

**LEMONT
FIRE PROTECTION DISTRICT
LEMONT, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2015

LEMONT FIRE PROTECTION DISTRICT

TABLE OF CONTENTS

December 31, 2015

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	MD&A 1- 4
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities	5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	7
Statement of Revenues, Expenditures, and Changes in Fund Balances....	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	9
Fiduciary Funds	
Statement of Fiduciary Net Position.....	10
Statement of Changes in Fiduciary Net Position.....	11
Notes to Financial Statements.....	12-47
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund	48
Ambulance Fund.....	49
Tort Liability Fund.....	50

LEMONT FIRE PROTECTION DISTRICT

TABLE OF CONTENTS

December 31, 2014

	<u>Page(s)</u>
FINANCIAL SECTION (Cont.)	
Required Supplementary Information (Cont.)	
Schedule of Funding Progress	
Other Postemployment Benefits Plan.....	51
Schedule of Employer Contributions	
Other Postemployment Benefits Plan.....	52
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	
Illinois Municipal Retirement.....	53
Firefighters' Pension.....	54
Schedule of Employer Contributions	
Illinois Municipal Retirement.....	55
Firefighters' Pension.....	56
Schedule of Investment Returns – Firefighters' Pension.....	57
Notes to Required Supplementary Information.....	58
Supplemental Data	
Major Governmental Funds	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Capital Projects Fund.....	59
Schedule of Detailed Expenditures – Budget and Actual	
General Fund.....	60-63
Ambulance Fund.....	64-66
Nonmajor Governmental Funds	
Combining Balance Sheet	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	68
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Social Security and IMRF Fund.....	69
Audit Fund	70
Foreign Fire Insurance Fund.....	71
Debt Service Fund.....	72
Schedule of Assessed Valuations, Rates, and Extensions.....	73-75

LEMONT FIRE PROTECTION DISTRICT

PRINCIPAL OFFICIALS

December 31, 2015

Board of Trustees

Victoria Cobbett, President

Glenn Bergmark, Secretary

Keith Latz, Treasurer

Michael Kasperski, Trustee

William Ward, Trustee

Administration

George Rimbo, Chief

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Lemont Fire Protection District

We have audited accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lemont Fire Protection District as of and for the year ended December 31, 2015, which collectively comprise the Lemont Fire Protection District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Lemont Firefighters' Pension Fund, which represent 100% of the assets, liabilities, net position, revenues, and expenses of the fiduciary funds. Those financial 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 Firefighters' Pension 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 plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend upon the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the Lemont Fire Protection District's preparation and fair presentation of the basic 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 Lemont Fire Protection District'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 basic financial statements.

Auditor's Responsibility (Continued)

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

Opinions

In our opinion, the basic financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lemont Fire Protection District as of December 31, 2015 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Lemont Fire Protection District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses, and modified certain disclosures in the notes to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that certain information listed as required supplementary information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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 Lemont Fire Protection District's basic financial statements. The combining individual fund financial statements and the financial information listed as schedules and supplemental data in the accompanying table of contents 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, the schedules, and supplemental data 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. The information has

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

The introductory section was not audited by us and we express no opinion thereon.

Kerrison LLC

Naperville, Illinois
June 10, 2016

Lemont Fire Protection District

Management's Discussion and Analysis
For the Year Ended December 31, 2015

As the management of Lemont Fire Protection District ("the District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the District's financial statements

The discussion and analysis is designed to: (1) assist the readers in focusing on significant financial issues, (2) provide an overview of the District's financial activities, (3) identify changes in the District's financial position (its ability to address the next and subsequent years challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

Historically, the primary focus of local government financial statements has been summarized funds types on a current financial resource basis. Due to the requirement of Government Accounting Standards Board Statement No. 34, beginning in 2003 this approach was modified so that now the District's financial statements present two kinds of statements, each with a different snapshot of the District's finances. The focus of the new financial statements are on both the District as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the District's accountability.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis, for State and Local Governments" issued June 1999. Certain comparative information between the current and prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements.

Financial Highlights

The District's total liabilities/deferred inflows exceeded its total assets at the close of the most recent year by \$(5,522,484), which includes \$4,849,984 invested in capital assets (net of related debt of \$1,095,000).

The District's total net position increased by \$2,077,269 resulting in ending net position of \$(5,522,484). Property taxes collected were \$8,794,657, compared to the prior year of \$8,783,264.

At December 31, 2015 the District's governmental funds reported combined ending fund balances of \$4,464,833, an increase of \$421,328 from the prior year. Of this amount the general and ambulance funds had a combined ending fund balance of \$1,345,431 (unassigned), tort liability fund had an ending balance of \$(149,045) special revenue funds had an ending balance of \$63,975, capital projects fund had an ending fund balance of \$3,184,771, and the Debt Service Fund had an ending fund balance of \$19,701.

(See independent auditors report.)

Lemont Fire Protection District

Management's Discussion and Analysis
For the Year Ended December 31, 2015

Overview of the Financial Statements

This discussion is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of District finances, in a manner similar to a private-sector business and are reported using the accrual basis of accounting and economic resources measurement focus.

The statement of net position presents information on all District assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, the increase or decrease in net position may serve as a useful indicator of whether or not the District's financial position is improving.

The statement of activities presents information showing how the District'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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and unpaid obligations).

The government-wide financial statement distinguishes District functions that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities reflected the District's basic services including fire, ambulance and other administrative functions.

The government –wide financial statements are presented on page 4-5 of this report.

(See independent auditor's report)

Lemont Fire Protection District

Management's Discussion and Analysis
For the Year Ended December 31, 2015

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other units of government, uses fund accounting to ensure compliance with finance-related legal requirements. All of the District's funds are governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. All of the District's services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for use. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between government funds and government activities.

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the Corporate Fund, Ambulance Fund, Tort Liability Fund, Capital Projects Fund and Non-major Special Revenue Funds. Data from the Special Revenue Funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual schedules elsewhere in the report.

Basic governmental fund financial statements are presented on pages 6-9 of this report

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 12 of this report.

Other Information

In addition to these basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligations to provide pension benefits to its employees. This information can be found beginning on page 51 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and/or individual statements and schedules are presented in a subsequent section of this report beginning on page 67 of this report.

(See independent auditors report.)

Lemont Fire Protection District

Management's Discussion and Analysis
For the Year Ended December 31, 2015

Financial Analysis of the District's Funds

Changes in Fund Balance - Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$4,464,833. Of this year-end total, the general and ambulance funds reported a fund balance of \$1,345,431. The remaining \$3,119,402 is restricted, assigned or unrestricted.

The following is a summary of changes in fund balances for the year ended December 31, 2015:

<i>Governmental Funds</i>	<i>Fund Balance Dec. 31, 2014</i>	<i>Increase (Decrease)</i>	<i>Fund Balance Dec. 31, 2015</i>
<i>General Fund</i>	\$ 495,501	\$ (97,024)	\$ 398,477
<i>Ambulance Fund</i>	1,366,195	(419,241)	946,954
<i>Tort Liability Fund</i>	(81,345)	(67,700)	(149,045)
<i>Capital Projects Fund</i>	2,154,060	1,030,711	3,184,771
<i>Other Governmental Funds</i>	<u>109,094</u>	<u>(25,418)</u>	<u>83,676</u>
	<u>\$ 4,043,505</u>	<u>\$ 421,328</u>	<u>\$ 4,464,833</u>

Major Governmental Funds - Annual Budget

The District reports the Corporate Fund, Ambulance Fund, Tort Liability Fund and Capital Projects Fund are major governmental funds. More detailed information on the budget process can be found on page 58 of the financial statements.

Economic Factors in Next Year's Budget and Rates

The District continues to experience an eroding tax rate imposed by the Property Tax Extension Limitation Law (PTELL), which, in general, limits the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the District at 15900 New Avenue, Lemont, IL 60439.

(See independent auditors report)

LEMONT FIRE PROTECTION DISTRICT

STATEMENT OF NET POSITION

December 31, 2015

	Governmental Activities
ASSETS	
Cash and investments	\$ 4,514,716
Receivables	
Property taxes	8,005,482
Other	11,924
Service fees	193,025
Capital assets not being depreciated	300,000
Capital assets (net of accumulated depreciation)	5,644,984
Total assets	18,670,131
DEFERRED OUTFLOWS OF RESOURCES	
Pension items	1,336,513
Total assets and deferred outflows of resources	20,006,644
LIABILITIES	
Accounts payable	54,653
Accrued payroll	200,179
Long-term liabilities	
Due within one year	497,994
Due in more than one year	16,770,820
Total liabilities	17,523,646
DEFERRED INFLOWS OF RESOURCES	
Unavailable property taxes	8,005,482
Total liabilities and deferred inflows of resources	25,529,128
NET POSITION	
Net investment in capital assets	4,849,984
Restricted for special revenue funds	861,884
Restricted for debt service	19,701
Restricted for capital projects	3,184,771
Unrestricted	(14,438,824)
Total net position	\$ (5,522,484)

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

Functions/Programs	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Change in Net Position
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Public safety	\$ 8,113,367	\$ 804,722	\$ 20,758	\$ -	\$ (7,287,887)
Total	\$ 8,113,367	\$ 804,722	\$ 20,758	\$ -	(7,287,887)
			General Revenues		
					9,256,026
					39,718
					69,412
			Total		9,365,156
			Change in Net Position		2,077,269
			Net Position - January 1 (as restated)		(7,599,753)
			Net Position - December 31		\$ (5,522,484)

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2015

	General	Ambulance	Tort Liability	Capital Projects	Nonmajor	Total
ASSETS						
Assets						
Cash and investments	\$ 526,409	\$ 723,246	\$ (18,563)	\$ 3,184,771	\$ 98,853	\$ 4,514,716
Receivables						
Property taxes	3,443,932	3,234,440	1,161,570	-	165,540	8,005,482
Other	11,924	-	-	-	-	11,924
Service fees	-	193,025	-	-	-	193,025
Due from other funds	-	158,963	42,700	-	23,784	225,447
Total assets	3,982,265	4,309,674	1,185,707	3,184,771	288,177	12,950,594

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities						
Accounts payable	24,784	27,029	2,840	-	-	54,653
Accrued payroll	98,928	101,251	-	-	-	200,179
Due to other funds	16,144	-	170,342	-	38,961	225,447
Total liabilities	139,856	128,280	173,182	-	38,961	480,279

Deferred Inflows of Resources

Unavailable property taxes	3,443,932	3,234,440	1,161,570	-	165,540	8,005,482
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Fund Balances

Restricted for special revenue funds	-	946,954	(149,045)	-	63,975	861,884
Restricted for debt service	-	-	-	-	19,701	19,701
Restricted for capital projects	-	-	-	3,184,771	-	3,184,771
Unrestricted - unassigned	398,477	-	-	-	-	398,477
Total fund balances	398,477	946,954	(149,045)	3,184,771	83,676	4,464,833
Total liabilities and fund balances	\$ 3,982,265	\$ 4,309,674	\$ 1,185,707	\$ 3,184,771	\$ 288,177	\$ 12,950,594

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

For the Year Ended December 31, 2015

Fund balances of governmental funds	\$ 4,464,833
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 governmental funds	5,944,984
Deferred outflows of resources	1,336,513
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year end consist of:	
Notes payable	(1,095,000)
Compensated absences payable	(2,887,696)
Loan payable	(879,518)
Other postemployment benefits obligation	(27,192)
Net pension liability - IMRF	(159,548)
Net pension liability - Firefighters' pension	<u>(12,219,860)</u>
Net position of governmental activities	<u>\$ (5,522,484)</u>

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

For the Year Ended December 31, 2015

	General	Ambulance	Tort Liability	Capital Projects	Nonmajor	Total
Revenues						
Taxes	\$ 4,722,573	\$ 3,306,560	\$ 1,042,768	\$ -	\$ 184,125	\$ 9,256,026
Charges for services	26,063	778,659	-	-	-	804,722
Grant revenue	2,016	-	18,742	-	-	20,758
Investment income	110	110	-	39,498	-	39,718
Miscellaneous	50,840	18,571	-	-	1	69,412
Total revenues	4,801,602	4,103,900	1,061,510	39,498	184,126	10,190,636
Expenditures						
Current						
Public safety	5,173,897	3,547,870	1,129,210	-	209,544	10,060,521
Capital outlay	-	-	-	155,202	-	155,202
Debt service	-	-	-	505,482	-	505,482
Principal	-	-	-	48,103	-	48,103
Interest	-	-	-	-	-	-
Total expenditures	5,173,897	3,547,870	1,129,210	708,787	209,544	10,769,308
Excess (Deficiency) of Revenues over Expenditure	(372,295)	556,030	(67,700)	(669,289)	(25,418)	(578,672)
Other Financing Sources (Uses)						
Ladder truck loan proceeds	-	-	-	1,000,000	-	1,000,000
Transfers in	275,271	-	-	700,000	-	975,271
Transfers (out)	-	(975,271)	-	-	-	(975,271)
	275,271	(975,271)	-	1,700,000	-	1,000,000
Net Change in Fund Balances	(97,024)	(419,241)	(67,700)	1,030,711	(25,418)	421,328
Fund Balances - January 1	495,501	1,366,195	(81,345)	2,154,060	109,094	4,043,505
Fund Balances - December 31	\$ 398,477	\$ 946,954	\$ (149,045)	\$ 3,184,771	\$ 83,676	\$ 4,464,833

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

Net change in fund balances - governmental funds	\$ 421,328
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	57,423
Issuance of long-term debt is recognized as other financing sources but recognized as long-term debt governmental activities	(1,000,000)
Repayment of long-term debt is reported as an expenditure when due in the governmental funds, but as a reduction of principal outstanding in the statement of net positions	
Bonds	385,000
Loan	120,482
Decrease in compensated absences payable	152,360
Decrease in other postemployment benefits obligation	9,651
Increase in net pension liabilities	2,381,510
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	<u>(450,485)</u>
Change in net position of governmental activities	<u><u>\$ 2,077,269</u></u>

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2015

	<u>Firefighters' Pension</u>
ASSETS	
Cash and cash equivalents	\$ 8,655
Investments	
State and local government obligations	1,680,246
U.S. Government and agency securities	7,050,857
Corporate bonds	2,621,291
Equity mutual funds	11,308,482
Money market mutual funds	178,417
Receivables	
Accrued interest	69,682
Prepays	<u>3,765</u>
Total assets	<u>22,921,395</u>
LIABILITIES	
Expenses due unpaid	<u>13,906</u>
Total liabilities	<u>13,906</u>
NET POSITION	
Net Position Held in Trust for Pension Benefits	<u><u>\$ 22,907,489</u></u>

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT
FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2015

	Firefighters' Pension
Additions	
Contributions	
Employer	\$ 1,514,889
Plan members	463,195
Total contributions	1,978,084
Investment income	
Investment earnings	855,408
Net change in fair value of investments	(510,636)
Total investment income	344,772
Less investment expense	(55,558)
Net investment income	289,214
Total additions	2,267,298
Deductions	
Administration	36,284
Benefits	491,983
Total deductions	528,267
Net Increase	1,739,031
Net Position Held in Trust for Pension Benefits	
January 1	21,168,458
December 31	\$ 22,907,489

See accompanying notes to financial statements.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Lemont Fire Protection District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following is a summary of the significant accounting policies of the District.

a. Reporting Entity

The District provides fire, rescue, emergency medical services, and general administrative services.

As required by GAAP, these financial statements present the District and any component units, entities for which the District is considered to be financially accountable. At December 31, 2015, there were no entities that would be considered a component unit of the District. Also, the District is not considered a component unit of any other governmental entity.

Firefighters' Pension Employees Retirement System

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

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

- b. balancing set of accounts. Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement restricted or committed revenue sources (special revenue funds), the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the government not accounted for in some other fund.

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 entity. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used.

- c. 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 District. The effect of material interfund activity 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; however, there are no business activities.

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 shared 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.

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

The District reports the following major governmental funds:

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

c. Government-Wide and Fund Financial Statements (Cont.)

General Fund is the District's primary operating fund - accounts for the direct costs of fire suppression and an allocation of administration costs that are not required to be accounted for in other funds.

Ambulance Fund - accounts for the direct costs of emergency medical services and an allocation of administration costs.

Tort Liability Fund - accounts for insurance costs, risk care management costs, and property taxes levied.

Capital Projects Fund – accounts for the financial resources used for the construction of major capital facilities and the purchase or replacement of equipment.

The District also reports the following nonmajor governmental funds:

Social Security and IMRF Fund - accounts for social security and IMRF taxes and property taxes levied.

Audit Fund - accounts for audit fees and property taxes levied.

Foreign Fire Insurance Fund - accounts for foreign fire insurance taxes received and distributions to the Foreign Fire Insurance Board.

Debt Service Fund – accounts for the resources acquired and payment of principal and interest on debt.

Additionally, the District reports the Firefighters' Pension Fund as a fiduciary fund.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period (60 days) or soon enough thereafter to be used to pay liabilities of the current period. The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability incurred. Those revenues susceptible to accrual are property taxes and interest revenue.

The District reports unearned/deferred revenue on its financial statements. Unearned/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/deferred revenues also arise when resources are received by the District 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 District has a legal claim to the resources, the liability for unearned/deferred revenue is removed from the financial statements revenue is recognized.

e. Cash and Investments

Cash and cash equivalents include all demand and savings accounts.

Investments of the District’s operating funds with maturities of one year or more from the date of purchase, other than nonnegotiable certificates of deposit, are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at cost or amortized cost. All other investments which do not consider market rates are stated at cost. All investments of the fiduciary fund are reported at fair value.

f. Receivables and Payables

Interfund

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of the interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

g. Uncollectibles

Ambulance receivables are reported net of an allowance for uncollectibles of \$311,411.

h. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 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 estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25-50
Apparatus	10-25
Vehicles	8-15
Equipment	2-20

i. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick pay and vacation benefits. Upon retirement, sick pay is paid out at a rate of 60% of sick pay accumulated, not to exceed 1800 hours. Vacation pay is paid out based upon length of service with no more than three day's worth being accrued. All sick pay and vacation benefits are accrued and reported in the government-wide financial statements. In the fund financial statements, sick pay and vacation benefits are reported as a fund liability for amounts owed to terminated or retired employees, if any.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

j. Long-Term Obligations

In the government-wide financial statements, general long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

k. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources.

This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

l. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Trustees, which is considered the District's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Fire Chief by the District's Board of Trustees. Any residual fund balance is reported as unassigned.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

l. Fund Balance/Net Position (Continued)

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned and then unassigned funds.

The District has not established fund balance reserve policies for any of its governmental funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the District. Investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

m. 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 disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. PROPERTY TAXES AND PERSONAL PROPERTY REPLACEMENT TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which in general limits the amount of taxes to the lesser of 5% or the percentage increase in the consumer price index for the year preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

2. PROPERTY TAXES AND PERSONAL PROPERTY REPLACEMENT TAXES (Cont.)

Tax bills are prepared by the counties and issued on or about February 1, 2016 and August 1, 2016 (Cook County), and June 1, 2016 and September 1, 2016 (DuPage and Will Counties); and are payable in two installments, on or about March 1, 2016 (Cook County) and September 1, 2016 (DuPage and Will Counties). The counties collect such taxes and remit them periodically. Property taxes for the 2014 levy were received and recognized as revenue in fiscal 2015.

Personal property replacement taxes represent an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and S corporations; and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

Revenues are collected by the State of Illinois under the replacement tax and are allocated and paid by the State eight times a year. The replacement tax provides that monies received should be first applied toward payment of the proportionate share of the pension or retirement obligations which were previously levied on personal property. Remaining allocations are made at the discretion of the Board of Trustees.

3. DEPOSITS AND INVESTMENTS

a. District Investments

The District's investment policy authorizes the District to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

The District's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the District will not invest in any institution in which the District's funds on deposit are in excess of 75% of the institutions capital stock and surplus.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

3. DEPOSITS AND INVESTMENTS (Cont.)

a. District Investments (Cont.)

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The District maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. In addition, investments are separately held by several of the District’s funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by United States governmental agencies. Illinois Funds is rated AAA.

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

b. Interest Rate Risk

The following table presents the investments and maturities of the District's debt securities as of December 31, 2015:

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

3. DEPOSITS AND INVESTMENTS (Cont.)

District Investments (Cont.)

Interest Rate Risk (Cont.)

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
Negotiable CDs	\$ 1,273,519	\$ 326,046	\$ 947,473	\$ -	\$ -
U.S. Agencies	700,581	123,120	577,461	-	-
Total	1,974,100	449,166	1,524,934	-	-
Investments not subject interest rate risk					
Money market mutual funds	195,645				
Total	\$ 2,169,745				

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Balances January 1	Increases	Decreases	Balances December 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Total capital assets not being depreciated	300,000	-	-	300,000
Capital assets being depreciated				
Buildings and building improvements	5,731,627	-	-	5,731,627
Equipment	705,466	53,982	28,000	731,448
Apparatus and vehicles	3,620,589	3,441	-	3,624,030
Total capital assets being depreciated	10,057,682	57,423	28,000	10,087,105
Less accumulated depreciation				
Buildings and building improvements	1,713,207	136,315	-	1,849,522
Equipment	372,091	105,887	28,000	449,978
Apparatus and vehicles	1,934,338	208,283	-	2,142,621
Total accumulated depreciated	4,019,636	450,485	28,000	4,442,121
Net capital assets being depreciated	6,038,046	(393,062)	-	5,644,984
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	\$ 6,338,046	\$ (393,062)	\$ -	\$ 5,944,984

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
Public safety	\$ 450,485
Total	\$ 450,485

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

5. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances as of December 31 were as follows:

	Due From	Due To
General	\$ -	\$ 16,144
Ambulance	158,963	-
Tort Liability	42,700	170,342
Capital Projects	-	-
Social Security/IMRF	-	38,961
Audit	4,082	-
Debt Service	19,702	-
	225,447	225,447

6. LONG-TERM DEBT

a. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2015:

	Balances January 1	Additions	Reductions	Balances December 31	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Loan - ladder truck	-	1,000,000	120,482	\$ 879,518	\$ 122,994
Fire protection notes - 2010	\$ 720,000	\$ -	\$ 135,000	\$ 585,000	125,000
Fire protection notes - 2013	760,000	-	250,000	510,000	250,000
Compensated absences	3,040,056	-	152,360	2,887,696	-
Net pension liability - IMRF	(41,847)	201,395	-	159,548	-
Net pension liability - Firefighters	10,812,187	1,407,673	-	12,219,860	-
OPEB obligation	36,843	-	9,651	27,192	-
Total	\$ 15,327,239	\$ 2,609,068	\$ 667,493	\$ 17,268,814	\$ 497,994

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

6. LONG-TERM DEBT (Cont.)

b. Fire Protection Notes – 2010 and 2013

On November 30, 2010 the District issued Fire Protection Notes, Series 2010 in the amount of \$1,340,000. Proceeds from the issue were used for the purchase of a new engine, ambulance, and the remodeling of Station No. 1.

The District designated these notes as "Build America Bonds" which were created by the American Recovery and Reinvestment Act of 2009. Build America Bonds are bonds in which the U.S. Treasury pays state or local government issuers an amount equal to 35% of the coupon interest payment on such bonds.

The notes and interest payable thereon are full faith and credit general obligations of the District payable from property taxes. Note interest is computed on a 360-day year basis and is payable semi-annually on each January 1 and July 1, commencing on July 1, 2011. The interest rates range from 1.35% to 4.20%. Principal and interest on the bonds are to be paid by the District to Depository Trust Company, New York, New York as bond registrar and paying agent.

Fire Protection Notes – 2013

On May 1, 2013 the District issued Refunding Fire Protection Notes, Series 2013 in the amount of \$1,245,000. The proceeds were used to retire the Fire Protection Notes, Series 2004. The District designated the notes as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986.

The notes and interest payable thereon are full faith and credit general obligations of the District payable from property taxes. Note interest is computed on a 360-day year basis and is payable semi-annually on each January 1 and July 1, commencing on July 1, 2013. The interest rates range from .9% to 1.55%. Principal and interest on the bonds are to be paid by the District to BMO Harris Bank as bond registrar and paying agent.

Loan – Ladder Truck

In May 2015 the District entered into a \$1,000,000 lease/purchase agreement with JPMorgan Chase Bank, NA. Essentially it is a loan with proceeds to be used in acquiring a ladder truck. Repayments are to be made semiannually beginning January 1, 2016 through July 1, 2019 (the District made the first payment during December 2015). The interest rate is 1.42%.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

6. LONG-TERM DEBT (Cont.)

c. Debt Service Requirements to Maturity

The annual debt service requirements to amortize the governmental activities outstanding debt as of December 31, 2015 are as follows:

Fire Protection Notes - 2010				Estimated
Date - Jan. 1	Principal	Interest	Total	Interest Credit
2017	125,000	21,258	146,258	7,440
2018	115,000	16,905	131,905	5,917
2019	120,000	11,970	131,970	4,190
2020	225,000	4,725	229,725	1,654
	\$ 585,000	\$ 54,858	\$ 639,858	\$ 19,201

Fire Protection Notes - 2013			
Date - Jan. 1	Principal	Interest	Total
2017	250,000	4,030	254,030
2018	260,000	-	260,000
	\$ 510,000	\$ 4,030	\$ 514,030

Loan - Ladder Truck - 2015			
Date	Principal	Interest	Total
Jul. 1, 2016	\$ 122,994	\$ 6,245	\$ 129,239
Jan. 1, 2017	123,868	5,371	129,239
Jul. 1, 2017	124,747	4,492	129,239
Jan. 1, 2018	125,633	3,606	129,239
Jul. 1, 2018	126,525	2,714	129,239
Jan. 1, 2019	127,423	1,816	129,239
Jul. 1, 2019	128,328	911	129,239
	\$ 879,518	\$ 25,155	\$ 904,673

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

6. LONG-TERM DEBT (Cont.)

e. Legal Debt Margin

The District's legal debt limitation as of December 31, 2015 was as follows:

Assessed valuation - 2014	\$1,076,178,803
Statutory debt limitation - 5.75%	61,880,281
Amount of debt applicable to debt limitation	-
Legal debt margin	\$ 61,880,281

7. TRANSFERS

During the current fiscal year the District made the following transfers:

Fund	Transfers In	Transfers Out
General	\$ 275,271	\$ -
Ambulance	-	975,271
Capital Projects	700,000	-
	\$ 975,271	\$ 975,271

The transfers will not be repaid.

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health, and natural disasters. All risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage from coverage in prior years. Settlement amounts have not exceeded insurance coverage for the current year or the three years prior.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

The District provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the District's two retirement plans. A retired employee who wishes to continue coverage shall bear 100% of the premium rate currently in effect for active employees for this coverage. Certain eligible retirees are also able to subsidize a portion of their costs for the premium rate by utilizing unused sick leave or by participation in a Voluntary Employee Benefit Association until age 65. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the District's plan becomes secondary. The subsidy created under GASB Statement 45 is implicit in nature, except in the case of duty-disability pension recipients where the District is subject to an explicit subsidy.

c. Membership

At December 31, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits	5
Terminated employees entitled to benefits but not yet receiving them	-
Active vested plan members	53
Active nonvested plan members	8
	<hr/>
TOTAL	64
	<hr/>
Participating employers	1
	<hr/>

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

9. OTHER POSTEMPLOYMENT BENEFITS (Cont.)

d. Funding Policy

The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2013	\$ 51,285	\$ 37,748	73.60%	\$ 44,106
December 31, 2014	49,254	56,517	114.76%	36,843
December 31, 2015	51,148	60,799	118.87%	27,192

The net OPEB obligation as of December 31, 2014 was calculated as follows:

Annual required contribution	\$ 51,682
Interest on net OPEB obligation	1,290
Adjustment to annual required contribution	<u>(2,003)</u>
Annual OPEB cost	51,148
Contributions made	<u>(60,799)</u>
Increase (decrease) in net OPEB obligation	(9,651)
Net OPEB obligation - beginning of year	<u>36,843</u>
Net OPEB obligation – end of year	<u>\$ 27,192</u>

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

9. OTHER POSTEMPLOYMENT BENEFITS (Cont.)

e. Annual OPEB Costs and Net OPEB Obligation

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2014 (most recent information available) was as follows:

Actuarial accrued liability (AAL)	\$	535,295
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)		535,295
Funded ratio (actuarial value of plan assets/AAL)		0.00%
Covered payroll (active plan members)	\$	N/A
UAAL as a percentage of covered payroll		N/A%

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

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

In the December 31, 2014 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a discount rate of 3.50% and a healthcare cost trend rate of 8.30%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the District has not advanced its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2014 was 30 years.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS

The District maintains a single-employer, defined benefit pension plan (Firefighters' Pension Fund) which covers its qualified sworn employees and participates in the statewide Illinois Municipal Retirement Fund, an agent multiple-employer public employee pension plan which covers substantially all of the remaining qualified district employees.

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole but not by individual employer. That report may be obtained online at www.imrf.org.

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The Plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2015, IMRF membership consisted of

Retirees and beneficiaries	4
Inactive, nonretired members	7
Active plan members	7
	<hr/>
	18
	<hr/> <hr/>

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Benefits Provided

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 (reduce 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 other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual covered salary to IMRF. The District is required to contribute the remaining amount necessary to fund IMRF as specified by statute.

Net Pension Liability

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEM (Cont.)

Illinois Municipal Retirement Fund (Cont.)

Actuarial Assumptions (Cont.)

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry Age Normal
Assumptions	
Inflation	3.00%
Salary increases	4.00%
Interest	7.50%
Cost of living adjustments	2.75%
Asset valuation method	Market

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

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEM (Cont.)

Illinois Municipal Retirement Fund (Cont.)

Net Pension Liability (Cont.)

Discount Rate

The discount rate used to measure the total pension liability was 7.45%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate, and that the District contributions will be made at rates equal to the difference between actuarial determined contribution rates and the member rate. Based upon those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax-exempt general obligation municipal bonds rated AA or better at December 31, 2015, to arrive at a discount rate of 7.45% used to determine the total pension liability.

Changes in the Net Pension Liability

The following table discloses changes in the net pension liability.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEM (Cont.)

Illinois Municipal Retirement Fund (Cont.)

Changes in the net pension liability:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at January 1, 2015	\$ 1,362,331	\$ 1,404,178	\$ (41,847)
Changes for the period			
Service cost	55,242	-	55,242
Interest	101,999	-	101,999
Difference between expected and actual experience	76,977	-	76,977
Changes in assumptions	9,805	-	9,805
Employer contributions	-	44,936	(44,936)
Employee contributions	-	20,322	(20,322)
Net investment income	-	7,034	(7,034)
Benefit payments and refunds	(59,918)	(59,918)	-
Administrative expense	-	-	-
Other (net transfer)	-	(29,664)	29,664
Net changes	<u>184,105</u>	<u>(17,290)</u>	<u>201,395</u>
Balances at December 31, 2015	<u>\$ 1,546,436</u>	<u>\$ 1,386,888</u>	<u>\$ 159,548</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2015, the District recognized pension expense of \$99,205. At December 31, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Illinois Municipal Retirement Fund (Cont.)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 43,869	\$ 1,354
Changes in assumptions	6,337	-
Net difference between projected and actual earnings on pension plan investments	89,086	-
Employer contributions after the measurement date	-	-
	<u> </u>	<u> </u>
Total	<u>\$ 139,292</u>	<u>\$ 1,354</u>

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

<u>Period Ended December 31</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 59,924	\$ -
2017	35,336	-
2018	23,203	-
2019	19,475	-
2020	-	-
Thereafter	-	-
	<u> </u>	<u> </u>
Total	<u>\$ 137,938</u>	<u>\$ -</u>

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Illinois Municipal Retirement Fund (Cont.)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate of 7.45% as well as what the District's net pension liability would have been if it was calculated using a discount rate that is 1 percentage point lower (6.45%) or 1 percentage point higher (8.45%) than the current rate.

	1 % Decrease 6.45%	Rate 7.45%	1 % Increase 8.45%
Net Pension Liability	\$ 373,487	\$ 159,548	\$ (16,436)

Firefighters' Pension Plan

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to 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 salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The District is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the District has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan.

Investment Policy

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, equities, equity mutual fund, state and local government bonds and short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds. The Firefighters' Pension Fund's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Firefighters' Pension Fund will not invest in any institution in which the Firefighters' Pension Fund's investments are in excess of 75% of the institutions capital stock and surplus.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Investment Policy (Cont.)

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The Fund's investment policy in accordance with ILCS establishes the following target allocations across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	50.00%	2.00%
Equities		
U.S. Large Cap	35.00%	6.80%
U.S. Small Cap	10.00%	8.90%
International	5.00%	7.00%

ILCS limit the Fund's investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Investment Policy (Cont.)

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultants, in which best-estimate ranges of expected future real rates of return (net of pension plan investment expenses and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are listed in the table above.

Concentrations

Concentration of credit risk is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regard to concentration credit risk for investments. At December 31, 2015 the Fund had over 5%, \$7,708,061, of fiduciary net position invested in various agency securities as indicated in a succeeding table. 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 regulation.

The following table presents equity mutual funds.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

Equity Mutual Funds	Fair Value
Vanguard 500 Index Admiral Fund	2,592,023 *
T. Rowe Price Growth Stock Fund	2,574,768 *
Pioneer Equity Income Fund	1,282,830 *
LSV Value Equity Fund	1,258,440 *
Homestead Small Company Stock Fund	784,932
T.Rowe Price Diversified Small Cap Growth Fund	774,198
Oppenheimer International Growth Fund	370,455
Bridgeway Ultra-Small Company Market Fund	335,912
Hennessy Focus Institutional Fund	335,126
Cohen & Steers Realty Shares Fund	279,863
Oppenheimer Developing Markets Fund	186,996
First Eagle Overseas Fund	179,529
American Beacon International Equity Fund	174,065
Fidelity Advisors Materials Fund	144,393
Vanguard Energy Fund Admiral Shares Fund	<u>34,952</u>
Total	<u><u>11,308,482</u></u>

* represents over 5% of Net Position

Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.31%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount equal to the fair market value of the funds secured. The Fund shall have a perfected security interest in securities pledged as collateral which shall be free of any claims to the Agency Bonds, issued in the U.S. domestic bond market.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt Investments.

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
State and local obligations	\$ 1,680,246	\$ 70,061	\$ 765,649	\$ 575,559	\$ 268,977
U.S. Treasury notes	1,597,845	300,110	743,133	554,602	-
U.S. Agencies	5,453,012	-	914,305	3,669,153	869,554
Corporate Bonds	2,621,291	226,636	1,462,634	917,295	14,726
Money Market Mutual Funds	178,417	178,417	-	-	-
Total	11,530,811	775,224	3,885,721	5,716,609	1,153,257
Investments not subject interest rate risk					
Equity mutual funds	<u>11,308,482</u>				
Total	<u>\$ 22,839,293</u>				

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Credit Risk

The investments in the securities of state and local obligations were all rated AA or higher; U.S. Government Agencies were all rated AAA and corporate bonds were all rated BBB or higher by Standard & Poor's or by Moody's Investors Services, or were small issues that were unrated. Unrated (N/R) investments are listed in the following table.

Investment	Par Value	Interest Rate	Maturity Date
Will Co. School District Municipal Bond	45,000	4.20%	10.01.2020
Federal Farm Credit Bank	50,000	2.70%	11.25.2025
Federal Farm Credit Bank	100,000	2.80%	11.25.2026
Federal Home Loan Bank	150,000	2.60%	03.04.2022
Federal National Mortgage Assoc.	7,078	4.20%	10.01.2040
Federal National Mortgage Assoc.	11,815	4.50%	11.01.2040
Federal National Mortgage Assoc.	24,292	4.00%	08.01.2041

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Money market mutual funds and mutual funds are not subject to custodial credit risk. The Fund however is exposed to custodial credit risk as the broker also serves as the custodian.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Net Pension Liability

The components of the net pension liability as of December 31, 2015 were as follows:

Total pension liability	\$ 35,127,349
Plan fiduciary net position	<u>22,907,489</u>
Net pension liability	<u>\$ 12,219,860</u>
Plan fiduciary net position as a percentage of the total pension liability	65.21%

See the schedule of changes in net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

Assumptions employed are presented in the following table.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry Age Normal
Assumptions	
Inflation	3.00%
Salary increases	5.50%
Interest	7.00%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates are based upon rates developed in the L&A 2012 Mortality Table for Illinois Firefighters.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2015, the District recognized pension expense of \$1,514,889. At December 31, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to Firefighters' Pension from the following sources.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 207,616	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	990,959	-
Employer contributions after the measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 1,198,575</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Firefighters' Pension will be recognized in pension expense as follows.

<u>Period Ended December 31</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 268,904	\$ -
2017	268,904	-
2018	268,904	-
2019	268,903	-
2020	21,164	-
Thereafter	<u>101,796</u>	<u>-</u>
Total	<u>\$ 1,198,575</u>	<u>\$ -</u>

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

10. EMPLOYEE RETIREMENT SYSTEMS (Cont.)

Firefighters' Pension Plan (Cont.)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows to determine the discount rate assumed that the member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based upon those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability calculated using the discount rate of 7.00% as well as what the pension liability would be if it were calculated using a discount rate the is 1 percentage point lower (6.00%) or 1 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	\$ 17,979,856	\$ 12,219,860	\$ 7,516,470

11 CONTINGENCIES

The District has two cases filed for workers' compensation with the Industrial Commission of Illinois. The District has adequate insurance with regard to both claims and does not expect any liability in excess of the insurance coverage. With regard to other pending matters, the eventual outcome and the related liability, if any, is not determinable at this time. Accordingly, no provision has been made in the accompanying financial statements for settlement costs.

LEMONT FIRE PROTECTION DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONT.)

December 31, 2015

12. RESTATEMENTS

The District has restated fund balances in the Ambulance Fund for (\$764,268) and the Capital Projects Fund for \$764,268 to correct prior years' errors in accounting for fund expenditures. The District has also restated net assets (\$10,779,528) to reflect beginning of year net pension liabilities, to comply with the implementation of GASB Statement No. 68.

13. SUBSEQUENT EVENTS

The District has evaluated subsequent events through June 10, 2016, the date on which the financial statements were available to be issued.

LEMONT FIRE PROTECTION DISTRICT
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes		
Corporate	\$ 3,690,275	\$ 3,368,345
Pension	1,350,000	1,244,510
Personal property replacement taxes	135,000	109,718
Charges for services		
Fines and service fees	15,000	21,363
Fire alarm income	-	-
Impact fees	5,000	4,700
Grant revenue	5,000	2,016
Investment income	1,000	110
Miscellaneous		
Employee insurance	20,000	20,334
Donations	6,000	3,023
Other	65,000	27,483
IFDEBC equity	-	-
Total revenues	5,292,275	4,801,602
Expenditures		
Current		
Administration	400,089	334,947
Suppression and EMS	4,981,570	4,338,213
Maintenance	246,100	133,498
Communications	109,250	87,776
Fire prevention bureau	326,938	279,463
Total expenditures	6,063,947	5,173,897
Excess (Deficiency) of Revenues over Expenditures	(771,672)	(372,295)
Other Financing Sources (Uses)		
Transfers in	-	275,271
Transfers (out)	(200,000)	-
	(200,000)	275,271
Net Change in Fund Balance	\$ (971,672)	(97,024)
Fund Balance - January 1		495,501
Fund Balance - December 31		\$ 398,477

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
AMBULANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes	\$ 3,501,167	\$ 3,196,843
Personal property replacement taxes	135,000	109,717
Charges for services		
Ambulance fees	700,000	771,225
CPR class income	2,000	2,734
Impact fees	5,000	4,700
Investment income	1,000	110
Miscellaneous		
Donations	4,000	3,023
Other	25,000	15,548
Total revenues	4,373,167	4,103,900
Expenditures		
Current		
Administration	336,787	273,383
Suppression and EMS	3,643,280	2,962,864
Maintenance	329,836	226,160
Communications	103,500	85,463
Total expenditures	4,413,403	3,547,870
Excess (Deficiency) of Revenues over Expenditures	(40,236)	556,030
Other Financing Sources (Uses)		
Transfers (out)	(1,000,000)	(975,271)
Net Change in Fund Balance	\$ (1,040,236)	(419,241)
Fund Balance - January 1		1,366,195
Fund Balance - December 31		\$ 946,954

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
TORT LIABILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes	\$ 880,000	\$ 830,603
WC property taxes	262,000	212,165
Grant revenue	18,742	18,742
Total revenues	1,160,742	1,061,510
Expenditures		
Legal liability fees	17,250	-
Liability insurance	76,078	66,763
Opti-com traffic control	5,750	-
Risk care management physicals	34,500	31,317
Risk care management training/equipment	8,625	6,693
Risk care management wages	853,401	742,088
Unemployment insurance	34,500	7,525
Workers compensation insurance	292,842	252,978
IPRF grant	21,553	21,846
Total expenditures	1,344,499	1,129,210
Net Change in Fund Balance	\$ (183,757)	(67,700)
Fund Balance - January 1		(81,345)
Fund Balance - December 31		\$ (149,045)

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS PLAN

December 31, 2015

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2010	\$ -	\$ 527,513	0.00%	\$ 527,513	N/A	N/A
2011	-	527,513	0.00%	527,513	N/A	N/A
2012	-	599,005	0.00%	599,005	N/A	N/A
2013	-	599,005	0.00%	215,420	\$ 1,854,381	11.62%
2014	-	535,295	0.00%	535,295	N/A	N/A
2015	-	535,295	0.00%	N/A	N/A	N/A

N/A - Information is not available.

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS PLAN**

December 31, 2015

<u>Fiscal Year December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2010	\$ 33,364	\$ 41,013	81.35%
2011	33,364	41,261	80.86%
2012	33,364	41,013	81.35%
2013	37,348	51,071	73.13%
2014	56,517	50,108	112.79%
2015	60,799	51,862	117.23%

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - ILLINOIS MUNICIPAL RETIREMENT FUND

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service cost	\$ 80,037	\$ 55,242	-	-	-	-	-	-	-	-
Interest	96,573	101,999	-	-	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(106,654)	76,977	-	-	-	-	-	-	-	-
Changes in assumptions	59,037	9,805	-	-	-	-	-	-	-	-
Benefit payments & refunds	(28,566)	(59,918)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	100,427	184,105	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	1,261,904	1,362,331	-	-	-	-	-	-	-	-
Total Pension Liability - Ending	1,362,331	1,546,436	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position										
Contributions - employer	46,783	44,936	-	-	-	-	-	-	-	-
Contributions - member	21,952	20,322	-	-	-	-	-	-	-	-
Net investment income	78,651	7,034	-	-	-	-	-	-	-	-
Benefit payments & refunds	(28,566)	(59,918)	-	-	-	-	-	-	-	-
Other	16,083	(29,665)	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	134,903	(17,290)	-	-	-	-	-	-	-	-
Plan Net Position - Beginning	1,269,275	1,404,178	-	-	-	-	-	-	-	-
Plan Net Position - Ending	1,404,178	1,386,888	-	-	-	-	-	-	-	-
Net Pension Liability - Ending	(41,847)	159,548	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.07%	89.68%								
Covered - Employee Payroll	\$ 429,351	\$ 451,609								
Net Pension Liability as a Percentage of Covered - Employee Payroll	-9.75%	35.33%								

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - FIREFIGHTERS' PENSION

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability										
Service cost	\$ 1,204,080	\$ 1,188,481	-	-	-	-	-	-	-	-
Interest	2,026,059	2,221,426	-	-	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	228,780	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-	-	-
Benefit payments & refunds	(386,401)	(491,983)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	2,843,738	3,146,704	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	29,136,907	31,980,645	-	-	-	-	-	-	-	-
Total Pension Liability - Ending	31,980,645	35,127,349	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position										
Contributions - employer	1,281,717	1,514,889	-	-	-	-	-	-	-	-
Contributions - member	456,826	463,195	-	-	-	-	-	-	-	-
Net investment income	1,203,169	289,214	-	-	-	-	-	-	-	-
Benefit payments & refunds	(386,401)	(491,983)	-	-	-	-	-	-	-	-
Administrative expenses	(34,097)	(36,285)	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	2,521,214	1,739,031	-	-	-	-	-	-	-	-
Plan Net Position - Beginning	18,647,244	21,168,458	-	-	-	-	-	-	-	-
Plan Net Position - Ending	21,168,458	22,907,489	-	-	-	-	-	-	-	-
Net Pension Liability - Ending	10,812,187	12,219,860	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered - Employee Payroll	66.19%	65.21%								
Net Pension Liability as a Percentage of Covered - Employee Payroll	\$ 4,858,379	\$ 4,858,436								
	222.55%	251.52%								

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF EMPLOYER CONTRIBUTIONS - ILLINOIS MUNICIPAL RETIREMENT FUND

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 41,175	\$ 44,935	-	-	-	-	-	-	-	-
Contribution in Relation to the Actuarially Determined Contribution	46,783	44,936	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	(5,608)	(1)	-	-	-	-	-	-	-	-

Covered - Employee Payroll \$ 429,351 \$ 451,609

Contribution as a Percentage of Covered - Employee Payroll 10.90% 9.95%

Notes
Valuation date Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry-age normal
Amortization Period	Level % of pay; closed
Remaining amortization period	29 years 28 years
Asset valuation method	Market
Inflation	3.00%
Salary increases	4.00%
Investment rate of return	7.50%
Retirement age	Exper. Based
Mortality	RP-2000 Comb. HealthyMortality Table

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF EMPLOYER CONTRIBUTIONS - FIREFIGHTERS' PENSION

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 1,531,085	\$ 1,351,540								
Contribution in Relation to the Actuarially Determined Contribution	1,281,717	1,514,889								
Contribution Deficiency (Excess)	249,368	(163,349)								
Covered - Employee Payroll	\$ 4,858,379	\$ 4,858,436								
Contribution as a Percentage of Covered - Employee Payroll	26.38%	31.18%								

Notes	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Valuation date										
Methods and assumptions used to determine contribution rates										
Actuarial cost method	Entry-age normal									
Amortization	Level %									
Period	of pay; closed									
Remaining amortization period	26 years	25 years								
Asset valuation method	Market									
Inflation	3.00%	3.00%								
Salary increases	5.50%	5.50%								
Investment rate of return	7.00%									
Retirement age	65									
Mortality	L&A 2012 Mortality Table for Illinois Firefighters									

Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF INVESTMENT RETURNS - FIREFIGHTERS' PENSION

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
--	------	------	------	------	------	------	------	------	------	------

Annual Money-Weighted
Rate of Return Net of
Investment Expense

	5.49%	1.31%	-	-	-	-	-	-	-	-
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LEMONT FIRE PROTECTION DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

APPROPRIATIONS

Appropriated amounts used for comparison in this report are obtained from the Annual Combined Budget and Appropriation Ordinance for the District. The appropriated amounts included in the financial statements are the final adopted appropriations. All funds of the District are appropriated for except the Foreign Fire Fund and the Debt Service Fund. Appropriations lapse at year end. No amendments or supplemental appropriations were adopted during the current fiscal year.

The District's procedures in establishing budgetary data are as follows:

1. Within the last three months of its previous fiscal year, the Board of Trustees prepares the proposed combined budget and appropriation ordinance for the fiscal year commencing January 1. The combined budget and appropriation ordinance includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to November 30, the budget is legally enacted through passage of an appropriations ordinance.
4. Any transfers of budgeted amounts between departments within the fund must be approved by the Board of Trustees.
5. Formal budgetary integration is employed as a management control device during the year.

Expenditures may not legally exceed budgeted appropriations at the fund level.

LEMONT FIRE PROTECTION DISTRICT
CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Grant revenue	\$ 50,000	\$ -
Investment income	45,000	39,498
Total revenues	95,000	39,498
Expenditures		
Capital outlay		
Buildings		
Paving/seal coating	8,625	-
Building funds	140,300	60,066
Equipment		
Hose	14,260	3,046
Railroad grant	57,500	-
Vehicle lifts maintenance shop	63,250	53,982
Extrication tools	40,250	33,170
Ladder truck	1,495,000	4,938
Debt service - principal	644,715	505,482
Debt service - interest	-	48,103
Total expenditures	2,463,900	708,787
Excess (Deficiency) of Revenues over Expenditures	(2,368,900)	(669,289)
Other Financing Sources (Uses)		
Ladder truck loan proceeds	1,300,000	1,000,000
Transfers in	1,200,000	700,000
Total	2,500,000	1,700,000
Net Change in Fund Balance	\$ (1,168,900)	1,030,711
Fund Balance - January 1		2,154,060
Fund Balance - December 31		\$ 3,184,771

See independent auditor's report

LEMONT FIRE PROTECTION DISTRICT
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES
BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Administration		
Personnel		
Administrative assistant	\$ 88,542	\$ 77,371
Chief officer (Fire Chief)	129,617	116,776
Clerical overtime	4,600	3,152
Commissioners	1,380	1,200
Trustees	10,350	8,647
IT manager	31,050	36,440
	265,539	243,586
Commodities		
IT equipment - software	18,975	9,101
IT subscriptions	12,650	6,276
Dues/subscriptions	4,600	2,667
Office equipment	4,600	475
Office supplies	5,750	2,420
Postage	3,450	315
	50,025	21,254
Contractual		
IT manager	-	(773)
Accounting service	2,875	713
Consulting service	5,750	468
Accreditation service	17,250	17,421
Legal services	28,750	39,385
Physicals for hiring	2,875	662
Publications/reports	4,600	999
Public relations/rewards	6,900	3,826
Seminars/conferences	11,500	7,011
Testing	4,025	395
	84,525	70,107
Total Administration	400,089	334,947
Suppression and EMS		
Personnel		
Firefighters/medics	1,453,968	1,236,919
Lieutenants	570,499	513,925
Net health insurance cost	521,821	465,721
Pension costs	1,592,818	1,526,982
Holiday pay/battalion chiefs	6,900	2,369
Education incentives	69,431	64,175
Overtime - firefighters	86,250	95,891

See independent auditor's report

LEMONT FIRE PROTECTION DISTRICT
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES
BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Suppression and EMS (Cont.)		
Personnel		
Uniforms	\$ 12,650	\$ 9,609
Overtime - lieutenants	46,000	57,339
Battalion chief	253,279	216,011
Chief officer school reimbursement	6,900	4,185
Sick leave retirement plan	172,109	-
H.S.A. contributions	117,300	107,000
	<u>4,909,925</u>	<u>4,300,126</u>
Commodities		
Fire equipment/supplies	18,515	4,607
S.C.B.A.	5,980	2,560
Training equipment/supplies	4,485	901
Turn out gear	17,250	12,862
Dive team supplies/training	2,300	1,845
Haz-mat team supplies/training	2,415	1,946
Cause & origin team supplies/training	1,725	943
	<u>52,670</u>	<u>25,664</u>
Contractual		
Special association - CART/MABAS	4,600	2,563
Blue card training	5,750	4,543
Seminars/school/training	8,625	5,317
	<u>18,975</u>	<u>12,423</u>
Total Suppression and EMS	<u>4,981,570</u>	<u>4,338,213</u>
Maintenance		
Commodities		
Firemen association supplies/equipment	5,750	2,053
Furniture/appliances	5,750	2,276
Hardware supplies	1,150	448
Janitor/building/supplies	6,900	4,645
Tools	5,750	2,979
	<u>25,300</u>	<u>12,401</u>

See independent auditor's report

LEMONT FIRE PROTECTION DISTRICT
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES
BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Maintenance (Cont.)		
Contractual		
Building maintenance	\$ 28,750	\$ 15,694
Electricity	28,750	18,152
Heating fuel	13,800	7,508
Maintenance fire equipment	2,875	2,519
Maintenance office equipment	3,450	3,575
Telephone service	23,000	25,007
Trash collection	2,875	2,105
Vehicle fuel	34,500	16,192
Vehicle maintenance - fire	71,300	21,521
Water	4,600	3,066
Mobile phone service	6,900	5,758
	<u>220,800</u>	<u>121,097</u>
Total Maintenance	<u>246,100</u>	<u>133,498</u>
Communications		
Commodities		
Communications equipment	8,050	2,514
9-1-1 grant purchases	5,750	2,314
	<u>13,800</u>	<u>4,828</u>
Contractual		
Internet service	4,025	4,356
Radio and equipment repairs	4,600	260
Paging service	575	169
Orland central dispatch service	86,250	78,163
	<u>95,450</u>	<u>82,948</u>
Total Communications	<u>109,250</u>	<u>87,776</u>

See independent auditor's report

**LEMONT FIRE PROTECTION DISTRICT
GENERAL FUND**

**SCHEDULE OF DETAILED EXPENDITURES
BUDGET AND ACTUAL**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Fire Prevention Bureau		
Personnel		
Fire marshal	\$ 29,900	\$ 38,763
Part-time public educator	39,882	34,986
Full-time inspectors	111,400	97,730
Administrative assistant	79,056	69,323
Overtime	4,600	2,210
Part-time clerical	17,250	13,042
	<u>282,088</u>	<u>256,054</u>
Commodities		
Codes/reference manuals	3,450	2,480
Dues	1,150	455
Office supplies/equipment	11,500	7,222
Public education materials	17,250	10,009
	<u>33,350</u>	<u>20,166</u>
Contractual		
Consulting services	4,600	-
Seminars/conferences/training	6,900	3,243
	<u>11,500</u>	<u>3,243</u>
Total Fire Prevention Bureau	<u>326,938</u>	<u>279,463</u>
Total General Fund	<u>\$ 6,063,947</u>	<u>\$ 5,173,897</u>

LEMONT FIRE PROTECTION DISTRICT
AMBULANCE FUND

SCHEDULE OF DETAILED EXPENDITURES
 BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Administration		
Personnel		
Secretaries	\$ 23,000	\$ 19,537
Chief officer	120,702	106,374
Commissioners	2,760	2,400
Trustees	15,525	12,125
	<u>161,987</u>	<u>140,436</u>
Commodities		
IT equipment - software	18,975	9,101
IT subscriptions	12,650	6,276
Dues/subscriptions	4,600	2,667
Office equipment	4,600	475
Office supplies	5,750	2,420
Postage	3,450	315
	<u>50,025</u>	<u>21,254</u>
Contractual		
Ambulance billing service	40,250	40,813
Accounting service	2,875	713
Consulting service	5,750	468
Accreditation service	17,250	17,421
Legal services	28,750	39,386
Physicals for hiring	2,875	661
Publications/reports	4,600	999
Public relations/rewards	6,900	3,826
Seminars/conferences	11,500	7,011
Testing	4,025	395
	<u>124,775</u>	<u>111,693</u>
Total Administration	<u>336,787</u>	<u>273,383</u>
Suppression and EMS		
Personnel		
Firefighters/medics	1,462,775	1,203,872
Lieutenants	570,342	500,509
Paid on call firefighters	86,250	78,273
Director - EMS	95,580	60,661
Net health insurance cost	521,821	474,867
Holiday pay/battalion chiefs	8,625	5,353
Education incentives	78,200	68,000
Overtime - firefighters	86,250	93,240

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
AMBULANCE FUND

SCHEDULE OF DETAILED EXPENDITURES
 BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Suppression and EMS (Cont.)		
Personnel		
Uniforms	\$ 12,650	\$ 9,608
Overtime - lieutenants	46,000	63,586
Battalion chiefs	242,524	195,399
Chief officer school reimbursement	6,900	4,185
Sick leave retirement plan	231,918	49,500
H.S.A. contributions	117,300	107,000
	<u>3,567,035</u>	<u>2,914,053</u>
Commodities		
Ambulance equipment/supplies	16,100	11,488
S.C.B.A.	5,980	2,560
Training equipment/supplies	4,485	901
Turn out gear	17,250	12,862
Haz-mat team supplies/training	2,415	1,946
TRT team supplies	3,565	1,577
	<u>49,795</u>	<u>31,334</u>
Contractual		
CPR class supplies	1,725	2,579
Special association - CART/MABAS	4,600	2,563
Oxygen and cylinder rental	11,500	6,982
Seminars/school/training	8,625	5,353
	<u>26,450</u>	<u>17,477</u>
Total Suppression and EMS	<u>3,643,280</u>	<u>2,962,864</u>
Maintenance		
Personnel		
Mechanic	91,464	80,207
Overtime	4,600	3,939
Uniforms	5,175	4,097
Part-time personnel	11,500	-
	<u>112,739</u>	<u>88,243</u>
Commodities		
Furniture/appliances	5,750	2,276
Hardware supplies	1,150	448
Janitor/building/supplies	6,900	4,645
Tools	5,750	2,979
	<u>19,550</u>	<u>10,348</u>

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
AMBULANCE FUND

SCHEDULE OF DETAILED EXPENDITURES
 BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Maintenance (Cont.)		
Contractual		
Building maintenance	\$ 28,750	\$ 15,694
Electricity	28,750	18,152
Heating fuel	13,800	7,508
Maintenance ambulance equipment	4,922	5,148
Maintenance office equipment	3,450	3,575
Telephone service	23,000	25,007
Trash collection	2,875	2,105
Vehicle fuel	34,500	16,192
Vehicle maintenance - ambulance	46,000	25,365
Water	4,600	3,065
Mobile phone service	6,900	5,758
	197,547	127,569
Total Maintenance	329,836	226,160
Communications		
Commodities		
Communications equipment	8,050	2,515
	8,050	2,515
Contractual		
Internet service	4,025	4,356
Radio and equipment repairs	4,600	260
Paging service	575	169
Orland central dispatch service	86,250	78,163
	95,450	82,948
Total Communications	103,500	85,463
Total Ambulance	\$ 4,413,403	\$ 3,547,860

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

December 31, 2015

	Social Security and IMRF	Audit	Foreign Fire	Debt Service	Total
ASSETS					
Assets					
Cash and investments	\$ 10,107	\$ 2,459	\$ 86,288	\$ (1)	\$ 98,853
Receivables					
Property taxes	156,240	9,300	-	-	165,540
Due from other funds	-	4,082	-	19,702	23,784
	<hr/>				
Total assets	166,347	15,841	86,288	19,701	288,177
	<hr/>				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Due to other funds	38,961	-	-	-	38,961
	<hr/>				
Deferred Inflows of Resources					
Unavailable property taxes	156,240	9,300	-	-	165,540
	<hr/>				
Fund Balances					
Restricted for debt service	-	-	-	19,701	19,701
Restricted for retirement	(28,854)	-	-	-	(28,854)
Restricted for audit	-	6,541	-	-	6,541
Restricted for foreign fire	-	-	86,288	-	86,288
	<hr/>				
Total fund balances	(28,854)	6,541	86,288	19,701	83,676
	<hr/>				
Total liabilities, deferred resources, and fund balances	\$ 166,347	\$ 15,841	\$ 86,288	\$ 19,701	\$ 288,177
	<hr/>				

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2015

	Social Security and IMRF	Audit	Foreign Fire	Debt Service	Total
Revenues					
Property taxes	\$ 145,795	\$ 8,561	\$ -	\$ -	\$ 154,356
Other taxes	-	-	29,769	-	29,769
Miscellaneous	-	-	1	-	1
Total revenues	<u>145,795</u>	<u>8,561</u>	<u>29,770</u>	<u>-</u>	<u>184,126</u>
Expenditures					
Current					
Public safety	169,547	12,350	27,647	-	209,544
Total expenditures	<u>169,547</u>	<u>12,350</u>	<u>27,647</u>	<u>-</u>	<u>209,544</u>
Net Change in Fund Balances	(23,752)	(3,789)	2,123	-	(25,418)
Fund Balances - January 1	(5,102)	10,330	84,165	19,701	109,094
Fund Balances - December 31	<u>\$ (28,854)</u>	<u>\$ 6,541</u>	<u>\$ 86,288</u>	<u>\$ 19,701</u>	<u>\$ 83,676</u>

See independent auditor's report.

LEMONT PROTECTION DISTRICT
SOCIAL SECURITY AND IMRF FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes	\$ 160,000	\$ 145,795
Total revenues	160,000	145,795
Expenditures		
IMRF	53,391	44,978
Social security	140,969	124,569
Total expenditures	194,360	169,547
Net Change in Fund Balance	\$ (34,360)	(23,752)
Fund Balance - January 1		(5,102)
Fund Balance - December 31		\$ (28,854)

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
AUDIT FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes	\$ 9,000	\$ 8,561
Total revenues	9,000	8,561
Expenditures		
Audit expense	12,650	12,350
Total expenditures	12,650	12,350
Net Change in Fund Balance	\$ (3,650)	(3,789)
Fund Balance - January 1		10,330
Fund Balance - December 31		\$ 6,541

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
FOREIGN FIRE FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Foreign fire insurance taxes	\$ -	\$ 29,769
Other income	-	1
Total revenues	-	29,770
Expenditures		
Supplies and equipment	-	27,647
Total expenditures	-	27,647
Net Change in Fund Balance	\$ -	2,123
Fund Balance - January 1		84,165
Fund Balance - December 31		\$ 86,288

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
Revenues		
Property taxes	\$ -	\$ -
Total revenues	-	-
Expenditures		
Principal	-	-
Interest	-	-
Total expenditures	-	-
Net Change in Fund Balance	\$ -	-
Fund Balance - January 1		19,701
Fund Balance - December 31		\$ 19,701

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF ASSESSED VALUATIONS, RATES, AND EXTENSIONS - COOK COUNTY
LAST TEN LEVY YEARS

December 31, 2015

Tax Levy Year	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed Valuation	\$ 701,988,387	\$ 719,083,473	\$ 764,081,846	\$ 825,382,889	\$ 982,583,102	\$ 993,060,854	\$ 971,519,147	\$ 832,623,077	\$ 767,061,971	\$ 753,682,022
Tax Rates										
General	0.3363	0.3323	0.3428	0.3632	0.2574	0.2450	0.2426	0.2507	0.2347	0.2009
Ambulance	0.3190	0.2828	0.2774	0.2403	0.2574	0.2450	0.2426	0.2507	0.2347	0.2009
Liability insurance	0.0802	0.0771	0.0524	0.0261	0.0258	0.0113	0.0111	0.0158	0.0159	0.0317
Workers compensation	0.0238	0.0223	0.0224	0.0192	0.0189	0.0206	0.0230	0.0276	0.0280	0.0307
Audit	0.0008	0.0014	0.0010	0.0008	0.0010	0.0009	0.0011	0.0011	0.0011	0.0014
Pension	0.1235	0.1273	0.0856	0.0630	0.0602	0.0519	0.0588	0.0430	0.0678	0.0318
Social security/IMRF	0.0146	0.0191	0.0192	0.0153	0.0152	0.0131	0.0139	0.0143	0.0147	0.0120
Bond & interest	-	-	-	-	-	-	0.0367	0.0423	0.0452	0.0466
Total	0.8982	0.8623	0.8008	0.7279	0.6359	0.5878	0.6298	0.6455	0.6421	0.5560
Tax Extensions										
General	\$ 2,360,754	\$ 2,389,454	\$ 2,619,831	\$ 2,998,159	\$ 2,528,923	\$ 2,432,085	\$ 2,356,905	\$ 2,087,383	\$ 1,800,294	\$ 1,514,147
Ambulance	2,239,803	2,033,304	2,119,477	1,983,814	2,528,923	2,432,085	2,356,905	2,087,383	1,800,294	1,514,147
Liability insurance	562,716	554,262	399,961	215,908	253,502	111,977	107,839	132,478	121,963	238,917
Workers compensation	167,413	160,304	171,067	158,332	186,308	203,328	223,449	230,138	214,777	231,380
Audit	5,899	9,829	8,031	6,773	10,180	8,840	10,687	8,491	8,438	10,552
Pension	866,461	916,399	653,378	519,651	591,212	516,542	571,253	358,199	520,068	239,671
Social security/IMRF	101,775	138,375	147,776	125,309	149,657	130,639	135,041	118,889	112,758	90,442
Bond & interest	-	-	-	-	-	-	356,548	352,337	346,712	351,216
Total	\$ 6,304,821	\$ 6,201,927	\$ 6,119,521	\$ 6,007,946	\$ 6,248,705	\$ 5,835,496	\$ 6,118,627	\$ 5,375,298	\$ 4,925,304	\$ 4,190,472

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF ASSESSED VALUATIONS, RATES, AND EXTENSIONS - DUPAGE COUNTY
LAST TEN LEVY YEARS

December 31, 2015

Tax Levy Year	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed Valuation	\$ 165,126,988	\$ 166,630,842	\$ 175,246,912	\$ 188,618,893	\$ 195,410,318	\$ 207,541,269	\$ 205,924,049	\$ 193,059,866	\$ 180,224,218	\$ 169,991,969
Tax Rates										
General	0.2838	0.2895	0.2963	0.3519	0.2886	0.2467	0.2332	0.2460	0.2327	0.2345
Ambulance	0.2699	0.2468	0.2426	0.2311	0.2885	0.2467	0.2333	0.2459	0.2327	0.2345
Liability insurance	0.0678	0.0678	0.0469	0.0252	0.0283	0.0208	0.0223	0.0271	0.0277	0.0358
Workers compensation	0.0204	0.0194	0.0198	0.0185	0.0215	0.0116	0.0109	0.0156	0.0159	0.0371
Audit	0.0007	0.0012	0.0012	0.0008	0.0013	0.0010	0.0012	0.0010	0.0011	0.0016
Pension	0.1041	0.1122	0.0755	0.0608	0.0672	0.0526	0.0562	0.0423	0.0673	0.0372
Social security/IMRF	0.0123	0.0170	0.0170	0.0149	0.0170	0.0135	0.0135	0.0141	0.0146	0.0140
Bond & interest	-	-	-	-	-	-	0.0353	0.0423	0.0437	0.0521
Total	0.7590	0.7539	0.6993	0.7032	0.7124	0.5929	0.6059	0.6343	0.6357	0.6468
Tax Extensions										
General	\$ 468,630	\$ 482,396	\$ 519,257	\$ 663,750	\$ 563,954	\$ 512,467	\$ 480,215	\$ 474,927	\$ 419,382	\$ 398,631
Ambulance	445,678	411,245	425,149	435,898	563,759	512,467	480,421	474,734	419,382	398,631
Liability insurance	111,956	112,976	82,191	47,532	55,301	24,097	22,446	30,117	28,656	63,067
Workers compensation	33,686	32,326	34,699	34,895	42,013	43,208	45,921	52,316	49,922	60,857
Audit	1,156	1,999	2,103	1,509	2,540	2,077	2,471	1,931	1,982	2,720
Pension	171,897	186,960	132,311	114,680	131,316	108,850	115,729	81,664	121,291	63,237
Social security/IMRF	20,311	28,327	29,792	28,104	33,220	28,043	27,800	27,221	26,313	23,799
Bond & interest	-	-	-	-	-	-	72,691	81,664	78,758	88,566
Total	\$ 1,253,314	\$ 1,256,229	\$ 1,225,502	\$ 1,326,368	\$ 1,392,103	\$ 1,231,209	\$ 1,247,694	\$ 1,224,574	\$ 1,145,686	\$ 1,099,508

See independent auditor's report.

LEMONT FIRE PROTECTION DISTRICT

SCHEDULE OF ASSESSED VALUATIONS, RATES, AND EXTENSIONS - WILL COUNTY
LAST TEN LEVY YEARS

December 31, 2015

Tax Levy Year	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Assessed Valuation	\$ 209,063,428	\$ 211,914,556	\$ 217,095,811	\$ 219,892,933	\$ 224,907,891	\$ 159,121,709	\$ 160,172,030	\$ 145,009,799	\$ 136,700,033	\$ 133,338,587	\$ 126,673,326
Tax Rates											
General	0.2892	0.2709	0.3893	0.2788	0.2481	0.2395	0.2043	0.2434	0.2179	0.2124	0.1969
Ambulance	0.2744	0.2308	0.3008	0.1658	0.2481	0.2395	0.2042	0.2434	0.2178	0.2124	0.1969
Liability insurance	0.0690	0.0635	0.0517	0.0186	0.0243	0.0112	0.0094	0.0155	0.0134	0.0336	0.0315
Workers compensation	0.0206	0.0182	0.0244	0.0137	0.0185	0.0202	0.0194	0.0269	0.0253	0.0325	0.0298
Audit	0.0008	0.0011	0.0012	0.0006	0.0011	0.0010	0.0010	0.0011	0.0010	0.0015	0.0013
Pension	0.1062	0.1051	0.0899	0.0450	0.0580	0.0510	0.0503	0.0418	0.0647	0.0333	0.0316
Social security/IMRF	0.0127	0.0158	0.0209	0.0112	0.0146	0.0130	0.1160	0.0141	0.0139	0.0128	0.0120
Bond & interest	-	-	-	-	0.0001	0.0004	0.0318	0.0402	0.0387	0.0470	0.0480
Total	0.7729	0.7054	0.8782	0.5337	0.6128	0.5758	0.6364	0.6264	0.5927	0.5855	0.5480
Tax Extensions											
General	\$ 604,611	\$ 574,077	\$ 845,154	\$ 613,061	\$ 557,996	\$ 381,098	\$ 327,231	\$ 352,954	\$ 297,869	\$ 283,211	\$ 249,420
Ambulance	573,670	489,099	653,024	364,582	557,996	381,098	327,071	352,954	297,733	283,211	249,420
Liability insurance	144,254	134,566	112,239	40,900	54,653	17,821	15,056	22,476	18,318	44,802	39,902
Workers compensation	43,067	38,568	52,971	30,125	41,608	32,142	31,073	39,008	34,585	43,335	37,749
Audit	1,673	2,331	2,605	1,319	2,474	1,591	1,602	1,595	1,367	2,000	1,647
Pension	222,025	222,722	195,169	98,952	130,446	81,150	80,567	60,614	88,445	44,402	40,029
Social security/IMRF	26,551	33,483	45,373	24,628	32,836	20,686	18,580	20,446	19,001	17,067	15,201
Bond & interest	-	-	-	-	225	638	50,935	58,294	52,903	62,669	60,803
Total	\$ 1,615,851	\$ 1,494,846	\$ 1,906,535	\$ 1,173,567	\$ 1,378,234	\$ 916,224	\$ 852,115	\$ 908,341	\$ 810,221	\$ 780,697	\$ 694,171

See independent auditor's report.