	-	0.00%
2009	N/A	N/A	N/A	N/A	N/A	N/A

The Village Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for other years is not available. The Village is required to have the actuarial valuation performed triennially.

VILLAGE OF LYONS, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Employer Contributions

December 31, 2009

Year Ended Dec. 31	Employer Contributions	Annual Required Contributions	Percent Contributed
2004	\$ N/A	\$ N/A	N/A
2005	N/A	N/A	N/A
2006	N/A	N/A	N/A
2007	N/A	N/A	N/A
2008	29,771	213,813	13.92%
2009	26,193	215,583	12.15%

The Village Implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for other years is not available.

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 5,935,500	5,935,500	5,638,724
Intergovernmental	49,000	49,000	110,403
Licenses, Permits and Fees	450,350	450,350	341,380
Charges for Services	633,250	633,250	589,219
Fines and Forfeitures	1,071,700	1,071,700	756,118
Interest	83,250	83,250	7,016
Miscellaneous	313,500	313,500	267,994
Total Revenues	8,536,550	8,536,550	7,710,854
Expenditures			
General Government	1,242,350	1,242,350	1,320,869
Building, Planning and Zoning	280,136	280,136	265,979
Health	46,900	46,900	37,730
Public Safety	5,579,090	5,579,090	5,379,343
Recreation	267,100	267,100	188,544
Public Works	1,172,650	1,172,650	1,103,928
Capital Outlay	18,510	18,510	62,524
Total Expenditures	8,606,736	8,606,736	8,358,917
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,186)	(70,186)	(648,063)
Other Financing Sources (Uses)			
Debt Issuance	-	-	500,000
Transfers In	335,250	335,250	335,250
Transfers Out	(245,000)	(245,000)	(302,861)
	90,250	90,250	532,389
Change in Fund Balance	20,064	20,064	(115,674)
Fund Balance - Beginning			2,406,712
Fund Balance - Ending			2,291,038

VILLAGE OF LYONS, ILLINOIS

TIF #4 Operations - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 10,000	10,000	8,774
Intergovernmental			
Grants & Reimbursements	400,000	400,000	-
Interest	2,500	2,500	678
Miscellaneous	-	-	513
Total Revenues	412,500	412,500	9,965
Expenditures			
Community Development			
Professional Services	25,000	25,000	384,220
Capital Outlay	-	-	784,288
Debt Service			
Principal Retirement	-	-	8,000
Interest and Fiscal Charges	-	-	195,170
Total Expenditures	25,000	25,000	1,371,678
Excess (Deficiency) of Revenues Over (Under) Expenditures	387,500	387,500	(1,361,713)
Other Financing Sources (Uses)			
Disposal of Capital Asset	1,392,000	1,392,000	-
Transfers Out	-	-	(273,500)
	1,392,000	1,392,000	(273,500)
Net Change in Fund Balance	1,779,500	1,779,500	(1,635,213)
Fund Balance - Beginning			861,678
Fund Balance - Ending			(773,535)

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
General, Debt Service and Capital Improvement Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Statement of Changes in Assets and Liabilities – Agency Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

TIF #1 Operations Fund

The TIF #1 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #1.

TIF #2 Operations Fund

The TIF #2 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #2.

TIF #3 Operations Fund

The TIF #3 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #3.

TIF #4 Operations Fund

The TIF #4 Operations Fund is used to account for administrative revenues and expenditures related to the TIF #4.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUNDS

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

Debt Service Fund

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

TIF #1 Debt Service Fund

The TIF #1 Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest on the TIF #1 debt outstanding.

TIF #2 Debt Service Fund

The TIF #2 Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest on the TIF #2 debt outstanding.

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

Capital Improvement Fund

The Capital Improvement Fund is used to account for the resources and activities associated with major capital construction projects or capital equipment purchases. The Fund accumulates resources for capital expenditures and utilizes those resources for street maintenance, pedestrian sidewalk improvements, environmental improvements, and capital equipment purchases.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

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

Water and Sewer Fund

The Water and Sewer Fund is used to account for revenues and expenses related to the operation of the Village's water and sewer enterprise. Revenues are generated through charges to users based upon water consumption.

Garbage Fund

The Garbage Fund is used to account for revenues and expenses related to the operation of the Village's garbage enterprise. Revenues are generated through charges to users based on a fixed fee charged by the outside waste remover.

Emergency 911 Fund

The Emergency 911 Fund is used to account for revenues and expenses to operate an Emergency 911 system.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

AGENCY FUND

Agency Trust Fund

The Agency Trust fund is used to account for the collection and disbursement of funds seized by law enforcement and due to other governments.

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes			
General/Corporate	\$ 500,000	500,000	507,608
IMRF	185,000	185,000	159,588
Street and Bridge	75,000	75,000	49,761
Fire Protection	350,000	350,000	399,347
Police Protection	570,000	570,000	624,027
Social Security	140,000	140,000	127,167
Auditing	15,000	15,000	15,330
Police Pension	200,000	200,000	199,799
Fire Pension	35,000	35,000	35,435
Liability Insurance	200,000	200,000	235,738
Ambulance Service	300,000	300,000	274,441
Road and Bridge	35,000	35,000	33,989
	2,605,000	2,605,000	2,662,230
Other Taxes			
Replacement Tax	62,500	62,500	53,627
Municipal Sales Tax	1,165,000	1,165,000	995,009
Income Tax - Municipal Share	950,000	950,000	833,531
Telecommunication Utility Tax	375,000	375,000	388,966
Cable Television Utility Tax	90,000	90,000	91,411
Electric Utility Tax	275,000	275,000	269,129
Natural Gas Utility Tax	200,000	200,000	156,004
Local Use Tax	130,000	130,000	125,967
Hotel/Motel Tax	75,000	75,000	62,850
Foreign Fire Tax	8,000	8,000	-
	3,330,500	3,330,500	2,976,494
Total Taxes	5,935,500	5,935,500	5,638,724

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Intergovernmental			
Federal/State Training Reimbursement	\$ -	-	3,434
Justice Asst Grant	10,000	10,000	12,160
Public Safety Grant & Reimbursement	17,000	17,000	39,965
Federal/State Street Grant & Reimbursement	2,000	2,000	4,339
Grants & Reimbursements	20,000	20,000	50,505
Total Intergovernmental	49,000	49,000	110,403
Licenses, Permits and Fees			
Riverside Lawn Fire Dist Fees	-	-	2,000
Liquor License	25,000	25,000	9,025
Vehicle License	140,000	140,000	132,041
Garage Sale Permits	-	-	1,000
Pet License	750	750	-
Property Maintenance Inspections	32,500	32,500	29,670
Building Permits	100,000	100,000	32,165
Plumbing Permits	12,500	12,500	5,694
HVAC Permits	2,500	2,500	2,300
Electrical Permits	2,500	2,500	1,680
Miscellaneous Permits	1,600	1,600	-
Contractor License	20,000	20,000	16,578
Contractor Bonds	10,000	10,000	-
Zoning Hearings/Maps/Codes	3,000	3,000	3,520
Business License	100,000	100,000	105,707
Total Licenses, Permits and Fees	450,350	450,350	341,380
Charges for Services			
Antenna Agreements	160,000	160,000	166,342
Bus Shelter Advertising	7,500	7,500	5,916
Police Reports	2,000	2,000	2,555
Ambulance Service Fees	160,000	160,000	195,777
Collection Agency Revenue	7,500	7,500	699
Health Department Fees	1,000	1,000	195
Hotel/Motel Car Show Receipts	2,000	2,000	-

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Charges for Services - Continued			
Hotel/Motel Miscellaneous	\$ 3,000	3,000	-
Movie Tickets	1,500	1,500	1,791
Recreation Fees			
Classes	12,000	12,000	4,226
Local Trips	21,000	21,000	23,588
Extended Trips	65,000	65,000	29,172
Interfund Charges			
Water and Sewer Administration	104,000	104,000	78,409
Water and Sewer Risk Management Charge	23,150	23,150	27,549
Garbage Administration	52,000	52,000	39,220
Garbage Risk Management Charge	11,600	11,600	13,780
Total Charges for Services	633,250	633,250	589,219
Fines and Forfeitures			
Liquor Fines	1,000	1,000	1,325
Nuisance Abatement & Adjudication Citations	9,500	9,500	9,811
State Y-Tickets	375,000	375,000	295,968
Parking P-Tickets	200,000	200,000	177,955
DUI Fines	2,500	2,500	6,243
Towing Fees	110,000	110,000	82,100
Sex Offender Fees	200	200	230
Red Light Photo Enforcement	265,000	265,000	43,061
Alarm Board Fees	7,500	7,500	11,653
Credit Card Fees	500	500	245
NSF Fees	500	500	25
State Seizure Revenue	95,000	95,000	58,812
Federal Seizure Revenue	5,000	5,000	68,690
Total Fines and Forfeitures	1,071,700	1,071,700	756,118

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Interest	\$ 83,250	83,250	7,016
Miscellaneous			
Sale of Village Property	-	-	23,977
Rent of Village Assets	-	-	4,000
Special Events	-	-	2,394
Project & Program Contributions	5,000	5,000	-
Insurance and Damage Recovery	40,000	40,000	19,541
Overtime Reimbursement	7,500	7,500	15,952
Quarry Revenues	250,000	250,000	199,995
Senior Taxi Donation	2,500	2,500	2,000
Health Department Donations	-	-	135
Miscellaneous Revenue	8,500	8,500	-
Total Miscellaneous	313,500	313,500	267,994
Total Revenues	8,536,550	8,536,550	7,710,854

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
General Government			
Administration			
Salaries and Benefits	\$ 280,650	280,650	266,162
Professional Services	1,500	1,500	-
Communications	49,250	49,250	95,477
Professional Development	28,250	28,250	16,134
Operations	9,000	9,000	20,659
Other Expenditures	8,500	8,500	14,472
	377,150	377,150	412,904
Legal Services			
Professional Services	206,000	206,000	160,540
Finance			
Salaries and Benefits	179,350	179,350	176,011
Professional Services	23,000	23,000	22,110
Communications	27,050	27,050	33,458
Professional Development	6,750	6,750	1,732
Operations	6,250	6,250	5,798
Other Expenditures	250	250	13,364
	242,650	242,650	252,473
Human Resources			
Salaries and Benefits	107,300	107,300	93,797
Professional Services	4,000	4,000	4,519
Communications	3,000	3,000	38
Professional Development	1,500	1,500	145
Operations	2,500	2,500	1,796
	118,300	118,300	100,295
Risk Management			
Professional Services	220,000	220,000	255,680
Other Expenditures	11,000	11,000	-
	231,000	231,000	255,680

VILLAGE OF LYONS, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
General Government - Continued			
Information Technology			
Professional Services	\$ 17,500	17,500	107,130
Communications	-	-	212
Operations	28,500	28,500	3,258
Other Expenditures	20,500	20,500	28,002
	<u>66,500</u>	<u>66,500</u>	<u>138,602</u>
Police and Fire Commission			
Professional Development	500	500	375
Operations	250	250	-
	<u>750</u>	<u>750</u>	<u>375</u>
Total General Government	<u>1,242,350</u>	<u>1,242,350</u>	<u>1,320,869</u>
Building, Planning and Zoning			
Building			
Salaries and Benefits	228,011	228,011	231,524
Professional Services	30,000	30,000	15,870
Communications	3,125	3,125	7,042
Professional Development	3,100	3,100	586
Operations	10,400	10,400	9,206
	<u>274,636</u>	<u>274,636</u>	<u>264,228</u>
Planning and Zoning			
Professional Services	1,000	1,000	182
Communications	4,000	4,000	1,372
Operations	500	500	197
	<u>5,500</u>	<u>5,500</u>	<u>1,751</u>
Total Building, Planning and Zoning	<u>280,136</u>	<u>280,136</u>	<u>265,979</u>

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Health			
Salaries and Benefits	\$ 30,550	30,550	29,718
Professional Services	7,000	7,000	2,154
Communications	1,850	1,850	1,800
Operations	7,500	7,500	4,058
Total Health	46,900	46,900	37,730
Public Safety			
Police			
Administration			
Salaries and Benefits	425,750	425,750	488,244
Communications	9,800	9,800	12,863
Professional Development	33,950	33,950	13,559
Operations	143,800	143,800	112,964
Other Expenditures	93,700	93,700	155,147
	707,000	707,000	782,777
Investigations			
Salaries and Benefits	519,100	519,100	472,600
Communications	-	-	270
Professional Development	3,250	3,250	1,626
Operations	7,650	7,650	11,576
	530,000	530,000	486,072
Patrol Operations			
Salaries and Benefits	2,408,900	2,408,900	2,241,204
Professional Services	4,200	4,200	3,602
Communications	2,000	2,000	2,546
Professional Development	9,000	9,000	7,000
Operations	47,500	47,500	62,499
Other Expenditures	-	-	7,990
	2,471,600	2,471,600	2,324,841

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police - Continued			
Dispatch Operations			
Salaries and Benefits	\$ 617,600	617,600	608,019
Communications	-	-	320
Professional Development	1,840	1,840	865
Operations	8,950	8,950	2,779
Other Expenditures	1,200	1,200	890
	629,590	629,590	612,873
Total Police	4,338,190	4,338,190	4,206,563
Fire			
Operations			
Salaries and Benefits	600,050	600,050	567,535
Communications	20,600	20,600	12,313
Professional Development	17,600	17,600	7,634
Operations	76,800	76,800	88,000
Other Expenditures	8,000	8,000	8,923
	723,050	723,050	684,405
Emergency Medical Service (EMS) Operations			
Professional Services	499,000	499,000	474,014
Operations	12,000	12,000	10,932
	511,000	511,000	484,946
Total Fire	1,234,050	1,234,050	1,169,351
Emergency Services and Disaster Agency (ESDA)			
Communications	1,800	1,800	1,800
Professional Development	600	600	160
Operations	4,450	4,450	1,469
	6,850	6,850	3,429
Total Public Safety	5,579,090	5,579,090	5,379,343

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Recreation			
Recreation Department			
Salaries and Benefits	\$ 28,300	28,300	27,610
Professional Services	77,450	77,450	71,532
Communications	12,000	12,000	10,945
Professional Development	750	750	-
Operations	2,800	2,800	1,394
Other Expenditures	500	500	-
	121,800	121,800	111,481
Community Events			
Salaries and Benefits	19,650	19,650	14,975
Communications	1,000	1,000	-
Operations	16,000	16,000	9,431
Other Expenditures	15,000	15,000	634
	51,650	51,650	25,040
Hotel/Motel Events			
Salaries and Benefits	16,850	16,850	7,806
Communications	2,750	2,750	642
Operations	9,300	9,300	2,931
Other Expenditures	64,750	64,750	40,644
	93,650	93,650	52,023
Total Recreation	267,100	267,100	188,544
Public Works			
Administration			
Salaries and Benefits	94,800	94,800	85,562
Professional Services	-	-	74
Communications	8,500	8,500	7,787
Professional Development	2,400	2,400	197
Operations	3,800	3,800	12,100
	109,500	109,500	105,720

VILLAGE OF LYONS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Public Works - Continued			
Streets and Forestry			
Salaries and Benefits	\$ 605,650	605,650	526,196
Professional Services	500	500	-
Professional Development	1,000	1,000	145
Operations	210,000	210,000	149,189
Other Expenditures	-	-	15
	817,150	817,150	675,545
Buildings and Grounds			
Salaries and Benefits	81,100	81,100	98,202
Professional Services	37,300	37,300	22,020
Operations	28,000	28,000	102,445
	146,400	146,400	222,667
Village Garage			
Salaries and Benefits	97,600	97,600	95,762
Operations	2,000	2,000	4,234
	99,600	99,600	99,996
Total Public Works	1,172,650	1,172,650	1,103,928
Capital Outlay			
General Government			
Administration	500	500	8,446
Public Safety			
Police			
Administration	500	500	-
Patrol Operations	5,250	5,250	3,172
Dispatch Operations	210	210	49,466
Recreation			
Recreation Department	2,000	2,000	-
Public Works			
Administration	-	-	93
Streets and Forestry	7,500	7,500	250
Village Garage	2,550	2,550	1,097
Total Capital Outlay	18,510	18,510	62,524
Total Expenditures	8,606,736	8,606,736	8,358,917

VILLAGE OF LYONS, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 664,900	664,900	621,868
Miscellaneous	178,356	178,356	5,000
Total Revenues	843,256	843,256	626,868
Expenditures			
Debt Service			
Principal Retirement	-	-	732,141
Interest and Fiscal Charges	-	-	633,834
Total Expenditures	-	-	1,365,975
Excess (Deficiency) of Revenues Over (Under) Expenditures	843,256	843,256	(739,107)
Other Financing Sources			
Transfers In	-	-	302,861
Change in Fund Balance	843,256	843,256	(436,246)
Fund Balance - Beginning			42,280
Fund Balance - Ending			(393,966)

VILLAGE OF LYONS, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ 365,000	365,000	312,600
Interest	15,000	15,000	670
Miscellaneous	14,000	14,000	11,745
Total Revenues	394,000	394,000	325,015
Expenditures			
Capital Outlay	4,252,500	4,252,500	2,399,095
Debt Service			
Interest and Fiscal Charges	-	-	39,526
Total Expenditures	4,252,500	4,252,500	2,438,621
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,858,500)	(3,858,500)	(2,113,606)
Other Financing Sources (Uses)			
Debt Issuance	-	-	2,915,000
Discount on Debt Issuance	-	-	(54,328)
Disposal of Capital Assets	310,000	310,000	-
Transfers In	-	-	273,500
Transfers Out	(270,000)	(270,000)	(270,000)
	40,000	40,000	2,864,172
Change in Fund Balance	(3,818,500)	(3,818,500)	750,566
Fund Balance - Beginning			858,120
Fund Balance - Ending			1,608,686

VILLAGE OF LYONS, ILLINOIS

Capital Improvements - Capital Projects Fund

**Schedule of Expenditures - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Capital Outlay			
Village Hall	\$ 1,270,000	1,270,000	863,812
Public Safety Building	2,900,000	2,900,000	1,264,622
Street Improvements	-	-	240,105
Sidewalk Program	35,000	35,000	30,373
Tree Program	2,500	2,500	183
Equipment Purchases	45,000	45,000	-
Total Capital Outlay	4,252,500	4,252,500	2,399,095
Debt Service			
Interest and Fiscal Charges	-	-	39,526
Total Expenditures	4,252,500	4,252,500	2,438,621

VILLAGE OF LYONS, ILLINOIS

Combining Balance Sheet

**Nonmajor Governmental Funds
December 31, 2009**

	<u>TIF #1 Operations</u>
ASSETS	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Property Taxes	62,540
Due from Other Funds	-
Prepays	-
	<u>-</u>
Total Assets	<u>62,540</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	1,735
Due to Other Funds	34,439
Total Liabilities	<u>36,174</u>
Fund Balances	
Reserved - Prepays	-
Reserved - Debt Service	-
Unreserved	26,366
Total Fund Balances	<u>26,366</u>
Total Liabilities and Fund Balances	<u>28,101</u>

Special Revenue		Debt Service		Totals
TIF #2 Operations	TIF #3 Operations	TIF #1	TIF #2	
-	391,764	424,527	126,432	942,723
-	39,471	-	-	102,011
-	-	34,439	1,914	36,353
-	-	-	119,563	119,563
-	431,235	458,966	247,909	1,200,650
483	2,151	-	-	4,369
1,914	-	-	-	36,353
2,397	2,151	-	-	40,722
-	-	-	119,563	119,563
-	-	458,966	128,346	587,312
(2,397)	429,084	-	-	453,053
(2,397)	429,084	458,966	247,909	1,159,928
(1,914)	431,235	458,966	247,909	1,164,297

VILLAGE OF LYONS, ILLINOIS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

**Nonmajor Governmental Funds
Year Ended December 31, 2009**

	<u>TIF #1 Operations</u>
Revenues	
Taxes	\$ 398,107
Interest	139
Total Revenues	<u>398,246</u>
Expenditures	
Current	
Community Development	13,229
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>13,229</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>385,017</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	(434,953)
	<u>(434,953)</u>
Net Change in Fund Balances	(49,936)
Fund Balances - Beginning	<u>76,302</u>
Fund Balances - Ending	<u>26,366</u>

Special Revenue		Debt Service		Totals
TIF #2 Operations	TIF #3 Operations	TIF #1	TIF #2	
143,664	425,616	-	-	967,387
71	79	32	99	420
143,735	425,695	32	99	967,807
1,123	9,779	-	-	24,131
-	2,128	-	-	2,128
-	220,000	183,055	121,816	524,871
-	124,448	115,359	74,860	314,667
1,123	356,355	298,414	196,676	865,797
142,612	69,340	(298,382)	(196,577)	102,010
-	-	409,953	149,941	559,894
(171,441)	(18,750)	-	-	(625,144)
(171,441)	(18,750)	409,953	149,941	(65,250)
(28,829)	50,590	111,571	(46,636)	36,760
26,432	378,494	347,395	294,545	1,123,168
(2,397)	429,084	458,966	247,909	1,159,928

VILLAGE OF LYONS, ILLINOIS

TIF #1 Operations - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 290,000	290,000	398,107
Interest	2,500	2,500	139
Total Revenues	292,500	292,500	398,246
Expenditures			
Community Development			
Professional Services	-	-	13,229
Excess (Deficiency) of Revenues Over (Under) Expenditures	292,500	292,500	385,017
Other Financing (Uses)			
Transfers Out	-	-	(434,953)
Net Change in Fund Balance	292,500	292,500	(49,936)
Fund Balance - Beginning			76,302
Fund Balance - Ending			26,366

VILLAGE OF LYONS, ILLINOIS**TIF #2 Operations - Special Revenue Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 150,000	150,000	143,664
Interest	10,000	10,000	71
Total Revenues	160,000	160,000	143,735
Expenditures			
Community Development			
Professional Services	-	-	1,123
Excess (Deficiency) of Revenues Over (Under) Expenditures	160,000	160,000	142,612
Other Financing (Uses)			
Transfers Out	-	-	(171,441)
Net Change in Fund Balance	160,000	160,000	(28,829)
Fund Balance - Beginning			26,432
Fund Balance - Ending			(2,397)

VILLAGE OF LYONS, ILLINOIS**TIF #3 Operations - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 330,000	330,000	425,616
Interest	1,000	1,000	79
Total Revenues	331,000	331,000	425,695
Expenditures			
Community Development			
Professional Services	-	-	9,779
Capital Outlay	-	-	2,128
Debt Service			
Principal Retirement	-	-	220,000
Interest and Fiscal Charges	-	-	124,448
Total Expenditures	-	-	356,355
Excess (Deficiency) of Revenues Over (Under) Expenditures	331,000	331,000	69,340
Other Financing (Uses)			
Transfers Out	-	-	(18,750)
Net Change in Fund Balance	331,000	331,000	50,590
Fund Balance - Beginning			378,494
Fund Balance - Ending			429,084

VILLAGE OF LYONS, ILLINOIS

TIF #1 - Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 1,000	1,000	32
Expenditures			
Debt Service			
Principal Retirement	-	-	183,055
Interest and Fiscal Charges	-	-	115,359
Total Expenditures	-	-	298,414
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	(298,382)
Other Financing Sources			
Transfers In	-	-	409,953
Net Change in Fund Balance	1,000	1,000	111,571
Fund Balance - Beginning			347,395
Fund Balance - Ending			458,966

VILLAGE OF LYONS, ILLINOIS

TIF #2 - Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 6,000	6,000	99
Expenditures			
Debt Service			
Principal Retirement	-	-	121,816
Interest and Fiscal Charges	-	-	74,860
Total Expenditures	-	-	196,676
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,000	6,000	(196,577)
Other Financing Sources			
Transfers In	-	-	149,941
Net Change in Fund Balance	6,000	6,000	(46,636)
Fund Balance - Beginning			294,545
Fund Balance - Ending			247,909

VILLAGE OF LYONS, ILLINOIS**Water and Sewer - Enterprise Fund****Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,192,750	2,192,750	2,143,440
Operating Expenses			
Administration	149,100	149,100	122,643
Operations	1,794,200	1,794,200	1,519,824
Capital Outlay	75,000	75,000	8,942
Depreciation and Amortization	-	-	109,976
Total Operating Expenses	2,018,300	2,018,300	1,761,385
Operating Income	174,450	174,450	382,055
Nonoperating (Expenses)			
Interest and Fiscal Charges	-	-	(64,921)
Change in Net Assets	174,450	174,450	317,134
Net Assets - Beginning			3,456,780
Net Assets - Ending			3,773,914

VILLAGE OF LYONS, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Charges for Services			
Water Sales	\$ 1,339,750	1,339,750	1,366,503
Sewer Charges	115,000	115,000	106,976
NSF Fees	1,000	1,000	-
Bond Debt Collection	660,000	660,000	618,227
Backflow Charges	33,000	33,000	-
Water Tap Charges	1,000	1,000	2,468
Late Penalties	35,000	35,000	40,656
Water Turn-on Fee	5,000	5,000	5,650
Meter Sales	1,500	1,500	2,960
Meter Testing Fees	1,500	1,500	-
Total Operating Revenues	2,192,750	2,192,750	2,143,440

VILLAGE OF LYONS, ILLINOIS**Water and Sewer - Enterprise Fund****Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Administration			
Salaries and Benefits	\$ 135,850	135,850	117,340
Professional Services	7,250	7,250	3,085
Communications	4,000	4,000	1,410
Operations	2,000	2,000	808
Total Administration	149,100	149,100	122,643
Operations			
Water Department			
Salaries and Benefits	361,850	361,850	290,874
Professional Services	24,500	24,500	16,052
Communications	6,500	6,500	11,339
Professional Development	200	200	70
Operations	1,199,000	1,199,000	1,062,315
Other Expenses	127,150	127,150	105,958
	1,719,200	1,719,200	1,486,608
Sewer Department			
Professional Services	40,000	40,000	33,216
Operations	35,000	35,000	-
	75,000	75,000	33,216
Total Operations	1,794,200	1,794,200	1,519,824
Capital Outlay			
Water Department	10,000	10,000	2,942
Sewer Department	5,000	5,000	6,000
Sewer Improvement	60,000	60,000	-
Total Capital Outlay	75,000	75,000	8,942

VILLAGE OF LYONS, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Depreciation and Amortization	\$ -	-	109,976
Debt Service			
Principal Retirement	-	-	465,435
Interest and Fiscal Charges	-	-	64,921
	-	-	530,356
Less Nonoperating Items			
Debt Service	-	-	(530,356)
Total Debt Service	-	-	-
Total Operating Expenses	2,018,300	2,018,300	1,761,385

VILLAGE OF LYONS, ILLINOIS

Garbage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 618,800	618,800	567,134
Operating Expenses			
Administration	55,235	55,235	48,079
Operations	598,600	598,600	573,495
Total Operating Expenses	653,835	653,835	621,574
Operating Income (Loss)	(35,035)	(35,035)	(54,440)
Nonoperating Revenues			
Property Taxes	40,000	40,000	39,960
Change in Net Assets	4,965	4,965	(14,480)
Net Assets - Beginning			7,637
Net Assets - Ending			(6,843)

VILLAGE OF LYONS, ILLINOIS

Garbage - Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Charges for Services			
Garbage Collection	\$ 604,800	604,800	550,830
Late Penalties	7,500	7,500	12,529
Toters	2,500	2,500	1,385
Garbage Stickers	4,000	4,000	2,390
Total Operating Revenues	618,800	618,800	567,134

VILLAGE OF LYONS, ILLINOIS

Garbage - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Administration			
Salaries and Benefits	\$ 51,185	51,185	46,717
Professional Services	1,700	1,700	1,350
Communications	1,250	1,250	12
Operations	1,100	1,100	-
Total Administration	55,235	55,235	48,079
Operations			
Professional Services	525,000	525,000	511,456
Operations	10,000	10,000	9,039
Other Expenses	63,600	63,600	53,000
Total Operations	598,600	598,600	573,495
Total Operating Expenses	653,835	653,835	621,574

VILLAGE OF LYONS, ILLINOIS

Emergency 911 - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
E-911 Surcharge	\$ 60,000	60,000	47,736
Operating Expenses			
Operations			
Communications	8,750	8,750	15,046
Operations	22,400	22,400	10,343
Capital Outlay	-	-	10,386
Total Operating Expenses	31,150	31,150	35,775
Operating Income	28,850	28,850	11,961
Nonoperating Revenues (Expenses)			
Interest Income	500	500	8
Other Income	-	-	1,000
Disposal of Capital Assets	-	-	(343,135)
Interest and Fiscal Charges	-	-	(26,453)
	500	500	(368,580)
Change in Net Assets	29,350	29,350	(356,619)
Net Assets - Beginning			50,232
Net Assets - Ending			(306,387)

VILLAGE OF LYONS, ILLINOIS

Pension Trust Funds

Combining Statement of Net Plan Assets December 31, 2009

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 234,332	19,451	253,783
Investments			
U.S. Government and Agency Securities	3,705,226	-	3,705,226
State and Local Government Securities	914,823	-	914,823
Mutual Funds	4,057,124	-	4,057,124
Receivables			
Accrued Interest	34,923	-	34,923
NET ASSETS			
Net Plan Assets Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial schedules.)	8,946,428	19,451	8,965,879

VILLAGE OF LYONS, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Net Plan Assets Year Ended December 31, 2009

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 199,799	35,435	235,234
Contributions - Plan Members	201,860	-	201,860
Total Contributions	401,659	35,435	437,094
Investment Income			
Interest	267,635	48	267,683
Net Change in Fair Value	556,308	-	556,308
	823,943	48	823,991
Less Investment Expenses	(13,241)	(210)	(13,451)
Net Investment Income	810,702	(162)	810,540
Total Additions	1,212,361	35,273	1,247,634
Deductions			
Administration	26,488	60	26,548
Benefits and Refunds	732,681	37,871	770,552
Total Deductions	759,169	37,931	797,100
Change in Net Assets	453,192	(2,658)	450,534
Net Plan Assets Held in Trust for Pension Benefits			
Beginning	8,493,236	22,109	8,515,345
Ending	8,946,428	19,451	8,965,879

VILLAGE OF LYONS, ILLINOIS**Police Pension - Pension Trust Fund****Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended December 31, 2009**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 225,000	225,000	199,799
Contributions - Plan Members	210,000	210,000	201,860
Total Contributions	435,000	435,000	401,659
Investment Income			
Interest	475,000	475,000	267,635
Net Change in Fair Value	150,000	150,000	556,308
	625,000	625,000	823,943
Less Investment Expenses	(20,000)	(20,000)	(13,241)
Net Investment Income	605,000	605,000	810,702
Total Additions	1,040,000	1,040,000	1,212,361
Deductions			
Administration	27,000	27,000	26,488
Benefits and Refunds	775,000	775,000	732,681
Total Deductions	802,000	802,000	759,169
Change in Net Assets	238,000	238,000	453,192
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			8,493,236
Ending			8,946,428

VILLAGE OF LYONS, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual Year Ended December 31, 2009

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 35,000	35,000	35,435
Contributions - Plan Members	-	-	-
Total Contributions	35,000	35,000	35,435
Investment Income			
Interest	1,000	1,000	48
Net Change in Fair Value	-	-	-
	1,000	1,000	48
Less Investment Expenses	-	-	(210)
Net Investment Income	1,000	1,000	(162)
Total Additions	36,000	36,000	35,273
Deductions			
Administration	-	-	60
Benefits and Refunds	38,750	38,750	37,871
Total Deductions	38,750	38,750	37,931
Change in Net Assets	(2,750)	(2,750)	(2,658)
Net Plan Assets Held in Trust for Pension Benefits			
Beginning			22,109
Ending			19,451

VILLAGE OF LYONS, ILLINOIS

Agency Trust - Agency Fund

**Statement of Changes in Assets and Liabilities
Year Ended December 31, 2009**

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balances</u>
ASSETS				
Cash and Investments	<u>\$ 15,552</u>	<u>12,480</u>	<u>8,587</u>	<u>19,445</u>
LIABILITIES				
Due to Other Governments	<u>15,552</u>	<u>12,480</u>	<u>8,587</u>	<u>19,445</u>

SUPPLEMENTAL SECTION

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Alternate Revenue Bonds of 1997

December 31, 2009

Date of Issue	October 21, 1997
Date of Maturity	May 1, 2012
Authorized Issue	\$3,768,000
Denomination of Bonds	\$5,000
Interest Rates	4.50% to 5.00%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 475,000	45,137	520,137
2011	390,000	23,750	413,750
2012	280,000	7,000	287,000
	<u>1,145,000</u>	<u>75,887</u>	<u>1,220,887</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Alternate Revenue Bonds of 2002 December 31, 2009

Date of Issue	August 15, 2002
Date of Maturity	January 1, 2022
Authorized Issue	\$1,295,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.85%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 55,000	52,175	107,175
2011	55,000	50,140	105,140
2012	60,000	47,925	107,925
2013	70,000	45,355	115,355
2014	75,000	42,418	117,418
2015	80,000	39,220	119,220
2016	95,000	35,541	130,541
2017	100,000	31,347	131,347
2018	100,000	26,948	126,948
2019	120,000	21,992	141,992
2020	125,000	16,356	141,356
2021	130,000	10,363	140,363
2022	150,000	3,637	153,637
	<u>1,215,000</u>	<u>423,417</u>	<u>1,638,417</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Alternate Revenue Bonds of 2003

December 31, 2009

Date of Issue	June 10, 2003
Date of Maturity	January 1, 2023
Authorized Issue	\$800,000
Denomination of Bonds	\$5,000
Interest Rates	3.85% to 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 25,000	34,526	59,526
2011	25,000	33,563	58,563
2012	35,000	31,409	66,409
2013	35,000	30,982	65,982
2014	40,000	29,370	69,370
2015	45,000	27,542	72,542
2016	50,000	25,450	75,450
2017	50,000	23,200	73,200
2018	60,000	20,665	80,665
2019	65,000	17,727	82,727
2020	70,000	14,520	84,520
2021	80,000	10,920	90,920
2022	85,000	6,875	91,875
2023	95,000	2,375	97,375
	760,000	309,124	1,069,124

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2003

December 31, 2009

Date of Issue	April 3, 2003
Date of Maturity	January 1, 2010
Authorized Issue	\$595,000
Denomination of Bonds	\$5,000
Interest Rates	1.85% to 4.50%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 85,000	1,870	86,870

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2005 December 31, 2009

Date of Issue	April 21, 2005
Date of Maturity	December 15, 2026
Authorized Issue	\$7,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.80% to 5.625%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 260,000	280,428	540,428
2011	270,000	271,717	541,717
2012	280,000	262,268	542,268
2013	290,000	252,187	542,187
2014	300,000	241,458	541,458
2015	315,000	230,057	545,057
2016	315,000	217,773	532,773
2017	330,000	205,172	535,172
2018	345,000	191,808	536,808
2019	360,000	177,662	537,662
2020	375,000	162,543	537,543
2021	385,000	146,605	531,605
2022	390,000	130,050	520,050
2023	500,000	112,500	612,500
2024	500,000	84,375	584,375
2025	500,000	56,250	556,250
2026	500,000	28,125	528,125
	<u>6,215,000</u>	<u>3,050,978</u>	<u>9,265,978</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

General Obligation Limited Tax Bonds of 2009A December 31, 2009

Date of Issue	July 1, 2009
Date of Maturity	December 15, 2019
Authorized Issue	\$1,030,000
Denomination of Bonds	\$5,000
Interest Rates	2.20% to 4.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 105,000	32,578	137,578
2011	90,000	30,267	120,267
2012	95,000	28,788	123,788
2013	95,000	25,817	120,817
2014	100,000	23,348	123,348
2015	100,000	20,197	120,197
2016	105,000	17,048	122,048
2017	110,000	13,215	123,215
2018	115,000	9,200	124,200
2019	115,000	4,600	119,600
	1,030,000	205,058	1,235,058

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Debt Certificates of 2007

December 31, 2009

Date of Issue	September 6, 2007
Date of Maturity	December 1, 2027
Authorized Issue	\$4,095,000
Denomination of Bonds	\$5,000
Interest Rates	3.85% to 5.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Cole Taylor Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 155,000	167,706	322,706
2011	160,000	161,643	321,643
2012	170,000	155,247	325,247
2013	175,000	148,520	323,520
2014	180,000	141,508	321,508
2015	190,000	134,107	324,107
2016	195,000	126,310	321,310
2017	205,000	118,110	323,110
2018	210,000	109,550	319,550
2019	220,000	100,628	320,628
2020	230,000	91,232	321,232
2021	240,000	81,363	321,363
2022	250,000	70,947	320,947
2023	260,000	59,983	319,983
2024	270,000	48,520	318,520
2025	285,000	36,449	321,449
2026	295,000	22,875	317,875
2027	310,000	7,750	317,750
	<u>4,000,000</u>	<u>1,782,448</u>	<u>5,782,448</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Debt Certificates of 2009B

December 31, 2009

Date of Issue	July 7, 2009
Date of Maturity	December 15, 2028
Authorized Issue	\$1,885,000
Denomination of Bonds	\$5,000
Interest Rates	1.85% to 4.85%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 70,000	77,580	147,580
2011	70,000	76,285	146,285
2012	75,000	74,535	149,535
2013	75,000	72,285	147,285
2014	80,000	69,735	149,735
2015	80,000	67,015	147,015
2016	85,000	64,015	149,015
2017	90,000	60,828	150,828
2018	90,000	57,092	147,092
2019	95,000	53,358	148,358
2020	100,000	49,462	149,462
2021	105,000	45,363	150,363
2022	110,000	40,742	150,742
2023	110,000	35,903	145,903
2024	120,000	30,842	150,842
2025	125,000	25,323	150,323
2026	130,000	19,447	149,447
2027	135,000	13,338	148,338
2028	140,000	6,790	146,790
	1,885,000	939,938	2,824,938

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

International Truck Loan of 2005

December 31, 2009

Date of Issue	August 19, 2005
Date of Maturity	August 19, 2010
Authorized Issue	\$49,961
Interest Rates	4.54%
Interest Dates	February 19 and August 19
Principal Maturity Date	February 19 and August 19
Payable at	First American Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 10,926	380	11,306

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Land Loan of 2007

December 31, 2009

Date of Issue	December 28, 2007
Date of Maturity	January 1, 2015
Authorized Issue	\$215,000
Interest Rates	6.25%
Interest Dates	Monthly
Principal Maturity Date	Monthly
Payable at	First American Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 28,478	9,660	38,138
2011	30,336	7,802	38,138
2012	32,297	5,841	38,138
2013	34,423	3,715	38,138
2014	36,668	1,470	38,138
2015	3,162	16	3,178
	165,364	28,504	193,868

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Fire Truck Loan of 2008

December 31, 2009

Date of Issue	February 2, 2008
Date of Maturity	February 8, 2015
Authorized Issue	\$458,936
Interest Rates	4.700%
Interest Dates	Quarterly
Principal Maturity Date	Quarterly
Payable at	First American Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 61,523	15,970	77,493
2011	64,507	12,986	77,493
2012	67,608	9,885	77,493
2013	70,916	6,577	77,493
2014	74,356	3,137	77,493
2015	19,143	230	19,373
	358,053	48,785	406,838

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

E-911 Equipment Loan of 2009

December 31, 2009

Date of Issue	February 4, 2009
Date of Maturity	December 1, 2013
Authorized Issue	\$460,890
Interest Rates	6.45%
Interest Dates	December 1
Principal Maturity Date	December 1
Payable at	Fleetwood Leasing, LLC

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 170,453	48,670	219,123
2011	90,828	18,733	109,561
2012	96,686	12,875	109,561
2013	102,923	6,639	109,562
	460,890	86,917	547,807

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

Installment Note of 2008

December 31, 2009

Date of Issue	October 17, 2007
Date of Maturity	October 17, 2010
Authorized Issue	\$292,743
Interest Rates	6.00%
Interest Dates	October 17
Principal Maturity Date	October 17
Payable at	Reliable Lyons

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Totals
2010	\$ 97,581	5,855	103,436

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF LYONS, ILLINOIS

Net Assets by Component - Last Six Fiscal Years*
December 31, 2009 (Unaudited)

See Following Page

VILLAGE OF LYONS, ILLINOIS

Net Assets by Component - Last Six Fiscal Years* December 31, 2009 (Unaudited)

	<u>2004</u>
Governmental Activities	
Invested in Capital Assets - Net of Related Debt	\$ 6,349,983
Restricted	206,214
Unrestricted	<u>22,070</u>
Total Governmental Activities Net Assets	<u><u>6,578,267</u></u>
Business-Type Activities	
Invested in Capital Assets - Net of Related Debt	1,689,083
Restricted	279,254
Unrestricted	<u>1,677,282</u>
Total Business-Type Activities Net Assets	<u><u>3,645,619</u></u>
Primary Government	
Invested in capital assets - net of related debt	8,039,066
Restricted	485,468
Unrestricted	<u>1,699,352</u>
Total Primary Government Net Assets	<u><u>10,223,886</u></u>

* Accrual Basis of Accounting

Note: The Village Implemented GASB Statement No. 34 for the fiscal year ended December 31, 2004.
Prior year information is not available.

2005	2006	2007	2008	2009
11,808,865	11,205,731	11,803,352	5,254,430	12,116,204
1,390,245	1,307,714	1,527,217	2,457,150	2,445,500
1,186,091	1,503,145	(219,728)	5,692,503	(3,329,560)
14,385,201	14,016,590	13,110,841	13,404,083	11,232,144
1,355,314	1,729,174	2,175,970	2,559,924	2,551,073
289,425	296,359	296,359	296,359	296,359
2,029,708	1,558,057	944,246	658,366	613,252
3,674,447	3,583,590	3,416,575	3,514,649	3,460,684
13,164,179	12,934,905	13,979,322	7,814,354	14,667,277
1,679,670	1,604,073	1,823,576	2,753,509	2,741,859
3,215,799	3,061,202	724,518	6,350,869	(2,716,308)
18,059,648	17,600,180	16,527,416	16,918,732	14,692,828

VILLAGE OF LYONS, ILLINOIS

Changes in Net Assets - Last Six Fiscal Years* December 31, 2009 (Unaudited)

	2004	2005	2006	2007	2008	2009
Expenses						
Governmental Activities						
General Government	\$ 1,365,953	1,570,482	1,280,896	1,178,759	1,343,805	1,534,678
Building, Planning and Zoning	352,861	263,966	291,221	313,887	256,725	265,979
Health	35,652	50,270	50,064	48,562	50,423	37,730
Public Safety	4,897,020	4,886,100	5,470,910	5,533,791	5,618,175	5,945,384
Community Development	1,981,105	206,171	1,213,939	240,745	599,235	1,194,767
Recreation	84,227	85,410	114,377	348,836	322,768	188,544
Public Works	1,537,074	1,196,073	1,194,034	2,830,980	1,017,491	1,406,473
Community Affairs	62,207	79,988	173,844	-	-	-
Interest on Long-Term Debt	188,782	552,728	638,510	695,608	1,030,329	1,238,893
Total Governmental Activities Expenses	10,504,881	8,891,188	10,427,795	11,191,168	10,238,951	11,812,448
Business-Type Activities						
Water and Sewer	1,627,513	1,792,416	1,832,014	1,948,560	1,945,604	1,826,306
Garbage	506,899	515,509	587,226	601,654	604,501	621,574
Emergency 911	87,937	89,194	83,675	94,700	114,919	405,363
Total Business-Type Activities Expenses	2,222,349	2,397,119	2,502,915	2,644,914	2,665,024	2,853,243
Total Primary Government Expenses	12,727,230	11,288,307	12,930,710	13,836,082	12,903,975	14,665,691
Program Revenues						
Governmental Activities						
Charges for Services						
General Government	299,563	441,911	452,108	330,058	328,137	331,915
Building, Planning and Zoning	643,810	289,283	295,814	402,697	343,400	341,380
Health	1,276	2,110	315	1,394	12	195
Public Safety	949,077	843,794	946,581	986,037	1,106,444	954,450
Recreation	53,758	48,290	71,412	92,430	128,734	58,777
Public Works	7,033	6,666	5,665	-	-	-
Community Affairs	14,567	2,856	10,423	-	-	-
Operating Grants/Contributions	479,746	521,929	542,398	370,922	93,916	110,403
Capital Grants/Contributions	566,082	8,676,720	150,079	143,000	332,371	312,600
Total Governmental Activities Program Revenues	3,014,912	10,833,559	2,474,795	2,326,538	2,333,014	2,109,720

Business-Type Activities						
Charges for Services						
Water and Sewer	1,980,538	1,972,714	1,875,714	1,988,023	2,095,569	2,143,440
Garbage	486,901	492,141	503,710	537,412	567,897	567,134
Emergency 911	65,898	61,879	64,933	83,136	55,241	48,736
Total Business-Type Activities Program Revenues	<u>2,533,337</u>	<u>2,526,734</u>	<u>2,444,357</u>	<u>2,608,571</u>	<u>2,718,707</u>	<u>2,759,310</u>
Total Primary Government Program Revenues	<u>5,548,249</u>	<u>13,360,293</u>	<u>4,919,152</u>	<u>4,935,109</u>	<u>5,051,721</u>	<u>4,869,030</u>
Net (Expense) Revenue						
Governmental Activities	(7,489,969)	1,942,371	(7,953,000)	(8,864,630)	(7,905,937)	(9,702,728)
Business-Type Activities	<u>310,988</u>	<u>129,615</u>	<u>(58,558)</u>	<u>(36,343)</u>	<u>53,683</u>	<u>(93,933)</u>
Total Primary Government Net (Expense) Revenue	<u>(7,178,981)</u>	<u>2,071,986</u>	<u>(8,011,558)</u>	<u>(8,900,973)</u>	<u>(7,852,254)</u>	<u>(9,796,661)</u>
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Taxes						
Property	2,404,770	3,232,788	3,415,358	3,673,660	4,052,954	4,260,259
Sales	1,078,461	1,138,862	1,359,288	1,184,439	1,100,754	995,009
Income	656,381	771,599	840,228	930,821	969,641	833,531
Utility	875,773	1,005,498	947,157	1,002,647	994,920	905,510
Other	104,965	118,445	133,387	271,470	294,643	242,444
Interest	36,696	249,421	548,307	562,095	204,102	8,784
Miscellaneous	125,164	99,994	340,664	843,546	582,165	285,252
Transfers	45,859	13,940	-	(76,411)	-	-
Total Governmental Activities	<u>5,328,069</u>	<u>6,630,547</u>	<u>7,584,389</u>	<u>8,392,267</u>	<u>8,199,179</u>	<u>7,530,789</u>
Business-Type Activities						
Property Taxes	28,715	567,531	32,012	33,243	44,316	39,960
Interest	257	652	1,574	935	75	8
Transfers	(45,859)	(13,940)	-	76,411	-	-
Total Business-Type Activities	<u>(16,887)</u>	<u>554,243</u>	<u>33,586</u>	<u>110,589</u>	<u>44,391</u>	<u>39,968</u>
Total Primary Government	<u>5,311,182</u>	<u>7,184,790</u>	<u>7,617,975</u>	<u>8,502,856</u>	<u>8,243,570</u>	<u>7,570,757</u>
Changes in Net Assets						
Governmental Activities	(2,161,900)	8,572,918	(368,611)	(472,363)	293,242	(2,171,939)
Business-Type Activities	<u>294,101</u>	<u>683,858</u>	<u>(24,972)</u>	<u>74,246</u>	<u>98,074</u>	<u>(53,965)</u>
Total Primary Government	<u>(1,867,799)</u>	<u>9,256,776</u>	<u>(393,583)</u>	<u>(398,117)</u>	<u>391,316</u>	<u>(2,225,904)</u>

* Accrual Basis of Accounting

Note: The Village Implemented GASB Statement No. 34 for the fiscal year ended December 31, 2004. Prior year information is not available.

VILLAGE OF LYONS, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years* December 31, 2009 (Unaudited)

	2000	2001	2002
General Fund			
Reserved	\$ 2,896,173	2,551,942	2,477,145
Unreserved	-	-	-
Total General Fund	<u>2,896,173</u>	<u>2,551,942</u>	<u>2,477,145</u>
All Other Governmental Funds			
Reserved	-	-	-
Unreserved, Reported in,			
Special Revenue Funds	603,154	164,639	183,488
Debt Service Funds	701,136	431,020	598,132
Capital Projects Funds	<u>161,233</u>	<u>161,233</u>	<u>201,233</u>
Total All Other Governmental Funds	<u>1,465,523</u>	<u>756,892</u>	<u>982,853</u>

* Modified Accrual Basis of Accounting

2003	2004	2005	2006	2007	2008	2009
2,082,144	2,037,621	222,290	193,668	301,485	298,121	299,020
-	-	1,598,535	1,870,649	1,933,408	2,108,591	1,992,018
2,082,144	2,037,621	1,820,825	2,064,317	2,234,893	2,406,712	2,291,038
-	225,706	8,155,104	7,479,091	10,232,526	1,901,340	2,674,561
481,685	315,427	614,839	430,872	(256,075)	983,906	(679,482)
339,823	-	-	-	-	-	(393,966)
400,743	160,943	106,755	-	-	-	-
1,222,251	702,076	8,876,698	7,909,963	9,976,451	2,885,246	1,601,113

VILLAGE OF LYONS, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years* December 31, 2009 (Unaudited)

	2000	2001	2002
Revenues			
Taxes	\$ 5,088,274	5,168,823	4,916,060
Intergovernmental	780,600	1,137,548	781,579
Licenses, Permits and Fees	752,877	622,006	841,474
Charges for Services	-	-	-
Fines and Forfeitures	196,057	308,583	366,168
Interest	-	-	2,809
Miscellaneous	583,138	499,636	248,828
Total Revenues	7,400,946	7,736,596	7,156,918
Expenditures			
General Government	1,800,833	2,679,717	2,130,979
Building, Planning and Zoning	-	-	-
Health	-	-	-
Public Safety	2,790,436	2,813,885	3,382,350
Community Development	-	-	-
Recreation	139,088	140,335	444,407
Public Works	944,698	929,207	1,059,300
Public Welfare	31,808	37,608	38,155
Community Affairs	-	-	-
Capital Outlay	731,695	1,386,630	1,217,111
Debt Service			
Principal Retirement	-	-	-
Interest and Fiscal Charges	121,100	121,999	118,805
Total Expenditures	6,559,658	8,109,381	8,391,107
Excess (Deficiency) of Revenues Over (Under) Expenditures	841,288	(372,785)	(1,234,189)
Other Financing Sources (Uses)			
Debt Issuance	25,000	-	1,317,636
Disposal of Capital Assets	-	-	-
Premium (Discount) on Debt Issuance	-	-	-
Transfers In	245,000	245,000	452,836
Transfers Out	(245,000)	(704,092)	(412,836)
Total Other Financing Sources (Uses)	25,000	(459,092)	1,357,636
Net Change in Fund Balances	866,288	(831,877)	123,447
Debt Service as a Percentage of Noncapital Expenditures	1.85%	1.50%	1.42%

* Modified Accrual Basis of Accounting

2003	2004	2005	2006	2007	2008	2009
5,290,864	2,404,119	3,232,133	3,415,358	7,063,037	7,412,912	7,236,753
546,854	3,153,229	4,087,169	3,841,347	522,381	426,287	423,003
897,829	459,688	446,459	448,347	402,697	343,400	341,380
-	357,260	366,429	556,270	606,636	611,117	589,219
394,217	829,282	810,467	824,459	794,824	952,210	756,118
11,738	36,696	249,421	548,307	562,095	204,102	8,784
201,867	508,491	249,834	417,200	843,546	582,165	285,252
7,343,369	7,748,765	9,441,912	10,051,288	10,795,216	10,532,193	9,640,509
2,452,675	1,299,342	1,549,633	1,811,789	1,116,946	1,143,870	1,320,869
-	307,377	256,654	283,077	313,887	256,725	265,979
-	35,652	50,270	50,064	48,562	50,423	37,730
3,645,125	4,587,846	4,743,735	5,886,808	5,184,136	5,266,382	5,379,343
-	2,028,282	206,171	1,213,939	240,745	694,622	408,351
441,952	84,227	85,410	114,377	348,836	322,768	188,544
1,075,503	1,504,471	1,114,781	1,177,314	1,227,698	1,236,142	1,103,928
41,123	-	-	-	-	-	-
-	62,207	79,988	173,844	-	-	-
1,187,040	-	-	-	3,876,970	10,511,695	3,248,035
-	692,246	259,981	380,311	580,367	933,267	1,265,012
174,266	187,500	375,410	880,518	633,653	998,566	1,183,197
9,017,684	10,789,150	8,722,033	11,972,041	13,571,800	21,414,460	14,400,988
(1,674,315)	(3,040,385)	719,879	(1,920,753)	(2,776,584)	(10,882,267)	(4,760,479)
1,793,006	2,429,828	7,000,000	1,200,000	4,790,101	3,451,679	3,415,000
-	-	-	-	-	511,202	-
33,731	-	45,710	-	-	-	(54,328)
2,613,842	842,324	1,211,264	1,039,197	1,871,702	1,845,031	1,471,505
(2,920,313)	(796,465)	(1,197,324)	(1,039,197)	(1,948,113)	(1,845,031)	(1,471,505)
1,520,266	2,475,687	7,059,650	1,200,000	4,713,690	3,962,881	3,360,672
(154,049)	(564,698)	7,779,529	(720,753)	1,937,106	(6,919,386)	(1,399,807)
1.93%	8.15%	7.28%	11.65%	11.19%	18.21%	17.13%

VILLAGE OF LYONS, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year Ended Dec. 31	Tax Levy Year	Residential Property
2000	1999	\$ 68,899,064
2001	2000	70,852,253
2002	2001	74,458,561
2003	2002	97,820,834
2004	2003	96,878,160
2005	2004	101,302,736
2006	2005	120,447,873
2007	2006	125,011,064
2008	2007	138,208,727
2009	2008	N/A

Data Source: Office of the County Clerk

Railroad	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 54,138	\$ 42,241,650	\$ 33,229,956	\$ -	\$ 144,424,808	1.797
51,906	37,213,875	31,139,448	-	139,257,482	1.623
55,015	36,398,163	32,056,346	-	142,968,085	1.711
56,202	42,980,623	36,760,959	-	177,618,618	1.561
56,015	40,539,960	35,749,047	-	173,223,182	1.279
48,285	40,615,632	37,615,124	-	179,581,777	1.915
41,897	47,476,868	42,258,698	-	210,225,336	1.395
41,322	44,981,898	43,402,968	-	213,437,252	1.431
42,319	44,096,757	43,174,627	-	225,522,430	1.508
N/A	N/A	N/A	-	228,997,667	1.466

VILLAGE OF LYONS, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	2000	2001	2002
Village Direct Rates			
Corporate	0.2068	0.2145	0.2076
Garbage	0.0178	0.0185	0.0179
Street and Bridge	0.0546	0.0600	0.0583
IMRF	0.1120	0.1164	0.1146
Police Protection	0.2603	0.2700	0.2757
Fire Protection	0.2889	0.2996	0.3165
Firefighters' Pension	0.0018	0.0018	0.0018
Police Pension	0.0713	0.0740	0.0716
Social Security	0.0834	0.1102	0.1088
Auditing	0.0107	0.0111	0.0107
Ambulance Service	0.1819	0.1886	0.1984
Bond and Interest	0.2466	0.2563	0.0898
Liability Insurance	0.0870	0.0902	0.0896
Total Direct Rates	1.6231	1.7112	1.5613
Overlapping Rates			
Public Library	0.1840	0.1840	0.1510
Lyons Elementary School District 103	3.0700	3.0730	2.6060
J Sterling Morton High School District 201	2.5990	2.6180	2.1630
Morton Community College District 527	0.5690	0.5510	0.4500
Cook County	0.8240	0.7460	0.6900
Cook County Forest Preserve	0.0690	0.0670	0.0610
Lyons Township	0.0850	0.0860	0.0730
Township Mental Health District	0.1010	0.1020	0.0850
Metropolitan Water Reclamation District	0.4010	0.4150	0.3710
Other	0.0210	0.0520	0.0180
Total Direct and Overlapping Rates	9.5461	9.6052	8.2293
Village of Lyons Percent of Total	17.00%	17.82%	18.97%

* 2009 Rates are not yet available as of the date of this report.

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value

2003	2004	2005	2006	2007	2008	2009 *
0.1867	0.1468	0.1772	0.2225	0.2332	0.2239	N/A
0.0144	0.0177	0.0152	0.0156	0.0210	0.0176	N/A
0.0471	0.0287	0.0245	0.0222	0.0233	0.0220	N/A
0.0925	0.1004	0.0902	0.0712	0.0746	0.0733	N/A
0.2227	0.2377	0.2450	0.2670	0.2798	0.2744	N/A
0.2556	0.1721	0.1715	0.1669	0.1749	0.1756	N/A
0.0015	0.0015	0.0147	0.0153	0.0161	0.0156	N/A
0.0579	0.1721	0.0774	0.0890	0.0933	0.0878	N/A
0.0879	0.1147	0.0681	0.0623	0.0606	0.0529	N/A
0.0087	0.0132	0.0073	0.0066	0.0070	0.0068	N/A
0.1603	0.1319	0.1225	0.1112	0.1166	0.1207	N/A
0.0717	0.6580	0.2839	0.2921	0.3076	0.2919	N/A
0.0724	0.1204	0.0973	0.0890	0.1003	0.1036	N/A
1.2794	1.9152	1.3948	1.4309	1.5083	1.4661	N/A
0.2390	0.2420	0.2280	0.2280	0.2280	0.2540	N/A
3.9010	3.9220	3.4190	3.5210	3.5210	3.4440	N/A
2.3060	2.2990	1.9250	2.0010	2.0010	1.9600	N/A
0.4710	0.4710	0.3970	0.4170	0.4170	0.4110	N/A
0.6300	0.5930	0.5330	0.5000	0.5000	0.4460	N/A
0.0590	0.0600	0.0600	0.0570	0.0570	0.0530	N/A
0.0740	0.0750	0.0650	0.0700	0.0700	0.0700	N/A
0.0880	0.0900	0.0770	0.0810	0.8100	0.0810	N/A
0.3610	0.3470	0.3150	0.2840	0.2840	0.2630	N/A
0.0440	0.0130	0.0300	0.0170	0.0300	0.0830	N/A
9.4524	10.0272	8.4438	8.6069	9.4263	8.5311	N/A
13.54%	19.10%	16.52%	16.63%	16.00%	17.19%	N/A

VILLAGE OF LYONS, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago December 31, 2009 (Unaudited)

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
United States Cold Storage	\$ 2,816,312	1	1.23%	\$ 5,715,987	1	3.96%
Individual	1,252,987	2	0.55%	3,248,471	2	2.25%
Fedex National LTL Inc	1,015,232	3	0.44%			
Jack Phelan Chevrolet	588,090	4	0.26%	1,671,881	5	1.16%
Riverwalk Senior Apartments	559,998	5	0.24%			
Walgreens	522,876	6	0.23%			
Reliable Materials Lyons	496,353	7	0.22%			
CTLTC CB	452,481	8	0.20%			
ATR Land Inc	400,242	9	0.17%	1,334,087	6	0.92%
NASA Properties Inc	399,998	10	0.17%			
Material Services Corp.	-			2,934,368	3	2.03%
Easley, McCaleb & Assoc.	-			1,886,940	4	1.31%
Westclare Apartments	-			1,320,986	7	0.91%
Bank of Lyons	-			1,217,497	8	0.84%
Citizens Bank	-			1,139,711	9	0.79%
Midland LS ATT	-			1,056,605	10	0.73%
	<u>8,504,569</u>		<u>3.71%</u>	<u>21,526,533</u>		<u>14.91%</u>

Data Source: Office of the County Clerk

VILLAGE OF LYONS, ILLINOIS

Property Tax Levies and Collections - Last Ten Levy Years December 31, 2009 (Unaudited)

Fiscal Year Ended Dec. 31	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 2,371,211	\$ N/A	N/A	\$ N/A	\$ 2,423,479	102.20%
2001	2000	2,412,397	N/A	N/A	N/A	2,416,987	100.19%
2002	2001	2,278,405	N/A	N/A	N/A	2,285,442	100.31%
2003	2002	2,355,595	N/A	N/A	N/A	2,371,163	100.66%
2004	2003	2,609,574	N/A	N/A	N/A	2,622,627	100.50%
2005	2004	3,776,123	N/A	N/A	N/A	3,786,840	100.28%
2006	2005	3,444,413	N/A	N/A	N/A	3,458,407	100.41%
2007	2006	3,785,044	N/A	N/A	N/A	3,772,869	99.68%
2008	2007	4,075,565	N/A	N/A	N/A	3,889,301	95.43%
2009	2008	3,299,886	N/A	N/A	N/A	3,291,636	99.75%

Data Source: Office of the County Clerk

N/A - Not Available

VILLAGE OF LYONS, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year	Governmental Activities					
	Notes Payable	Installment Notes	Debt Certificates	General Obligation Bonds	Alternate Revenue Bonds	Revenue Bonds
2000	\$ 1,025,214	\$ -	\$ -	\$ 330,000	\$ -	\$ -
2001	861,427	-	-	225,000	-	-
2002	686,756	-	-	115,000	1,295,000	-
2003	781,546	-	-	595,000	2,095,000	-
2004	546,619	-	89,600	515,000	2,095,000	2,050,000
2005	416,205	-	67,200	7,515,000	2,095,000	2,022,833
2006	298,294	-	44,800	7,370,000	2,095,000	3,127,833
2007	395,327	-	4,117,400	7,025,000	2,095,000	3,512,934
2008	692,977	195,162	4,095,000	6,670,000	2,040,000	5,970,934
2009	1,023,417	97,581	5,885,000	7,330,000	1,975,000	5,503,063

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

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

Data Source: Village Records

Business-Type Activities			Percentage of Personal Income (1)	Per Capita (1)
Notes Payable	Alternate Revenue Bonds	Total Primary Government		
\$ -	\$ 4,558,000	\$ 5,913,214	2.86%	\$ 576.62
-	4,255,000	5,341,427	2.47%	524.23
-	3,935,000	6,031,756	2.71%	581.09
-	3,595,000	7,066,546	3.08%	674.48
-	3,183,475	8,479,694	3.54%	809.52
49,961	2,850,000	15,016,199	5.94%	1,434.76
40,857	2,450,000	15,426,784	5.87%	1,486.06
31,329	2,035,000	19,211,990	6.86%	1,846.95
21,361	1,600,000	21,285,434	7.45%	2,046.28
471,816	1,145,000	23,430,877	8.20%	2,252.54

VILLAGE OF LYONS, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita
2000	\$ 1,355,214	\$ 701,136	\$ 654,078	0.45%	\$ 63.78
2001	1,086,427	431,020	655,407	0.47%	64.32
2002	801,756	598,132	203,624	0.14%	19.62
2003	1,376,546	339,823	1,036,723	0.58%	98.95
2004	1,151,219	63,851	1,087,368	0.63%	103.81
2005	7,998,405	662,997	7,335,408	4.08%	700.88
2006	7,713,094	592,490	7,120,604	3.39%	685.93
2007	11,537,727	396,535	11,141,192	5.22%	1,071.06
2007	11,653,139	42,280	11,610,859	5.15%	1,116.21
2008	14,335,998	-	14,335,998	6.26%	1,378.20

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

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

Data Source: Village Records

VILLAGE OF LYONS, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt December 31, 2009 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 14,379,500	100.000%	\$ 14,379,500
Overlapping Debt			
Lyons Elementary School District #103	8,506,162	43.290%	3,682,318
Berwyn-Stickney High School District #201	71,215,069	11.170%	7,954,723
Morton Community College District #527	3,375,000	11.030%	372,263
Summit Elementary School District #104	29,075,000	0.260%	75,595
Cook County	2,897,975,000	0.170%	4,926,557
Cook County Forest Preserve District	117,720,000	0.160%	188,352
Metropolitan Water Reclamation District	1,392,699,076	0.160%	2,228,319
Community High School District #217	5,846,348	0.080%	4,677
Total Overlapping Debt	<u>4,526,411,655</u>		<u>19,432,804</u>
Total Direct and Overlapping Debt	<u><u>4,540,791,155</u></u>		<u><u>33,812,304</u></u>

Data Source: Cook County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF LYONS, ILLINOIS

**Schedule of Legal Debt Margin - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

	2000	2001	2002
Legal Debt Limit	\$ 12,456,640	12,010,958	12,330,997
Total Net Debt Applicable to Limit	1,355,214	1,086,427	801,756
Legal Debt Margin	11,101,426	10,924,531	11,529,241
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.88%	9.05%	6.50%

Data Source: Village Records

2003	2004	2005	2006	2007	2008	2009
15,319,606	14,940,499	15,488,928	18,131,935	18,408,963	19,451,310	19,751,049
1,376,546	1,151,219	7,998,405	7,444,624	11,142,400	10,765,000	13,215,000
13,943,060	13,789,280	7,490,523	10,687,311	7,266,563	8,686,310	6,536,049
8.99%	7.71%	51.64%	41.06%	60.53%	55.34%	66.91%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value	<u>\$ 228,997,667</u>
Bonded Debt Limit - 8.625% of Assessed Value	19,751,049
Amount of Debt Applicable to Limit	<u>13,215,000</u>
Legal Debt Margin	<u>6,536,049</u>

VILLAGE OF LYONS, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year	TIF Revenue Bonds			
	TIF Incremental Taxes	Debt Service		Coverage
		Principal	Interest	
2000	\$ -	\$ -	\$ -	\$ -
2001	-	-	-	-
2002	-	-	-	-
2003	58,278	-	45,648	1.28
2004	54,373	-	89,904	0.60
2005	458,071	27,167	281,507	1.48
2006	382,520	95,000	297,673	0.97
2007	623,220	95,000	300,640	1.58
2008	871,216	242,000	329,948	1.52
2009	976,161	467,871	314,667	1.25

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

Data Source: Village Records

VILLAGE OF LYONS, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2009 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2000	10,255	\$ 206,863,860	\$ 20,172	35.7	12.0	1,995	5.30%
2001	10,189	216,172,734	21,216	35.7	12.0	2,137	5.60%
2002	10,380	222,441,743	21,430	35.7	12.0	2,220	0.07%
2003	10,477	229,782,320	21,932	35.7	12.0	2,254	7.60%
2004	10,475	239,203,396	22,836	35.7	12.0	2,274	6.80%
2005	10,466	252,837,989	24,158	35.7	12.0	2,357	6.60%
2006	10,381	262,951,509	25,330	35.7	12.0	2,317	4.70%
2007	10,402	280,069,652	26,925	35.7	12.0	2,251	5.30%
2008	10,402	285,671,045	27,463	35.7	12.0	2,251	7.90%
2009	10,402	285,671,045	27,463	35.7	12.0	2,251	7.90%

Data Source: Illinois Department of Employment Security (IDES)

VILLAGE OF LYONS, ILLINOIS

Principal Employers - Current Year and Nine Years Ago December 31, 2009 (Unaudited)

Employer	2009			2000		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Elementary School District 103	360	1	6.72%	330	1	6.16%
US Cold Storage	115	2	2.15%	N/A		N/A
Village of Lyons	63	3	1.18%	58	3	1.08%
Accushim, Inc	60	4	1.12%	N/A		N/A
Mansfield & Sons, Inc	60	5	1.12%	N/A		N/A
Atlas Tool & Die Works, Inc.	55	6	1.03%	N/A		N/A
Richards & Weber Const	50	7	0.93%	N/A		N/A
Pelron Corp	44	8	0.80%	N/A		N/A
Standard Bank & Trust	43	9	0.78%	N/A		N/A
CB Newspaper Delivery	35	10	0.65%	N/A		N/A
	<u>885</u>		<u>16.48%</u>	<u>388</u>		<u>7.24%</u>

Data Source: Village Community Development Department Records and U.S. Census Bureau.

N/A - Not all information is available for fiscal year 2000.

VILLAGE OF LYONS, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
December 31, 2009 (Unaudited)**

See Following Page

VILLAGE OF LYONS, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	2000	2001	2002
General Government			
Administration	2.0	2.0	2.0
Finance	4.0	4.0	4.0
Building, Planning and Zoning	3.5	3.5	3.5
Health	0.5	0.5	0.5
Public Safety			
Police			
Officers	25.0	27.0	28.0
Civilians	7.0	7.0	7.0
Fire			
Firefighters and Officers	2.5	2.5	2.5
Recreation	0.5	0.5	0.5
Public Works			
Administration	2.0	2.0	2.0
Planning	7.0	7.0	7.0
Other	2.0	2.0	2.0
			3.0
Water and Sewer	3.0	3.0	-
Total	59.0	61.0	62.0

Data Source: Various Village Departments

2003	2004	2005	2006	2007	2008	2009
2.0	2.0	2.0	2.0	2.5	2.5	2.5
4.0	4.0	4.0	4.5	4.5	4.5	4.5
3.5	3.5	3.5	3.5	3.5	3.5	3.5
0.5	0.5	0.5	0.5	0.5	0.5	0.5
28.0	28.0	28.0	28.0	27.0	28.0	28.0
7.0	7.0	7.0	7.0	7.0	7.0	7.0
2.5	2.5	2.5	2.5	2.5	2.5	2.5
0.5	0.5	0.5	0.5	0.5	0.5	0.5
2.0	2.0	2.0	2.0	2.0	2.0	2.0
7.0	7.0	7.0	7.0	7.0	6.0	6.0
2.0	2.0	2.0	2.0	2.0	2.0	2.0
3.0	3.0	3.0	3.0	3.0	3.0	3.0
62.0	62.0	62.0	62.5	62.0	62.0	62.0

VILLAGE OF LYONS, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	2000	2001	2002
General Government			
Business Licenses	410	430	482
Tobacco Licenses	21	23	25
Liquor Licenses	21	17	15
Building, Planning and Zoning			
Building Permits Issued	659	708	657
Contractor Licenses Issued	162	137	167
Health			
Number of Health Events	3	4	4
Public Safety			
Police			
Part I Crimes	311	331	350
Physical Arrests	305	357	365
Parking Violations	907	2,967	4,649
Traffic Violations	2,691	1,630	1,474
Fire			
Emergency Responses	N/A	N/A	1,041
Fire Suppression Responses	896	1,000	975
Inspections	N/A	N/A	272
Recreation			
Number of Recreation Trips	25	34	47
Number of Participants in Recreation Programs	2,450	2,610	3,325
Community Development			
Private Sector Investment in Community (in thousands)	2,097	7,040	2,865
Public Works			
Parkway Trees Planted	14	11	16
Parkway Trees Trimmed	154	135	114
Street Resurfacing (Miles)	1.023	-	-
Potholes Repaired	410	380	385
Water and Sewer			
Number of Metered Accounts	2,966	2,956	2,970
Number of Hydrants Flushed/Inspected	340	342	342
New Connections	-	2	-
Water Mains Breaks	6	9	6
Water Average Daily Consumption (Thousands of Gallons)	1,068	1,087	1,055
Garbage			
Number of Accounts	2,548	2,556	2,562
Emergency 911			
Emergency Service Calls	1,901	2,111	2,222
Calls for Service	11,976	11,669	10,826

Data Source: Various Village Departments

N/A - Not Available

2003	2004	2005	2006	2007	2008	2009
522	583	628	686	725	761	761
30	30	33	33	32	25	25
25	32	32	32	34	41	41
782	748	853	691	651	619	619
134	191	219	229	268	245	245
4	5	4	5	5	5	5
344	322	345	339	N/A	N/A	N/A
337	449	434	406	373	373	373
5,693	5,741	6,621	5,457	6,357	6,357	6,357
1,590	4,777	4,562	4,630	3,122	3,122	3,122
1,097	1,174	1,194	1,319	1,274	1,227	1,227
1,091	1,069	1,092	1,207	1,202	1,203	1,203
261	246	271	268	269	238	238
40	31	44	29	30	28	28
2,920	2,427	3,090	2,500	2,750	2,010	2,010
11,050	7,490	4,112	3,632	560	10	10
18	12	9	11	7	7	7
126	118	111	142	116	116	116
-	-	-	-	0.789	0.789	0.789
410	460	420	435	465	465	465
2,994	2,988	3,014	3,028	3,044	3,044	3,044
347	350	350	355	360	360	360
5	3	-	5	5	5	5
13	7	15	10	19	19	19
1,047	1,129	1,094	930	998	998	998
2,585	2,591	2,595	2,603	2,607	2,607	2,607
2,154	2,217	2,076	2,278	2,133	2,133	2,133
10,888	11,008	10,905	11,401	11,065	11,065	11,065

VILLAGE OF LYONS, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2009 (Unaudited)

	2000	2001	2002
General Government			
Vehicles	1	1	1
Building, Planning and Zoning			
Vehicles	2	2	2
Public Safety			
Police			
Stations	1	1	1
Area Patrols	2	3	3
Patrol Units	12	12	12
Fire			
Fire Stations	1	1	1
Fire Engines	4	3	3
Public Works			
Vehicles	8	8	8
Streets (Miles)	33	33	33
Streetlights	460	460	460
Traffic Signals	32	32	32
Water and Sewer			
Vehicles	3	3	3
Water Mains (Miles)	25	25	25
Fire Hydrants	360	360	360
Sanitary Sewers (Miles)	25	25	25
Storm Sewers (Miles)	25	25	25

Data Source: Various Village Departments

2003	2004	2005	2006	2007	2008	2009
1	1	1	1	1	1	1
2	3	3	3	3	3	3
1	1	1	1	1	1	1
3	3	3	3	3	3	3
12	11	11	11	11	11	11
1	1	1	1	1	1	1
3	3	3	3	3	3	3
8	8	8	9	9	9	9
33	33	33	33	33	33	33
460	460	460	460	460	460	460
32	32	32	32	32	32	32
3	3	3	3	3	3	3
25	25	25	25	25	25	25
360	360	360	360	360	360	360
25	25	25	25	25	25	25
25	25	25	25	25	25	25