

# Village of Lyons, Illinois

*A Historic Community with a Vision for the Future*

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## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2017**

VILLAGE OF LYONS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

December 31, 2017

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CONTENTS

INTRODUCTORY SECTION

Principal Officials .....	I.
Organizational Chart.....	II.
Letter of Transmittal.....	III. – VIII.

FINANCIAL SECTION

Independent Auditor's Report .....	1 - 2
Management's Discussion and Analysis.....	3 - 15
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position .....	16
Statement of Activities .....	17
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	18
Reconciliation of Balance Sheet - Governmental Funds to the Statement of Net Position .....	19
Statement of Revenues, Expenditures and Changes in Fund Balances.....	20
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities.....	21
Proprietary Funds	
Statement of Net Position .....	22
Statement of Revenues, Expenses and Changes in Net Position .....	23
Statement of Cash Flows .....	24
Fiduciary Funds	
Statement of Fiduciary Net Position.....	25
Statement of Change in Fiduciary Net Position.....	26
Notes to Financial Statements.....	27 - 67

(Continued)

**VILLAGE OF LYONS, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

December 31, 2017

---

**CONTENTS**

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual	
General Fund .....	68
Economic Development Fund .....	69
Schedules of Changes in Village Net Pension Liability and Related Ratios and Village Contributions	
Illinois Municipal Retirement Fund .....	70 - 71
IMRF - Sheriff's Law Enforcement Personnel .....	72 - 73
Police Pension Plan .....	74 - 75
Fire Pension Plan .....	76
Schedule of Funding Progress and Employer Contributions	
Other Postemployment Benefit Plan .....	77
Notes to Required Supplementary Information .....	78 - 79

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

**Major Governmental Funds**

General Fund	
Schedule of Revenues - Budget and Actual .....	80 - 82
Schedule of Expenditures - Budget and Actual .....	83 - 85
Special Revenue Funds	
Economic Development (TIF Funds)	
Combining Balance Sheet .....	86
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances .....	87
TIF #1 Operations Fund	
Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual .....	88
TIF #2 Operations Fund	
Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual .....	89

(Continued)

**VILLAGE OF LYONS, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

December 31, 2017

---

**CONTENTS**

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

**Major Governmental Funds (Continued)**

Special Revenue Fund (Continued)

TIF #3 Operations Fund

Schedule of Revenues, Expenditures and Change in Fund Balance

- Budget and Actual ..... 90

TIF #4 Operations Fund

Schedule of Revenues, Expenditures and Change in Fund Balance

- Budget and Actual..... 91

Debt Service Fund

Schedule of Revenues, Expenditures and Change in Fund Balance

- Budget and Actual..... 92

Capital Improvement Fund

Schedule of Revenues, Expenditures and Change in Fund Balance

- Budget and Actual ..... 93

**Proprietary Funds**

Water and Sewer Fund

Schedule of Revenues, Expenses and Change in Net Position

- Budget and Actual ..... 94

Garbage Fund

Schedule of Revenues, Expenses and Change in Net Position

- Budget and Actual ..... 95

Emergency 911 Fund

Schedule of Revenues, Expenses and Change in Net Position

- Budget and Actual ..... 96

**Fiduciary Funds**

Pension Trust Funds

Combining Schedule of Fiduciary Net Position ..... 97

(Continued)

**VILLAGE OF LYONS, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

December 31, 2017

---

**CONTENTS**

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

**Fiduciary Funds (Continued)**

Pension Trust Funds (Continued)	
Combining Schedule of Changes in Fiduciary Net Position .....	98
Police Pension Fund	
Schedule of Changes in Fiduciary Net Position - Budget and Actual .....	99
Firefighters' Pension Fund	
Schedule of Changes in Fiduciary Net Position - Budget and Actual .....	100

**SUPPLEMENTAL SCHEDULES**

**Long-Term Debt Requirements**

Debt Certificates of 2007.....	101
Debt Certificates of 2009B .....	102
General Obligation Limited Tax Debt Certificates, Series 2016B .....	103
Ambulance Revolving Loan Program.....	104
General Obligation Bonds of 2009A.....	105
General Obligation Bonds of 2015C.....	106
General Obligation Bonds of 2015D.....	107
General Obligation Bonds (Alternate Revenue Source) of 2015B.....	108
General Obligation Bonds (Alternate Revenue Source) of 2015A.....	109
General Obligation Bonds (Alternate Revenue Source) of 2014A.....	110
General Obligation Bonds (Alternate Revenue Source) of 2014B.....	111
General Obligation Bonds (Alternate Revenue Source), Series 2017A .....	112
IEPA Loan L175137.....	113
IEPA Loan L175303.....	114
IEPA Loan L175136.....	115

**STATISTICAL SECTION**

**Basic Financial Statements**

Financial Trends	
Net Position by Components.....	116
Changes in Net Position.....	117 - 118

(Continued)

VILLAGE OF LYONS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

December 31, 2017

---

CONTENTS

**STATISTICAL SECTION** (Continued)

Fund Balances of Governmental Funds.....	119
Changes in Fund Balances of Governmental Funds.....	120
Revenue Capacity	
General Governmental Tax Revenues by Source.....	121
Assessed Value and Actual Value of Taxable Property.....	122
Direct and Overlapping Property Tax Rates.....	123
Principal Property Taxpayers.....	124
Property Tax Levies and Collections.....	125
Sales Taxes by Category.....	126
Non-Home Rule Sales Taxes by Category .....	127
Debt Capacity	
Ratios of Outstanding Debt by Type .....	128
Schedule of Direct and Overlapping Governmental Activities Debt.....	129
Ratios of General Bonded Debt Outstanding .....	130
Schedule of Legal Debt Margin .....	131
Demographic and Economic Information	
Demographic and Economic Statistics .....	132
Principal Employers.....	133
Operating Information	
Full-Time Equivalent City Government Employees by Function.....	134
Operating Indicators by Function/Program.....	135
Capital Asset Statistics by Function/Program .....	136

## INTRODUCTORY SECTION



VILLAGE OF LYONS, ILLINOIS

**VILLAGE OF LYONS**  
**PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2017**

**MEMBERS OF THE VILLAGE BOARD**

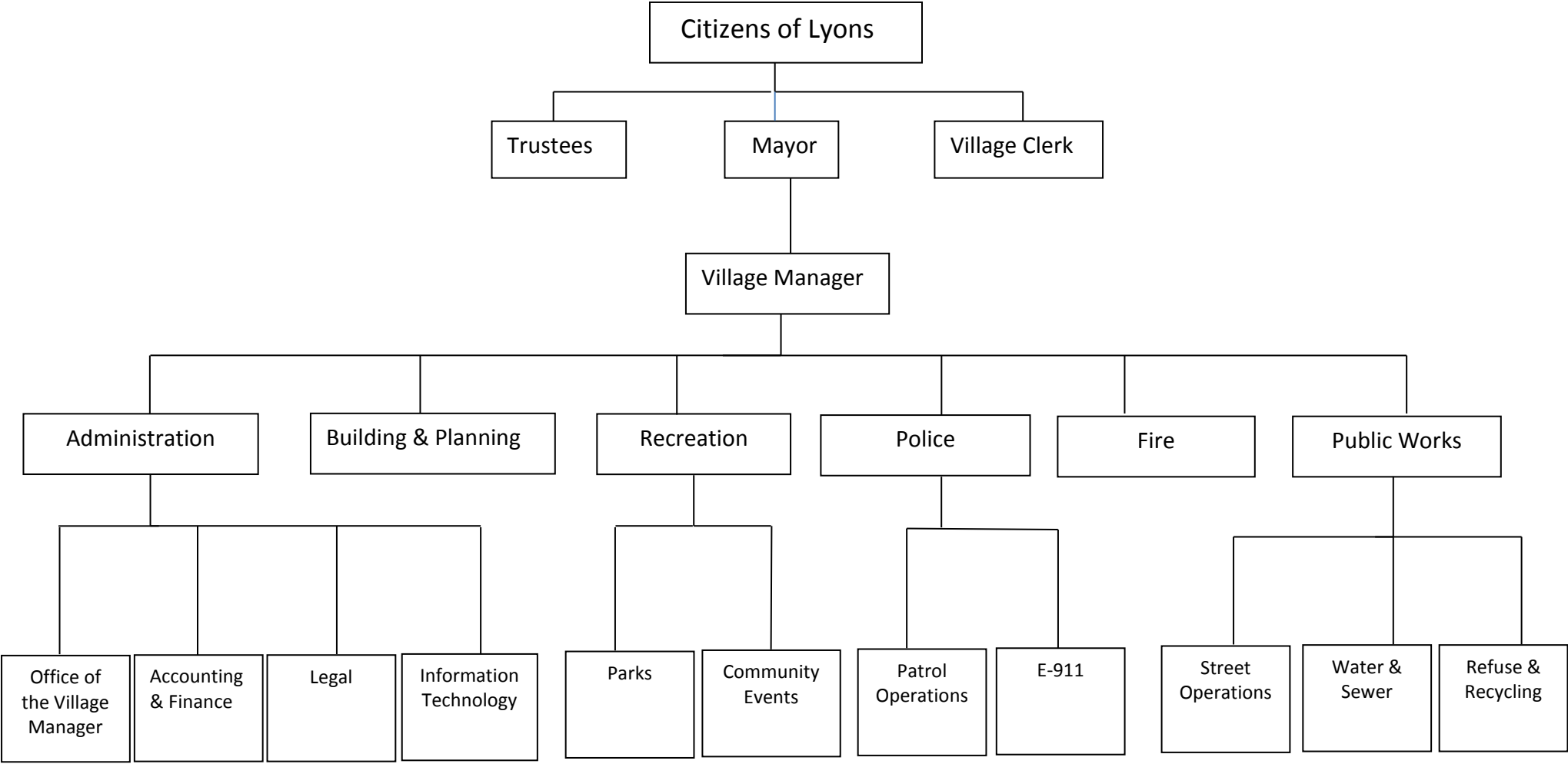
CHRISTOPHER GETTY	MAYOR
IRMA QUINTERO	CLERK
PAT ALONZI	TRUSTEE
TERESA ECHEVERRIA	TRUSTEE
DANIEL HILKER	TRUSTEE
PAUL MARCHIORI	TRUSTEE
GREG RAMIREZ	TRUSTEE
JAMES VESELSKY	TRUSTEE

**DEPARTMENT HEADS**

THOMAS SHEAHAN	VILLAGE MANAGER
JAMES KEATING	POLICE CHIEF
GORDON NORD	FIRE CHIEF
JOHN PIERCE	DIRECTOR, BUILDING & PLANNING
TEDDY TALA	DIRECTOR, PARKS & RECREATION
RYAN GRACE	DIRECTOR, PUBLIC WORKS
DANIEL DENYS	DIRECTOR, FINANCE



**Village of Lyons  
Organizational Chart**





# *Village of Lyons*

June 28, 2018

Mayor and Trustees of the Village of Lyons  
Lyons Residents and Businesses  
Bondholders, Vendors and Other Stake Holders

The Comprehensive Annual Report (the "CAFR") of the Village of Lyons, Illinois (the "Village") for the fiscal year ended December 31, 2017 is submitted herewith. This report provides a financial depiction of the Village's operations for fiscal year 2017 and the resulting financial condition as of December 31, 2017. The CAFR is to provide all of the stakeholders relevant information of the community including the continued investment by our businesses, the financial security for our residents, and maximum transparency to the Village's employees and vendors to allow the Village to continue to move forward.

Responsibility for the accuracy, completeness and the fairness of the financial information including additional disclosures rests with Village management. Village management has assumed this responsibility and presents the accompanying CAFR with the expectation that it should provide more than an adequate insight into the operations and financial condition of the Village.

GW and Associates, P.C. has conducted an audit of the Village and has issued an unmodified opinion on the Village's financial statements for the year ended December 31, 2017. This report is included at the beginning of the Financial Section of the CAFR.

At the direction and oversight of the Village Board, Village management has established a comprehensive system of internal controls designed to assure that the assets of the Village are safeguarded against loss, theft or misuse. This system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements annually in conformity with generally accepted accounting principles and on an interim basis to provide management and the Village Board timely information to manage operations. There are limitations to the internal controls the Village can implement. Accordingly, internal controls are designed to provide reasonable, but not absolute, assurance that the objectives to safeguard assets and provide reliable information are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of the costs and benefits require estimates and judgements by management that may not be abundantly clear.

This letter of transmittal should be read in conjunction with management's discussion and analysis that is located after the auditor's report in the front of the Financial Section. This information should provide the most complete assessment of the Village's current financial condition and its future prospects.

## **The Village and its Services**

The Village was incorporated in 1888. The Village is subject to general laws of the State of Illinois which are applicable to all municipalities. The Village is located approximately 12 miles southwest of downtown Chicago and encompasses approximately two square miles. The Village is bordered by the Village of Riverside to the north, the Village of Brookfield to the west, the Villages of Stickney and Forest View and the City of Berwyn to the east, and the Village of McCook to the south.

Legislative authority for the Village is vested in the Mayor and six Trustees (collectively, the "*Village Board*"). The Village Board determines the compensation of all the Village officers and employees, levy taxes, license businesses, appropriate funds, borrow money, and otherwise make all decisions relating to the finances and affairs of the Village. The Mayor casts votes only in the case of a tie or if his attendance is required to have a quorum to conduct business. The Village Manager is the Chief Executive Officer of the Village and possesses the power to appoint officers, develop the Village budget, hire and fire all employees and manage daily operations in the Village Hall. The Finance Department, under the direction of the Village Manager, is responsible for financial operations of the Village. The Mayor, Village Clerk and Treasurer are elected at large for 4-year terms.

The Village Manager appoints the heads of Village departments. The major appointed officials are the Finance Director, Director of Public Works, the Building Commissioner, the Fire Chief, the Chief of Police and Park Director. The Mayor appoints members to a number of Village boards and commissions with the advice and consent of the Village Board.

Lyons is steeped in earlier historical roots. In 1673 French Explorer Louis Joliet and Jesuit missionary Father Pierre Marquette left Green Bay, Wisconsin by canoe in search of a western passage to the Pacific. As they traveled into the Spanish controlled area of Louisiana, they realized that the mighty Mississippi drained into the already well known Gulf of Mexico. With winter approaching, they headed north as quickly as possible. To save time, the Pottawatomie Indians that were with them encouraged a change in the course to the Illinois River. This short cut led to the Des Plaines River and caused these travelers to discover "Le Portage". This half mile wide area of land connecting the Chicago River and the Des Plaines River, over which they could carry their canoes and supplies, was to become the discovery that they would both become famous for. Later known as the Chicago Portage, this small area became the "Gateway to the West", and was used by thousands of early settlers and traders traveling both east and west. The discovery of "Le Portage" was the impetus that led to Chicago becoming a center for world trade.

Louis Joliet conceived the idea of constructing a canal to connect the two waterways. This idea was to become a reality 200 years later with the opening of the Illinois—Michigan Canal. Today, a statue stands in Lyons at the Chicago Portage National Historic Site just north of Interstate 55 along Harlem Avenue, commemorating this historic National Heritage Corridor which stretches southwest through LaSalle, Illinois.

Hofmann Tower is one of the most impressive historical sites in the suburban area. This eight story castle-like concrete structure was built in 1908 by George Hofmann, Jr. The tower was the centerpiece of a large recreational area that included powered boat rides, canoeing, picnicking, dancing and orchestral concerts plus a large beer garden. For years, Hofmann Tower was the tallest building west of the Chicago's Loop and thrilled thousands of visitors with a breathtaking view of Chicago and the surrounding area.

Library facilities are provided in the Village by the Lyons Library. The Village owns and operates four park sites on 10 acres. The Parks include a field, little league field, full size football soccer field, two tennis courts, community fitness stations, and a community room at the Village Hall. School facilities are provided by School Districts No. 103 (grade school), School District No. 201 (high school) and Community College District No. 527 (junior college). MacNeal Memorial Hospital, located in adjacent City of Berwyn, is a teaching healthcare facility with approximately 427 beds and provides general medical and surgical services with specialties. Loyola Hospital, a regional trauma center, is located in Maywood to the north of the Village.

Chicago's nearby Loop can be reached in under 20 minutes via Interstates 290 (Eisenhower) and 55 (Stevenson), which pass to the immediate north and south, respectively, of the Village's borders. The METRA BNSF Commuter railway and Pace bus system offers Village residents local and alternative transportation throughout the Chicago area.

The Village provides the full range of municipal services contemplated by statute or charter. These services include public safety, roadway maintenance, refuse disposal, public improvements, planning and zoning, engineering and inspection, water and sewer utility service, youth and certain other social services, and general administrative services.

The Village has a diverse tax base. Commercial and industrial properties account for approximately 32% of the Village's property tax base. More importantly, commercial developments along major arteries of Harlem Avenue, Ogden Avenue and First Avenue generate sales and other taxes that support the Villages operations. The industrial corridor of the Village is located at its southern border along 47<sup>th</sup> Street.

Economic development has been a major focus of the Village. The Village has established four tax increment financing districts to provide funding to new initiatives over the past fifteen years. The major current economic development initiative is to redevelop the Ogden First Avenue Lyons Quarry located on the southeast corner of First Avenue and Plainfield Road/Ogden Avenue. When land reclamation activities are completed, the operator will donate over 40 acres to the Village. In anticipation of this donation, the Village has elected to enhance land reclamation activities to accelerate the ultimate redevelopment of the site. Planning for the exchange that is expected over the next several years is currently underway.

### **The Accounting System and Budgeting**

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Village's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are

the basis for assessing budgetary compliance. After the end of the fiscal year, the Village's management makes various adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The Village operates under the budget system. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. Budgetary control is maintained by the use of encumbrance accounting under which purchase orders, contracts, and other commitments are effectively recorded as temporary expenditures in order to reserve the proper portion of the applicable budgetary account. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level.

Initially, the Finance Department compiles a draft of Village departmental expenditure budgets based upon the historical spending and initial service requests. These spending plans are initially reviewed with the Department Heads, the Village Manager and the Mayor. At the same time, the Village compiles an estimate of anticipated revenues for the upcoming budget year. After several reviews and adjustments, the Mayor submits his proposed Village budget to the Village Board for adoption before the start of the fiscal year and the adoption of the property tax levy. A public hearing is conducted on the budget before its adoption.

Starting in 2015, the Village Budget is designed to be structurally balanced. To further achieve that goal, the Village has budgeted a contingency (\$400,000 in 2017) to address unexpected financial issues that could arise. In addition, the Village has targeted new tax revenues to address Village infrastructure issues. However, the funds are only allocated and transferred to the capital development fund only if the Village's general fund will remain balanced.

Infrastructure is an important focus of the Village. The main focus is on providing resources to address these needs rather than extensively study and documenting the need. The Village has implemented new taxes, primarily the nonhome rule sales tax, which received voter approval to provide additional funds to address infrastructure needs. The Village has also raised water and sewer rates to provide additional funds to address the aging water system.

### **Factors Affecting Economic Condition**

**Local Economy.** The economic outlook for the Village has stabilized since the 2008 recession. The Village continues to benefit from the strong metropolitan Chicagoland economy. A major focus of the Village over the past fifteen years has been economic development to stabilize and expand the key economic corridors of the Village. Economic activity such as sales taxes have recovered and now exceed the levels prior to the recession. The reduction in real estate values since 2008 appears to have ended and recent reports indicate increased values.

**Long-Term Financial Planning.** The Village relies on its annual budget to provide adequate resources to fund operations and invest in infrastructure improvements. After years of deficits due to the economy and other factors, the general fund operations have stabilized and remain structurally balanced. The Village's budgeting process and spending control (contingency and controlled capital expenditures) should maintain structurally balance budgets into the future.

Debt management has been a major focus of the Village and affects future operating budgets. The Village has targeted accelerated debt repayment to the extent that resources are available. At the same time, the Village's goal is to minimize the use of general taxes such as sales taxes to support debt repayment.

The other major long term financial planning activity continues to be economic development. The current focus is on the redevelopment of the Ogden First Avenue Lyons Quarry once land reclamation processes are completed. A major portion of the land will be donated to the Village. The key is to accelerate the actual building of projects after the donation.

**Financial Policies.** The Village has established several specific policies to guide its financial operations. Those policies relate to accounting and financial reporting, budgeting and revenue management, debt management, cash management and investments, and purchasing. Some of the most significant policies include:

- Maintain a diversified revenue structure.
- Adopt structurally balanced budgets unless the fund balance exceeds its target.
- Maintain a General Fund balance of 10% of expenditures. This is the initial goal of the Village; over time, a larger balance would be preferred.
- Limit debt repayment to match the revenues being generated from the project.
- Adequately fund pension plans to reduce the impact on future generations.

### **2017 Accomplishments**

The Village is committed to constantly improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses. Among the Village's more notable accomplishments in 2017 were:

- Completed negotiations and engineering to transfer wholesale water provider from the Brookfield North Riverside Water Commission to the Village of McCook. The Village anticipates significant financial savings with the new provider while maintaining access to quality Lake Michigan Water.
- Substantially installed replacement water meters that were over 25 years old to obtain more accurate readings of water consumption. The meters are paired with Meter Transmitting Units to automatically accumulate the readings for water billing that should result in labor savings and to identify any excessive water issues to notify customers to avoid costly high bills.
- Funded additional street construction partially through Community Development Block Grant.
- Completed a two year program for dynamic compaction of the Ogden First Avenue Lyons Quarry in anticipation of the completion of filling operations by 2019 and the conveyance of the property to the Village for future development.
- Increased pension funding resulting in the Illinois Municipal Retirement Fund being overfunded and increased the funding for the Police Pension Fund 35% of the Pension Liability.

- Maintain a proactive Vacant Property Maintenance Enforcement Program. In response to the national foreclosure crisis, the Village established a program to require the registration and maintenance of vacant properties to prevent blight.
- Maintain a diversity of community events for Village residents. These include an annual car show, Fourth of July activities, National Night Out, summer music in the parks, and other activities.

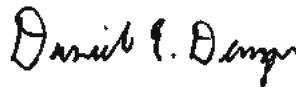
### **Acknowledgments**

The Village is fortunate to have a professional and dedicated Board of Trustees to guide our Village. The Village administration and its staff takes great pride in serving the Village and performing their duties at the highest levels while maintaining uncompromising integrity and sound financial policies. We sincerely appreciate all of the contributions of the entire business office and department heads in making this document first class. Finally we wish to thank the staff of GW and Associates, P.C. for the guidance and oversight of our audit process and the final presentation of our CAFR.

Respectfully submitted,



Thomas Sheahan  
Village Manager



Daniel Denys  
Finance Director

## FINANCIAL SECTION



VILLAGE OF LYONS, ILLINOIS





## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lyons, Illinois as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Lyons Police Pension Trust Fund, which represent 100 percent, 100 percent, and 97 percent, respectively, of the assets, net position, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lyons Police Pension Trust Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lyons, Illinois, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–15 and 68–79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lyons, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

*GW & Associates, P.C.*

Hillside, Illinois  
July 28, 2018

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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As management of the Village of Lyons, we provide the users of the financial statements this narrative overview and analysis of the financial activities of the Village of Lyons for the fiscal year ended December 31, 2017.

Overall, the financial position of the Village has slightly improved since 2016. The following highlights and other information illustrate this improvement.

#### Financial Highlights

- The Village adopted its third consecutive structurally balanced budget with no reliance on one time financial infusions or borrowing. This budget includes provisions to fund general obligation installment contracts without a dedicated tax levy, projected shortfalls related to tax increment debt where incremental revenues are not sufficient to service its related debt, and debt service on bonds to accelerate capital projects funded by the voter approved non home rule sales tax increase.

The budget has two other major safeguards to protect against deficit spending. First, the budget had a \$400,000 contingency provision to offset spending in excess of budgetary amounts. Since overall spending in expenditures and transfers out was below the overall budget, the Village did not adopt an amended budget. The excess spending in a given budget category was offset by savings in other line items including the contingency.

The second safeguard is the management of capital spending. In addition to funding capital spending from bonds and grants, the Village plans to fund capital spending in transfers from the General Fund if operations generate sufficient funds. Due to net general fund revenue shortfalls of \$949,254 compared to budget, the Village did not make \$600,000 of budgeted transfers from the General Fund for capital projects in 2017.

Overall, the General Fund had a net budgetary operating deficit of \$119,274 resulting from revenue shortfalls that exceeded budgetary savings in 2017. The unrestricted general fund balance at the end of 2017 was \$954,264 or slightly in excess of the fund balance target of 10% of General Fund Expenditures. The Village could not fully offset the net budgetary deficit since the significant shortfall in Quarry Royalty Revenues was not realized until the fourth quarter of 2017.

- General fund revenues decreased slightly by 0.3%, or \$32,751, in 2017 compared to 2016. Property taxes increased by 2.1% compared to the state limitation law to an annual increase of 0.8% due to expected recoveries of prior years' taxes. Additional recoveries were anticipated, but were offset by unanticipated refunds resulting from successful appeals of other property owners. Sales taxes did not increase as budgeted and were 3.0% below 2016 amounts primarily due to reductions in automotive, gasoline, and pharmacy stores. Income taxes were lower as a result of the states arbitrary reduction to the long standing historical statutory allocation to local municipalities.

The most significant reduction was the 45% reduction in quarry royalty revenues. Based on the terms of the royalty agreement, a substantial portion of revenues are realized in the fourth quarter of the year. Since the quarry is completing its filling operation, tipping fees were increased

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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resulting in substantially lower volumes and Village royalties. For most of the remaining tipping, the Village is entitled to a surcharge resulting from its dynamic compaction that should offset these shortfall over the next two years as operations head to completion.

- In fiscal year 2017, total General Fund expenditures increased by \$223,963 or 2.4%. Spending in the police department increased \$300,495 or 7.74% due in increased pension funding and payouts to retiring officers of accumulated compensated absences. General Fund public works spending increased by \$144,160 or 13.9% with extra personnel. These increases were offset by positive variances in other departments and a reduction of \$253,841 in equipment capital outlay in the General Fund. An increase in Tax Increment Revenues reduced transfers from the General Fund for debt service based on the sales tax pledge by \$124,323.
- General obligation bonds, debt certificates, and alternate revenue bonds excluding unamortized premium increased by \$3,200,000 in 2017 to \$25,205,000. The Village issued \$4,100,000 in bonds in 2017 for capital projects while retiring \$900,000 of outstanding debt in 2017. There was a net increase of \$192,429 in Illinois Environmental Protection Agency loans to fund improvements to the Village's water system.
- The State of Illinois mandated actuarial funding requirement is to fund 90% of the actuarial liability as of 2040. The 100 % funding requirement for the Village's major pension plans (IMRF and Police) was \$1,251,885. Of this amount, the Village funded \$1,156,428 or 92% of the actuarial funding requirements. In 2017, the Regular IMRF Pension plan was overfunded by \$127,858, the IMRF SLEP was underfunded by \$237,807, and the Net Pension Liability of the police pension fund increased by \$212,855 to \$18,229,126 or 35% funded. Since inception, the Fire Pension plan had operated on a pay as you go basis for its sole beneficiary.
- The Village updated its actuarial valuation of its Other Post-Employment Benefits ("OPEB") during 2016. The major component of the current OPEB liability is for policemen who become disabled in the line of duty pursuant to the Public Safety Employees Benefits Act. The balance of the cost reflects stipends to retirees to partially fund medical costs from retirement until they are eligible for Medicare.
- The Village's water and sewer enterprise fund is completing the initial \$7.9 million capital plan to address infrastructure deficiencies that leads to a water loss of approximately 35% of annual water purchases. The Village is working on a strategic plan to upgrade the water infrastructure in connection with obtaining a new water source from the Village of McCook.
- There are advances to other funds totaling \$1,062,399 from the General, Debt Service and Capital Projects Funds. These amounts are not expected to be repaid in the next six months. Accordingly, the fund balances of the respective fund making the advance have been reserved by the same amount. Further, any future write-off would have no impact on the Village's liquidity or unassigned fund balances. The Village is exploring options to recover these funds and increase liquidity to the advancing funds.

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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#### Overview of the Financial Statements

Government-wide financial statements that consist of Statements of Net Position and Activities found on pages **16** through **17** were developed by the Government Accounting Standards Board in an attempt to provide readers with a broad overview of the Village's financial affairs in a manner similar to a private sector business. The Statement of Net Position presents information on all the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as an indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Both of the government-wide financial statements distinguish functions of the 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, police, fire, public works, economic development and recreation. The business-type activities of the Village include water, sewer, sanitation, and emergency dispatch operations.

The Government-wide Financial Statements does not recognize certain assets such as future TIF revenues that have been used extensively by the Village to fund economic incentives for redevelopment. This practice results in deficits that require additional analysis by the Village's bondholders, creditors, and rating analysts. The Government-wide Financial Statements focus on capital assets and depreciation that are retrospective costs of the Village and have no future benefit. While capital assets serve as collateral for lending in the private sector, they are rarely used for such purposes in the public finance sector.

Fund financial statements are a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and 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 the following three categories:

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year.

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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The Village maintains four major categories of governmental funds:

- General
- Economic Development (four TIF Districts)
- Debt Service
- Capital Project

The Village adopts an annual budget ordinance for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this ordinance. The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

*Proprietary funds* maintained by the Village consist of the following three enterprise funds.

- Water and sewer
- Garbage
- E-911

Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

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

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 27 through 67 of this report. Other information included in this report includes certain required supplementary information concerning the Village's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 68 through 79 of this report.

#### **Statement of Net Position**

The table on the following page shows the comparison between 2016 and 2017 Statement of Net Position for both governmental and business-type activities:

# VILLAGE OF LYONS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>
ASSETS						
Cash and cash equivalents	2,395,523	3,010,278	29,228	53,062	2,424,751	3,063,340
Receivables	4,808,434	4,884,479	1,282,986	834,270	6,091,420	5,718,749
Internal balances	867,312	415,312	(867,312)	(415,312)	0	0
Other asset	151,876	229,572	0	13,173	151,876	242,745
Capital assets, net of depreciation	<u>41,541,275</u>	<u>44,592,810</u>	<u>10,166,996</u>	<u>10,615,979</u>	<u>51,708,271</u>	<u>55,208,789</u>
TOTAL ASSETS	<u>49,764,420</u>	<u>53,132,451</u>	<u>10,611,898</u>	<u>11,101,172</u>	<u>60,376,318</u>	<u>64,233,623</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>2,234,321</u>	<u>678,605</u>	<u>0</u>	<u>0</u>	<u>2,234,321</u>	<u>678,605</u>
LIABILITIES						
Accounts payable and other liabilities	3,513,370	2,593,877	216,473	325,339	3,729,843	2,919,216
Interest payable	120,393	152,170	0	37,825	120,393	189,995
Current portion of long term debt	<u>1,099,203</u>	<u>2,014,964</u>	<u>61,256</u>	<u>290,287</u>	<u>1,160,459</u>	<u>2,305,251</u>
TOTAL CURRENT LIABILITIES	4,732,966	4,761,011	277,729	653,451	5,010,695	5,414,462
Non current liabilities	<u>48,491,992</u>	<u>49,743,873</u>	<u>6,462,774</u>	<u>6,426,172</u>	<u>54,954,766</u>	<u>56,170,045</u>
TOTAL LIABILITIES	<u>53,224,958</u>	<u>54,504,884</u>	<u>6,740,503</u>	<u>7,079,623</u>	<u>59,965,461</u>	<u>61,584,507</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,844,430</u>	<u>4,391,753</u>	<u>0</u>	<u>0</u>	<u>3,844,430</u>	<u>4,391,753</u>
NET ASSETS						
Invested in capital assets--net of related debt	23,941,275	23,076,960	3,501,873	3,899,520	27,443,148	26,976,480
Restricted						
Public safety	536,776	641,493	0	0	536,776	641,493
Debt service	416,049	1,159,898	0	0	416,049	1,159,898
Unrestricted	<u>(29,964,747)</u>	<u>(29,963,932)</u>	<u>369,522</u>	<u>122,029</u>	<u>(29,595,225)</u>	<u>(29,841,903)</u>
TOTAL NET ASSETS	<u>(5,070,647)</u>	<u>(5,085,581)</u>	<u>3,871,395</u>	<u>4,021,549</u>	<u>(1,199,252)</u>	<u>(1,064,032)</u>

The following are the significant changes reflected in the Statement of Net Position:

- Current assets remained substantially the same as major capital activity winds down.
- Noncurrent liabilities remained substantially constant as the Village completed major capital programs since 2016 and pension funding is stabilizing.
- The unrestricted deficit consists of two components: economic development fund deficit and capital improvement fund deficit. While there is a future asset associated with TIF activity in the economic development funds (the future incremental taxes) and they are the source of repayment and security for the bonds, GASB does not recognize them as an asset.
- For business-type activities, the Village converted an unrestricted deficit into an unrestricted surplus due to another year of water user revenues based on continued realization of rate increases in the water fund and a reduction in costs for garbage collection by the Village taking over the operation. The business-type activities fixed assets increased with a corresponding increase to debt.
- Noncurrent liabilities increased due to the increase in net pension liability in the Police Pension fund, the addition of the Fire Pension fund, and the water debt.

# VILLAGE OF LYONS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

### Statement of Activities

As noted earlier, the Village's Statement of Activities provides a numerical analysis of the Village's financial performance during the year. Revenues are broken down between program revenues and general revenues.

	Governmental Activities		Business-Type Activities		Total	
	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>
REVENUES						
Program Revenues:						
Charges for services	1,940,588	1,973,369	3,818,155	3,766,328	5,758,743	5,739,697
Operating grants and contributions	273,167	273,660	0	0	273,167	273,660
Capital grants and contributions	80,148	539,434	0	0	80,148	539,434
General revenues:						
Property taxes	3,521,387	3,604,377	0	0	3,521,387	3,604,377
Other taxes	5,941,902	5,914,605	0	0	5,941,902	5,914,605
Interest	21,776	9,474	0	0	21,776	9,474
Other Revenues	<u>70,387</u>	<u>120,046</u>	<u>0</u>	<u>0</u>	<u>70,387</u>	<u>120,046</u>
Total revenues	<u>11,849,355</u>	<u>12,434,965</u>	<u>3,818,155</u>	<u>3,766,328</u>	<u>15,667,510</u>	<u>16,201,293</u>
EXPENSES						
General government	1,807,350	2,350,024	0	0	1,807,350	2,350,024
Building, zoning and planning	731,497	805,699	0	0	731,497	805,699
Police protection	5,134,497	5,210,672	0	0	5,134,497	5,210,672
Fire protection	755,713	1,055,846	0	0	755,713	1,055,846
Community development	23,291	157,477	0	0	23,291	157,477
Recreation	454,698	384,118	0	0	454,698	384,118
Public works	2,212,930	1,427,524	0	0	2,212,930	1,427,524
Interest on long-term debt	1,035,939	1,058,539	0	0	1,035,939	1,058,539
Water and sewer	0	0	2,844,290	2,939,089	2,844,290	2,939,089
Garbage	0	0	591,903	648,637	591,903	648,637
Emergency 911	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,448</u>	<u>0</u>	<u>28,448</u>
Total expenses	<u>12,155,915</u>	<u>12,449,899</u>	<u>3,436,193</u>	<u>3,616,174</u>	<u>15,592,108</u>	<u>16,066,073</u>
Change in Net Assets before Transfers	(306,560)	(14,934)	381,962	150,154	75,402	135,220
Transfers	(59,323)	0	<u>59,323</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Assets after Transfers	(365,883)	(14,934)	441,285	150,154	75,402	135,220
NET ASSETS--						
BEGINNING AS RESTATED	<u>(4,704,764)</u>	<u>(5,070,647)</u>	<u>3,430,110</u>	<u>3,871,395</u>	<u>(1,274,654)</u>	<u>(1,199,252)</u>
NET ASSETS--ENDING	<u>(5,070,647)</u>	<u>(5,085,581)</u>	<u>3,871,395</u>	<u>4,021,549</u>	<u>(1,199,252)</u>	<u>(1,064,032)</u>

The following are the more significant changes reflected in the Statement of Activities:

- Governmental activities were supported by taxes particularly non home rule sales taxes, the municipal portion of state sales taxes, state income taxes, the food and beverage tax and gaming revenues.
- Capital grants were limited to improve roadways and alleys and parks in targeted areas of the Village.
- Business-type activities reflect unchanged water and sewer revenues since the most recent rate increase in 2014. Garbage collection costs remained level since the Village took over the



## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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operation of the service 2016. E911 costs decreased as system costs were fully depreciated in 2014. The profits from the fund will be used to repay advances from other funds as long as the Village receives these funds.

Another measure of government services is the percent of the operations that are recovered through sources other than general taxation. The following summarizes the cost recovery by the various Village departments:

	Total	Offsetting	
	<u>Expenditures</u>	<u>Revenues</u>	<u>Percent</u>
General government	2,350,024	921,095	39%
Building, zoning and planning	805,699	260,060	32%
Police	521,672	458,450	88%
Fire	1,055,846	302,662	29%
Recreation	384,118	26,049	7%
Public works	1,427,524	5,053	0%

#### Traditional Fund Accounting

As stated earlier in this statement, the Village and the financial community that monitors the financial matters of the Village use the fund accounting financial statements rather than the government-wide financial statements. The focus is on the generation of cash to meet on-going operations as well as debt payments and economic development.

The Village's main operating fund is its general fund. Most activities are processed through this fund unless there was a restriction in doing so. The following outlines the major financial goals that the Village has informally set and the progress to date:

- Increase unrestricted fund balance to 20% of annual General Fund expenditures. The Unrestricted Fund Balance as of December 31, 2017 is 10.1%. If the Village had not undertaken the cost reduction and service enhancement initiative by taking over garbage collections and completed the construction in Veterans Park, advances would have decreased by \$641,493 and the unrestricted General Fund balance percentage would have been 16.9%. The Village continues to explore options to achieve this goal without compromising Village services.
- Establish a contingency/rainy day fund to address unforeseen issues. The targeted goal of such a fund would be 10% of General Fund expenditures or approximately \$950,000. Since these funds have not been set aside, the Village has established an alternative annual contingency operating reserve in the General Fund Budget (\$400,000 in 2017). In addition, the Village restricts capital funding from the General Fund until risks of unforeseen issues are reduced and anticipated revenues are realized. Finally, the Village has a \$500,000 a line of credit to address unforeseen liquidity issues.
- Improve funding of pension liabilities. The main challenge is the police pension fund that is currently funded at 35%. The Village continued to increase funding in 2017 by levying for the state actuarial funding mandate. However, as discussed later in this section, this increased funding commitment will still result in substantial funding demands on the Village in the future.

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

- Establish a funding program for capital equipment. Unlike other governments that compile extensive wish lists for capital projects (a capital improvement plan), the Village has been focusing on raising resources from numerous channels to address deferred infrastructure. Since the Village has funded a major capital projects program over the past three years, the Village will develop an updated Capital Improvement Plan for 2018 to 2022 to prioritize projects after those completed in 2017.

The general fund has a diverse source of revenues as illustrated by the following chart:

	<u>Amount</u>	<u>Percent of Total</u>
Property Taxes	\$2,944,481	29.93%
Sales Taxes	2,240,207	22.77%
Utility Taxes	719,643	7.31%
State Income Taxes	986,041	10.02%
Other Taxes	916,021	<u>9.31%</u>
Subtotal Taxes	7,806,393	79.35%
Licences and Permits	652,801	6.63%
Intergovernmental	5,053	0.05%
Charges for Services	504,780	5.15%
Fines and Forfeits	461,115	4.69%
Investment Earnings	9,248	0.09%
Quarry Royalties	241,274	2.45%
Other	<u>158,857</u>	<u>1.59%</u>
	<u>\$9,839,521</u>	<u>100.00%</u>

#### Budgetary Control

The Village Manager is the Chief Budget Officer of the Village and is responsible for overseeing the annual budget for the Village. Upon adoption of the budget by the Village, the Village Manager has the sole responsibility for position control and spending within funds subject to certain limitations. The Finance Department compiles the budgets and financial results to aid the Village Manager achieve budgetary control.

For the third year, the Village budget including all anticipated transfers for debt service for debt supported by General Fund Sales taxes and shortfalls of Economic Development Funds in funding debt service is structurally balanced. Budgetary data is constantly monitored with departments responsible to maintain their budgets. As mentioned earlier, the Village has established a \$400,000 contingency account to address unforeseen costs. Management goals are to not to spend these contingency funds so they can flow into additional fund balances to achieve fund balance and rainy day goals as well as capital projects. Finally, financial data is reported periodically to the Board. The overall commitment to financial discipline will result in continued success in achieving financial goals.

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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Actual budgetary results are summarized on pages 80 to 82 for the General Fund. The following are the major variances noted:

- General revenues were 8.8% below budget or \$949,254. While property taxes should have increased in 2017 due to delays in previous years taxes, such collections were partially offset by unanticipated additional refunds of prior year taxes. State shared taxes (sales and income taxes) did not increase as budgeted due to declines in sales in the Village and the arbitrary state statutory 10% reduction in the allocation of income taxes. Most other revenues were greater than 2016 actual receipts and in line with the 2017 budget except quarry royalty revenues. The increase in tipping fees in 2017 substantially reduced the volume and the related Village royalty.
- Total general fund expenditures were slightly below budget by \$65,218. This was more than offset by eliminating transfers for capital projects. Police Department expenditures in 2017 were only slightly below budget as a result of separation costs for five retiring or resigning officers primarily for compensated absences were paid out and increased pension funding. Future costs are expected to be lower with the hiring of Tier II officers that have a lower pay schedule.

As to other funds, the two major budgetary challenges in the past were related to the economic development funds and the debt service fund. The economic development funds devote most of the revenues to repay outstanding general obligation bonds that funded prior initiatives. The Village is exploring options to fund the remaining deficit in TIF 4. These results are noted on pages 86 to 91 of this report. The debt service fund revenues including transfers and expenditures were in line with the budget as noted on page 92 of the report.

#### **Economic Development**

The Village has established a priority to address economic development along its major roadways that include Ogden Avenue, Harlem Avenue and First Avenue. Since the Village is land locked, historical efforts have been to redevelop sections of the Village to provide higher levels of property and other taxes. The main financial tool has been to utilize tax increment finance districts. These districts incurred substantial debt as they were developed and the Village restructured the debt to repay the debt at the lowest borrowing rate with limited support from the general fund.

There are several vacant properties within the Village that are targeted for redevelopment. The most significant undertaking is the reclamation of the 48 acre quarry that borders First and Ogden Avenues. This quarry accepts construction debris that is not contaminated ("Clean Construction or Demolition Debris" or CCDD). Depending on future construction activity in metropolitan Chicago, this quarry is estimated to be filled by the end of 2019. At that point, the Village becomes owner of the quarry land and can develop that land for other uses.

There are other properties that the Village will work with owners to redevelop to provide expanded and new uses and property value as well as additional tax revenue to the Village.

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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#### Debt Service

The Village has four types of outstanding debt to repay from numerous sources. First, the Village has \$18,515,615 of direct tax supported debt outstanding at the end of 2017. This tax supported debt consists of General Obligation and Limited Tax Bonds with \$4,425,000 outstanding at the end of the year that has dedicated property tax levies to repay the related debt. The Village had also issued Debt Certificates and Alternate Revenue Bonds of which \$13,380,000 are outstanding at the end of the year to fund various general fund projects particularly the completion of the municipal complex and major road and alley program funded from the non home rule sales taxes implemented in 2015 by voter referendum. This debt is secured by the Village's sales and income taxes. As a result of these Debt Certificates and the related sales and income tax pledge, the Village will have fewer resources available to fund general fund operations in the future.

The second debt type is Tax Increment Debt. At the end of 2017, this debt consisted of \$12,032,995 of alternate revenue bonds. Due to reduced assessed valuations, the projected incremental taxes are lower than in 2010 when most of this debt was originally issued. Accordingly, the lower assessments and resulting incremental revenues results in a portion of this debt will be funded through the Village's sales taxes. This resulting shortfall resulted in the extension of the final maturity of the Tax Increment Debt to 2035 to spread out the potential impact on the General Fund. The details of the Tax Increment Debt are outlined on pages 47 of this report.

The third type of outstanding debt funds the enterprise fund operations of the Village particularly the water and the sewer fund. The Village faces major challenges to upgrade its water infrastructure to comply with current industry standards. For example, water leakage has averaged at 35% of all water purchased in the past several years. The Illinois Environmental Protection Agency target for leakage is substantially lower at eight percent (8%). Addressing this issue would result in savings since the Village has to pass the purchase cost of the water that is lost and not sold to customers. However, compliance is more critical due to international water treaties involving the use of Lake Michigan water. The Village has begun a capital program to address water mains and meters through low interest Illinois Environmental Protection Agency loans for \$7.9 million of which \$6,716,459 is outstanding at the end of 2017.

The last type of debt is cash flow borrowings. The Village entered into a line of credit of \$500,000 in 2017 of which \$250,000 remains outstanding and drawn at the end of 2017.

In February 2012, the Village's general obligation bonds were downgraded from AA- to A+ with a Negative Outlook. The reason for the downgrade was the significant depletion of the Village's reserves offset by the commitment and demonstration that the Village had begun to address the ruinous financial policies under the previous Administration. In May 2013, the Village's debt was downgraded again to A based on the financial position of the Village. In December 2014, the Village's debt was downgraded to A- due to the limited amount of unrestricted fund balance. In December 2015 the Village's rating was upgraded to A with Stable Outlook based on the village's improved management practices and budgetary flexibility. The Village's debt outlook and future ratings actions are dependent

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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on restoring financial accountability and internal controls, increasing financial reserves, reducing outstanding debt and net pension liabilities, spending constraints and economic development.

The Village is rated by Standard & Poor's Rating Services. Such ratings reflect only the view of the Rating Agency at the time such ratings were issued and any explanation of the significance of such ratings may be obtained from the Rating Agency at the following address: Standard & Poor's, 55 Water St., New York, NY 10041.

#### Pension Plans

At the inception of Village's sponsorship of pension plans primarily in participation in the Illinois Municipal Retirement Fund ("IMRF") and the Police Pension plan, State funding authorization inadequately funded the plans resulting in Net Pension Liabilities, essentially additional debt of the Village. The state funding method adopted in 1994 lacked enforcement mechanisms and did not effectively detail the financial consequences of inadequately funding plans. At the same time, other state laws particularly the Property Tax Extension Limitation Law prevented local governments from raising revenue to adequately fund expenditures including pensions that are mandated by the State.

The Village's amortization of the unfunded liability is based on a "level percent of salary" that is used to calculate the normal pension cost. This application results in "ramped up funding" where mandated pension contributions for existing Village employees' unfunded pension costs are lower in initial years and added to the unfunded liability. This results in a projected increase from the current \$1.2 million funding for unfunded pension costs in 2017 to approximately \$2.6 million in 2040 if all assumptions relative to future salary increases, employee retention, mortality, and investment returns are achieved.

Besides deferring pension contributions, the unfunded liability is impacted by variances of actual results compared to assumptions. Unfavorable variances increase the unfunded liability; favorable variances decrease. The main factors that impact the unfunded liability are investment performance and salary increases. Currently, these variances are incorporated into subsequent actuarial valuations resulting in increases or decreases of the contribution to amortize the unfunded liability until 2040. When the pension plans are close to being fully funded, an alternative funding mechanism will need to be developed.

The actuarial funding requirement for the Village's major pension plans (IMRF and Police) in 2017 was \$1,251,885. Of this amount, the Village funded \$1,156,428 or 92.4% of the actuarial funding requirements to fund 90% of the actuarial liability as of 2040 (100% by 2045) as mandated by the State of Illinois since 1994. At the end of 2017, the regular IMRF was overfunded by \$127,858, the IMRF SLEP had a Net Pension Liability of \$237,807 and the Police Pension plan had a Net Pension Liability of \$18,229,126. This is a reduction in Net Pension Liability for these funds of \$999,759 from 2016. This reduction resulted primarily from favorable investment performance and increased Village funding in excess of the structural deferrals based on the "ramp up" amortization method. Based on these amounts, the Village's IMRF pension plan is fully funded and Police Pension is 35% funded. Since its inception, the Fire Pension Plan that consists of the survivor of the sole beneficiary is funded on a pay as you go basis.

GASB 68 pension expense reflected in the Statement of Activities is \$264,066 for IMRF, \$241,602 for IMRF SLEP, \$2,020,700 for Police Pension Plan and a negative expense of \$19,236 in the Firefighters'

## VILLAGE OF LYONS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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Pension Fund. The GASB 68 pension expense is higher than the amount funded and expensed in fund financial statements by amounts deferred due to the “ramped up funding” method and by the recognition of variances in the pension funding assumptions in the Statement of Activities. The actual actuarial funding calculation for the Police Pension Plan was not completed until June 2017 forcing the Village to estimate the required contribution in December 2016 from a dedicated property tax levy.

Administratively, the Village adopted a policy to fund the state mandated actuarial “ramp up” liability beginning in 2016. This expenditure is incorporated in the Police Department Budget and has been made possible through the restructuring of the police department and the terms of the current police contract.

The Village is exploring other options to accelerate the reduction of the unfunded liability and moderate pension costs over the next 25 years. The following Village actions have reduced the increase in the Police Pension Net Pension Liability and could even reduce normal pension costs:

- Changed the composition of its police force with a great component of part time employees and lateral transfers not eligible to participate in the Police Pension Plan.
- Reduce work force based on elimination of staffing mandates in the contract.
- Lower salary schedule and pension benefits for future hires known as Tier II.

#### **Capital Projects**

The Village’s capital project fund has had four historical main sources of funding. First, periodic grants from state and Federal sources, primarily the Community Development Block Grant program administered by Cook County, have historically funded most street repairs. Funds from the operating budget have supplemented these programs in certain years.

Second, the Village has funded infrastructure from debt. The debt includes general obligation bonds, limited tax bonds, installment contracts, and tax increment bonds including alternate revenue bonds that are secured by a revenue source and general property taxes. The Village spent approximately \$3.1 million from such sources.

Third, the Village funds capital projects from operations. No such funds were allocated in 2017 due to budgetary issues in the General Fund. Further, additional taxes and revenues from economic development primarily the quarry land reclamation would at least partially fund capital projects.

Finally, the Village’s water fund has historically set aside a portion of its water revenue to fund capital costs. In 2017, the Village substantially completed the first phase of a major water capital improvement program including meter replacements to reduce water loss and maintain system services. The Village is in the process of switching wholesale water suppliers to the Village of McCook to further address water losses that are significant at the interconnection with the existing supplier and longer term rate reduction. Additional leak detection work and water main improvements will be prioritized after these projects are completed.

## **VILLAGE OF LYONS**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2017**

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Overall, the Village spent a record amount totaling \$4,236,272 in capital outlay in 2017. Besides addressing deficient infrastructure, the Village is targeting future operational savings from these programs.

A complete overview of Capital Asset activity is provided on pages 40 and 41 in the footnotes to the financial statements.

#### **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 in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Lyons Finance Department, 4200 South Lawndale, Lyons, Illinois 60534.

**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 3,010,278	\$ 53,062	\$ 3,063,340
Receivables	4,884,479	834,270	5,718,749
Internal balances	415,312	(415,312)	-
Prepaid expenses	94,917	13,173	108,090
Due from library	6,797	-	6,797
Net pension asset	127,858	-	127,858
Capital assets not being depreciated			
Land	15,812,891	91,021	15,903,912
Construction in progress	2,710,001	159,921	2,869,922
Capital assets, net of accumulated depreciation			
Buildings and improvements	16,435,628	195,119	16,630,747
Vehicles and equipment	944,741	187,733	1,132,474
Infrastructure	8,689,549	9,982,185	18,671,734
Total assets	<u>53,132,451</u>	<u>11,101,172</u>	<u>64,233,623</u>
<b>Deferred Outflow of Resources</b>			
Deferred outflow of resources - pensions	573,542	-	573,542
Call premium on refunded debt	105,063	-	105,063
Total deferred outflows of resources	<u>678,605</u>	<u>-</u>	<u>678,605</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	2,339,464	325,339	2,664,803
Accrued interest payable	152,170	37,825	189,995
Due to pensions	4,413	-	4,413
Line of credit payable	250,000	-	250,000
Noncurrent liabilities			
Due within one year			
Accrued compensated absences	169,964	-	169,964
Bonds, notes and other debts	1,845,000	290,287	2,135,287
Due in more than one year			
Net pension liability	18,877,589	-	18,877,589
Other post-employment benefit obligation	1,482,583	-	1,482,583
Accrued compensated absences	679,855	-	679,855
Bonds, notes and other debts	28,703,846	6,426,172	35,130,018
Total liabilities	<u>54,504,884</u>	<u>7,079,623</u>	<u>61,584,507</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows of resources - pensions	898,216	-	898,216
Deferred revenues	3,493,537	-	3,493,537
Total deferred inflows of resources	<u>4,391,753</u>	<u>-</u>	<u>4,391,753</u>
<b>Net Position</b>			
Net investment in capital assets	23,076,960	3,899,520	26,976,480
Restricted for			
Public safety	641,493	-	641,493
Debt service	1,159,898	-	1,159,898
Unrestricted	(29,963,932)	122,029	(29,841,903)
Total net position	<u>\$ (5,085,581)</u>	<u>\$ 4,021,549</u>	<u>\$ (1,064,032)</u>



**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

Functions/Programs	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 2,350,024	\$ 921,095	\$ -	\$ -	\$ (1,428,929)	\$ -	\$ (1,428,929)	
Building, planning and zoning	805,699	260,060	-	-	(545,639)	-	(545,639)	
Police protection	5,210,672	458,450	-	-	(4,752,222)	-	(4,752,222)	
Fire protection	1,055,846	302,662	-	-	(753,184)	-	(753,184)	
Community development	157,477	-	-	-	(157,477)	-	(157,477)	
Recreation	384,118	26,049	-	-	(358,069)	-	(358,069)	
Public works	1,427,524	5,053	273,660	539,434	(609,377)	-	(609,377)	
Interest and issuance costs	1,058,539	-	-	-	(1,058,539)	-	(1,058,539)	
Total government activities	12,449,899	1,973,369	273,660	539,434	(9,663,436)	-	(9,663,436)	
Business-Type Activities								
Water and Sewer	2,939,089	3,029,504	-	-	-	90,415	90,415	
Garbage	648,637	645,991	-	-	-	(2,646)	(2,646)	
Emergency 911	28,448	90,833	-	-	-	62,385	62,385	
Total business-type activities	3,616,174	3,766,328	-	-	-	150,154	150,154	
Total primary government	\$ 16,066,073	\$ 5,739,697	\$ 273,660	\$ 539,434	(9,663,436)	150,154	(9,513,282)	
General Revenues and Transfers								
Taxes								
Property taxes					3,604,377	-	3,604,377	
Incremental property taxes					1,052,693	-	1,052,693	
Utility taxes					719,643	-	719,643	
Other taxes					916,021	-	916,021	
Intergovernmental - Unrestricted								
Sales taxes					2,240,207	-	2,240,207	
State income tax					986,041	-	986,041	
Unrestricted investment earnings					9,474	-	9,474	
Sale of Village assets					76,242	-	76,242	
Other income					43,804	-	43,804	
Total general revenues and transfers					9,648,502	-	9,648,502	
Change in Net Position					(14,934)	150,154	135,220	
Net Position - Beginning of Year					(5,070,647)	3,871,395	(1,199,252)	
Net Position - End of Year					\$ (5,085,581)	\$ 4,021,549	\$ (1,064,032)	

See accompanying notes to financial statements

**VILLAGE OF LYONS, ILLINOIS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2017**

	General Fund	Economic Development	Debt Service	Capital Improvement	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 2,065,527	\$ 10,692	\$ 932,870	\$ 1,189	\$ 3,010,278
Receivables					
Property taxes	2,818,862	-	687,139	-	3,506,001
Other taxes	994,117	-	-	-	994,117
Other receivables	20,954	-	-	363,407	384,361
Prepaid items	94,917	-	-	-	94,917
Due from library	6,797	-	-	-	6,797
Due from other funds	215,945	-	-	355,000	570,945
Advance from other funds	688,032	-	225,000	149,367	1,062,399
Total assets	<u>\$ 6,905,151</u>	<u>\$ 10,692</u>	<u>\$ 1,845,009</u>	<u>\$ 868,963</u>	<u>\$ 9,629,815</u>
<b>Liabilities</b>					
Accounts payable	\$ 277,976	\$ -	\$ -	\$ 1,230,858	\$ 1,508,834
Accrued payroll	92,414	-	-	-	92,414
Other liabilities	738,216	-	-	-	738,216
Line of credit payable	250,000	-	-	-	250,000
Due to pensions	4,413	-	-	-	4,413
Due to other funds	355,000	-	-	-	355,000
Advance to other funds	-	863,032	-	-	863,032
Total liabilities	<u>1,718,019</u>	<u>863,032</u>	<u>-</u>	<u>1,230,858</u>	<u>3,811,909</u>
<b>Deferred Inflows of Resources</b>					
Deferred revenue	<u>2,808,426</u>	<u>-</u>	<u>685,111</u>	<u>-</u>	<u>3,493,537</u>
Total deferred inflows of resources	<u>2,808,426</u>	<u>-</u>	<u>685,111</u>	<u>-</u>	<u>3,493,537</u>
<b>Fund Balances</b>					
Nonspendable					
Prepaid items	94,917	-	-	-	94,917
Long-term interfund advances	688,032	-	-	-	688,032
Restricted					
Public safety	641,493	-	-	-	641,493
Debt service	-	-	1,159,898	-	1,159,898
Unassigned	<u>954,264</u>	<u>(852,340)</u>	<u>-</u>	<u>(361,895)</u>	<u>(259,971)</u>
Total fund balances	<u>2,378,706</u>	<u>(852,340)</u>	<u>1,159,898</u>	<u>(361,895)</u>	<u>2,324,369</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,905,151</u>	<u>\$ 10,692</u>	<u>\$ 1,845,009</u>	<u>\$ 868,963</u>	<u>\$ 9,629,815</u>

**VILLAGE OF LYONS, ILLINOIS**  
**RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO**  
**THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

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<b>Total Fund Balances - Governmental Funds</b>	\$	2,324,369
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		44,592,810
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Tax supported debt - G.O. bonds		(13,695,851)
Tax supported debt - debt certificate		(3,830,000)
Tax supported debt - loans		(990,000)
TIF supported debt - G.O. bonds (Repaid with Alternate Revenue Sources)		(12,032,995)
Accrued compensated absences		(849,819)
Net pension liability from SLEP, fire pension and police pension funding		(18,877,589)
Net obligation for other post-retirement benefit		(1,482,583)

Net pension asset balances related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.		127,858
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Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the Statement of Net Position.		(152,170)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.		(324,674)
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The difference between the reacquisition price and the net carrying amount of refunded debt is a deferred outflow of resources in the government-wide statements but is an expenditure in the funds.		105,063
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<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b>(5,085,581)</b>
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**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Fund	Economic Development	Debt Service	Capital Improvement	Total Governmental Funds
<b>Revenues</b>					
Taxes					
Property	\$ 2,944,481	\$ -	\$ 659,896	\$ -	\$ 3,604,377
Incremental property taxes	-	1,052,693	-	-	1,052,693
Utility	719,643	-	-	-	719,643
Other taxes	916,021	-	-	-	916,021
State-shared taxes					
Sales	2,240,207	-	-	-	2,240,207
State income tax allocation	986,041	-	-	-	986,041
Intergovernmental	5,053	-	-	273,660	278,713
License and permits	652,801	-	-	-	652,801
Charges for services	504,780	-	-	-	504,780
Fines and forfeitures	461,115	-	-	-	461,115
Investment earnings	9,248	15	-	211	9,474
Royalties	241,274	-	-	-	241,274
Other revenue	158,857	-	-	608,969	767,826
Total revenues	<u>9,839,521</u>	<u>1,052,708</u>	<u>659,896</u>	<u>882,840</u>	<u>12,434,965</u>
<b>Expenditures</b>					
Current					
General government	1,839,894	-	-	-	1,839,894
Building, planning and zoning	717,232	-	-	-	717,232
Police protection	4,183,980	-	-	-	4,183,980
Fire protection	1,148,123	-	-	-	1,148,123
Community development	-	17,477	-	-	17,477
Recreation	396,179	-	-	-	396,179
Public works	1,183,387	-	-	-	1,183,387
Capital outlays	-	140,000	-	3,515,080	3,655,080
Debt service					
Principal payments	-	-	800,000	100,000	900,000
Interest and fiscal charges	-	-	1,121,047	-	1,121,047
Debt issuance costs	-	-	-	65,000	65,000
Other expenses	-	-	-	46,873	46,873
Total expenditures	<u>9,468,795</u>	<u>157,477</u>	<u>1,921,047</u>	<u>3,726,953</u>	<u>15,274,272</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>370,726</u>	<u>895,231</u>	<u>(1,261,151)</u>	<u>(2,844,113)</u>	<u>(2,839,307)</u>
<b>Other Financing Sources (Uses)</b>					
Bond issuance	-	-	-	4,100,000	4,100,000
Transfers in	250,000	-	1,780,000	-	2,030,000
Transfers out	(740,000)	(1,040,000)	-	(250,000)	(2,030,000)
Total other financing sources (uses)	<u>(490,000)</u>	<u>(1,040,000)</u>	<u>1,780,000</u>	<u>3,850,000</u>	<u>4,100,000</u>
<b>Net Changes in Fund Balances</b>	<u>(119,274)</u>	<u>(144,769)</u>	<u>518,849</u>	<u>1,005,887</u>	<u>1,260,693</u>
<b>Fund Balances - Beginning of Year</b>	<u>2,497,980</u>	<u>(707,571)</u>	<u>641,049</u>	<u>(1,367,782)</u>	<u>1,063,676</u>
<b>Fund Balances - End of Year</b>	<u>\$ 2,378,706</u>	<u>\$ (852,340)</u>	<u>\$ 1,159,898</u>	<u>\$ (361,895)</u>	<u>\$ 2,324,369</u>

**VILLAGE OF LYONS, ILLINOIS**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ 1,260,693
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital asset additions of \$3,744,079 exceeded depreciation of \$649,927 in the current period.	3,094,152
Loss on the disposal of capital assets are not recorded in the governmental funds.	(42,617)
The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.	900,000
Interest on long-term bonds is shown as a fund expenditure when paid, but is accrued in the Statement of Activities.	(31,774)
The issuance of long-term debt is shown as an other financing source in the governmental funds but the principal outstanding is shown as a long-term liability.	(4,100,000)
Governmental funds report the effect of premiums and discounts when the debt is first issued, whereas these amounts are unavailable and amortized in the statement of activities.	133,345
The difference between the reacquisition price and the net carrying amount of refunded debt is a deferred outflow of resources in the government-wide statements and amortized in the statement of activities.	(5,837)
Changes in compensated absences (decrease of \$146,196), net pension liabilities and related deferred inflows and outflows (net increase of \$1,292,228), and other post-retirement benefits (increase of \$76,864) are not reported as expenditures in the fund statements, but are recorded in the Statement of Activities.	(1,222,896)

<b>Change in Net Position of Governmental Activities</b>	<u><u>\$ (14,934)</u></u>
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**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2017**

	Water and Sewer	Garbage	Emergency 911	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 18,293	\$ 5,278	\$ 29,491	\$ 53,062
Accounts receivable (net of allowance)	469,499	117,157	8,310	594,966
IEPA receivable	239,304	-	-	239,304
Prepaid expenses	-	-	13,173	13,173
Total current assets	<u>727,096</u>	<u>122,435</u>	<u>50,974</u>	<u>900,505</u>
Capital assets				
Non-depreciable	250,942	-	-	250,942
Depreciable	13,162,266	290,769	499,371	13,952,406
Less accumulated depreciation	<u>(2,982,402)</u>	<u>(105,596)</u>	<u>(499,371)</u>	<u>(3,587,369)</u>
Total capital assets, net of accumulated depreciation	<u>10,430,806</u>	<u>185,173</u>	<u>-</u>	<u>10,615,979</u>
Total assets	<u><u>\$ 11,157,902</u></u>	<u><u>\$ 307,608</u></u>	<u><u>\$ 50,974</u></u>	<u><u>\$ 11,516,484</u></u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 228,008	\$ 46,869	\$ 50,462	\$ 325,339
Due to other funds	155,945	60,000	-	215,945
Advance from other funds	-	190,000	9,367	199,367
IEPA loan payable, current portion	290,287	-	-	290,287
Interest payable	37,825	-	-	37,825
Total current liabilities	<u>712,065</u>	<u>296,869</u>	<u>59,829</u>	<u>1,068,763</u>
Noncurrent liabilities				
IEPA loan payable	<u>6,426,172</u>	<u>-</u>	<u>-</u>	<u>6,426,172</u>
Total noncurrent liabilities	<u>6,426,172</u>	<u>-</u>	<u>-</u>	<u>6,426,172</u>
Total liabilities	<u>7,138,237</u>	<u>296,869</u>	<u>59,829</u>	<u>7,494,935</u>
<b>Net Position</b>				
Net investment in capital assets	3,714,347	185,173	-	3,899,520
Unrestricted	305,318	(174,434)	(8,855)	122,029
Total net position	<u>4,019,665</u>	<u>10,739</u>	<u>(8,855)</u>	<u>4,021,549</u>
Total liabilities and net position	<u><u>\$ 11,157,902</u></u>	<u><u>\$ 307,608</u></u>	<u><u>\$ 50,974</u></u>	<u><u>\$ 11,516,484</u></u>

**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Water and Sewer	Garbage	Emergency 911	Total
<b>Operating Revenues</b>				
Charges for sales and services	\$ 3,029,504	\$ 645,991	\$ 90,833	\$ 3,766,328
<b>Operating Expenses</b>				
Administration	395,000	125,000	-	520,000
Operations	2,142,033	486,542	28,448	2,657,023
Depreciation and amortization	235,114	37,095	-	272,209
Total operating expenses	<u>2,772,147</u>	<u>648,637</u>	<u>28,448</u>	<u>3,449,232</u>
Operating income (loss)	<u>257,357</u>	<u>(2,646)</u>	<u>62,385</u>	<u>317,096</u>
<b>Nonoperating Revenues (Expenses)</b>				
Interest expense	(166,942)	-	-	(166,942)
Total nonoperating revenues (expenses)	<u>(166,942)</u>	<u>-</u>	<u>-</u>	<u>(166,942)</u>
<b>Changes in Net Position</b>	<u>90,415</u>	<u>(2,646)</u>	<u>62,385</u>	<u>150,154</u>
<b>Net Position - Beginning of Year</b>	<u>3,929,250</u>	<u>13,385</u>	<u>(71,240)</u>	<u>3,871,395</u>
<b>Net Position - End of Year</b>	<u><u>\$ 4,019,665</u></u>	<u><u>\$ 10,739</u></u>	<u><u>\$ (8,855)</u></u>	<u><u>\$ 4,021,549</u></u>

**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Water and Sewer	Garbage	Emergency 911	Total
<b>Cash Flows from Operating Activities</b>				
Received from customers and users	\$ 3,105,613	\$ 644,924	\$ 107,528	\$ 3,858,065
Payments to suppliers	(1,836,338)	(192,096)	(7,896)	(2,036,330)
Payments for interfund services	(670,000)	(375,000)	-	(1,045,000)
Net cash provided by (used for) operating activities	<u>599,275</u>	<u>77,828</u>	<u>99,632</u>	<u>776,735</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Change in interfund receivables/payables	(300,000)	(60,000)	(92,000)	(452,000)
Net cash provided by financing activities	<u>(300,000)</u>	<u>(60,000)</u>	<u>(92,000)</u>	<u>(452,000)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition and construction (sale) of capital assets	(701,273)	(19,919)	-	(721,192)
Interest expense	(129,118)	-	-	(129,118)
Loan principal payments	(230,098)	-	-	(230,098)
Loan proceeds	779,507	-	-	779,507
Net cash used for capital and related financing activities	<u>(280,982)</u>	<u>(19,919)</u>	<u>-</u>	<u>(300,901)</u>
<b>Net Change in Cash and Cash Equivalents</b>	<u>18,293</u>	<u>(2,091)</u>	<u>7,632</u>	<u>23,834</u>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>-</u>	<u>7,369</u>	<u>21,859</u>	<u>29,228</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 18,293</u>	<u>\$ 5,278</u>	<u>\$ 29,491</u>	<u>\$ 53,062</u>
<b>Reconciliation of Operating Income (Loss) to</b>				
<b>Net Cash Provided by (Used for) Operating Activities</b>				
Operating income (loss)	\$ 257,357	\$ (2,646)	\$ 62,385	\$ 317,096
Adjustments to reconcile operating activities to net cash provided (used) by operating activities:				
Depreciation and amortization	235,114	37,095	-	272,209
Bad debt expense	4,832	-	-	4,832
Change in prepaid items	-	-	(13,173)	(13,173)
Change in accounts receivable	71,277	(1,067)	16,695	86,905
Change in accounts payable	30,695	44,446	33,725	108,866
Total adjustments	<u>341,918</u>	<u>80,474</u>	<u>37,247</u>	<u>459,639</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>\$ 599,275</u>	<u>\$ 77,828</u>	<u>\$ 99,632</u>	<u>\$ 776,735</u>



**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**DECEMBER 31, 2017**

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**Assets**

Cash and cash equivalents	\$	530,120
Interest receivable		48,622
Due from Village		4,413
Investments, at fair value		
U.S. governmental agencies securities		2,170,711
State and local government securities		449,654
Corporate bonds		2,175,937
Mutual funds and equities		4,551,688
Total assets		<u>9,931,145</u>

<b>Net Position Restricted for Pensions</b>	<b>\$</b>	<b><u>9,931,145</u></b>
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**VILLAGE OF LYONS, ILLINOIS**  
**STATEMENT OF CHANGE IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**Additions**

Contributions	
Employer	\$ 1,009,727
Plan members	103,355
Total contributions	<u>1,113,082</u>
Investment Income	
Interest earned	261,389
Net appreciation in	
Fair value of investments	749,527
Less investment expense	<u>(24,105)</u>
Net investment earnings	<u>986,811</u>
Total additions	<u>2,099,893</u>

**Deductions**

Administration	38,553
Benefits and refunds	<u>1,487,719</u>
Total deductions	<u>1,526,272</u>

**Change in Net Position**

573,621

**Net Position Restricted for Pensions**

Beginning of Year	<u>9,357,524</u>
End of Year	<u><u>\$ 9,931,145</u></u>

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lyons, Illinois (the "Village") have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles ("GAAP")), as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

#### Reporting Entity

The Village is a municipal corporation governed by a seven-member board consisting of six trustees and the mayor. The Village adheres to the provisions of the GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34" which modifies certain requirements for inclusion of component units in the financial reporting entity. An organization is considered a component unit of the primary government if 1) the government appoints a voting majority of the organization's board and there is a financial benefit or burden relationship or the government is able to impose its will on the organization or 2) the organization is fiscally dependent on the government and there is a financial benefit or burden relationship or 3) the government determines that it would be misleading to exclude the organization from its financial statements.

#### Blended Component Units

Per the criteria above, the Village reports the following Pension Trust funds as component units:

**Lyons Police Pension System-** The Village's sworn police employees participate in the Lyons Police Pension System (LPPS). The LPPS functions for the benefit of these employees and is governed by a five-member pension board. The Village and LPPS participants are obligated to fund all LPPS 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. The LPPS is reported as a pension trust fund. Separate annual financial statements are available for the fund.

**Lyons Firefighters' Pension System –** The spouse of the late former fire chief is the sole eligible participant in the Lyons Firefighters' Pension System (LFPS). The LFPS functions for the benefit of this beneficiary and is governed by a three-member pension board. The Village and LFPS participant are obligated to fund all LFPS 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. The LFPS is reported as a pension trust fund. Separate annual financial statements are not prepared for the fund.

## **VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **Fund Accounting**

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum numbers of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a Village's general activities, including the collection and disbursement of earmarked monies (Special Revenue or Economic Development Fund), the servicing of general long-term debt (Debt Service Fund), and the acquisition and construction of major capital projects (Capital Projects Fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided either to outside parties (Enterprise Funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The pension trust fund accounts for the activities of the Police and Fire Pension funds, which accumulates resources for pension benefit payments to qualified public safety employees.

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, excluding certain interfund services provided and used, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following major governmental funds:

General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Economic Development Fund reports the activity and position of the Village's four Tax Increment Financing Districts, including operations and Debt Service activity funded by TIF resources. This Fund includes all TIF activity which has previously been reported in separate Special Revenue and Debt Service Funds. While not meeting the criteria to report as a major fund, the Village has chosen to report this fund as major due to the significance to the Village operations and this is the only nonmajor funds of the Village.

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt, excluding those being financed with Tax Increment Financing Debt or Enterprise activities.

Capital Improvement Fund reports financial resources and capital expenditures for major capital projects other than those in Tax Increment Financing Districts or Enterprise activities.

The Village reports the following major proprietary funds:

Water and Sewer Operations Fund accounts for the provision of water and sanitary sewer services to the residents of the Village.

Garbage Fund accounts for sanitation services provided to Village residents, primarily funded through user fees.

Emergency 911 Fund accounts for emergency dispatch services provided to Village residents, primarily funded through taxes and transfers from the General Fund. While not meeting the criteria for required reporting as a major fund, the Village has chosen to report this fund as major.

Additionally, the Village reports the following fiduciary fund:

Pension Trust Funds are reported as fiduciary funds and account for the Police and Firefighters' retirement funding, investment activity, and benefit payments.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measureable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal period (60 days for property taxes). Availability for grant revenues is extended up to 180 days depending upon the length of time necessary for funding agencies to remit reimbursements. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measureable and available only when cash is received by the Village.

The Village reports unearned revenue on its financial statements. Unearned revenues arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period.

Unearned revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

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

## **VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that capital outlays are budgeted in enterprise funds, while depreciation is not budgeted. Annual budgets are adopted for governmental, proprietary, and fiduciary funds. A separate appropriation budget is legally enacted and provides for a legal spending authority at the department level. All unencumbered appropriations lapse at the fiscal year end.

#### **Cash and Cash Equivalents**

The Village considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

#### **Investments**

Investments are stated at fair value in accordance with GASB Statement No. 72.

#### **Interfund Receivables and Payables**

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/ from other funds" (i.e., the current portion of interfund loans) or "advances to/ from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

#### **Prepaid Items**

Payments to vendors for services that will benefit periods beyond the year end are reported as prepaid items.

#### **Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 (amounts not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Governmental Activities	
Buildings and Improvements	40 years
Machinery, Vehicles and Equipment	5 - 10 years
Infrastructure	20 - 50 years
Business-Type Activities	
Water and Sewer System	10 - 60 years

#### Compensated Absences

The Village's employees earn vacation leave annually either on their employment anniversary date or on a calendar year which is to be used in the following year. Generally, carryover of unused vacation days beyond a year is limited. An employee is paid for any unused vacation leave upon separation. In addition, employees earn sick hours annually. Amounts not used can be accumulated up to 920 to 1,000 hours depending on employment contract. Such amounts are payable to employees upon retirement or termination by the Village without cause. The general fund is used most often to liquidate the liability within the governmental funds. A liability has been reflected in the government-wide financial statements as accrued compensated absences. The total amount of compensated absences shown as due within one year generally relates to vacation time due to the Village policy limiting carryover of balances from year to year.

In accordance with provisions of GASB Statement No. 16, "Accounting for Compensated Absences," no liability is recorded for non-vesting accumulating rights to receive compensated absences balances.

#### 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 financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental 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 are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Accounting Estimates**

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

**Fund Equity and Net Position**

In compliance with Governmental Accounting Standards Board (GASB) Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"*, the fund balance section of the balance sheet of the governmental funds includes the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board is the highest level of decision making. As of December 31, 2017, the Village has not committed fund balance for any purpose.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the official designated by the Village Board for that purpose. As of December 31, 2017, the Village Board has not designated an official for that purpose. It also includes all remaining amounts that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither classified as restricted or committed.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Negative fund balances in governmental funds other than the general fund are also unassigned.

If there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent first, then assigned fund balance and finally unassigned fund balance.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed

## **VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

In cases where either restricted or unrestricted funds can be used to pay expenses, restricted funds will be used first until exhausted. The Unrestricted Net Position of Governmental Activities includes deficits resulting from issuance of TIF Debt, as the proceeds from TIF Debt did not generally result in Capital Assets of the Village.

#### **Deferred Inflows/Outflows of Resources**

The Village reports deferred inflows of resources on the government-wide and fund financial statements. Deferred inflows of resources are recorded when assets are acquired that apply to a future reporting period. Property taxes which have been deemed to be measurable but not available or have been levied for use in the subsequent period represent deferred inflows of resources. In addition, the fund financial statements report deferred inflows of resources for potential revenues that have not met both the “measurable” and “available” criteria for recognition in the current period. Finally, the government-wide financial statements also report deferred inflows related to pensions.

The Village reports deferred outflows of resources on the government-wide financial statements. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The items that qualify for reporting in this category for the Village relate to the Village’s pension plans.

#### **Property Taxes**

Property taxes for 2017 are levied in December 2016 and attach as an enforceable lien on the property on January 1, 2017. Tax bills are prepared by the County and issued on or about February 1, 2017 and July 1, 2017 and are payable in two installments on or about March 1, 2017 and August 1, 2017. The county collects the taxes and remits them periodically to the Village. For governmental fund types and governmental activities, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year end are recorded as revenue.

#### **Comparative Data**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the Village’s financial position and operations. Amounts have been conformed to 2017 presentation.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 2 – LEGAL COMPLIANCE AND ACCOUNTABILITY

#### Deficit Fund Balance

As of December 31, 2017, the following funds had deficit fund balances:

	<u>Deficit</u>
Capital Improvement	361,895
Economic Development	852,340
Proprietary Fund- Emergency 911	8,855

The following is the Village's explanation of and plan to address the above deficit balances:

The Capital Development Fund deficit resulted from engineering and supplemental site work at the Ogden First Avenue Quarry Redevelopment. These expenditures were funded through advances from vendors, the Village's line of credit and cash reserves to be repaid from the remaining \$1.8 million in bond authorization and/or renegotiation of vendor payments.

The Economic Development Fund deficit is primarily the result of TIF 4. The Fund owes the General and Debt Service Funds for cost overruns and debt repayments incurred in prior years. These amounts are recorded as an advance to the TIF 4 fund with a corresponding reservation of fund balance in each respective fund. The Village is exploring options to repay these advances from the future development of the Ogden First Avenue Quarry Redevelopment.

The Emergency 911 fund accounts for the surcharge tax on telephone bills collected by the Village to defray dispatch services that include answering 911 calls and dispatching police and fire response. The Village initially earmarked this revenue to pay for the buildout and equipment of the dispatch center in the Village hall when it opened nine years ago. However, the initial surcharge tax revenue was not sufficient to repay the costs incurred including the equipment lease. The Village funded this deficit with advances from the Debt Service and Capital Projects funds with a corresponding reservation of fund balance in each of those funds. The remaining advance from the Capital Projects Fund is expected to be repaid in 2018.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 3 – DEPOSITS AND INVESTMENTS

State statutes authorize the Village to make deposits/investments in obligations of the U.S. Treasury and certain of its Agencies, federally insured commercial banks, insured credit unions located within the State, repurchase agreements, short-term obligations (180 days) of corporations organized in the U.S. with assets exceeding \$500 million and rated within the three highest classifications by at least two standard rating services at the time of purchase, a Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act, a fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, obligations of the State of Illinois and its political subdivisions and money market mutual funds registered under the Investment Company Act of 1940, provided the portfolio of such funds is limited to obligations described above. Pension funds may also invest in certain non-U.S. obligations and Illinois life insurance company general and separate accounts and domestic equities.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC and has an affirmed AAA Standard & Poor's credit quality rating. The fair value of the positions of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was 1.264% at December 31, 2017. The Fund issues a publicly available financial report. That report may be obtained by writing to the Offices of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702. At December 31, 2017, the Village held \$831,725 in Illinois Fund accounts.

The Illinois Metropolitan Investment Convenience Fund is a depository vehicle that is 110% collateralized with obligations of the United States Treasury and its agencies. All collateral securities are held in the name of the Illinois Metropolitan Investment Fund at the Federal Reserve Bank of New York. The IMET Board provides oversight for IMET and is responsible for policy formulation, as well as policy and administrative oversight. The fair value of the position in the pool is the same as the value of the pool shares. The Fund has received a rating of AAA from Standard & Poor's. The yield on the IMET Convenience Fund was 1.38% at December 31, 2017. IMET issues a publicly available financial report that may be obtained at [www.investimet.com](http://www.investimet.com) or by writing to IMET, 1220 Oak Brook Road, Oak Brook, Illinois 60523. At December 31, 2017, the Village held \$8,069 in an IMET account.

At the direction of the Village, the deposits in the bond trust accounts at Amalgamated Bank are invested in Goldman Financial Square Money Market accounts (rated AAA by Standard & Poor's) consisting of United States Government Securities. At December 31, 2017, the Village held \$266,953 in Amalgamated Bank accounts.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

The Village's cash and cash equivalents were invested as follows at December 31, 2017:

Cash on Hand	\$	705
Bank Accounts		1,955,888
Money Market Funds		
Illinois Funds		831,725
Amalgamated Bank		266,953
IMET		<u>8,069</u>
Total Money Market Funds		<u>1,106,747</u>
Total Cash and Cash Equivalent	\$	<u>3,063,340</u>

The Police Pension Fund has the following recurring fair value measurements as of December 31, 2017:

	Total December 31, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities:				
U.S. Agencies	\$ 2,170,711	\$ -	\$ 2,170,711	\$ -
Corporate Bonds	2,175,937	-	2,175,937	-
State and Local Obligations	449,654	-	449,654	-
Equity Securities:				
Common Stocks	2,248,530	2,248,530	-	-
Mutual Funds	<u>2,303,158</u>	<u>2,303,158</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 9,347,990</u>	<u>\$ 4,551,688</u>	<u>\$ 4,796,302</u>	<u>\$ -</u>

### Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits would not be returned to it. The Village has adopted a policy which limits deposits to those that are federally insured, collateralized or backed by the United States of America. The Finance Director continually evaluates financial health of each depository, and the Board of Trustees approves depositories. Not more than 50% of the total portfolio may be maintained in a single institution.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

At year end the carrying amount of the Village's deposits totaled \$1,955,888 and the bank balance was \$2,178,085. All balances were secured either by Federal Deposit Insurance Corporation insurance or securities pledged by the banks in a separate trust account for the benefit of the Village except for \$481,785.

At year end the carrying amount of the Firefighters' Pension's deposits totaled \$676 and the bank balance was \$12,638. All balances were secured either by Federal Deposit Insurance Corporation insurance or securities pledged by the banks in a separate trust account for the benefit of the Firefighters' Pension.

At year end the carrying amount of the Police Pension's deposits totaled \$529,444 and the bank balance was \$550,427. All balances were secured either by Federal Deposit Insurance Corporation insurance or securities pledged by the banks in a separate trust account for the benefit of the Police Pension.

For the Police Pension Fund, 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 Police Pension Fund does not have a formal written policy with regards to custodial credit risk for investments.

#### Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the Village's investment policy limits the average weighted life of the Governmental and Business-type Activities' portfolio to 84 months. The Village assumes that its callable investments will not be called.

In accordance with the Police Pension Fund's investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity which at the same time matching investment maturities to projected fund liabilities.

At December 31, 2017, the Village's Police Pension Fund investments were as follows:

<u>Investment Type</u>	Investment Maturities				
	Fair Value	Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Agencies	\$ 2,170,711	\$ 2,376	\$ 1,447,964	\$ 718,013	\$ 2,358
Corporate Bonds	2,175,937	1,572,485	603,452	-	-
State and Local Obligations	449,654	65,658	217,266	166,730	-
	<u>\$ 4,796,302</u>	<u>\$ 1,640,519</u>	<u>\$ 2,268,682</u>	<u>\$ 884,743</u>	<u>\$ 2,358</u>

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

#### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments in securities of U.S. Government agencies were all rated AA+ by Standard & Poor's, or Aa+ by Moody's Investor Services. The State and Local Obligations are rated AA+ by Standard & Poor's and the Corporate Bonds are rated A- to BBB by Standard & Poor's.

#### Credit Risk – Concentration

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Village's investment policy does not limit the amount it may invest in any one issuer.

The Police Pension Board establishes the following target allocation across asset classes:

Asset Class	Min	Target	Max
Cash	2%	2%	5%
Fixed Income	40%	43%	65%
Large Cap Domestic Equities	28%	42%	53%
Small Cap Domestic Equities	2%	5%	7%
International Equity Funds	0%	5%	7%
Real Estate	0%	3%	5%

At year end, the Police Pension Fund does not have any investments over 5 percent of the total fund (other than investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments). Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and 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 regulations.

# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 4 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2017 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 15,443,965	\$ 385,489	\$ 16,563	\$ 15,812,891
Construction in progress	5,456,279	1,453,137	4,199,415	2,710,001
Total Capital Assets Not Being Depreciated	20,900,244	1,838,626	4,215,978	18,522,892
Capital Assets Being Depreciated				
Buildings and Improvements	18,734,681	137,271	208,929	18,663,023
Vehicles and Equipment	2,992,397	219,744	165,975	3,046,166
Infrastructure	4,483,882	5,747,853	-	10,231,735
Total Capital Assets Being Depreciated	26,210,960	6,104,868	374,904	31,940,924
Less Accumulated Depreciation for				
Buildings And Improvements	2,137,212	273,058	182,875	2,227,395
Vehicles and Equipment	2,024,867	242,533	165,975	2,101,425
Infrastructure	1,407,850	134,336	-	1,542,186
Total Accumulated Depreciation	5,569,929	649,927	348,850	5,871,006
Total Capital Assets Being Depreciated, Net	20,641,031	5,454,941	26,054	26,069,918
Governmental Activities Capital Assets, Net	\$ 41,541,275	\$ 7,293,567	\$ 4,242,032	\$ 44,592,810

Depreciation expense was charged to governmental functions/programs of the Village as follows:

General Government	\$ 262,944
Building, Planning and Zoning	73,587
Police Protection	48,018
Fire Protection and ESDA	79,899
Public Works	185,479
	<u>\$ 649,927</u>



# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 4- CAPITAL ASSETS (Continued)

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 91,021	\$ -	\$ -	\$ 91,021
Construction in Progress	604,062	62,621	506,762	159,921
Total Capital Assets Not Being Depreciated	695,083	62,621	506,762	250,942
Capital Assets Being Depreciated				
Buildings and Improvements	280,609	37,140	-	317,749
Vehicles and Equipment	900,456	19,919	-	920,375
Infrastructure	11,606,003	1,108,280	-	12,714,283
Total Capital Assets Being Depreciated	12,787,068	1,165,339	-	13,952,407
Less Accumulated Depreciation for				
Buildings And Improvements	111,366	11,264	-	122,630
Vehicles and Equipment	687,118	45,524	-	732,642
Infrastructure	2,516,677	215,421	-	2,732,098
Total Accumulated Depreciation	3,315,161	272,209	-	3,587,370
Total Capital Assets Being Depreciated, Net	9,471,907	893,130	-	10,365,037
Business-Type Activities Capital Assets, Net	\$ 10,166,990	\$ 955,751	\$ 506,762	\$ 10,615,979

Depreciation expense was charged to business-type functions/programs of the Village as follows:

Water and Sewer	\$ 235,114
Garbage	37,095
	<u>\$ 272,209</u>

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 5 – 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. 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. Further, the Village expects current claims not to exceed insurance coverage.

### NOTE 6 - INTERFUND DISCLOSURES

#### Due to/from Other Funds

Interfund balances at December 31, 2017 consist of the following:

<u>Due to/from Other Funds</u>		
Receivable Fund	Payable Fund	Amount
Capital Improvement	General	<u>\$ 355,000</u>
General	Water/Sewer	<u>155,945</u>
General	Garbage	<u>60,000</u>

Interfund balances represent short-term borrowings among funds, or payments from one fund on behalf of another, to be paid as cash is available in the fund owing the balance.

#### Advances

<u>Advance to/from Other Funds</u>		
Receivable Fund	Payable Fund	Amount
General	Garbage	\$ 190,000
General	Economic Development	498,032
Debt Service	Economic Development	225,000
Capital Improvement	Economic Development	140,000
Capital Improvement	Emergency 911	9,367
		<u>\$ 1,062,399</u>

Advances represent long-term borrowings among funds, or payments from one fund on behalf of another, to be paid as cash is available in the fund owing the balance. The receivable funds have a corresponding reserved fund balance for the amount of the advances. The Village anticipates that future cash flow of the garbage fund will repay its advances in five years. The advances to the Economic Development Fund (TIF4) will be repaid in the future from economic development in TIF 4 or potential future adjacent TIF districts

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 6 - INTERFUND DISCLOSURES (Continued)

that would include the redevelopment of the Lyons Quarry. The Emergency 911 Fund will continue to make payments from telephone surcharge revenue as long as the Village operates the call center.

#### Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount
General	Capital Improvement	<u>\$ 250,000</u>
Economic Development	Economic Development	<u>250,000</u>
Debt Service	General	740,000
	Economic Development	<u>1,040,000</u>
		1,780,000
	Less: Fund Eliminations	<u>(250,000)</u>
		<u><u>\$2,030,000</u></u>

Transfers to the Debt Service Fund from the Economic Development Fund consist of the following:

TIF District #1	\$ 280,000
TIF District #2	170,000
TIF District #3	320,000
TIF District #4	<u>270,000</u>
	<u><u>\$ 1,040,000</u></u>

The following summarizes the transfers in 2017:

- Transfer from the Capital Improvement Fund to the General Fund represents the transfer of motor fuel tax revenues as a reimbursement of public works costs related to the streets function.
- Transfers within the Economic Development Fund are to cover expenditures within other districts, which are allowable as the TIF Districts border each other.
- Transfer from the General Fund to the Debt Service Fund is to cover shortfalls in funding debt payments from the TIF Districts that make up the Economic Development Fund and debt payments from sales and income taxes.
- Transfers from the Economic Development Fund to the Debt Service Fund represent transfers to cover debt service payments on TIF District debt.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

### NOTE 7 - LONG-TERM DEBT

#### Long-Term Debt Summary

The changes in the Village's long-term debt are summarized as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Governmental Activities					
Tax Supported Debt	\$ 15,368,524	\$ 4,100,000	\$ 952,673	\$ 18,515,851	\$ 1,135,000
Tax Increment Debt	12,113,667	-	80,672	12,032,995	710,000
Net Pension Liability	19,707,270	455,075	1,284,756	18,877,589	-
Compensated Absences	996,015	-	146,196	849,819	169,964
Other Post-Employment Benefits Obligation	1,405,719	76,864	-	1,482,583	-
Total Governmental Activities Long-Term Liabilities	49,591,195	4,631,939	2,464,297	51,758,837	2,014,964
Business-Type Activities					
Revenue Debt - IEPA Loan	6,524,030	422,527	230,098	6,716,459	290,287
Total Business-Type Activities Long-Term Liabilities	6,524,030	422,527	230,098	6,716,459	290,287
Total Long-Term Liabilities	\$ 56,115,225	\$ 5,054,466	\$ 2,694,395	\$ 58,475,296	\$ 2,305,251

#### Current Year Issuances

On August 10, 2017 the Village issued \$900,000 General Obligation Limited Tax Debt Certificate Series 2016B ("Series 2016B Certificates") and on October 2, 2017 the Village issued \$3,200,000 General Obligation Bonds (Alternate Revenue Source), Series 2017A ("Series 2017A Bonds"). The total amount of the two issuances was \$4,100,000.

The purpose of the \$900,000 Series 2016B Certificates was to fund capital projects consisting primarily of real estate acquisition and equipment. The Series 2016B Certificates are payable from the full faith and credit of the Village.

The \$3,200,000 Series 2017A Bonds, a portion of the \$5,000,000 authorization, funded acquisition and construction of buildings, capital improvements, equipment replacement, streets, curb and gutter, sidewalks, storm sewers, water mains, and sanitary sewers throughout the Village and to pay related costs. The Series 2017A Bonds are payable from Pledged Revenues consisting of income taxes and telecommunications taxes of the Village and second from Pledged Taxes on all taxable real property levied without limitation as to the rate or amount. The Village expects to repay the Bonds with Pledged Revenues and abate the pledged taxes. The Village retains authorization to issue an additional \$1,800,000 of bonds for these same purposes.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 7- LONG-TERM DEBT (Continued)

#### Tax Supported Debt

These are bond issues and installment contracts where the Village has pledged its full faith and credit to support the bonds. The intended source of repayment are debt service property taxes, general and non-home rule sales taxes, income taxes and telecommunications taxes.

	Beginning Balances	Issuance	Retirements	Ending Balances	Due Within One Year
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.	340,000	-	110,000	230,000	115,000
General Obligation Bonds (Alternate Revenue Source) Series 2015B, due in annual installments of \$145,000 to 360,000 plus interest at 3.0% to 5.0% through December 1, 2038.	4,860,000	-	-	4,860,000	145,000
General Obligation Bonds of 2015C, due in annual installments of \$385,000 to \$505,000 plus interest at 2.00% to 4.00% through December 15, 2025.	4,020,000	-	385,000	3,635,000	395,000
General Obligation Bonds (Alternate Revenue Source) of 2015A, due in annual installments of \$155,000 to \$135,000 plus interest at 4.00% through December 1, 2029.	500,000	-	-	500,000	-
General Obligation Bonds of 2015D, due in annual installments of \$95,000 to \$120,000 plus interest at 3.00% to 4.00% through December 1, 2024.	555,000	-	-	555,000	-
General Obligation Bonds (Alternate Revenue Source) of 2017, due in annual installments of \$202,000 to \$296,000 plus interest at 3.25% through December 1, 2032. Interest rate is scheduled to reset on December 1, 2022.	-	3,200,000	-	3,200,000	-

# VILLAGE OF LYONS, ILLINOIS

## Notes to financial statements December 31, 2017

### NOTE 7 - LONG-TERM DEBT (Continued)

	Beginning Balances	Issuance	Retirements	Ending Balances	Due Within One Year
Debt Certificates of 2007, due in annual installments of \$155,000 to \$310,000 plus interest at 3.85% to 5.00% through January 1, 2027.	2,775,000	-	205,000	2,570,000	210,000
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.	1,350,000	-	90,000	1,260,000	90,000
Installment Contract of Series 2016B, due in annual installments \$170,000 to \$190,000 plus 2.75% through July 1, 2022.	-	900,000	-	900,000	170,000
Ambulance Revolving Loan Program through the Illinois Finance Authority, due in annual installments of \$100,000 at 0% interest, through November 1, 2026.	100,000	-	10,000	90,000	10,000
Real Estate Purchase Liability for the purchase of property at 3945 Joliet Avenue, due in an annual installment of \$100,000 at 0% interest, through October 2017.	100,000	-	100,000	-	-
Premium on Debt	768,524	-	52,673	715,851	
	<u>\$15,368,524</u>	<u>\$ 4,100,000</u>	<u>\$ 952,673</u>	<u>\$18,515,851</u>	<u>\$1,135,000</u>

**VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

**NOTE 7- LONG-TERM DEBT (Continued)****Tax Increment Debt**

Tax increment debt were issued as general obligation bonds, but are intended to be funded from revenues of the TIF Districts. Since TIF revenues are currently insufficient to fully fund debt service, the Village has pledged and used general sales taxes for any shortfalls.

	Ending Balances	Issuance	Retirements	Ending Balances	Due Within One Year
General Obligations Bonds (Alternate Revenue Source) Series 2014A, due in annual installments of \$500,000 at 5.0% through December 1, 2024	\$ 3,760,000	\$ -	\$ -	\$ 3,760,000	\$ 500,000
General Obligation Bonds (Alternate Revenue Source) Series 2014B, due in annual installments of \$210,000 to \$610,000 plus interest at 3.0% to 5.0% through December 1, 2035.	7,405,000	-	-	7,405,000	210,000
Premium on debt	977,565	-	82,193	895,372	-
Discount on debt	(28,898)	-	(1,521)	(27,377)	-
	<u>\$ 12,113,667</u>	<u>\$ -</u>	<u>\$ 80,672</u>	<u>\$ 12,032,995</u>	<u>\$ 710,000</u>

**Business-Type Activity – Revenue Supported Debt**

The Village borrowed funds from the Illinois Environmental Protection (“IEPA”) Public Water Supply Loan Program. The loans are secured solely from the revenues of the Village’s water and sewer fund. The Village has made certain covenants in connection with the loans including a covenant to impose and collect adequate water rates to provide for the repayment of the loans. The loans are not a general obligation of the Village.

	Beginning Balances	Issuance	Retirements	Ending Balances	Due Within One Year
IEPA Loan, due in semi-annual installments including interest at 1.955% to 2.220% through a date not to exceed 20 years after completion date	\$ 6,524,030	\$ 422,527	\$ 230,098	\$ 6,716,459	\$ 290,287
	<u>\$ 6,524,030</u>	<u>\$ 422,527</u>	<u>\$ 230,098</u>	<u>\$ 6,716,459</u>	<u>\$ 290,287</u>

# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 7- LONG-TERM DEBT (Continued)

### Future Debt Maturities

The aggregate principal and interest requirements for the Village debt by type is as follows:

	Governmental Activities				Total Debt Service
	Tax Supported Debt		Tax Increment Debt		
	Principal	Interest	Principal	Interest	
2018	\$ 1,135,000	\$ 714,155	\$ 710,000	\$ 519,268	\$ 3,078,423
2019	1,170,000	661,661	795,000	487,968	3,114,629
2020	1,407,000	620,806	760,000	454,118	3,241,924
2021	1,463,000	573,223	800,000	421,318	3,257,541
2022	1,520,000	518,840	830,000	383,818	3,252,658
2023-2027	6,180,000	1,777,262	3,060,000	1,360,340	12,377,602
2028-2032	3,015,000	827,990	2,395,000	826,350	7,064,340
2033-2037	1,550,000	330,000	1,815,000	182,000	3,877,000
2038	360,000	18,000	-	-	378,000
	\$ 17,800,000	\$ 6,041,937	\$ 11,165,000	\$ 4,635,180	\$ 39,642,117

	Business-Type Activities		Total
	IEPA Loan Payable		
	Principal	Interest	
2018	\$ 290,287	\$ 139,658	\$ 429,945
2019	301,566	135,737	437,303
2020	308,035	129,268	437,303
2021	314,643	122,660	437,303
2022	321,393	115,910	437,303
2023-2027	1,713,408	473,105	2,186,513
2028-2032	1,905,315	281,199	2,186,514
2033-2037	1,561,812	75,937	1,637,749
	\$ 6,716,459	\$ 1,473,474	\$ 8,189,933



## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 7- 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 (equalized assessed valuation or EAV), to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness ...." The following details the Village's debt margin based on total EAV in 2016 (2015 EAV) and the most recently available EAV (2016 EAV):

	2015 EAV	2016 EAV
EAV per county tax levy	\$ 147,817,541	\$ 130,623,355
Add EAV exemptions from tax extension	20,605,657	21,371,708
Add EAV associated with TIF districts	7,167,728	7,675,933
Total Village equalized assessed valuation	<u>\$ 175,590,926</u>	<u>\$ 159,670,996</u>
Legal debt limit - 8.625% of assessed value	\$ 15,144,717	\$ 13,771,623
Amount of debt application to limit		
General obligation bonds and debt certificates	<u>9,140,000</u>	<u>9,240,000</u>
Legal debt margin	<u>\$ 6,004,717</u>	<u>\$ 4,531,623</u>

The Village maintained Legal Debt Margin at the end of 2017.

### NOTE 8 – SHORT TERM DEBT

On August 8, 2017, the Village entered into a financing agreement with Hinsdale Bank and Trust which included a \$500,000 line of credit to provide liquidity to the Village. The term of the line of credit is through September 1, 2018, with outstanding draws payable at maturity. The interest rate on the line of credit is 30-day LIBOR (floating) plus 2.5% (conventional). At December 31, 2017, the interest rate was 4.06%.

Changes in short term debt during 2017 were as follows:

	Beginning Balances	Issuance	Retirements	Ending Balances
Line of credit	\$ -	\$ 250,000	\$ -	\$ 250,000
	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 250,000</u>

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 9 - COMMITMENTS AND CONTINGENCIES

#### 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.

### NOTE 10 - DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created with Internal Revenue Code Section 457. The plan, available to all governmental 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, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries. Since amounts held in trust are for the exclusive benefit of all participants, the Village does not maintain the assets on the balance sheet.

### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

Plan Descriptions: The Village contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), Sheriff's Law Enforcement Personnel (SLEP) which is affiliated with IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan issues a separate report on the pension plan and is available for inspection at Village Hall. The Firefighters' Pension Plan does not issue a separate report. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at [www.imrf.org](http://www.imrf.org).

Below is aggregate information related to the IMRF, SLEP, Police and Fire Pension plans in total reported by the Village as of and for the year ended December 31, 2017:

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

IMRF:	
Total Pension Liability	\$ 11,826,240
Plan Fiduciary Net Position	<u>11,954,098</u>
Village's net pension asset	<u>\$ (127,858)</u>
 All Plans Except IMRF:	
Total Pension Liability	\$ 28,967,787
Plan Fiduciary Net Position	<u>10,090,198</u>
Village's net pension liability	<u>\$ 18,877,589</u>
 Aggregate:	
Deferred Inflows of Resources	\$ 898,216
Deferred Outflows of Resources	573,542
Pension Expense for Statement of Activities	2,526,368

Because the Village's business-type activities have no full time employees, the net pension liability is reported only under governmental activities. The general fund is used most often to liquidate the liability within the governmental funds.

### Illinois Municipal Retirement Fund (IMRF) & Sheriff's Law Enforcement Personnel (SLEP)

#### General Information about the Pension Plan

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard for the Village (1,000 actual hours worked) must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2017 was 9.76% of covered payroll, which was the employer annual required contribution rate.

Sheriff's law enforcement personnel having accumulated at least 20 years of SLEP service may elect to retire at or after age 50 and receive an annual retirement benefit, payable monthly for life. The plan also provides

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

death and disability benefits. Participating members are required to contribute 7.5% of their annual salary to SLEP. The Village is required to contribute at an actuarially determined rate. The employer contribution rate for the year ended December 31, 2017 was 13.83% of covered payroll. The employer annual required contribution rate for calendar year 2017 was 13.36%.

At December 31, 2017, the following employees were covered by the benefit terms:

	<u>IMRF</u>	<u>SLEP</u>
Retirees and Beneficiaries	62	1
Inactive, Non-retired Members	42	0
Active Members	<u>32</u>	<u>0</u>
Total	<u>136</u>	<u>1</u>

### Net Pension Liability

The Village's net pension liability for the IMRF and SLEP plans was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability for both the IMRF and SLEP plans in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	3.5%
Price Inflation:	2.5%
Salary Increases:	3.39% to 14.25% including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

There were no benefit changes during the year.

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

Asset Class	Target Allocation	Long Term Expected Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65-7.35%
Cash Equivalents	1%	2.25%
	<u>100%</u>	

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50% for the regular IMRF plan and for the SLEP plan.

# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

### Changes in the Net Pension Liability

IMRF

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
<b>Balances at December 31, 2016</b>	\$ 11,710,901	\$ 10,509,479	\$ 1,201,422
<b>Changes for the year:</b>			
Service Cost	205,507	-	205,507
Interest on the Total Pension Liability	865,968	-	865,968
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(34,731)	-	(34,731)
Changes of Assumptions	(386,580)	-	(386,580)
Contributions - Employer	-	196,224	(196,224)
Contributions - Employees	-	90,472	(90,472)
Net Investment Income	-	1,850,134	(1,850,134)
Benefit Payments, including Refunds of Employee Contributions	(534,825)	(534,825)	-
Other (Net Transfer)	-	(157,386)	157,386
Net Changes	115,339	1,444,619	(1,329,280)
<b>Balances at December 31, 2017</b>	<u>\$ 11,826,240</u>	<u>\$ 11,954,098</u>	<u>\$ (127,858)</u>

# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

SLEP

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
<b>Balances at December 31, 2016</b>	\$ -	\$ (1,092)	\$ 1,092
<b>Changes for the year:</b>			
Service Cost	-	-	-
Interest on the Total Pension Liability	(375)	-	(375)
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	418,118	-	418,118
Changes of Assumptions	(10,890)	-	(10,890)
Contributions - Employer	-	9,563	(9,563)
Contributions - Employees	-	26,478	(26,478)
Net Investment Income	-	(82)	82
Benefit Payments, including Refunds of Employee Contributions	(9,993)	(9,993)	-
Other (Net Transfer)	-	134,179	(134,179)
Net Changes	396,860	160,145	236,715
<b>Balances at December 31, 2017</b>	<u>\$ 396,860</u>	<u>\$ 159,053</u>	<u>\$ 237,807</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50% for IMRF and for SLEP, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
IMRF Net Pension Liability/(Asset)	\$ 1,397,817	\$ (127,858)	\$ (1,369,456)
SLEP Net Pension Liability/(Asset)	277,317	237,807	204,069

**VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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**NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2017, the Village recognized pension expense of \$264,066 related to IMRF and \$241,602 related to SLEP in the Statement of Activities. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

IMRF	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,010	\$ 23,065
Changes of assumptions	-	260,940
Net difference between projected and actual earnings on pension plan investments	-	524,426
Total Deferred Amounts Related to Pensions	<u>\$ 70,010</u>	<u>\$ 808,431</u>
SLEP	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	4,581	-
Total Deferred Amounts Related to Pensions	<u>\$ 4,581</u>	<u>\$ -</u>



## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Year Ended December 31	IMRF	SLEP
2018	\$ (113,797)	\$ 1,333
2019	(203,469)	1,180
2020	(205,729)	867
2021	(215,426)	1,201

#### Police Pension Plan

##### General Information about the Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed through investment earnings. The Village accounts for the plan as a pension trust fund, pursuant to GASB standards.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 years of creditable service are entitled to receive an annual retirement benefit of 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 final salary for each year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases every year thereafter.

The monthly pension of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3.00% of the amount of the pension payable at the time of the increase. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3.00% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 50 and receive a reduced benefit.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 or Village contributions. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, by the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded. For the year ended December 31, 2017, the Village's contribution was 80.82% of covered payroll.

At December 31, 2017, the Police Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	24
Current employees	<u>12</u>
Total	<u>36</u>

### Net Pension Liability

The Village's net pension liability for the Police Pension Plan was measured as of December 31, 2017, based on January 1, 2017, plan census information and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2017 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	7.00%	7.00%
Discount Rate	7.00%	7.00%
Salary Increases	4.00%-6.85%	4.00%-6.85%
Projected Increase in Payroll	3.50%	3.50%
Inflation	2.50%	2.50%

Mortality rates for the December 31, 2017 actuarial valuation are based on the assumption study prepared by Lauterbach & Amen, LLP in 2016. The mortality assumption has been updated to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully generational basis.

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

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Rate of Return
US Treasuries	7%	1.80%
US Agencies	21%	2.00%
Taxable IL Municipal Bonds	5%	2.00%
US Corporate Bonds	22%	2.50%
US High Yield Bonds	0%	3.50%
Emerging Market Bonds	0%	4.00%
US Large Cap Equity	34%	5.00%
US Mid Cap Equity	3%	5.30%
US Small Cap Equity	1%	5.00%
International Stocks	6%	5.30%
Real Estate	1%	4.30%
Global Infrastructure	1%	4.80%
Natural Resources	0%	1.30%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 7.00% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.00%, the municipal bond rate is 3.44% (previously 3.78%) and the resulting single discount rate is 7.00%.

# VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

## NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
<b>Balances at December 31, 2016</b>	<b>\$ 27,373,770</b>	<b>\$ 9,357,499</b>	<b>\$ 18,016,271</b>
<b>Changes for the year:</b>			
Service Cost	291,857	-	291,857
Interest on the Total Pension Liability	1,866,144	-	1,866,144
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	56,950	-	56,950
Changes of Assumptions	-	-	-
Contributions - Employer	-	950,621	(950,621)
Contributions - Employees	-	103,355	(103,355)
Net Investment Income	-	986,673	(986,673)
Benefit Payments, including Refunds of Employee Contributions	(1,429,126)	(1,429,126)	-
Other (Net Transfer)	-	(38,553)	38,553
Net Changes	785,825	572,970	212,855
<b>Balances at December 31, 2017</b>	<b>\$ 28,159,595</b>	<b>\$ 9,930,469</b>	<b>\$ 18,229,126</b>

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

The following presents the net pension liability related to the police pension plan of the Village calculated using the discount rate of 7.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 22,036,675	\$ 18,229,126	\$ 15,116,953

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Police Pension Fund report.

**VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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**NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2017, the Village recognized pension expense of \$2,020,700 in the Statement of Activities related to the police pension plan. At December 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 186,538	\$ -
Changes of assumptions	21,163	89,785
Net difference between projected and actual earnings on pension plan investments	<u>291,250</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 498,951</u>	<u>\$ 89,785</u>

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

<u>Year Ended December 31</u>	<u>Police</u>
2018	276,511
2019	196,307
2020	5,572
2021	(69,224)

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

#### Firefighters' Pension

The spouse of the retired fire chief is covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. There are limited plan assets accumulated in a trust fund. The Village payroll for employees covered by the Firefighters' Pension Plan for the year ended December 31, 2017 was \$0. Since firefighters are either contract employees of a private company or paid on call at less than full time, there are no current active members of this plan. At December 31, 2017, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	1
Current Active Members	<u>0</u>
	<u>1</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the monthly salary attached to the rank held in fire service at the date of retirement. The pension shall be increased by one-twelfth of 2.5 % of such monthly salary for each additional month of service over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum cap increases each year thereafter.

Surviving spouses receive 100% of the final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of final salary or the monthly retirement pension that the firefighter was receiving at the time of death. Surviving children receive 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. 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 retirement benefit.

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 interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1,

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### **NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

2011, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040.

#### **Significant Investments/ Related Party Transactions**

The Firefighters' Pension Plan does not hold investments as of December 31, 2017.

The Village generally pays administrative costs for the Firefighters' Pension Plan.

#### **Basis of Accounting**

The Village funds the annual required benefits to the Firefighters' Pension Plan on a pay-as-you-go basis. The Firefighters' Pension Plan pays the sole participant her benefits. The plan is reported as a trust fund.

#### **Net Pension Liability**

The Village's net pension liability for the Firefighters' Pension Plan was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2017 actuarial valuation:

Discount Rate	3.44%
Inflation	2.50%

Mortality rate for the December 31, 2017 actuarial valuation is based on the most recently released MP-2016 table for the sole beneficiary of the plan.

**VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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**NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)****Changes in the Net Pension Liability**

	Increase (Decrease) Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 488,510	\$25	\$488,485
Changes for the year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	16,805	-	16,805
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(35,389)	-	(35,389)
Changes of Assumptions	-	-	-
Contributions - Employer	-	59,106	(59,106)
Contributions - Employees	-	-	-
Net Investment Income	-	138	(138)
Benefit Payments, including Refunds of Employee Contributions	(58,593)	(58,593)	-
Other (Net Transfer)	-	-	-
Net Changes	(77,177)	651	(77,829)
Balances at December 31, 2017	<u>\$ 411,332</u>	<u>\$676</u>	<u>\$410,656</u>

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

The fire pension plan has no deferred outflows or deferred inflows of resources. The difference between actual and expected experience would normally be deferred and amortized over the average expected remaining service lives of active and inactive employees but that average is zero. For the year ended December 31, 2017, the Village recognized pension expense of (\$19,236) related to the fire pension plan.



## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 10, the Village provides post-employment health care benefits (OPEB) to certain retirees through an informal single-employer retiree benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village under its personnel manual and union contracts. To be eligible, employees must receive a pension from either the IMRF, or the Police or Firefighters' Pension Funds. The Village provides fixed payment to eligible retirees until they are eligible for Medicare and healthcare access to certain disabled police officers provided the member pays 100% of the blended premium. Retirees can remain on the Village's medical insurance plan by paying 100% of the total premium for the coverage they select. Police officers who become disabled in the line of duty receive continuation of basic healthcare benefits at no cost to the member until eligible for Medicare. The general fund is used most often to liquidate the liability within the governmental funds.

All healthcare benefits are provided through the Village's health plan. The benefit levels are similar to those offered to active employees. Benefits include general in-patient and out-patient medical services, dental care, and prescriptions. Except for certain grandfathered retirees, upon a participant reaching the age of 65, Medicare becomes the sole insurer and the Village's plan is no longer provided.

#### Membership

At December 31, 2015, the membership consists of the following:

Retirees and beneficiaries currently receiving benefits	21
Active non-vested members	<u>42</u>
Total membership	<u><u>63</u></u>

#### Funding Policy

The Village does not have a funding policy for OPEB, and records payments as retiree benefits are paid.

#### Annual OPEB Costs and Net OPEB Obligations

The Village had an actuarial valuation performed for the plan as of December 31, 2015, to determine the funding status of the plan at that date, as well as the Village's annual required contributions (ARC) for the fiscal year ended December 31, 2017. The Village's OPEB cost, the percentage of OPEB cost contributed to the plan, and net OPEB obligation are as follows:

**VILLAGE OF LYONS, ILLINOIS**

Notes to financial statements  
December 31, 2017

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**NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (Continued)****Annual OPEB Cost**

Annual required contribution (ARC)	\$ 204,505
Adjustment to ARC	(92,784)
Interest cost	<u>63,223</u>
Total OPEB cost	174,945
Employer contributions made	<u>(98,081)</u>
Increase in net OPEB obligation	76,864
Net OPEB obligation, January 1, 2017	<u>1,405,719</u>
Net OPEB obligation, December 31, 2017	<u><u>\$1,482,583</u></u>

**Funded Status and Funding Progress**

Actuarial accrued liability (AAL)	\$2,360,977
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	\$2,360,977
Funded ratio	0%
Covered payroll	<u>\$2,758,316</u>
UAAL as a percentage of covered payroll	<u><u>85.59%</u></u>

The Schedule of Funding Progress, presented as required supplementary information following the Notes to the Financial Statements, presents multi-year trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

## VILLAGE OF LYONS, ILLINOIS

Notes to financial statements  
December 31, 2017

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### **NOTE 12 - OTHER POST EMPLOYMENT BENEFITS (Continued)**

#### **Actuarial Methods and Assumptions**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples of these estimates include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the plan's funded status and ARC of the employer are subject to continual revision as actual results are compared to prior projections and new estimates are made about the future.

In the December 31, 2015 actuarial valuation, the entry age normal cost method was applied. The actuarial assumptions included an annual healthcare cost trend rate of 8% initially, reduced to an ultimate rate of 4.5% after eight years. Rates include a 2.5% general inflation assumption. The Unfunded Accrued Actuarial Liability is being amortized as a level dollar amount over 30 years.

### **NOTE 13 – TAX ABATEMENTS**

The Village currently does not have any tax abatements requiring disclosure in accordance with GASB Statement 77, *Tax Abatement Disclosures*.

### **NOTE 14 – SUBSEQUENT EVENTS**

The Village entered into agreements to outsource Village dispatch services in accordance with recent changes to Illinois Law. The police dispatch will be handled by the Cook County Sheriff who administers the Cook County Emergency Telephone System Board and fire dispatch will be handled by the Village of Oak Lawn Regional Emergency Communications Center. At the same time, the Village of Lyons will terminate its Emergency Telephone System. The outsourced operations is targeted to begin August 1, 2018. The Village anticipates operational savings to cover the costs to discontinue the operations.

The Village has entered into an agreement to become a wholesale water purchase customer of the Village of McCook after an evaluation of wholesale options. The costs to convert the connection are part of the overall water improvement program implemented in 2015.

## REQUIRED SUPPLEMENTARY INFORMATION



VILLAGE OF LYONS, ILLINOIS

**VILLAGE OF LYONS, ILLINOIS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual
<b>Revenues</b>		
Taxes	\$ 8,691,500	\$ 7,806,393
Intergovernmental	-	5,053
License, fees and permits	527,000	652,801
Charges for services	475,500	504,780
Fines and forfeitures	426,150	461,115
Investment earnings	4,025	9,248
Quarry revenues	600,000	241,274
Miscellaneous	64,600	158,857
Total revenues	<u>10,788,775</u>	<u>9,839,521</u>
<b>Expenditures</b>		
Current		
General government	2,015,424	1,839,894
Building, planning and zoning	664,635	717,232
Police protection	4,205,604	4,183,980
Fire protection	1,221,222	1,148,123
Recreation	356,113	396,179
Public works	1,021,015	1,183,387
Capital outlay	50,000	-
Total expenditures	<u>9,534,013</u>	<u>9,468,795</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>1,254,762</u>	<u>370,726</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	250,000	250,000
Transfers out	(1,400,000)	(740,000)
Total other financing sources (uses)	<u>(1,150,000)</u>	<u>(490,000)</u>
<b>Net Change in Fund Balance</b>	<u>104,762</u>	<u>(119,274)</u>
<b>Fund Balance - Beginning of Year</b>	<u>2,497,980</u>	<u>2,497,980</u>
<b>Fund Balance - End of Year</b>	<u>\$ 2,602,742</u>	<u>\$ 2,378,706</u>

**VILLAGE OF LYONS, ILLINOIS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**ECONOMIC DEVELOPMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>Revenues</b>		
Incremental property taxes	\$ 1,019,000	\$ 1,052,693
Investment earnings	20	15
Total revenues	<u>1,019,020</u>	<u>1,052,708</u>
<b>Expenditures</b>		
Community development	27,000	17,477
Capital outlay	-	140,000
Total expenditures	<u>27,000</u>	<u>157,477</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>992,020</u>	<u>895,231</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	250,000	250,000
Transfers out	(1,230,000)	(1,290,000)
Total other financing sources (uses)	<u>(980,000)</u>	<u>(1,040,000)</u>
<b>Net Change in Fund Balance</b>	<u>12,020</u>	<u>(144,769)</u>
<b>Fund Balance - Beginning of Year</b>	<u>(707,571)</u>	<u>(707,571)</u>
<b>Fund Balance - End of Year</b>	<u>\$ (695,551)</u>	<u>\$ (852,340)</u>

**VILLAGE OF LYONS, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>				
Service cost	\$ 205,507	\$ 195,131	\$ 189,683	\$ 219,024
Interest	865,968	813,143	781,991	728,681
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(34,731)	246,600	(31,155)	(107,604)
Changes of Assumptions	(386,580)	(14,821)	13,576	323,757
Benefit Payments, Including Refunds of Member Contributions	(534,825)	(575,948)	(477,999)	(398,790)
<b>Net Change in Total Pension Liability</b>	<u>115,339</u>	<u>664,105</u>	<u>476,096</u>	<u>765,068</u>
<b>Total Pension Liability - Beginning</b>	<u>11,710,901</u>	<u>11,046,796</u>	<u>10,570,700</u>	<u>9,805,632</u>
<b>Total Pension Liability - Ending (a)</b>	<u><u>\$ 11,826,240</u></u>	<u><u>\$ 11,710,901</u></u>	<u><u>\$ 11,046,796</u></u>	<u><u>\$ 10,570,700</u></u>
 <b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 196,224	\$ 209,714	\$ 219,278	\$ 193,399
Contributions - member	90,472	94,323	112,469	84,680
Net Investment Income	1,850,134	692,548	50,614	589,300
Benefit Payments, Including Refunds of Member Contributions	(534,825)	(575,948)	(477,999)	(398,790)
Administrative Expense	-	-	-	-
Other	(157,386)	145,097	(156,567)	6,345
<b>Net Change in Fiduciary Net Position</b>	<u>\$ 1,444,619</u>	<u>\$ 565,734</u>	<u>\$ (252,205)</u>	<u>\$ 474,934</u>
 <b>Plan Fiduciary Net Position - Beginning</b>	<u>10,509,479</u>	<u>9,943,745</u>	<u>10,195,950</u>	<u>9,721,016</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u><u>\$ 11,954,098</u></u>	<u><u>\$ 10,509,479</u></u>	<u><u>\$ 9,943,745</u></u>	<u><u>\$ 10,195,950</u></u>
 <b>Net Pension Liability - Ending (a)-(b)</b>	<u><u>\$ (127,858)</u></u>	<u><u>\$ 1,201,422</u></u>	<u><u>\$ 1,103,051</u></u>	<u><u>\$ 374,750</u></u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	 101.08%	 89.74%	 90.01%	 96.45%
 <b>Covered-Employee Payroll</b>	 \$ 2,010,492	 \$ 1,961,013	 \$ 1,990,512	 \$ 1,717,458
<b>Net Pension Liability as a Percentage of Covered-Employee</b>	-6.36%	61.27%	55.42%	21.82%

**Notes to Schedule:**

Information is presented for those years for which it was available

**VILLAGE OF LYONS, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF VILLAGE CONTRIBUTIONS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 196,224	\$ 210,221	\$ 214,179	\$ 183,940
Contributions in Relation to the Actuarially Determined Contribution	196,224	209,714	219,278	193,399
Contribution Deficiency (Excess)	-	507	(5,099)	(9,459)
Covered-Employee Payroll	2,010,492	1,961,013	1,990,512	1,717,458
Contributions as a Percentage of Covered-Employee Payroll	9.76%	10.69%	11.02%	11.26%

**Notes to Schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 26-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Inflation: 2.75%

Salary Increases: 3.75% to 14.50%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013

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

Other Information: There were no benefit changes during the year  
Information is presented for those years for which it was available



**VILLAGE OF LYONS, ILLINOIS**  
**IMRF - SHERIFF's LAW ENFORCEMENT PERSONNEL**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ -	\$ -	\$ -	\$ 19,226
Interest	(375)	-	-	4,475
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	418,118	-	-	(57,034)
Changes of Assumptions	(10,890)	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(9,993)	-	-	(33,431)
<b>Net Change in Total Pension Liability</b>	396,860	-	-	(66,764)
<b>Total Pension Liability - Beginning</b>	-	-	-	66,764
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 396,860</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 9,563	\$ -	\$ -	\$ 11,735
Contributions - member	26,478	-	-	5,426
Net Investment Income	(82)	1,090	320	4,590
Benefit Payments, Including Refunds of Member Contributions	(9,993)	-	-	(33,431)
Administrative Expense	-	-	-	-
Other	134,179	11,228	(77,726)	(7,707)
<b>Net Change in Fiduciary Net Position</b>	\$ 160,145	\$ 12,318	\$ (77,406)	\$ (19,387)
<b>Plan Fiduciary Net Position - Beginning</b>	(1,092)	(13,410)	63,996	83,383
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 159,053</u>	<u>\$ (1,092)</u>	<u>\$ (13,410)</u>	<u>\$ 63,996</u>
<b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 237,807</u>	<u>\$ 1,092</u>	<u>\$ 13,410</u>	<u>\$ (63,996)</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	40.08%	0.00%	0.00%	0.00%
<b>Covered-Employee Payroll</b>	\$ 69,144	\$ -	\$ -	\$ -
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	343.93%	0.00%	0.00%	0.00%

**Notes to Schedule:**

Information is presented for those years for which it was available

**VILLAGE OF LYONS, ILLINOIS**  
**IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF VILLAGE CONTRIBUTIONS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 9,238	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	9,563	-	-	11,735
Contribution Deficiency (Excess)	(325)	-	-	(11,735)
Covered-Employee Payroll	69,144	-	-	-
Contributions as a Percentage of Covered-Employee Payroll	13.83%	0.00%	0.00%	0.00%

**Notes to Schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 26-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Inflation: 2.75%

Salary Increases: 3.75% to 14.50%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013

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

Other Information: There were no benefit changes during the year  
Information is presented for those years for which it was available

**VILLAGE OF LYONS, ILLINOIS**  
**POLICE PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ 291,857	\$ 272,764	\$ 213,953	\$ 533,266
Interest	1,866,144	1,813,299	1,712,319	1,677,871
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	56,950	381,430	537,965	(1,706,332)
Changes of Assumptions	-	(271,169)	509,554	1,517,128
Benefit Payments, Including Refunds of Member Contributions	(1,429,126)	(1,453,642)	(1,608,811)	(1,450,830)
<b>Net Change in Total Pension Liability</b>	<b>785,825</b>	<b>742,682</b>	<b>1,364,980</b>	<b>571,103</b>
<b>Total Pension Liability - Beginning</b>	<b>27,373,770</b>	<b>26,631,088</b>	<b>25,266,108</b>	<b>24,695,005</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 28,159,595</b>	<b>\$ 27,373,770</b>	<b>\$ 26,631,088</b>	<b>\$ 25,266,108</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 950,621	\$ 866,736	\$ 496,493	\$ 438,151
Contributions - member	103,355	118,614	127,995	149,617
Net Investment Income	986,673	278,983	(143,498)	707,878
Benefit Payments, Including Refunds of Member Contributions	(1,429,126)	(1,453,642)	(1,608,811)	(1,450,830)
Administrative Expense	(38,553)	(31,273)	(26,435)	(40,960)
Other	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>\$ 572,970</b>	<b>\$ (220,582)</b>	<b>\$ (1,154,256)</b>	<b>\$ (196,144)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>9,357,499</b>	<b>9,578,081</b>	<b>10,732,337</b>	<b>10,928,481</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 9,930,469</b>	<b>\$ 9,357,499</b>	<b>\$ 9,578,081</b>	<b>\$ 10,732,337</b>
<b>Net Pension Liability - Ending (a)-(b)</b>	<b>\$ 18,229,126</b>	<b>\$ 18,016,271</b>	<b>\$ 17,053,007</b>	<b>\$ 14,533,771</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>35.26%</b>	<b>34.18%</b>	<b>35.97%</b>	<b>42.48%</b>
<b>Covered-Employee Payroll</b>	<b>\$ 1,175,944</b>	<b>\$ 1,136,178</b>	<b>\$ 1,117,697</b>	<b>\$ 1,264,005</b>
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	<b>1550.17%</b>	<b>1585.69%</b>	<b>1525.73%</b>	<b>1149.82%</b>

**Notes to Schedule:**

Information is presented for those years for which it was available

**VILLAGE OF LYONS, ILLINOIS**  
**POLICE PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF VILLAGE CONTRIBUTIONS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2017)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 1,046,423	\$ 933,928	\$ 991,854	\$ 920,045
Contributions in Relation to the Actuarially Determined Contribution	<u>950,621</u>	<u>866,736</u>	<u>496,493</u>	<u>438,151</u>
Contribution Deficiency (Excess)	<u>95,802</u>	<u>67,192</u>	<u>495,361</u>	<u>481,894</u>
Covered-Employee Payroll	1,175,944	1,136,178	1,117,697	1,264,005
Contributions as a Percentage of Covered-Employee Payroll	80.84%	76.29%	44.42%	34.66%

**Notes to Schedule:**

Valuation Date: Actuarially determined contribution rates are calculated in June of a calendar year based on employee census data on January 1 of the preceding year.

Contribution Determination: The Village has to estimate its contribution by December 1 before the start of a calendar year or six months before the actuarial calculation.

Actuarial Cost Method: Entry age normal

Amortization Method: Level percentage of payroll , closed

Remaining Amortization Period: 23-year closed period to eliminate net pension liability by 2040.

State law requires 90% funding by this date.

Asset Valuation Method: 5-year smoothed market

Inflation: 2.5%

Salary Increases: 4.0% to 6.85%, including inflation

Investment Rate of Return: 7.0%

Retirement Age: L&A 2016 Illinois Police Retirement Rates Capped at age 65

Mortality: L&A 2016 Illinois Police Mortality Rates

Other Information: There were no benefit changes during the year

Information is presented for those years for which it was available

**VILLAGE OF LYONS, ILLINOIS**  
**FIRE PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2017**

Last 10 Fiscal Years (Only 2 Fiscal Years Available as of December 31, 2017)

	<u>2017</u>	<u>2016</u>
<b>Total Pension Liability</b>		
Service cost	\$ -	\$ -
Interest	16,805	26,785
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(35,389)	(184,359)
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Member Contributions	(58,593)	(58,780)
<b>Net Change in Total Pension Liability</b>	(77,177)	(216,354)
<b>Total Pension Liability - Beginning</b>	488,510	704,864
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 411,333</u>	<u>\$ 488,510</u>
 <b>Plan Fiduciary Net Position</b>		
Contributions - employer	\$ 59,106	\$ 58,501
Contributions - member	-	-
Net Investment Income	138	52
Benefit Payments, Including Refunds of Member Contributions	(58,593)	(58,780)
Administrative Expense	-	-
Other	-	-
<b>Net Change in Fiduciary Net Position</b>	\$ 651	\$ (227)
 <b>Plan Fiduciary Net Position - Beginning</b>	25	252
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 676</u>	<u>\$ 25</u>
 <b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 410,657</u>	<u>\$ 488,485</u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	0.16%	0.01%
 <b>Covered-Employee Payroll</b>	\$ -	\$ -
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	0.00%	0.00%

**Notes to Schedule:**

Plan has only one participant; beneficiary of a pensioner. No existing Village personnel are eligible to join the plan.

Valuation Date: December 31, 2017. Liability is the present value of the anticipated benefit payments to the sole participant.

Existing Benefits: Payment to beneficiary based on payment to pensioner at time of death. There are no increases to benefit.

Fund Termination: The Fire Pension Fund will terminate after meeting payments to beneficiary. No current or future Village employees will be designated to a position to qualify for future participation.

**VILLAGE OF LYONS, ILLINOIS**  
**OTHER POST-EMPLOYMENT BENEFITS**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**DECEMBER 31, 2017**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Liability Entry Age Normal Cost (b)	Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll ( c)	Liability as a Percentage of Covered Payroll ((b-a)/c)
12/31/2015	\$ -	\$ 2,360,977	\$ 2,360,977	0.00%	\$ 2,758,316	85.59%
12/31/2012	-	1,586,747	1,586,747	0.00%	3,801,857	41.74%
12/31/2009	-	2,256,805	2,256,805	0.00%	N/A	N/A

Since plan membership is under 200, actuarial valuations are performed triennially as permitted by GASB 45. The above table presents disclosures for the last three years in which a valuation was performed.

**Actuarial Assumptions**

Amortization method	Level dollar, open
Remaining amortization period	30 Years
Asset valuation method	Market
Investment rate of return	4.50%
Projected salary increases	3.50%
Healthcare inflation rate	8.00% initial, reducing 0.5% per year until 4.5%
Percentage of active employees assumed to elect benefits	100.00%
N/A	Information not available

**A. BUDGETS**

All departments of the Village submit budget requests to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested expenditures for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change spending requests, but may not change the form of the budget. A final budget is adopted for the subsequent fiscal year.

The Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of any fund must be approved by the governing body.

Separately, the Village adopts an appropriation and tax levy ordinance for the upcoming year. Annual spending cannot exceed the amounts by fund in this ordinance. All budget and appropriations lapse at the end of the Village's fiscal year.

**B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET**

For the year ended December 31, 2017, expenditures exceeded budget in the following funds:

Economic Development	\$ 130,477
Capital Improvement Fund	346,953
Garbage Fund	17,387
Emergency 911 Fund	38,135

The following explains the budget variances in each fund:

**Economic Development**

The expenditures in the economic development funds was over budget due to a capital outlay expense regarding a cancellation fee for the repurchase of a property located within TIF 4.

**Capital Projects Fund**

The expenditures over revenues in the Capital Development Fund relate to expenditures on the quarry to accelerate the closure of the land fill operation and the resulting transfer of the land to the Village for redevelopment. These costs were funded by the vendors providing the services. While the Village had several options to address these costs including offsets to future royalties from the vendor or land conveyance, the Village will fund the overage through the issuance of bonds in 2018.

**B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET (Continued)**

**Garbage Fund**

The excess expenditure relates to unforeseen component maintenance expenses for the Village's garbage trucks. The overage was funded through a lower repayment to the General Fund.

**Emergency 911 Fund**

Expenditures exceeded budget based on unplanned equipment maintenance. The dispatch systems are approaching the end of their useful lives. However, since the Village was exploring options to providing dispatch services, there was no plan to upgrade and replace equipment until a firm plan was developed. The Village has subsequently contracted to outsource the dispatch services to Cook County in 2018. The additional expenditures were offset by continued E911 user fees that would have otherwise had repaid the balance of the advance from the Capital Projects Fund.



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



**VILLAGE OF LYONS, ILLINOIS**

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
<b>Taxes</b>			
Property Taxes			
General/corporate	\$ 568,500	\$ 508,031	\$ 517,727
IMRF	101,000	90,248	90,451
Street and bridge	55,000	49,341	45,180
Fire protection	400,000	357,585	361,841
Police protection	700,000	626,140	610,939
Social security	96,000	85,903	86,025
Auditing	30,000	26,601	36,136
Police pension	1,045,000	950,621	866,736
Fire pension	56,000	51,115	56,168
Liability insurance	47,000	42,038	40,741
Ambulance service	140,000	124,942	135,527
Road and bridge	33,000	31,916	31,948
Total property taxes	3,271,500	2,944,481	2,879,419
Other Taxes			
Replacement	75,000	55,797	56,789
Telecommunication utility	245,000	191,689	219,784
Cable television utility	135,000	125,743	125,766
Electric utility	310,000	278,415	296,222
Natural gas utility	125,000	123,796	108,540
Local use	310,000	277,181	256,043
Hotel/motel	90,000	80,679	93,369
Foreign fire	10,000	13,496	12,995
Local food & beverage	215,000	220,351	212,490
Gaming taxes	200,000	268,517	224,280
Total other taxes	1,715,000	1,635,664	1,606,278
State Shared Taxes			
Municipal sales	1,700,000	1,496,129	1,559,728
Non-home rule sales	790,000	744,078	750,751
Income tax - municipal share	1,215,000	986,041	1,021,538
Total state shared taxes	3,705,000	3,226,248	3,332,017
Total taxes	8,691,500	7,806,393	7,817,714
<b>Intergovernmental</b>			
Other grants and reimbursements	-	5,053	6,137
Total intergovernmental	-	5,053	6,137

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Licenses and Permits</b>			
Riverside lawn fire district fees	2,000	2,000	2,000
Liquor licenses	35,000	75,550	60,950
Vehicle licenses	175,000	224,167	167,255
Garage sales permits	-	1,134	567
Property maintenance inspections	-	55,270	44,935
Building permits	215,000	136,089	131,898
Plumbing permits	-	11,704	10,676
HVAC permits	-	12,944	11,770
Electrical permits	-	3,928	5,218
Contractor licenses	-	38,625	44,270
Zoning hearings/maps/codes	-	1,500	1,000
Business licenses	100,000	89,890	91,676
Total licenses and permits	527,000	652,801	572,215
<b>Charges for Services</b>			
Antenna agreements	178,000	173,880	171,808
Advertising for Village property	6,000	4,189	4,668
Police and fire reports	4,000	6,394	5,005
Ambulance service fees	275,000	284,296	275,773
Fire recovery fees	10,000	9,972	17,442
Recreation fees	2,500	26,049	17,070
Total charges for services	475,500	504,780	491,766
<b>Fines and Fees</b>			
Liquor fines	1,000	2,500	-
Nuisance, abatement and adjudication	165,000	187,031	219,155
State Y-tickets	25,000	29,519	14,516
Parking P-tickets	150,000	130,722	121,650
DUI fines	7,500	5,645	5,504
Towing fees	25,000	13,630	15,590
Commercial FOIA Fees	-	-	250
Alarm board fees	1,500	225	1,785
State seizure revenue	25,000	90,758	6,900
Federal seizure revenue	25,000	-	-
Other	1,150	1,085	73,820
Total fines and fees	426,150	461,115	459,170

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Investment Income - Interest</b>			
Interest	4,025	9,248	5,855
<b>Royalties</b>			
Quarry revenues	600,000	241,274	427,128
<b>Miscellaneous</b>			
Sale of Village property	5,000	6,707	35,745
Rent of Village assets	3,600	6,700	11,368
Insurance and damage recovery	25,000	95,500	32,486
COBRA premium payments	500	3,395	-
Project & program reimbursement	2,500	-	-
Refunds and rebates	1,000	-	-
Senior taxi donation	12,000	2,751	10,488
Miscellaneous	15,000	43,804	2,200
Total miscellaneous	64,600	158,857	92,287
Total revenues	<u>\$ 10,788,775</u>	<u>\$ 9,839,521</u>	<u>\$ 9,872,272</u>

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>General Government</b>			
Administration			
Salaries and benefits	\$ 570,168	\$ 594,676	\$ 584,944
Professional services	-	107,881	92,818
Communications	176,000	49,750	75,895
Professional development	22,300	37,387	35,660
Operations	68,000	150,494	66,241
Other	400,000	5,788	11,898
Interfund cost transfer	(520,000)	(520,000)	(505,909)
Total administration	<u>716,468</u>	<u>425,976</u>	<u>361,547</u>
Legal Services			
Professional services	<u>250,500</u>	<u>257,863</u>	<u>310,801</u>
Finance			
Salaries and benefits	258,906	332,499	318,591
Professional services	266,750	219,598	266,554
Operations	<u>3,500</u>	<u>16,918</u>	<u>7,363</u>
Total finance	<u>529,156</u>	<u>569,015</u>	<u>592,508</u>
Human Resources			
Salaries and benefits	35,000	55,469	60,786
Professional services	5,000	540	3,850
Operations	<u>9,700</u>	<u>6,728</u>	<u>12,336</u>
Total human resources	<u>49,700</u>	<u>62,737</u>	<u>76,972</u>
Risk Management			
Professional services	<u>207,200</u>	<u>242,455</u>	<u>194,056</u>
Total risk management	<u>207,200</u>	<u>242,455</u>	<u>194,056</u>
Information Technology			
Professional services	46,000	42,196	41,625
Other	<u>37,150</u>	<u>84,045</u>	<u>26,066</u>
Total information technology	<u>83,150</u>	<u>126,241</u>	<u>67,691</u>

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>General Government (Cont.)</b>			
Buildings and grounds			
Professional services	35,150	41,452	34,609
Operations	144,100	114,136	125,667
Total buildings and grounds	179,250	155,588	160,276
Police and fire commission			
Professional development	-	19	-
Total police and fire commission	-	19	-
Total general government	2,015,424	1,839,894	1,763,851
<b>Building, Planning and Zoning</b>			
Building			
Salaries and benefits	540,285	506,221	500,016
Professional services	47,000	120,324	135,623
Communications	14,800	12,409	12,503
Professional development	6,750	2,152	1,113
Operations	55,800	76,126	58,726
Total building	664,635	717,232	707,981
Total building, planning and zoning	664,635	717,232	707,981
<b>Police</b>			
Salaries and benefits	2,282,504	2,271,441	2,138,584
Pensions	1,045,000	950,620	866,736
PEDA expenditures	1,500	60,210	50,318
Communications	13,400	41,763	31,587
Professional development	15,300	12,850	13,790
Operations	212,900	170,675	222,041
Professional services	85,000	126,421	69,752
Interdepartmental charge	550,000	550,000	490,677
Total police	4,205,604	4,183,980	3,883,485

**VILLAGE OF LYONS, ILLINOIS  
SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Fire Protection</b>			
Operations			
Salaries and benefits	538,969	454,792	499,936
Fire pension	55,800	59,106	57,701
Communications	11,875	34,134	11,511
Professional development	36,400	18,452	20,125
Operations	115,100	135,848	105,006
Total operations	758,144	702,332	694,279
Emergency Medical Services (EMS)			
Professional services	437,578	434,817	433,184
Operations	25,500	10,974	16,848
Total emergency medical services (EMS)	463,078	445,791	450,032
Total fire protection	1,221,222	1,148,123	1,144,311
<b>Recreation</b>			
Recreation department			
Salaries and benefits	141,363	164,382	146,393
Professional services	7,150	400	19,951
Communications	8,100	11,242	15,895
Operations	199,500	220,155	273,897
Total recreation department	356,113	396,179	456,136
<b>Public Works</b>			
Administration			
Salaries and benefits	1,191,815	1,285,276	1,162,478
Professional services	10,000	16,640	11,587
Communications	5,450	32,304	6,128
Operations	338,750	374,167	384,034
Interfund cost transfer	(525,000)	(525,000)	(525,000)
Total administration	1,021,015	1,183,387	1,039,227
<b>Capital Outlay</b>	50,000	-	253,841
Total expenditures	\$ 9,534,013	\$ 9,468,795	\$ 9,248,832

**VILLAGE OF LYONS, ILLINOIS  
COMBINING BALANCE SHEET  
ECONOMIC DEVELOPMENT (TIF FUNDS)  
DECEMBER 31, 2017**

	<b>TIF District # 1</b>	<b>TIF District # 2</b>	<b>TIF District # 3</b>	<b>TIF District # 4</b>	<b>Totals</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 4,220	\$ 2,271	\$ 1,118	\$ 3,083	\$ 10,692
Total assets	<u>\$ 4,220</u>	<u>\$ 2,271</u>	<u>\$ 1,118</u>	<u>\$ 3,083</u>	<u>\$ 10,692</u>
<b>Liabilities</b>					
Advance from other funds	-	-	-	863,032	863,032
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>863,032</u>	<u>863,032</u>
<b>Fund Balances</b>					
Unassigned	4,220	2,271	1,118	(859,949)	(852,340)
Total fund balances	<u>4,220</u>	<u>2,271</u>	<u>1,118</u>	<u>(859,949)</u>	<u>(852,340)</u>
Total liabilities and fund balances	<u>\$ 4,220</u>	<u>\$ 2,271</u>	<u>\$ 1,118</u>	<u>\$ 3,083</u>	<u>\$ 10,692</u>



**VILLAGE OF LYONS, ILLINOIS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ECONOMIC DEVELOPMENT (TIF FUNDS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>TIF District # 1</b>	<b>TIF District # 2</b>	<b>TIF District # 3</b>	<b>TIF District # 4</b>	<b>Totals</b>
<b>Revenues</b>					
Incremental property taxes	\$ 295,685	\$ 170,755	\$ 565,932	\$ 20,321	\$ 1,052,693
Investment earnings	-	-	8	7	15
Total revenues	<u>295,685</u>	<u>170,755</u>	<u>565,940</u>	<u>20,328</u>	<u>1,052,708</u>
<b>Expenditures</b>					
Community development	15,616	-	-	1,861	17,477
Capital outlay	-	-	-	140,000	140,000
Total expenditures	<u>15,616</u>	<u>-</u>	<u>-</u>	<u>141,861</u>	<u>157,477</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>280,069</u>	<u>170,755</u>	<u>565,940</u>	<u>(121,533)</u>	<u>895,231</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	250,000	250,000
Transfers out	(280,000)	(170,000)	(570,000)	(270,000)	(1,290,000)
Total other financing sources (uses)	<u>(280,000)</u>	<u>(170,000)</u>	<u>(570,000)</u>	<u>(20,000)</u>	<u>(1,040,000)</u>
<b>Net Changes in Fund Balances</b>	<u>69</u>	<u>755</u>	<u>(4,060)</u>	<u>(141,533)</u>	<u>(144,769)</u>
<b>Fund Balances - Beginning of Year</b>	<u>4,151</u>	<u>1,516</u>	<u>5,178</u>	<u>(718,416)</u>	<u>(707,571)</u>
<b>Fund Balances - End of Year</b>	<u>\$ 4,220</u>	<u>\$ 2,271</u>	<u>\$ 1,118</u>	<u>\$ (859,949)</u>	<u>\$ (852,340)</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**TIF #1 OPERATIONS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Taxes			
Incremental property taxes	\$ 293,000	\$ 295,685	\$ 292,300
Total revenues	293,000	295,685	292,300
<b>Expenditures</b>			
Community development	27,000	15,616	15,645
Total expenditures	27,000	15,616	15,645
<b>Excess (Deficiency) of Revenues over Expenditures</b>	266,000	280,069	276,655
<b>Other Financing Sources (Uses)</b>			
Transfers out	(266,000)	(280,000)	(295,000)
Total other financing sources (uses)	(266,000)	(280,000)	(295,000)
<b>Net Change in Fund Balance</b>	\$ -	69	(18,345)
<b>Fund Balance - Beginning of Year</b>		4,151	22,496
<b>Fund Balance - End of Year</b>		\$ 4,220	\$ 4,151

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**TIF #2 OPERATIONS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Taxes			
Incremental property taxes	\$ 162,000	\$ 170,755	\$ 162,841
Total revenues	<u>162,000</u>	<u>170,755</u>	<u>162,841</u>
<b>Expenditures</b>			
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>162,000</u>	<u>170,755</u>	<u>162,841</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	<u>(162,000)</u>	<u>(170,000)</u>	<u>(162,500)</u>
Total other financing sources (uses)	<u>(162,000)</u>	<u>(170,000)</u>	<u>(162,500)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>755</u>	<u>341</u>
<b>Fund Balance - Beginning of Year</b>		<u>1,516</u>	<u>1,175</u>
<b>Fund Balance - End of Year</b>		<u>\$ 2,271</u>	<u>\$ 1,516</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**TIF #3 OPERATIONS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Taxes			
Incremental property taxes	\$ 552,000	\$ 565,932	\$ 537,374
Investment income	10	8	10
Total revenues	<u>552,010</u>	<u>565,940</u>	<u>537,384</u>
<b>Expenditures</b>			
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>552,010</u>	<u>565,940</u>	<u>537,384</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	<u>(552,000)</u>	<u>(570,000)</u>	<u>(571,000)</u>
Total other financing sources (uses)	<u>(552,000)</u>	<u>(570,000)</u>	<u>(571,000)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 10</u>	<u>(4,060)</u>	<u>(33,616)</u>
<b>Fund Balance - Beginning of Year</b>		<u>5,178</u>	<u>38,794</u>
<b>Fund Balance - End of Year</b>		<u>\$ 1,118</u>	<u>\$ 5,178</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**TIF #4 OPERATIONS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Taxes			
Incremental property taxes	\$ 12,000	\$ 20,321	\$ 11,092
Investment income	10	7	9
Total revenues	<u>12,010</u>	<u>20,328</u>	<u>11,101</u>
<b>Expenditures</b>			
Community development	-	1,861	-
Capital outlay	-	140,000	7,646
Total expenditures	<u>-</u>	<u>141,861</u>	<u>7,646</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>12,010</u>	<u>(121,533)</u>	<u>3,455</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	250,000	250,000	275,000
Transfers out	(250,000)	(270,000)	(285,000)
Total other financing sources (uses)	<u>-</u>	<u>(20,000)</u>	<u>(10,000)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 12,010</u>	<u>(141,533)</u>	<u>(6,545)</u>
<b>Fund Balance - Beginning of Year</b>		<u>(718,416)</u>	<u>(711,871)</u>
<b>Fund Balance - End of Year</b>		<u>\$ (859,949)</u>	<u>\$ (718,416)</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Property taxes	\$ 642,765	\$ 659,896	\$ 641,968
Total revenues	<u>642,765</u>	<u>659,896</u>	<u>641,968</u>
<b>Expenditures</b>			
Debt service			
Principal retirement	4,765,000	800,000	1,570,000
Interest and fiscal charges	1,064,234	1,121,047	1,147,680
Costs of issuance	80,000	-	18,719
Total expenditures	<u>5,909,234</u>	<u>1,921,047</u>	<u>2,736,399</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(5,266,469)</u>	<u>(1,261,151)</u>	<u>(2,094,431)</u>
<b>Other Financing Sources/(Uses)</b>			
Bond proceeds	4,000,000	-	500,000
Premium on bonds	-	-	32,224
Transfers in	1,780,000	1,780,000	1,843,500
Total other financing sources/(uses)	<u>5,780,000</u>	<u>1,780,000</u>	<u>2,375,724</u>
<b>Net Change in Fund Balance</b>	<u>\$ 513,531</u>	<u>518,849</u>	<u>281,293</u>
<b>Fund Balance - Beginning of Year</b>		<u>641,049</u>	<u>359,756</u>
<b>Fund Balance - End of Year</b>		<u>\$ 1,159,898</u>	<u>\$ 641,049</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGE IN FUND BALANCE - BUDGET AND ACTUAL**  
**CAPITAL IMPROVEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
Intergovernmental	\$ 285,000	\$ 273,660	\$ 273,167
Investment income	500	211	15,902
Grant revenue	185,000	539,434	80,148
Sale of capital assets	-	69,535	-
Total revenues	<u>470,500</u>	<u>882,840</u>	<u>369,217</u>
<b>Expenditures</b>			
Principal payments	-	100,000	-
Costs of issuance	85,000	65,000	20,076
Capital outlay	3,295,000	3,515,080	7,599,326
Other expenses	-	46,873	-
Total expenditures	<u>3,380,000</u>	<u>3,726,953</u>	<u>7,619,402</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>(2,909,500)</u>	<u>(2,844,113)</u>	<u>(7,250,185)</u>
<b>Other Financing Sources (Uses)</b>			
Bond proceeds	2,500,000	4,100,000	755,000
Premium on bonds	-	-	47,361
Transfers in	600,000	-	-
Transfers out	(250,000)	(250,000)	(250,000)
Total other financing sources(uses)	<u>2,850,000</u>	<u>3,850,000</u>	<u>552,361</u>
<b>Net Change in Fund Balance</b>	<u>\$ (59,500)</u>	<u>1,005,887</u>	<u>(6,697,824)</u>
<b>Fund Balance - Beginning of Year</b>		<u>(1,367,782)</u>	<u>5,330,042</u>
<b>Fund Balance - End of Year</b>		<u>\$ (361,895)</u>	<u>\$ (1,367,782)</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET**  
**POSITION - BUDGET AND ACTUAL**  
**WATER AND SEWER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Operating Revenues</b>			
Water sales	\$ 2,878,000	\$ 2,807,972	\$ 2,855,247
Sewer charges	128,500	122,053	124,629
Water tap charges	12,000	35,574	8,354
Late penalties	60,000	56,365	55,012
Water turn-on fees	4,000	2,200	500
Meter sales	4,500	5,340	3,464
Total operating revenues	3,087,000	3,029,504	3,047,206
<b>Operating Expenses</b>			
Administration			
General fund administration charges	395,000	395,000	380,909
Total administration	395,000	395,000	380,909
Operations			
Water department			
Communications	13,350	22,213	16,418
Operations	2,060,054	1,776,680	1,895,221
General fund public works charges	275,000	275,000	275,000
Total water department	2,348,404	2,073,893	2,186,639
Sewer department			
Professional services	15,000	1,400	820
Operations	42,500	66,740	45,115
Total sewer department	57,500	68,140	45,935
Total operations	2,405,904	2,142,033	2,232,574
<b>Depreciation and Amortization</b>	130,000	235,114	164,954
Total operating expenses	2,930,904	2,772,147	2,778,437
<b>Operating Income (Loss)</b>	156,096	257,357	268,769
<b>Nonoperating Revenues (Expenses)</b>			
Interest expense	(56,000)	(166,942)	(65,853)
Total nonoperating revenues (expenses)	(56,000)	(166,942)	(65,853)
<b>Change in Net Position</b>	\$ 100,096	90,415	202,916
<b>Net Position - Beginning of Year</b>		3,929,250	3,726,334
<b>Net Position - End of Year</b>		\$ 4,019,665	\$ 3,929,250



**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET**  
**POSITION - BUDGET AND ACTUAL**  
**GARBAGE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Operating Revenues</b>			
Garbage collection	\$ 630,000	\$ 627,682	\$ 623,988
Late penalties	14,500	14,402	14,383
Toters	1,800	2,540	1,872
Garbage stickers	1,200	1,367	1,300
Total operating revenues	<u>647,500</u>	<u>645,991</u>	<u>641,543</u>
<b>Operating Expenses</b>			
Administration			
General fund administration charges	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Total administration	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>
Operations			
Professional services	214,500	208,776	181,502
Operations	1,750	27,766	1,150
General fund public works charges	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total operations	<u>466,250</u>	<u>486,542</u>	<u>432,652</u>
<b>Depreciation and Amortization</b>	<u>40,000</u>	<u>37,095</u>	<u>34,251</u>
Total operating expenses	<u>631,250</u>	<u>648,637</u>	<u>591,903</u>
<b>Operating Income (Loss)</b>	<u>16,250</u>	<u>(2,646)</u>	<u>49,640</u>
<b>Change in Net Position</b>	<u>\$ 16,250</u>	<u>(2,646)</u>	<u>49,640</u>
<b>Net Position - Beginning of Year</b>		<u>13,385</u>	<u>(36,255)</u>
<b>Net Position - End of Year</b>		<u>\$ 10,739</u>	<u>\$ 13,385</u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET**  
**POSITION - BUDGET AND ACTUAL**  
**EMERGENCY 911 FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Final Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Operating Revenues</b>			
Charges for service			
E-911 surcharge	\$ 90,000	\$ 90,833	\$ 129,406
<b>Operating Expenses</b>			
Salaries and benefits	239,488	250,428	245,160
Communications	3,000	-	1,771
Professional services	292,500	295,302	242,238
Operations	5,325	32,718	1,508
Interfund charges	(550,000)	(550,000)	(490,677)
Total operating expenses	(9,687)	28,448	-
<b>Operating Income (Loss)</b>	99,687	62,385	129,406
<b>Non-Operating Revenues (Expenses)</b>			
Transfer In	-	-	59,323
Interest income	2	-	-
Net non-operating revenues (expenses)	2	-	59,323
<b>Change in Net Position</b>	\$ 99,689	62,385	188,729
<b>Net Position - Beginning of Year</b>		(71,240)	(259,969)
<b>Net Position - End of Year</b>		\$ (8,855)	\$ (71,240)

**VILLAGE OF LYONS, ILLINOIS**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**DECEMBER 31, 2017**

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 529,444	\$ 676	\$ 530,120
Interest receivable	48,622	-	48,622
Due from Village	4,413	-	4,413
Investments, at fair value			
U.S. governmental agencies securities	2,170,711	-	2,170,711
State and local government securities	449,654	-	449,654
Corporate bonds	2,175,937	-	2,175,937
Mutual funds and equities	4,551,688	-	4,551,688
	<u>9,930,469</u>	<u>676</u>	<u>9,931,145</u>
Total assets			
	<u>9,930,469</u>	<u>676</u>	<u>9,931,145</u>
<b>Net Position Held in Trust for Pension Benefits</b>	<u>\$ 9,930,469</u>	<u>\$ 676</u>	<u>\$ 9,931,145</u>

**VILLAGE OF LYONS, ILLINOIS**  
**COMBINING SCHEDULE OF CHANGE IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Additions</b>			
Contributions			
Employer	\$ 950,621	\$ 59,106	\$ 1,009,727
Plan members	103,355	-	103,355
Total contributions	<u>1,053,976</u>	<u>59,106</u>	<u>1,113,082</u>
Investment earnings			
Interest and dividends	261,251	138	261,389
Net increase (decrease) in fair value of investments	<u>749,527</u>	<u>-</u>	<u>749,527</u>
Total investment earnings	1,010,778	138	1,010,916
Less investment expense	<u>(24,105)</u>	<u>-</u>	<u>(24,105)</u>
Net investment earnings	<u>986,673</u>	<u>138</u>	<u>986,811</u>
Total additions	<u>2,040,649</u>	<u>59,244</u>	<u>2,099,893</u>
<b>Deductions</b>			
Administration	38,553	-	38,553
Benefits and refunds	<u>1,429,126</u>	<u>58,593</u>	<u>1,487,719</u>
Total deductions	<u>1,467,679</u>	<u>58,593</u>	<u>1,526,272</u>
<b>Change in Net Position</b>	<u>572,970</u>	<u>651</u>	<u>573,621</u>
<b>Net Position Held in Trust for Pension Benefits</b>			
Beginning of Year	<u>9,357,499</u>	<u>25</u>	<u>9,357,524</u>
End of Year	<u><u>\$ 9,930,469</u></u>	<u><u>\$ 676</u></u>	<u><u>\$ 9,931,145</u></u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -**  
**BUDGET AND ACTUAL**  
**POLICE PENSION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Final Budget</b>	<b>Actual</b>
<b>Additions</b>		
Contributions		
Employer	\$ 1,045,000	\$ 950,621
Plan members	98,000	103,355
Total contributions	<u>1,143,000</u>	<u>1,053,976</u>
Investment earnings		
Interest and dividends	-	261,251
Net increase in fair value of investments	<u>-</u>	<u>749,527</u>
Total investment earnings	-	1,010,778
Less investment expense	<u>-</u>	<u>(24,105)</u>
Net investment earnings	<u>750,000</u>	<u>986,673</u>
Total additions	<u>1,893,000</u>	<u>2,040,649</u>
<b>Deductions</b>		
Administration	28,000	38,553
Benefits and refunds	<u>1,800,000</u>	<u>1,429,126</u>
Total deductions	<u>1,828,000</u>	<u>1,467,679</u>
<b>Change in Net Position</b>	<u>65,000</u>	<u>572,970</u>
<b>Net Position Held in Trust for Pension Benefits</b>		
Beginning of Year	<u>9,495,581</u>	<u>9,357,499</u>
End of Year	<u><u>\$ 9,560,581</u></u>	<u><u>\$ 9,930,469</u></u>

**VILLAGE OF LYONS, ILLINOIS**  
**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -**  
**BUDGET AND ACTUAL**  
**FIREFIGHTERS' PENSION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>
<b>Additions</b>		
Contributions		
Employer	\$ 58,000	\$ 59,106
Investment earnings		
Interest and dividends	25	138
Net investment earnings	25	138
Total additions	58,025	59,244
<b>Deductions</b>		
Benefits and refunds	57,800	58,593
Total deductions	57,800	58,593
<b>Change in Net Position</b>	225	651
<b>Net Position Held in Trust for Pension Benefits</b>		
Beginning of Year	462	25
End of Year	\$ 687	\$ 676

## SUPPLEMENTAL SCHEDULES



VILLAGE OF LYONS, ILLINOIS

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**Debt Certificates of 2007**

**December 31, 2017**

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Date of Issue	September 6, 2007
Date of Maturity	January 1, 2027
Original Issue Amount	\$4,095,000
Denomination of Bonds	\$5,000
Interest Rates	3.85% to 5.00%
Interest Payment Dates	January 1 and July 1
Principal Payment Dates	January 1
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	Sales Tax Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 210,000	\$ 109,550	\$ 319,550
2019	220,000	100,628	320,628
2020	230,000	91,233	321,233
2021	240,000	81,363	321,363
2022	250,000	70,948	320,948
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>\$ 2,570,000</u>	<u>\$ 629,296</u>	<u>\$ 3,199,296</u>



**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**Debt Certificates of 2009B**

**December 31, 2017**

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Date of Issue	July 7, 2009
Date of Maturity	December 15, 2028
Original Issue Amount	\$1,885,000
Denomination of Bonds	\$5,000
Interest Rates	1.85% to 4.85%
Interest Payment Dates	June 15 and December 15
Principal Payment Dates	December 15
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	General Fund Appropriations with Sales Tax Pledge

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 90,000	\$ 57,093	\$ 147,093
2019	95,000	53,358	148,358
2020	100,000	49,463	149,463
2021	105,000	45,363	150,363
2022	110,000	40,743	150,743
2023	110,000	35,903	145,903
2024	120,000	30,843	150,843
2025	125,000	25,323	150,323
2026	130,000	19,448	149,448
2027	135,000	13,338	148,338
2028	140,000	6,790	146,790
	<u>\$ 1,260,000</u>	<u>\$ 377,660</u>	<u>\$ 1,637,660</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Tax Debt Certificate, Series 2016B  
December 31, 2017**

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Date of Issue	August 7, 2017
Date of Maturity	July 1, 2022
Original Issue Amount	\$900,000
Denomination of Bonds	\$5,000
Interest Rates	2.75%
Interest Payment Dates	January 1 and July 1
Principal Payment Dates	July 1
Form of Bonds	Physical
Payable at	Hinsdale Trust and Savings Bank
Repayment Source	General Fund Obligation

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 170,000	\$ 22,275	\$ 192,275
2019	175,000	20,075	195,075
2020	180,000	15,262	195,262
2021	185,000	10,312	195,312
2022	190,000	5,225	195,225
	<u>\$ 900,000</u>	<u>\$ 73,149</u>	<u>\$ 973,149</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**Ambulance Revolving Loan Program  
December 31, 2017**

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Date of Issue	August 26, 2026
Date of Maturity	November 1, 2026
Original Issue Amount	\$100,000
Denomination of Bonds	\$100,000
Interest Rates	0.00%
Interest Payment Dates	N/A
Principal Payment Dates	November 1
Form of Bonds	Physical Note with IDFA
Payable at	Amalgamated Bank of Chicago
Repayment Source	General Fund Appropriations

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 10,000	\$ -	\$ 10,000
2019	10,000	-	10,000
2020	10,000	-	10,000
2021	10,000	-	10,000
2022	10,000	-	10,000
2023	10,000	-	10,000
2024	10,000	-	10,000
2025	10,000	-	10,000
2026	10,000	-	10,000
	<u>\$ 90,000</u>	<u>-</u>	<u>\$ 90,000</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds of 2009A  
December 31, 2017**

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Date of Issue	July 7, 2009
Date of Maturity	December 15, 2019
Original Issue Amount	\$1,030,000
Denomination of Bonds	\$5,000
Interest Rates	2.20% to 4.10%
Interest Payment Dates	June 15 and December 15
Principal Payment Dates	December 15
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	Limited Tax Property Tax Levy

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 115,000	\$ 9,200	\$ 124,200
2019	115,000	4,600	119,600
	<u>\$ 230,000</u>	<u>\$ 13,800</u>	<u>\$ 243,800</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds of 2015C  
December 31, 2017**

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Date of Issue	December 30, 2015
Date of Maturity	December 1, 2025
Original Issue Amount	\$4,405,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	General Obligation Property Tax

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 395,000	\$ 123,000	\$ 518,000
2019	405,000	111,150	516,150
2020	435,000	99,000	534,000
2021	445,000	85,950	530,950
2022	465,000	68,150	533,150
2023	485,000	49,550	534,550
2024	500,000	30,150	530,150
2025	505,000	15,150	520,150
	<u>\$ 3,635,000</u>	<u>\$ 582,100</u>	<u>\$ 4,217,100</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds of 2015D  
December 31, 2017**

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Date of Issue	January 26, 2016
Date of Maturity	December 1, 2024
Original Issue Amount	\$555,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Limited Tax Property Tax Levy

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ -	\$ 20,150	\$ 20,150
2019	-	20,150	20,150
2020	95,000	20,150	115,150
2021	110,000	17,300	127,300
2022	115,000	14,000	129,000
2023	115,000	9,400	124,400
2024	120,000	4,800	124,800
	<u>\$ 555,000</u>	<u>\$ 105,950</u>	<u>\$ 660,950</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds (Alternate Revenue Source) of 2015B  
December 31, 2017**

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Date of Issue	December 30, 2015
Date of Maturity	December 1, 2038
Original Issue Amount	\$4,860,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	Nonhome Rule Sales Taxes

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 145,000	\$ 232,050	\$ 377,050
2019	150,000	227,700	377,700
2020	155,000	221,700	376,700
2021	160,000	215,500	375,500
2022	165,000	209,100	374,100
2023	175,000	202,500	377,500
2024	180,000	195,500	375,500
2025	190,000	186,500	376,500
2026	200,000	177,000	377,000
2027	210,000	167,000	377,000
2028	220,000	156,500	376,500
2029	230,000	145,500	375,500
2030	245,000	134,000	379,000
2031	255,000	121,750	376,750
2032	270,000	109,000	379,000
2033	280,000	95,500	375,500
2034	295,000	81,500	376,500
2035	310,000	66,750	376,750
2036	325,000	51,250	376,250
2037	340,000	35,000	375,000
2038	360,000	18,000	378,000
	<u>\$ 4,860,000</u>	<u>\$ 3,049,300</u>	<u>\$ 7,909,300</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds (Alternate Revenue Source) of 2015A  
December 31, 2017**

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Date of Issue	January 26, 2016
Date of Maturity	December 1, 2029
Original Issue Amount	\$500,000
Denomination of Bonds	\$5,000
Interest Rates	4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Sales Tax Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ -	\$ 20,000	\$ 20,000
2019	-	20,000	20,000
2020	-	20,000	20,000
2021	-	20,000	20,000
2022	-	20,000	20,000
2023	-	20,000	20,000
2024	-	20,000	20,000
2025	-	20,000	20,000
2026	115,000	20,000	135,000
2027	120,000	15,400	135,400
2028	130,000	10,600	140,600
2029	135,000	5,400	140,400
	<u>\$ 500,000</u>	<u>\$ 211,400</u>	<u>\$ 711,400</u>



**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds (Alternate Revenue Source) of 2014A  
December 31, 2017**

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Date of Issue	December 23, 2014
Date of Maturity	December 1, 2024
Original Issue Amount	\$3,760,000
Denomination of Bonds	\$5,000
Interest Rates	5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Incremental Tax Revenues and Sales Tax Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 500,000	\$ 188,000	\$ 688,000
2019	500,000	163,000	663,000
2020	500,000	138,000	638,000
2021	550,000	113,000	663,000
2022	570,000	85,500	655,500
2023	570,000	57,000	627,000
2024	570,000	28,500	598,500
	<u>\$ 3,760,000</u>	<u>\$ 773,000</u>	<u>\$ 4,533,000</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds (Alternate Revenue Source) of 2014B  
December 31, 2017**

---

Date of Issue	December 23, 2014
Date of Maturity	December 1, 2035
Original Issue Amount	\$7,405,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Incremental Tax Revenues and Sales Tax Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 210,000	\$ 331,269	\$ 541,269
2019	295,000	324,969	619,969
2020	260,000	316,119	576,119
2021	250,000	308,319	558,319
2022	260,000	298,319	558,319
2023	280,000	287,919	567,919
2024	280,000	273,919	553,919
2025	440,000	259,919	699,919
2026	455,000	237,919	692,919
2027	465,000	215,169	680,169
2028	360,000	199,475	559,475
2029	375,000	186,875	561,875
2030	535,000	173,750	708,750
2031	555,000	147,000	702,000
2032	570,000	119,250	689,250
2033	600,000	90,750	690,750
2034	605,000	60,750	665,750
2035	610,000	30,500	640,500
	<u>\$ 7,405,000</u>	<u>\$ 3,862,188</u>	<u>\$ 11,267,188</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Bonds (Alternate Revenue Source), Series 2017A  
December 31, 2017**

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Date of Issue	September 12, 2017
Date of Maturity	December 1, 2032
Original Issue Amount	\$3,200,000
Denomination of Bonds	\$1,000
Interest Rates	3.25%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	Physical
Payable at	Hinsdale Trust and Savings Bank
Repayment Source	Income Taxes and Telecommunication Taxes

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ -	\$ 126,822	\$ 126,822
2019	-	104,000	104,000
2020	202,000	104,000	306,000
2021	208,000	97,435	305,435
2022	215,000	90,675	305,675
2023	222,000	83,687	305,687
2024	229,000	76,472	305,472
2025	237,000	69,030	306,030
2026	245,000	61,327	306,327
2027	252,000	53,365	305,365
2028	260,000	45,175	305,175
2029	269,000	36,725	305,725
2030	278,000	27,982	305,982
2031	287,000	18,947	305,947
2032	296,000	9,620	305,620
	<u>\$ 3,200,000</u>	<u>\$ 1,005,262</u>	<u>\$ 4,205,262</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Loan L175137**

**December 31, 2017**

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Date of Issue	December 17, 2016
Date of Maturity	December 1, 2034
Original Issue Amount	\$1,312,216
Denomination of Bonds	N/A
Interest Rates	2.21%
Interest Payment Dates	June 17 and December 17
Principal Payment Dates	June 17 and December 17
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 62,485	\$ 24,647	\$ 87,131
2019	63,737	23,394	87,131
2020	65,015	22,116	87,131
2021	66,319	20,812	87,131
2022	67,648	19,483	87,131
2023	69,005	18,126	87,131
2024	70,388	16,743	87,131
2025	71,799	15,332	87,131
2026	73,239	13,892	87,131
2027	74,707	12,424	87,131
2028	76,205	10,926	87,131
2029	77,733	9,398	87,131
2030	79,292	7,839	87,131
2031	80,881	6,250	87,131
2032	82,503	4,628	87,131
2033	84,157	2,974	87,131
2034	85,845	1,286	87,131
	<u>\$ 1,250,960</u>	<u>\$ 230,269</u>	<u>\$ 1,481,229</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Loan L175303**

**December 31, 2017**

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Date of Issue	August 13, 2016
Date of Maturity	August 13, 2036
Original Issue Amount	\$4,607,811
Denomination of Bonds	N/A
Interest Rates	2.21%
Interest Payment Dates	February 13 and August 13
Principal Payment Dates	February 13 and August 13
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 190,318	\$ 97,056	\$ 287,373
2019	194,547	92,826	287,373
2020	198,870	88,503	287,373
2021	203,289	84,084	287,373
2022	207,807	79,566	287,373
2023	212,425	74,948	287,373
2024	217,145	70,228	287,373
2025	221,971	65,402	287,373
2026	226,903	60,470	287,373
2027	231,946	55,427	287,373
2028	237,100	50,273	287,373
2029	242,369	45,004	287,373
2030	247,755	39,618	287,373
2031	253,260	34,113	287,373
2032	258,888	28,485	287,373
2033	264,641	22,732	287,373
2034	270,522	16,851	287,373
2035	276,534	10,839	287,373
2036	282,679	4,694	287,373
	<u>\$ 4,438,970</u>	<u>\$ 1,021,118</u>	<u>\$ 5,460,088</u>

**VILLAGE OF LYONS, ILLINOIS**

**Long-Term Debt Requirements**

**IEPA Loan L175136**

**December 31, 2016**

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Date of Issue	November 1, 2017
Date of Maturity	November 1, 2037
Original Issue Amount (Final Costs Pending)	\$1,026,529
Denomination of Bonds	N/A
Interest Rates	1.995%
Interest Payment Dates	May 1 and November 1
Principal Payment Dates	May 1 and November 1
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS**

Fiscal Year Ending December 31	Principal	Interest	Total
2018	\$ 37,485	\$ 17,956	\$ 55,441
2019	43,282	19,517	62,799
2020	44,150	18,649	62,799
2021	45,035	17,764	62,799
2022	45,938	16,861	62,799
2023	46,859	15,940	62,799
2024	47,798	15,001	62,799
2025	48,757	14,042	62,799
2026	49,734	13,065	62,799
2027	50,731	12,068	62,799
2028	51,749	11,050	62,799
2029	52,786	10,013	62,799
2030	53,844	8,955	62,799
2031	54,924	7,875	62,799
2032	56,025	6,774	62,799
2033	57,148	5,651	62,799
2034	58,294	4,505	62,799
2035	59,463	3,336	62,799
2036	60,655	2,144	62,799
2037	61,871	928	62,799
	<u>\$ 1,026,528</u>	<u>\$ 222,094</u>	<u>\$ 1,248,622</u>

## STATISTICAL SECTION



VILLAGE OF LYONS, ILLINOIS

## STATISTICAL SECTION

This part of the Village of Lyon's 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.

### **Contents**

### **Page(s)**

#### 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. 116 - 120

#### Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax. 121 - 127

#### 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. 128 - 131

#### 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. 132 - 133

#### 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. 134 - 136

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



Village of Lyons, Illinois

Net Position by Components - Last Ten Fiscal Years  
December 31, 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Net Investment in Capital Assets	\$ 5,254,430	\$ 12,116,204	\$ 19,736,258	\$ 20,428,433	\$ 20,733,759	\$ 24,120,696	\$ 24,028,979	\$ 23,877,452	\$ 23,941,275	\$ 23,076,960
Restricted	2,457,150	2,445,500	4,459,103	2,800,613	833,818	288,292	284,283	540,233	952,825	1,801,391
Unrestricted	5,692,503	(3,329,560)	(15,937,194)	(15,318,067)	(14,697,556)	(18,181,919)	(18,179,590)	(28,480,210)	(29,964,747)	(29,963,932)
Total Governmental Activities Net Assets	\$ 13,404,083	\$ 11,232,144	\$ 8,258,167	\$ 7,910,979	\$ 6,870,021	\$ 6,227,069	\$ 6,133,672	\$ (4,062,525)	\$ (5,070,647)	\$ (5,085,581)
Business-Type Activities										
Net Investment in Capital Assets	\$ 2,559,924	\$ 2,551,073	\$ 3,052,303	\$ 3,634,397	\$ 3,597,692	\$ 3,513,090	\$ 3,515,061	\$ 3,714,186	\$ 3,501,873	\$ 3,899,520
Restricted	296,359	296,359	296,359	-	-	-	-	-	-	-
Unrestricted	658,366	613,252	754,717	353,163	76,370	(21,475)	(428,965)	(284,076)	369,522	122,029
Total Business-Type Activities Net Assets	\$ 3,514,649	\$ 3,460,684	\$ 4,103,379	\$ 3,987,560	\$ 3,674,062	\$ 3,491,615	\$ 3,086,096	\$ 3,430,110	\$ 3,871,395	\$ 4,021,549
Primary Government										
Net Investment in Capital Assets	\$ 7,814,354	\$ 14,667,277	\$ 22,788,561	\$ 24,062,830	\$ 24,331,451	\$ 27,633,786	\$ 27,544,040	\$ 27,591,638	\$ 27,443,148	\$ 26,976,480
Restricted	2,753,509	2,741,859	4,755,462	2,800,613	833,818	288,292	284,283	540,233	952,825	1,801,391
Unrestricted	6,350,869	(2,716,308)	(15,182,477)	(14,964,904)	(14,621,186)	(18,203,394)	(18,608,555)	(28,764,286)	(29,595,225)	(29,841,903)
Total Primary Government Net Assets	\$ 16,918,732	\$ 14,692,828	\$ 12,361,546	\$ 11,898,539	\$ 10,544,083	\$ 9,718,684	\$ 9,219,768	\$ (632,415)	\$ (1,199,252)	\$ (1,064,032)

Source: Audited Financial Statements

Village of Lyons, Illinois

Changes in Net Position - Last Ten Fiscal Years  
December 31, 2017

Expenses	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
General Government	\$ 1,343,805	\$ 1,534,678	\$ 1,685,481	\$ 1,528,127	\$ 1,348,182	\$ 1,536,145	\$ 1,729,478	\$ 1,865,424	\$ 1,807,350	\$ 2,350,024
Building, Planning and Zoning	256,725	265,979	296,747	319,331	440,947	479,751	476,145	568,950	731,497	805,699
Health	50,423	37,730	35,090	-	-	-	-	-	-	-
Public Safety	5,618,175	5,945,384	6,125,926	7,140,102	7,042,319	7,044,409	5,874,583	6,528,648	5,890,210	6,266,518
Community Development	599,235	1,194,767	330,862	177,514	25,590	39,880	42,304	31,542	23,291	157,477
Recreation	322,768	188,544	167,755	177,251	248,014	309,163	289,766	205,666	454,698	384,118
Public Works	1,017,491	1,406,473	1,126,561	1,436,823	1,754,019	1,202,993	1,450,537	2,519,118	2,212,930	1,427,524
Interest on Long-Term Debt	1,030,329	1,238,893	1,573,178	1,137,134	902,416	872,907	1,154,493	1,183,296	1,035,939	1,058,539
Total Governmental Activities Expenses	10,238,951	11,812,448	11,341,600	11,916,282	11,761,487	11,485,248	11,017,306	12,902,644	12,155,915	12,449,899
Business-Type Activities										
Water and Sewer	1,945,604	1,826,306	1,863,889	2,014,832	2,437,881	2,490,297	2,960,056	2,893,470	2,844,290	2,939,089
Garbage	604,501	621,574	629,687	658,181	658,922	674,554	693,233	569,206	591,903	648,637
Emergency 911	114,919	405,363	135,336	138,632	115,173	120,568	111,226	6,547	-	28,448
Total Business-Type Activities Expenses	2,665,024	2,853,243	2,628,912	2,811,645	3,211,976	3,285,419	3,764,515	3,469,223	3,436,193	3,616,174
Total Primary Government Expenses	\$ 12,903,975	\$ 14,665,691	\$ 13,970,512	\$ 14,727,927	\$ 14,973,463	\$ 14,770,667	\$ 14,781,821	\$ 16,371,867	\$ 15,592,108	\$ 16,066,073
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 328,137	\$ 331,915	\$ 1,031,973	\$ 1,331,249	\$ 880,750	\$ 948,563	\$ 911,845	\$ 1,027,644	\$ 978,444	\$ 921,095
Building, Planning and Zoning	343,400	341,380	89,165	94,357	198,019	170,375	214,452	224,641	250,017	260,060
Health	12	195	4,156	-	-	-	-	-	-	-
Public Safety	1,106,444	954,450	796,656	738,916	900,714	985,880	786,129	906,689	686,720	761,112
Recreation	128,734	58,777	61,267	53,122	92,483	31,311	12,076	22,270	17,070	26,049
Public Works	-	-	-	33,125	10,942	11,468	7,728	6,802	8,337	5,053
Operating Grants / Contributions	93,916	110,403	41,694	483,031	297,668	335,379	319,965	275,584	273,167	273,660
Capital Grants / Contributions	332,371	312,600	453,891	454,730	403,155	205,322	125,503	337,521	80,148	539,434
Total Governmental Activities Program Revenues	2,333,014	2,109,720	2,478,802	3,188,530	2,783,731	2,688,298	2,377,698	2,801,151	2,293,903	2,786,463
Business Type Activities										
Charges for Services										
Water and Sewer	2,095,569	2,143,440	2,427,945	2,347,371	2,411,555	2,351,117	2,630,996	3,093,861	3,047,206	3,029,504
Garbage	567,897	567,134	628,108	641,532	620,191	641,238	638,645	633,957	641,543	645,991
Emergency 911	55,241	48,736	89,684	98,594	111,750	110,563	89,353	85,418	129,406	90,833
Total Business-Type Activities Program Revenues	2,718,707	2,759,310	3,145,737	3,087,497	3,143,496	3,102,918	3,358,994	3,813,236	3,818,155	3,766,328
Total Primary Government Program Revenues	\$ 5,051,721	\$ 4,869,030	\$ 5,624,539	\$ 6,276,027	\$ 5,927,227	\$ 5,791,216	\$ 5,736,692	\$ 6,614,387	\$ 6,112,058	\$ 6,552,791
Net (Expense) Revenue										
Governmental Activities	\$ (7,905,937)	\$ (9,702,728)	\$ (8,862,798)	\$ (8,727,753)	\$ (8,977,754)	\$ (8,796,950)	\$ (8,639,608)	\$ (10,101,493)	\$ (9,862,012)	\$ (9,663,436)
Business-Type Activities	53,683	(93,933)	516,825	275,852	(68,480)	(182,501)	(405,521)	344,013	381,962	150,154
Total Primary Government Net (Expense) Revenue	\$ (7,852,254)	\$ (9,796,661)	\$ (8,345,973)	\$ (8,451,901)	\$ (9,046,234)	\$ (8,979,451)	\$ (9,045,129)	\$ (9,757,480)	\$ (9,480,050)	\$ (9,513,282)

Village of Lyons, Illinois

Changes in Net Position - Last Ten Fiscal Years  
December 31, 2017

General Revenues and Other Changes in Net Assets										
Governmental Activities										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Taxes										
Property	\$ 4,052,954	\$ 4,260,259	\$ 4,714,211	\$ 4,445,726	\$ 4,425,020	\$ 4,480,780	\$ 4,500,783	\$ 4,569,857	\$ 4,524,994	\$ 4,657,070
Sales	1,100,754	995,009	1,210,847	1,118,951	1,215,058	1,326,214	1,439,266	1,954,937	2,310,479	2,240,207
Income	969,641	833,531	808,584	835,046	963,368	1,037,442	1,041,844	1,145,623	1,021,538	986,041
Utility	994,920	905,510	980,222	895,263	857,152	866,713	865,854	771,149	750,312	719,643
Other	294,643	242,444	63,652	276,226	291,548	385,639	597,799	802,082	855,966	916,021
Interest	204,102	8,784	9,728	52,741	2,297	599	574	1,680	21,776	9,474
Miscellaneous	582,165	285,252	229,451	50,013	28,772	56,611	100,091	85,153	70,387	120,046
Transfers	-	-	(85,325)	400,000	250,000	-	-	-	(59,323)	-
Total Governmental Activities	8,199,179	7,530,789	7,931,370	8,073,966	8,033,215	8,153,998	8,546,211	9,330,481	9,496,129	9,648,502
Business-Type Activities										
Property Taxes	44,316	39,960	42,547	7,215	4,970	-	-	-	-	-
Interest	75	8	2,029	1,114	13	54	2	1	-	-
Transfers	-	-	85,325	(400,000)	(250,000)	-	-	-	59,323	-
Total Business-Type Activities	44,391	39,968	129,901	(391,671)	(245,017)	54	2	1	59,323	-
Total Primary Government	\$ 8,243,570	\$ 7,570,757	\$ 8,061,271	\$ 7,682,295	\$ 7,788,198	\$ 8,154,052	\$ 8,546,213	\$ 9,330,482	\$ 9,555,452	\$ 9,648,502
Changes in Net Assets										
Governmental Activities	\$ 293,242	\$ (2,171,939)	\$ (931,428)	\$ (653,788)	\$ (944,538)	\$ (642,952)	\$ (93,397)	\$ (771,012)	\$ (365,883)	\$ (14,934)
Business-Type Activities	98,074	(53,965)	646,726	(115,819)	(313,497)	(182,447)	(405,519)	344,014	441,285	150,154
Total Primary Government	\$ 391,316	\$ (2,225,904)	\$ (284,702)	\$ (769,607)	\$ (1,258,035)	\$ (825,399)	\$ (498,916)	\$ (426,998)	\$ 75,402	\$ 135,220

Village of Lyons, Illinois

**Fund Balances of Governmental Funds - Last Ten Fiscal Years**  
**December 31, 2017**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 298,121	\$ 299,020	\$ 193,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,108,591	1,992,018	1,701,181	-	-	-	-	-	-	-
Nonspendable	-	-	-	10,000	447,884	366,150	645,662	874,399	878,093	782,949
Restricted	-	-	-	244,092	388,026	268,684	264,675	536,776	536,776	641,493
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	1,294,897	658,941	261,032	1,202,596	1,077,688	1,083,111	954,264
Total General Fund	\$ 2,406,712	\$ 2,291,038	\$ 1,894,498	\$ 1,548,989	\$ 1,494,851	\$ 895,866	\$ 2,112,933	\$ 2,488,863	\$ 2,497,980	\$ 2,378,706
All Other Governmental Funds										
Reserved	\$ 1,901,340	\$ 2,674,561	\$ 4,570,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, Reported in,										
Special Revenue Funds	983,906	(679,482)	-	-	-	-	-	-	-	-
Debt Service Funds	-	(393,966)	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	92,532	725,393	725,708	615,753	515,978	341,173	-
Restricted	-	-	-	2,202,509	846,930	689,366	726,269	5,173,820	416,049	1,159,898
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(987,065)	(1,240,561)	(913,852)	(649,406)	(2,191,526)	(1,214,235)
Total All Other Governmental Funds	\$ 2,885,246	\$ 1,601,113	\$ 4,570,300	\$ 2,295,041	\$ 585,258	\$ 174,513	\$ 428,170	\$ 5,040,392	\$ (1,434,304)	\$ (54,337)

Data Source: Audited Financial Statements

Note: The Village implemented GASB No. 54 for the fiscal year ended December 31, 2011

Village of Lyons, Illinois

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years  
December 31, 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 7,412,912	\$ 7,236,753	\$ 7,777,516	\$ 7,571,212	\$ 7,752,146	\$ 8,096,788	\$ 8,445,546	\$ 9,243,648	\$ 9,463,289	\$ 9,518,982
Intergovernmental	426,287	423,003	710,585	592,834	822,168	339,915	323,480	279,186	279,304	278,713
Licenses, Permits and Fees	343,400	341,380	421,844	450,983	508,378	469,363	486,190	520,405	572,215	652,801
Charges for Services	611,117	589,219	628,332	843,206	489,598	501,478	462,719	533,749	491,766	504,780
Fines and Forfeitures	952,210	756,118	588,273	660,965	730,685	762,770	643,181	608,067	459,170	461,115
Interest	204,102	8,784	9,728	52,741	2,297	599	574	1,680	21,776	9,474
Miscellaneous	582,165	285,252	359,219	445,555	506,675	671,383	562,219	944,897	599,563	1,009,100
Total Revenues	10,532,193	9,640,509	10,495,497	10,617,493	10,811,948	10,842,296	10,923,909	12,131,632	11,887,083	12,434,965
<b>Expenditures</b>										
General Government	1,143,870	1,320,869	1,450,212	1,421,314	1,125,557	1,282,102	1,330,033	1,327,582	1,763,851	1,839,894
Building, Planning and Zoning	256,725	265,979	286,812	319,331	440,947	479,751	517,305	589,989	707,981	717,232
Health	50,423	37,730	35,090	-	-	-	-	-	-	-
Public Safety	5,266,382	5,379,343	5,210,139	5,928,092	6,250,503	6,132,026	5,409,535	5,130,902	5,027,796	5,332,103
Community Development	694,622	408,351	330,862	36,948	25,590	39,880	42,304	31,542	15,645	17,477
Recreation	322,768	188,544	162,955	177,251	248,014	309,163	289,766	326,475	456,136	396,179
Public Works	1,236,142	1,103,928	958,963	1,246,848	1,056,045	909,667	928,457	1,200,474	1,039,227	1,183,387
Capital Outlay	10,511,695	3,248,035	290,512	2,265,926	1,224,228	436,594	701,087	1,337,768	7,860,813	3,655,080
Debt Service										
Principal Retirement	933,267	1,265,012	5,113,703	1,203,526	3,688,905	1,375,338	12,658,330	5,900,000	1,570,000	900,000
Interest and Fiscal Charges	998,566	1,183,197	1,920,783	1,039,025	866,080	887,506	1,166,959	1,015,420	1,147,680	1,121,047
Debt Issuance Costs	-	-	-	-	-	-	296,430	256,572	38,795	65,000
Other Expenses	-	-	-	-	-	-	-	-	-	46,873
Total Expenditures	21,414,460	14,400,988	15,760,031	13,638,262	14,925,869	11,852,027	23,340,206	17,116,724	19,627,924	15,274,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,882,267)	(4,760,479)	(5,264,534)	(3,020,768)	(4,113,921)	(1,009,731)	(12,416,297)	(4,985,092)	(7,740,841)	(2,839,307)
<b>Other Financing Sources (Uses)</b>										
Debt Issuance	3,451,679	3,415,000	9,000,000	-	2,100,000	-	12,680,000	9,265,000	1,255,000	4,100,000
Disposal of Capital Assets	511,202	-	-	-	-	-	-	-	-	-
Premium (Discount) on Debt Issuance	-	(54,328)	-	-	-	-	1,182,051	733,214	79,585	-
Transfers In	1,845,031	1,471,505	2,515,356	1,610,069	1,780,299	1,066,662	2,299,441	2,344,000	2,093,500	2,030,000
Transfers Out	(1,845,031)	(1,471,505)	(2,600,681)	(1,210,069)	(1,530,299)	(1,066,662)	(2,299,441)	(2,344,000)	(2,152,823)	(2,030,000)
Total Other Financing Sources (Uses)	3,962,881	3,360,672	8,914,675	400,000	2,350,000	-	13,862,051	9,998,214	1,275,262	4,100,000
Net Change in Fund Balances	\$ (6,919,386)	\$ (1,399,807)	\$ 3,650,141	\$ (2,620,768)	\$ (1,763,921)	\$ (1,009,731)	\$ 1,445,754	\$ 5,013,122	\$ (6,465,579)	\$ 1,260,693
Debt Service as a Percentage of Noncapital Expenditures	18.21%	20.13%	45.00%	19.53%	32.01%	19.42%	59.95%	43.83%	21.86%	17.53%

Village of Lyons, Illinois

General Governmental Tax Revenues by Source - Last Ten Fiscal Years  
December 31, 2017

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Income Tax</b>	<b>Sales Tax</b>	<b>Home Rule Sales Tax</b>	<b>Personal Prop Replacement Tax</b>	<b>Utility Tax</b>	<b>Motor Fuel Tax</b>	<b>Other Taxes</b>
2008	4,046,381	969,641	1,100,754	-	63,286	994,920	332,371	231,357
2009	3,934,220	818,596	995,009	-	53,627	905,510	312,600	188,817
2010	4,655,627	808,584	1,076,302	-	58,584	980,222	422,299	198,197
2011	4,445,726	835,046	1,118,951	-	59,100	895,263	262,971	222,787
2012	4,425,020	963,368	1,215,058	-	51,519	857,153	261,499	240,029
2013	4,480,780	1,037,442	1,326,214	-	57,336	866,713	293,234	328,303
2014	4,500,783	1,041,844	1,439,266	-	58,573	865,854	265,788	539,226
2015	4,569,857	1,145,623	1,578,125	376,812	70,928	771,149	262,296	731,154
2016	4,524,994	1,021,538	1,559,728	750,751	56,789	750,312	273,167	799,177
2017	4,657,070	986,041	1,496,129	744,078	55,797	719,643	273,660	860,224

Motor Fuel Tax is presented as Intergovernmental Revenue in the financial statements

Source: Audited Financial Statements

Village of Lyons, Illinois

Equalized Valuation and Estimated Market Value of Taxable Property - Last Ten Fiscal Years  
December 31, 2017

Fiscal Year Ended Dec. 31	Tax Levy Year	Residential Property	Railroad Property	Commercial Property	Industrial Property	Total Equalized Assessed Valuation (1)	Less: Homeowners Exemptions	Less: Tax Increment	Equalized Assessed Valuation for Taxation (2)	Total Direct Tax Rate	Total Estimated Market Value (3)
2008	2007	182,549,732	42,319	48,324,534	43,174,627	274,091,212	(38,342,370)	(10,226,412)	225,522,430	1.3100	822,273,636
2009	2008	226,763,774	51,561	54,354,215	45,502,020	326,671,570	(62,046,742)	(12,674,891)	251,949,937	1.6340	980,014,710
2010	2009	223,391,421	62,681	52,868,794	44,691,415	321,014,311	(60,951,432)	(10,467,493)	249,595,386	1.3820	963,042,933
2011	2010	217,226,822	72,179	48,797,196	44,140,693	310,236,890	(49,883,529)	(11,096,055)	249,257,306	1.8320	930,710,670
2012	2011	151,279,095	85,986	37,997,780	33,311,430	222,674,291	(21,907,274)	(9,190,037)	191,576,980	2.0390	668,022,873
2013	2012	140,133,815	89,903	36,246,781	32,739,542	209,210,041	(24,046,601)	(7,989,377)	177,174,063	2.2040	627,630,123
2014	2013	130,351,610	95,181	33,690,456	32,531,369	196,668,616	(23,273,895)	(6,123,383)	167,271,338	2.4160	590,005,848
2015	2014	122,200,451	93,959	33,052,272	24,300,612	179,647,294	(20,234,765)	(6,880,649)	152,531,880	2.5030	538,941,882
2016	2015	119,822,475	104,988	32,695,783	22,967,680	175,590,926	(20,605,657)	(7,167,728)	147,817,541	2.4540	526,772,778
2017	2016	100,248,301	105,038	38,300,324	21,017,333	159,670,996	(21,371,708)	(7,675,933)	130,623,355	2.1221	479,012,988

Data Source: Office of the County Clerk

(1) Total Equalized Assessed Valuation of property based on the Assessed Valuation of property determined by the Cook County Assessor based on 10% of fair value for residential property and 25% of fair value for commercial and industrial property (except for certain exemptions) equalized by the Equalization Factor calculated by the Illinois Department of Revenue applicable to Cook County. Equalized Assessed Valuation should approximate 33% of the market value of taxable property in the Village.

(2) Total Equalized Assessed Valuation of the Village is reduced by Homeowners Exemptions and the Tax Increment (the Equalized Valuation of property in a Tax Increment District that exceeds the Frozen Level at the inception of the Tax Increment District) for purposes of billing and collecting taxes for the Village.

(3) The Total Estimated Market Value of the Village is based on the Equalized Assessed Valuation before Homeowners Exemptions and Tax Increment multiplied by 3. This calculation assumes that the countrywide Equalization Factor adjusts Assessed Valuation in the Village to one third of market.

**Village of Lyons, Illinois**

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years  
December 31, 2017**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Village Direct Rates</b>										
Corporate	0.2026	0.1999	0.1959	0.2591	0.2886	0.3896	0.4268	0.3724	0.3508	0.3128
Garbage	0.0159	0.0173	0.0020	0.0027	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Street and Bridge	0.0198	0.0192	0.0194	0.0257	0.0286	0.0359	0.0395	0.0326	0.0340	0.0260
IMRF	0.0635	0.0615	0.0616	0.0815	0.0908	0.0689	0.0758	0.0653	0.0623	0.0516
Police Protection	0.2483	0.2537	0.2597	0.3435	0.3826	0.4795	0.5270	0.4409	0.4320	0.3173
Fire Protection	0.1589	0.1657	0.1661	0.2197	0.2447	0.2697	0.2965	0.2613	0.2469	0.2068
Firefighter's Pension	0.0141	0.0142	0.0144	0.0191	0.0243	0.0330	0.0362	0.0392	0.0345	0.0317
Police Pension	0.0795	0.0808	0.1241	0.1642	0.1829	0.2697	0.3294	0.6101	0.6449	0.6375
Social Security	0.0506	0.0412	0.0416	0.0550	0.0613	0.0659	0.0725	0.0621	0.0593	0.0493
Auditing	0.0061	0.0063	0.0065	0.0086	0.0096	0.0180	0.0198	0.0262	0.0185	0.0210
Ambulance Service	0.1092	0.1174	0.1181	0.1563	0.1741	0.0899	0.0988	0.0980	0.0864	0.0567
Bond and Interest	0.2475	0.5601	0.2761	0.3690	0.4094	0.4478	0.4579	0.4644	0.4553	0.3881
Liability Insurance	0.0938	0.0961	0.0961	0.1271	0.1416	0.0354	0.0353	0.0294	0.0290	0.0233
Total Direct Rates	1.310	1.634	1.382	1.832	2.039	2.204	2.416	2.503	2.454	2.1221
<b>Overlapping Rates</b>										
Lyons Public Library	0.240	0.243	0.252	0.334	0.373	0.402	0.449	0.468	0.459	0.388
Lyons Elementary School District 103	3.263	3.287	3.377	4.367	4.856	5.293	5.418	5.924	5.796	5.062
J Sterling Morton High School District 201	1.835	1.848	1.858	2.454	2.732	2.954	3.216	3.339	3.251	2.875
Morton Community College District 527	0.389	0.393	0.392	0.504	0.556	0.613	0.670	0.698	0.680	0.583
Cook County	0.415	0.394	0.423	0.462	0.531	0.560	0.568	0.552	0.533	0.496
Cook County Consolidated Elections	0.000	0.021	0.000	0.025	0.000	0.031	0.000	0.034	0.000	0.031
Cook County Forest Preserve	0.051	0.049	0.051	0.058	0.063	0.069	0.069	0.069	0.063	0.062
Lyons Township (various functions)	0.154	0.158	0.161	0.198	0.213	0.231	0.231	0.237	0.227	0.193
Metropolitan Water Reclamation District	0.252	0.261	0.274	0.320	0.370	0.417	0.430	0.426	0.406	0.402
Des Plaines Valley Mosquito Abatement District	0.012	0.011	0.011	0.014	0.015	0.016	0.016	0.017	0.017	0.015
Total Direct and Overlapping Rates	7.921	8.299	8.181	10.568	11.748	12.790	13.483	14.267	13.886	12.229
Village of Lyons Percent Total	16.54%	19.69%	16.89%	17.34%	17.36%	17.23%	17.92%	17.54%	17.67%	17.35%

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value



Village of Lyons, Illinois

Principal Property Taxpayers - Current Year and Nine Years Ago  
December 31, 2017

Taxpayer	2017			2008		
	Taxable Assessed Value (2016 EAV)	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value (2007 EAV)	Rank	Percentage of Total Village Taxable Assessed Value
Hasak (US) Cold Storage	\$10,516,089	1	4.76%	\$ 9,491,253	1	5.27%
G Miller Trust 4772	3,437,271	2	1.55%			
Safeguard Properties	2,610,559	3	1.18%			
Natmi National Truck Terminal	2,504,969	4	1.13%			
PIMA LLC	1,686,419	5	0.76%			
Jack Phelan Chevrolet	1,659,657	6	0.75%	1,981,922	4	1.10%
Reliable Materials	1,453,379	7	0.66%	1,672,759	7	0.93%
Riverwalk Senior Apartments	1,305,603	8	0.59%	1,887,249	5	1.05%
CBKK Lyons LLC	1,272,136	9	0.58%			
Walgreens	1,189,281	10	0.54%	1,762,144	6	0.98%
Individual				4,222,691	2	2.35%
Fedex National Title				3,421,433	3	1.90%
CTLTC CB				1,524,906	8	0.85%
ATR Land Inc				1,348,856	9	0.75%
NASA Properties Inc				1,348,033	10	0.75%
	<u>\$27,635,363</u>		<u>12.50%</u>	<u>\$28,661,247.99</u>		<u>15.92%</u>

Data Source: Office of the Cook County Clerk and County Treasurer

Village of Lyons, Illinois

Property Tax Levies and Collections - Last Ten Levy Years  
December 31, 2017

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
2008	2007	3,214,633	N/A	N/A	N/A	3,107,100	96.65%
2009	2008	3,337,267	N/A	N/A	N/A	3,218,649	96.45%
2010	2009	4,114,616	N/A	N/A	N/A	3,961,917	96.29%
2011	2010	3,482,342	N/A	N/A	N/A	3,373,741	96.88%
2012	2011	3,545,087	N/A	N/A	N/A	3,442,273	97.10%
2013	2012	3,648,269	N/A	N/A	N/A	3,513,847	96.32%
2014	2013	3,723,629	\$ 3,488,750	93.69%	\$ 133,987	3,622,738	97.29%
2015	2014	3,718,582	3,526,198	94.82%	103,973	3,630,171	97.62%
2016	2015	3,732,140	3,474,607	93.09%	174,292	3,648,899	97.77%
2017	2016	3,764,416	3,649,360	96.94%	N/A	3,649,360	96.94%

Source: Office of the Clerk

N/A - Not Available

**Village of Lyons, Illinois**

**Sales Taxes by Category - Last Ten Fiscal Years  
December 31, 2017**

<b>Calendar Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
General Merchandise & Apparel	\$ 64,586	\$ 65,426	\$ 65,932	\$ 65,489	\$ 71,289	\$ 71,786	\$ 72,856	\$ 89,371	\$ 93,651	\$ 96,587
Food	120,125	115,314	105,256	107,359	112,079	117,213	120,577	120,168	124,434	138,468
Drinking and Eating Places	96,905	118,812	127,951	128,654	140,384	150,511	160,981	173,701	190,342	199,496
Furniture & H.H. & Radio	17,348	19,439	15,584	12,286	12,052	12,677	10,898	12,133	12,938	18,600
Lumber, Building, Hardware	26,298	20,067	20,365	20,168	21,633	21,729	29,936	28,073	26,287	26,513
Automobile and Filling Stations	325,068	304,171	383,692	422,341	457,034	466,417	513,846	634,885	645,712	605,326
Drugs & Miscellaneous Retail	183,867	191,014	197,426	205,372	221,378	266,301	274,294	257,663	281,231	270,273
Agriculture and All Others	254,991	153,806	151,142	154,787	167,402	210,145	240,920	245,978	168,123	126,129
Manufacturers	11,566	6,962	8,955	2,494	11,808	9,435	14,957	16,153	16,976	14,737
<b>Totals</b>	<b>\$ 1,100,754</b>	<b>\$ 995,009</b>	<b>\$ 1,076,302</b>	<b>\$ 1,118,951</b>	<b>\$ 1,215,058</b>	<b>\$ 1,326,214</b>	<b>\$ 1,439,266</b>	<b>\$ 1,578,125</b>	<b>\$ 1,559,694</b>	<b>\$ 1,496,129</b>

Data Source: Department of Revenue

Village of Lyons, Illinois

Non-Home Rule Sales Taxes by Category - Last Ten Fiscal Years  
December 31, 2017

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Merchandise & Apparel	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 47,377	\$ 89,846	\$ 92,453
Food	N/A	N/A	N/A	N/A	N/A	N/A	N/A	24,311	47,494	52,029
Drinking and Eating Places	N/A	N/A	N/A	N/A	N/A	N/A	N/A	86,152	187,798	198,811
Furniture & H.H. & Radio	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,814	12,659	18,561
Lumber, Building, Hardware	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,483	25,627	25,812
Automobile and Filling Stations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	87,595	159,337	160,495
Drugs & Miscellaneous Retail	N/A	N/A	N/A	N/A	N/A	N/A	N/A	74,845	151,410	142,308
Agriculture and All Others	N/A	N/A	N/A	N/A	N/A	N/A	N/A	32,795	64,730	50,246
Manufacturers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,270	11,173	12,327
Totals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	376,642	750,074	753,042

Data Source: Department of Revenue

Village of Lyons, Illinois

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
December 31, 2017

Fiscal Year	Governmental Activities						Business-Type Activities				Total Government		
	Notes and Debt	General Obligation	Limited Tax	Alternate Revenue	TIF Revenue	Total	Payable	IEPA		Total	Total Government	Percentage Of Personal Income (1)	Per Capita (1)
	Certificates	Bonds	Bonds	Bonds (GO)	Bonds			Revenue	Revenue				
2008	\$ 5,004,500	\$ 6,470,000	\$ 200,000	\$ 2,040,000	\$ 7,650,701	\$ 21,365,201	\$ 21,361	\$ -	\$ 1,600,000	\$ 1,621,361	\$ 22,986,562	8.05%	\$ 2,210
2009	7,005,998	6,215,000	1,115,000	1,975,000	7,162,830	23,473,828	471,816	-	1,145,000	1,616,816	25,090,644	8.78%	2,412
2010	15,093,416	5,955,000	925,000	1,895,000	2,992,686	26,861,102	290,437	-	670,000	960,437	27,821,539	11.18%	2,642
2011	14,768,573	5,685,000	835,000	1,685,000	2,684,000	25,657,573	199,609	-	-	199,609	25,857,182	10.60%	2,434
2012	16,423,668	5,405,000	740,000	1,500,000	-	24,068,668	102,923	-	-	102,923	24,171,591	9.33%	2,269
2013	15,558,330	5,115,000	645,000	1,375,000	-	22,693,330	-	-	-	-	22,693,330	9.20%	2,130
2014	6,190,000	4,815,000	545,000	11,165,000	-	22,715,000	-	1,069,873	-	1,069,873	23,784,873	9.97%	2,230
2015	5,205,000	5,138,213	445,000	17,090,359	-	27,878,572	-	3,840,336	-	3,840,336	31,718,908	13.33%	2,973
2016	4,325,000	4,788,524	895,000	17,473,667	-	27,482,191	-	6,524,030	-	6,524,030	34,006,221	13.69%	3,202
2017	4,820,000	4,350,851	785,000	20,592,995	-	30,548,846	-	6,716,459	-	6,716,459	37,265,305	N/A	3,509

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements. Amounts for 2008 to 2009 restated due to omission of certain debt.

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

Village of Lyons, Illinois

Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2017

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 30,548,846	100.00%	\$ 30,548,846
Overlapping Debt			
Cook County	3,213,141,750	0.11%	3,534,456
School District 103	6,922,073	42.67%	2,953,649
High School District 201	69,752,645	10.60%	7,393,780
Metropolitan Water Reclamation District	2,641,033,181	0.11%	2,905,136
Morton Community College District 527	2,995,000	10.60%	317,470
Cook County Forest Preserve	149,290,000	0.11%	164,219
Total Overlapping Debt	6,083,134,649		17,268,710
Total Direct and Overlapping Debt	6,113,683,495		47,817,556

(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.

Data Source: Cook County Tax Extension Department

Village of Lyons, Illinois

Ratios of General Bonded Debt Outstanding  
December 31, 2017

Fiscal Year	General Obligation Debt Outstanding (1)	Less: Available Debt Service Fund Balance	Net General Obligation Debt Outstanding	Percentage of Market Value	Per Capita
2008	\$ 13,714,500	\$ 42,280	\$ 13,672,220	1.66%	\$ 1,314
2009	16,310,998	(226,135)	16,537,133	1.69%	1,590
2010	23,868,416	327,361	23,541,055	2.44%	2,236
2011	22,973,573	282,366	22,691,207	2.44%	2,136
2012	24,068,668	19,607	24,049,061	3.60%	2,258
2013	22,693,330	20,580	22,672,750	3.61%	2,128
2014	22,715,000	726,269	21,988,731	3.73%	2,061
2015	27,878,572	3,457	27,875,115	5.17%	2,613
2016	27,482,191	416,049	27,066,142	5.14%	2,548
2017	30,548,846	1,159,898	29,388,948	6.14%	2,767

(1) Debt includes General Obligation Bonds, Limited Tax Bonds, Alternate Revenue Bonds, and Debt Certificates and Notes Payable.

Village of Lyons, Illinois

Schedule of Legal Debt Margin - Last Ten Years  
December 31, 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Equalized Assessed Valuation (EAV) used for Tax Extension	\$225,522,430	\$251,949,937	\$249,595,386	\$249,257,306	\$191,576,980	\$177,174,063	\$167,271,338	\$152,531,880	\$147,817,541	\$130,623,355
Add: EAV Exemptions from Tax Extension	38,342,370	62,046,742	60,951,432	49,883,529	21,907,274	24,046,601	23,273,895	20,234,765	20,605,657	21,371,708
Add: EAV associated with TIF Districts	10,226,412	12,674,891	10,467,493	11,096,055	9,190,037	7,989,377	6,123,383	6,880,649	7,167,728	7,675,933
Total Applicable EAV	\$ 274,091,212	\$ 326,671,570	\$ 321,014,311	\$ 310,236,890	\$ 222,674,291	\$ 209,210,041	\$ 196,668,616	\$ 179,647,294	\$ 175,590,926	\$ 159,670,996
Legal Debt Limit--8.625% of Applicable EAV	\$ 23,640,367	\$ 28,175,423	\$ 27,687,484	\$ 26,757,932	\$ 19,205,658	\$ 18,044,366	\$ 16,962,668	\$ 15,494,579	\$ 15,144,717	\$ 13,771,623
Debt Applicable to the Limit										
Notes Payable and Debt Certificates	5,004,500	7,005,998	15,093,416	14,768,573	16,423,668	15,558,330	6,190,000	5,205,000	4,325,000	4,820,000
General Obligation Bonds	6,470,000	6,215,000	5,955,000	5,685,000	5,405,000	5,115,000	4,815,000	4,405,000	4,020,000	3,635,000
Limited Tax Bonds	200,000	1,115,000	925,000	835,000	740,000	645,000	545,000	445,000	895,000	785,000
Total Net Debt Applicable to the Limit	11,674,500	14,335,998	21,973,416	21,288,573	22,568,668	21,318,330	11,550,000	10,055,000	9,240,000	9,240,000
Legal Debt Margin	\$11,965,867	\$13,839,425	\$5,714,068	\$5,469,359	(\$3,363,010)	(\$3,273,964)	\$5,412,668	\$5,439,579	\$5,904,717	\$4,531,623
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	49.38%	50.88%	79.36%	79.56%	117.51%	118.14%	68.09%	64.89%	61.01%	67.09%



Village of Lyons, Illinois

Demographic and Economic Statistics - Last Ten Fiscal Years  
December 31, 2017

Fiscal Year	Population	Personal Income	Per Capita			
			Personal Income	Median Age	School Enrollment	Unemployment Rate
2008	10,402	\$ 285,671,045	\$ 27,463	35.7	2,251	7.90%
2009	10,402	285,671,045	27,463	35.7	2,251	7.90%
2010	10,530	248,750,190	23,623	34.6	2,936	8.10%
2011	10,623	243,861,588	22,956	35.7	3,104	9.30%
2012	10,651	259,149,481	24,331	37.2	3,097	9.20%
2013	10,653	246,563,685	23,145	37.0	2,868	10.30%
2014	10,667	238,503,453	22,359	36.0	2,639	8.50%
2015	10,668	238,013,748	22,311	36.1	2,546	8.10%
2016	10,621	248,393,327	23,387	35.6	2,413	5.60%
2017	N/A	N/A	N/A	N/A	N/A	N/A

Data Source: US Census Bureau

N/A - Data not yet available at time of report

Village of Lyons, Illinois

Principal Employers - Current Year and Nine Years Ago  
December 31, 2017

Employer	2017			2008		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Elementary School District 103	360	1	17.72%	360	1	6.72%
Hasak (US) Cold Storage	70	2	3.44%	115	2	2.15%
Accushim, Inc.	65	3	3.20%	60	4	1.12%
Village of Lyons	64	4	3.15%	63	3	1.18%
Atlas Tool & Die Works, Inc.	60	5	2.95%	55	6	1.03%
Reliable Materials Lyons	50	6	2.46%			
Freeway Ford	45	7	2.21%			
Roofs, Inc.	30	8	1.48%			
Runnion Equipment Co	30	9	1.48%			
BZB Riders	30	10	1.48%			
Mansfield & Sons, Inc.				60	5	1.12%
Richards & Weber Construction				50	7	0.93%
Standard Bank and Trust				43	8	0.80%
Pelron Corp				42	9	0.78%
CB Newspaper Delivery				35	10	0.65%
	<u>804</u>		<u>39.57%</u>	<u>883</u>		<u>16.48%</u>

**Village of Lyons, Illinois**

**Full-Time Equivalent Village Government Employees By Function - Last Ten Fiscal Years  
December 31, 2017**

Function / Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Administration	2.5	2.5	3.0	4.0	5.0	4.0	4.5	5.5	6.0	5.0
Finance	4.5	4.5	2.0	1.5	2.5	2.5	3.5	5.0	3.5	4.0
Building, Planning and Zoning	3.5	3.5	3.5	4.0	5.0	5.5	4.5	5.5	5.5	5.0
Health	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Safety										
Police										
Officers	28.0	28.0	40.0	30.5	30.5	33.0	24.5	20.5	20.0	20.0
Civilians	7.0	7.0	9.5	11.0	11.0	11.0	8.0	7.0	4.0	5.5
Fire										
Firefighters and Officers	2.5	2.5	7.0	6.0	7.0	7.0	8.0	7.0	7.5	7.5
Recreation	0.5	0.5	0.5	0.5	0.5	1.5	3.0	3.5	4.0	3.0
Public Works	13.0	13.0	8.5	13.0	13.0	14.0	18.0	16.5	15.5	16.5
Totals	62.0	62.0	74.0	70.5	74.5	78.5	74.0	70.5	66.0	66.5

Source: Village Payroll Records

**Village of Lyons, Illinois**

**Operating Indicators by Function / Program - Last Ten Fiscal Years  
December 31, 2017**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Business Licenses	761	761	433	453	460	726	670	693	694	661
Tobacco Licenses	25	25	S	S	S	S	S	S	S	S
Liquor Licenses	41	41	46	35	28	37	29	38	36	48
Building, Planning, Zoning										
Building Permits Issued	619	619	444	465	469	562	607	632	766	760
Contractor Licenses Issued	245	245	217	253	318	342	357	373	468	407
Health										
Number of Health Events	5	5	S	S	S	S	S	S	S	S
Public Safety										
Police										
Part I Crimes	237	277	286	233	211	212	148	135	136	101
Physical Arrests	340	289	304	200	298	255	171	155	167	145
Parking Violations	3,459	6,265	5,513	5,211	4,910	4,881	1,781	2,380	4,121	4,787
Traffic Violations	3,018	2,982	2,614	2,436	2,862	2,433	889	730	580	713
Fire										
Emergency Responses	1,227	1,150	1,281	1,325	1,351	1,346	1,437	1,525	1,501	1,349
Fire Suppression Reponses	1,203	1,100	1,258	1,270	1,151	1,093	1,150	1,041	1,156	1,112
Inspections	238	238	N/A	N/A	301	344	301	282	292	292
Water and Sewer										
Number of Metered Accounts	3,044	3,044	3,056	3,048	3,044	3,042	3,020	3,025	3,016	3,016
New Connections	5	5	3	4	2	0	1	3	2	3
Water Main Breaks	19	19	6	9	9	9	9	4	7	5
Water Average Daily Consumption (Thousands of Gallons)	998	998	1,141	1,198	1,206	1,269	1,262	1,232	1,095	867
Garbage										
Number of Accounts	2,607	2,607	2,598	2,596	2,587	2,576	2,575	2,577	2,610	2,622
Emergency 911										
Emergency Service Calls	1,471	1,831	2,748	2,476	2,584	2,792	3,013	3,051	2,770	5,678
Calls for Service	11,182	11,840	13,346	13,287	13,456	12,941	11,752	13,046	13,059	20,400

Data Source: Various Village departments

N/A - Data Not Available

S Operation no longer provided by the Village

**Village of Lyons, Illinois**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2017**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Vehicles	1	1	1	1	1	1	1	1	1	2
Building, Planning & Zoning										
Vehicles	3	3	2	2	1	1	1	5	5	5
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	3	3	3	3	3	3	3	3	3	3
Patrol Units	11	11	13	15	17	18	22	17	16	15
Fire										
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Engines	3	3								
Public Works										
Vehicles	9	9	10	11	11	11	4	12	10	7
Streets (Miles)	33	33	33	33	33	33	33	33	33	33
Streetlights	460	460	460	460	460	460	460	460	460	460
Traffic Signals	32	32	32	32	32	32	32	32	32	32
Water and Sewer										
Vehicles	3	3	3	4	4	4	4	4	3	3
Water Mains (Miles)	25	25	25	25	25	25	25	25	25	25
Fire Hydrants	360	360	360	360	360	360	360	360	360	360
Sanitary Sewers (Miles)	25	25	25	25	25	25	25	25	25	25
Storm Sewers (Miles)	25	25	25	25	25	25	25	25	25	25

Source: Various Village Departments