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**GRAYSLAKE COMMUNITY PARK DISTRICT  
LAKE COUNTY, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**MAY 31, 2017**

**eder, casella & co.**

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Grayslake Community Park District  
Grayslake, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of

### GRAYSLAKE COMMUNITY PARK DISTRICT

as of and for the year ended May 31, 2017, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Park District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Park 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 financial statements.

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Park District, as of May 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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&  
co.

## Change in Accounting Principle

As described in Note 16 to the financial statements, the Park District implemented GASB Statement No. 72, *Fair Value Measurement and Application*. Our opinion is not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Employer's Net Pension Liability and Related Ratios, Schedule of Employer Contribution, and budgetary comparison information on pages 3 through 8 and 31 through 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Park District's basic financial statements. The supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposed of additional analysis and are not a require part of the basic financial statements.

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

*Eder, Casella & Co.*  
EDER, CASELLA & CO.  
Certified Public Accountants

McHenry, Illinois  
July 20, 2017

REQUIRED SUPPLEMENTARY INFORMATION

# ***Grayslake Community Park District***

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

As management of the Grayslake Community Park District (Park District), we offer readers of the Park District's statements this narrative overview and analysis of the financial activities of the Park District for the fiscal year ended May 31, 2017.

### **FINANCIAL HIGHLIGHTS**

- The net position of the Park District was \$20,613,246 at May 31, 2017.
- The Park District's total net position increased by \$962,370, which included a net position adjustment of \$943,189.
- At May 31, 2017, the Park District's governmental funds reported combined ending fund balances of \$2,362,488, a decrease of \$289,407 from the prior year.
- The Park District's total fixed assets increased by \$956,057 during the year ended May 31, 2017. The key factor in this increase was a land donation from 2004 that was not previously recorded.
- The Park District's total long-term debt decreased by \$301,349 during the year ended May 31, 2017. The key factor in this decrease was payments made according to the payment schedules.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the Park District's basic financial statements. The Park District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required 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 the Park District's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Park District's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Park District is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Park District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Park District include general government, providing and maintaining open space, and culture and recreation. The Park District does not conduct any business-type activities.

The government-wide financial statements can be found on pages 9 and 10 of this report.

**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 Park District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Park District are governmental funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Park District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Park District maintains twelve individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Recreation Fund, Special Recreation Fund, Debt Service Fund, Capital Projects Fund and 2014 Debt Project Fund, which are considered to be the Park District's only major funds. Data from the other six governmental funds are combined into a single, aggregated presentation.

The basic governmental fund financial statements can be found on pages 11 through 14 of this report.

*Fiduciary funds* - Fiduciary funds are used to account for resources held for the benefit of parties outside the Park District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the Park District's own programs. The Park District has one fiduciary fund: the Lake Management Fund. The Lake Management Fund is used to account for assets held by the Park District as an agent for individuals, private organizations, and other governments. This fund is custodial in nature and does not involve the measurement of results of operations.

The basic fiduciary fund financial statements can be found on pages 15 and 16 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 30 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Park District's progress in meeting its obligation to provide as fully adequate as possible services to its residents.

The Park District adopts an annual budget and appropriation ordinance for all funds. A budgetary comparison statement, which is required supplementary information, has been provided for the General Fund and each major special revenue fund to demonstrate compliance with this budget.

The appropriation comparison statements and related notes can be found on pages 31 through 38 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Park District, net position was \$20,613,246 at May 31, 2017. The following table presents a summary of the Park District's net position for the years ended May 31, 2017 and May 31, 2016:



**Grayslake Community Park District's Statement of Net Position**

|                                   | Governmental Activities |                      |
|-----------------------------------|-------------------------|----------------------|
|                                   | 5/31/2017               | 5/31/2016            |
| <b>Assets</b>                     |                         |                      |
| Current and Other Assets          | \$ 5,480,814            | \$ 6,122,807         |
| Capital Assets                    | 24,301,152              | 23,088,334           |
| <b>Total Assets</b>               | <b>\$ 29,781,966</b>    | <b>\$ 29,211,141</b> |
| Deferred Outflows of Resources    | \$ 403,097              | \$ 204,973           |
| <b>Liabilities</b>                |                         |                      |
| Long-Term Liabilities Outstanding | \$ 6,353,724            | \$ 6,447,171         |
| Other Liabilities                 | 446,937                 | 550,602              |
| <b>Total Liabilities</b>          | <b>\$ 6,800,661</b>     | <b>\$ 6,997,773</b>  |
| Deferred Inflows of Resources     | \$ 2,771,156            | \$ 2,767,465         |
| <b>Net Position</b>               |                         |                      |
| Net Investment in Capital Assets  | \$ 18,743,951           | \$ 17,493,248        |
| Restricted                        | 1,401,988               | 1,936,726            |
| Unrestricted                      | 467,307                 | 220,902              |
| <b>Total Net Position</b>         | <b>\$ 20,613,246</b>    | <b>\$ 19,650,876</b> |

One portion of the Park District's net position (91 percent) reflects its investment in capital assets (e.g., land, buildings, equipment, etc.), less any related debt used to acquire those assets that is still outstanding. The Park District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Park District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Park District's net position (7 percent) represents resources that are subject to external restrictions on how they may be used.

**Governmental activities** - The Park District's net position increased by \$962,370, which included a net position adjustment of \$943,189, during the year ended May 31, 2017.

**Grayslake Community Park District's Change in Net Position**

|                                     | Governmental Activities |                      |
|-------------------------------------|-------------------------|----------------------|
|                                     | 5/31/2017               | 5/31/2016            |
| <b>Revenues</b>                     |                         |                      |
| Program Revenues                    |                         |                      |
| Charges for Services                | \$ 1,215,661            | \$ 1,227,751         |
| Operating Grants and Contributions  | 226,960                 | 960                  |
| Capital Grants and Contributions    | 24,711                  | -                    |
| General Revenues                    |                         |                      |
| Property Taxes                      | 2,762,231               | 2,721,083            |
| Other Taxes                         | 21,437                  | 19,298               |
| Other                               | 40,255                  | 17,254               |
| Transfers                           | -                       | (5,000)              |
| <b>Total Revenues</b>               | <b>\$ 4,291,255</b>     | <b>\$ 3,981,346</b>  |
| <b>Expenses</b>                     |                         |                      |
| General Government                  | \$ 1,332,724            | \$ 1,420,265         |
| Park Maintenance                    | 893,555                 | 775,193              |
| Culture and Recreation              | 1,118,685               | 947,586              |
| Interest and Fees                   | 209,992                 | 218,399              |
| Depreciation                        | 717,118                 | 689,486              |
| <b>Total Expenses</b>               | <b>\$ 4,272,074</b>     | <b>\$ 4,050,929</b>  |
| Increase/(Decrease) in Net Position | \$ 19,181               | \$ (69,583)          |
| Net Position - Beginning of Year    | 19,650,876              | 20,164,147           |
| Net Position Adjustment             | 943,189                 | (443,688)            |
| <b>Net Position - End of Year</b>   | <b>\$ 20,613,246</b>    | <b>\$ 19,650,876</b> |

- Operating grants and contributions increased by \$226,000 (235 percent) during the year ended May 31, 2017 due to a large amount of developer donations that were received in the current year.
- Expenses increased \$221,145 (5 percent) over the previous year. The increase was primarily due to higher capital outlay costs for park improvements.

## **FINANCIAL ANALYSIS OF THE PARK DISTRICT'S FUNDS**

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

**Governmental funds.** The focus of the Park District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Park District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Park District's net resources available for spending at the end of the fiscal year.

At May 31, 2017, the Park District's governmental funds reported combined ending fund balances of \$2,362,488, a decrease of \$289,407, in comparison with the prior year. \$401,173 of this fund balance is unassigned and available for spending at the Park District's discretion.

The General Fund is the chief operating fund of the Park District. At May 31, 2017, unassigned fund balance of the General Fund was \$547,754. The fund balance of the Park District's General Fund increased by \$63,286 during the year ended May 31, 2017. The increase is due to an increase in property tax revenue offset by a decrease in capital outlay expenses.

The Recreation Fund is a special revenue fund used to track revenues and expenditures related to recreation services. At May 31, 2017, total fund balance of the Recreation Fund was \$440,815. The fund balance of the Recreation Fund increased by \$168,249 during the year ended May 31, 2017. Revenues and expenses were similar to the prior year and the fund balance has increased by almost the same amount for two years in a row.

The Special Recreation Fund is a special revenue fund used to track revenues and expenditures related to special recreation services. At May 31, 2017, total fund balance of the Special Recreation Fund was \$470,618. The fund balance of the Special Recreation Fund decreased by \$29,139 during the year ended May 31, 2017. This decrease is primarily due to an increase in capital outlay expenses.

The Debt Service Fund is a special revenue fund used to track revenues and expenditures related to debt. At May 31, 2017, total fund balance of the Debt Service Fund was \$114,238. The fund balance of the Debt Service Fund decreased by \$3,519 during the year ended May 31, 2017. This decrease is primarily due to increased principal and interest expenses as compared to the year ended May 31, 2016.

The Capital Projects Fund and the 2014 Debt Project Fund are both capital project funds used to track the financial resources to be used for the acquisition or construction of capital projects. At May 31, 2017, total fund balance of the Capital Projects Fund and the 2014 Debt Project Fund were \$156,872 and \$279,064, respectively. The fund balances of the Capital Projects Fund and the 2014 Debt Project Fund increased by \$223,616 and decreased by \$736,649, respectively, during the year ended May 31, 2017. The Capital Projects Fund's increase was primarily due to developer donations. The 2014 Debt Project Fund's decrease was primarily due to the Park District's large capital projects that were completed or continued during the year, the largest being the Alleghany Park and Meadowview Park projects.

The remaining funds did not have activity during the year that resulted in a significant change in the respective fund balances.

## General Fund Budgetary Highlights

Significant differences between budget and actual revenues and expenditures are summarized as follows:

- The difference between estimated revenues and actual revenues was \$16,571 (favorable). This is primarily due to higher personal property replacement tax revenue than anticipated.
- The difference between budgeted expenditures and actual expenditures was \$26,040 (favorable). This is primarily due to salaries and miscellaneous expenses that were less than budgeted.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets.** The Park District's investment in capital assets for its governmental activities as of May 31, 2017 amounts to \$24,301,152 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, vehicles, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Land improvements to various parks and trails for \$953,119

### Grayslake Community Park District's Capital Assets (net of depreciation)

|                          | Governmental Activities |                      |
|--------------------------|-------------------------|----------------------|
|                          | 5/31/2017               | 5/31/2016            |
| Land                     | \$ 14,511,853           | \$ 13,551,853        |
| Construction in Progress | -                       | 256,761              |
| Land Improvements        | 6,042,757               | 5,589,691            |
| Buildings                | 3,185,156               | 3,270,675            |
| Vehicles                 | 97,654                  | 122,710              |
| Machinery and Equipment  | 463,732                 | 553,405              |
| Total                    | <u>\$ 24,301,152</u>    | <u>\$ 23,345,095</u> |

Additional information on the Park District's capital assets can be found in note 4 on pages 22 and 23 of this report.

**Long-term debt.** At May 31, 2017, the Park District had total long-term debt outstanding of \$5,675,000, which is backed by the full faith and credit of the Park District.

### Grayslake Community Park District's Outstanding Debt

|       | Governmental Activities |                     |
|-------|-------------------------|---------------------|
|       | 5/31/2017               | 5/31/2016           |
| Bonds | \$ 5,675,000            | \$ 5,975,000        |
| Total | <u>\$ 5,675,000</u>     | <u>\$ 5,975,000</u> |

The Park District's total debt decreased by \$300,000 during the year ended May 31, 2017. The key factor in this decrease was regularly scheduled debt payments.

Additional information on the Park District's long-term debt can be found in note 5 on pages 23 and 24 of this report.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

As in the year before, national and statewide budget pressures continued during fiscal year 2017. Despite the continued uncertainty of the State of Illinois budget, the Grayslake Community Park District continued its healthy economic position. Revenues are budgeted to remain the same during the forthcoming year.

The failure of Illinois lawmakers to pass a fiscally responsible budget for fiscal year 2017 has caused delays in distributions of tax revenues to local governments. However, the Park District has not suffered. The Board and its staff's fiscally responsible conservative planning and budget measures kept the Park District healthy and stable. Concern continues to exist however, regarding the weak fiscal condition of the State of Illinois. The State has limped through the year, relying on court-ordered spending and ongoing stopgap appropriations to operate during the Illinois State budget impasse. There continues to be political discussions in the state legislature regarding a proposed property tax freeze. It is uncertain what revenues may be retained by the State in order to assist the State with its cash flow and budgetary needs in the years to come.

All the same, there continues to be significant investment interest in the development of major parcels of the Grayslake Village's vacant commercial and residential land. In the prior fiscal year, several developments were approved, including Lake Street Square subdivision and Travanse Living, which provided large developer donations and impact fees for the Park District. These signs of economic recovery will add to the economic strength and contribute to the future of Grayslake Community Park District's revenue base.

The Grayslake Community Park District's elected and appointed officials considered many factors when setting the fiscal-year 2018 budget, tax rates, and fees that will be charged for its governmental activities. One of those factors is the economy. Although the Park District considers the economy in setting rates and fees during the budget process, the Park District does not feel that these economic factors will have a significant bearing on Park District operations in the coming year and will continue to invest in capital projects and park infrastructure in the coming year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Park District's finances for all those with an interest in the Park District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Grayslake Community Park District, 240 Commerce Dr., Grayslake, IL 60030.

## BASIC FINANCIAL STATEMENTS

GRAYSLAKE COMMUNITY PARK DISTRICT  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
MAY 31, 2017

|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| <b>ASSETS</b>   |                                    |
| Cash and Cash Equivalents   | \$ 2,155,379                       |
| Investments   | 222,586                            |
| Restricted Investments  | 279,064                            |
| Prepaid Expenses  | 111,529                            |
| Receivables (Net of Allowance for Estimated<br>Uncollectible Amounts) |                                    |
| Accounts Receivable   | 11,596                             |
| Property Taxes  | 2,700,660                          |
| Capital Assets  |                                    |
| Land  | 14,511,853                         |
| Other Capital Assets, Net of Depreciation                             | 9,789,299                          |
| <b>Total Assets</b>   | <b><u>\$ 29,781,966</u></b>        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                 |                                    |
| Loss on Refunding, Net of Amortization                                | \$ 147,483                         |
| Pension Expense/Revenue - IMRF  | 255,614                            |
| <b>Total Deferred Outflows of Resources</b>                           | <b><u>\$ 403,097</u></b>           |
| <b>LIABILITIES</b>  |                                    |
| Accounts Payable  | \$ 33,688                          |
| Accrued Expenses  | 149,797                            |
| Unearned Revenue - Program Fees                                       | 263,452                            |
| Non-Current Liabilities   |                                    |
| Due Within One Year   | 306,349                            |
| Due in More Than One Year   | 6,047,375                          |
| <b>Total Liabilities</b>  | <b><u>\$ 6,800,661</u></b>         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                  |                                    |
| Property Taxes - Subsequent Year                                      | \$ 2,771,156                       |
| <b>Total Deferred Inflows of Resources</b>                            | <b><u>\$ 2,771,156</u></b>         |
| <b>NET POSITION</b>   |                                    |
| Net Investment in Capital Assets                                      | \$ 18,743,951                      |
| Restricted for:   |                                    |
| Liability Insurance   | 44,050                             |
| Audit   | 285                                |
| Debt Service  | 57,480                             |
| Retirement  | 132,471                            |
| Natural History   | 181,898                            |
| Paving and Lighting   | 30,979                             |
| Capital Improvements  | 485,971                            |
| Special Recreation  | 468,854                            |
| Unrestricted/(Deficit)  | 467,307                            |
| <b>Total Net Position</b>   | <b><u>\$ 20,613,246</u></b>        |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2017

|   | Program Revenues        |  |  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|---|-------------------------|--|--|--|
| Expenses                                  | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Governmental<br>Activities                                 |
| Functions/Programs                        |                         |  |  |  |
| Governmental Activities                   |                         |  |  |  |
| General Government                        | \$ 1,332,724            | \$ -                                     | \$ -                                   | \$ (1,332,724)   |
| Park Maintenance                          | 893,555                 | -  | -                                      | (893,555)  |
| Culture and Recreation                    | 1,118,685               | 1,215,661                                | 226,960                                | 348,647  |
| Interest and Fees on Long-Term Debt       | 209,992                 | -  | -                                      | (209,992)  |
| Depreciation - Unallocated                | 717,118                 | -  | -                                      | (717,118)  |
| Total Primary Government                  | \$ 4,272,074            | \$ 1,215,661                             | \$ 226,960                             | \$ (2,804,742)   |
| General Revenues                          |                         |  |  |  |
| Taxes                                     |                         |  |  |  |
| Property Tax, Levied for General Purposes |                         |  |  | \$ 2,762,231   |
| Personal Property Replacement Taxes       |                         |  |  | 21,437   |
| Unrestricted Investment Earnings          |                         |  |  | 20,900   |
| Miscellaneous                             |                         |  |  | 19,355   |
| Total General Revenues and Transfers      |                         |  |  | \$ 2,823,923   |
| Change in Net Position                    |                         |  |  | \$ 19,181  |
| Net Position - June 1, 2016               |                         |  |  | 19,650,876   |
| Net Position Adjustment (Note 13)         |                         |  |  | 943,189  |
| Net Position - May 31, 2017               |                         |  |  | \$ 20,613,246  |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
FUND FINANCIAL STATEMENTS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
MAY 31, 2017

|  | General<br>Fund     | Recreation<br>Fund  | Special<br>Recreation<br>Fund | Debt Service<br>Fund | Capital<br>Projects<br>Fund | 2014 Debt<br>Project<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|---------------------|-------------------------------|----------------------|-----------------------------|------------------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>  |                     |                     |                               |                      |                             |                              |                                |                                |
| Cash and Cash Equivalents  | \$ 386,897          | \$ 738,540          | \$ 474,986                    | \$ 27,215            | \$ 156,872                  | \$ -                         | \$ 370,869                     | \$ 2,155,379                   |
| Investments  | 222,586             | -                   | -                             | -                    | -                           | -                            | -                              | 222,586                        |
| Restricted Investments   | -                   | -                   | -                             | -                    | -                           | 279,064                      | -                              | 279,064                        |
| Prepaid Expenses   | -                   | 11,759              | -                             | 99,770               | -                           | -                            | -                              | 111,529                        |
| Receivables (Net of Allowance for Estimated<br>Uncollectible Amounts, \$0)     |                     |                     |                               |                      |                             |                              |                                |                                |
| Accounts Receivable  | 1,902               | 9,694               | -                             | -                    | -                           | -                            | -                              | 11,596                         |
| Property Taxes   | 952,966             | 703,827             | 168,339                       | 491,399              | -                           | -                            | 384,129                        | 2,700,660                      |
| <b>Total Assets</b>  | <b>\$ 1,564,351</b> | <b>\$ 1,463,820</b> | <b>\$ 643,325</b>             | <b>\$ 618,384</b>    | <b>\$ 156,872</b>           | <b>\$ 279,064</b>            | <b>\$ 754,998</b>              | <b>\$ 5,480,814</b>            |
| <b>LIABILITIES</b>   |                     |                     |                               |                      |                             |                              |                                |                                |
| Accounts Payable   | \$ 25,198           | \$ 3,391            | \$ -                          | \$ -                 | \$ -                        | \$ -                         | \$ 5,099                       | \$ 33,688                      |
| Accrued Expenses   | 13,713              | 34,077              | -                             | -                    | -                           | -                            | 2,240                          | 50,030                         |
| Unearned Revenue - Program Fees  | -                   | 263,452             | -                             | -                    | -                           | -                            | -                              | 263,452                        |
| <b>Total Liabilities</b>   | <b>\$ 38,911</b>    | <b>\$ 300,920</b>   | <b>\$ -</b>                   | <b>\$ -</b>          | <b>\$ -</b>                 | <b>\$ -</b>                  | <b>\$ 7,339</b>                | <b>\$ 347,170</b>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                     |                     |                               |                      |                             |                              |                                |                                |
| Unavailable Revenue - Property Taxes   | \$ 977,686          | \$ 722,085          | \$ 172,707                    | \$ 504,146           | \$ -                        | \$ -                         | \$ 394,532                     | \$ 2,771,156                   |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>\$ 977,686</b>   | <b>\$ 722,085</b>   | <b>\$ 172,707</b>             | <b>\$ 504,146</b>    | <b>\$ -</b>                 | <b>\$ -</b>                  | <b>\$ 394,532</b>              | <b>\$ 2,771,156</b>            |
| <b>FUND BALANCES</b>   |                     |                     |                               |                      |                             |                              |                                |                                |
| Nonspendable   | \$ -                | \$ 11,759           | \$ -                          | \$ 99,770            | \$ -                        | \$ -                         | \$ -                           | \$ 111,529                     |
| Restricted for:  |                     |                     |                               |                      |                             |                              |                                |                                |
| Liability Insurance  | -                   | -                   | -                             | -                    | -                           | -                            | 44,050                         | 44,050                         |
| Audit  | -                   | -                   | -                             | -                    | -                           | -                            | 285                            | 285                            |
| Retirement   | -                   | -                   | -                             | -                    | -                           | -                            | 132,471                        | 132,471                        |
| Natural History  | -                   | -                   | -                             | -                    | -                           | -                            | 181,898                        | 181,898                        |
| Paving and Lighting  | -                   | -                   | -                             | -                    | -                           | -                            | 30,979                         | 30,979                         |
| Capital Improvements   | -                   | -                   | -                             | -                    | 223,616                     | 262,355                      | -                              | 485,971                        |
| Special Recreation   | -                   | -                   | 468,854                       | -                    | -                           | -                            | -                              | 468,854                        |
| Debt Service   | -                   | -                   | -                             | 57,480               | -                           | -                            | -                              | 57,480                         |
| Assigned for:  |                     |                     |                               |                      |                             |                              |                                |                                |
| Liability Insurance  | -                   | -                   | -                             | -                    | -                           | -                            | 13                             | 13                             |
| Audit  | -                   | -                   | -                             | -                    | -                           | -                            | 12                             | 12                             |
| Retirement   | -                   | -                   | -                             | -                    | -                           | -                            | 24                             | 24                             |
| Natural History  | -                   | -                   | -                             | -                    | -                           | -                            | 213                            | 213                            |
| Paving and Lighting  | -                   | -                   | -                             | -                    | -                           | -                            | 7                              | 7                              |
| Capital Improvements   | -                   | -                   | -                             | -                    | -                           | 16,709                       | -                              | 16,709                         |
| Special Recreation   | -                   | -                   | 1,764                         | -                    | -                           | -                            | -                              | 1,764                          |
| Recreation   | -                   | 429,056             | -                             | -                    | -                           | -                            | -                              | 429,056                        |
| Unassigned   | 547,754             | -                   | -                             | (43,012)             | (66,744)                    | -                            | (36,825)                       | 401,173                        |
| <b>Total Fund Balances</b>   | <b>\$ 547,754</b>   | <b>\$ 440,815</b>   | <b>\$ 470,618</b>             | <b>\$ 114,238</b>    | <b>\$ 156,872</b>           | <b>\$ 279,064</b>            | <b>\$ 353,127</b>              | <b>\$ 2,362,488</b>            |
| <b>Total Liabilities, Deferred Inflows of Resources, and<br/>Fund Balances</b> | <b>\$ 1,564,351</b> | <b>\$ 1,463,820</b> | <b>\$ 643,325</b>             | <b>\$ 618,384</b>    | <b>\$ 156,872</b>           | <b>\$ 279,064</b>            | <b>\$ 754,998</b>              | <b>\$ 5,480,814</b>            |

The Notes to Financial Statements are an integral part of this statement.



GRAYSLAKE COMMUNITY PARK DISTRICT  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 MAY 31, 2017

|   |                  |                             |
|---|------------------|-----------------------------|
| Total Fund Balances - Governmental Funds  |                  | \$ 2,362,488                |
| Amounts reported for governmental activities in the Statement of Net Position are different because:  |                  |                             |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.   |                  |                             |
| Capital Assets, net of accumulated depreciation   |                  | 24,301,152                  |
| Deferred charges and credits for debt issue discounts or premiums and other debt issue costs are not financial resources and therefore are not reported in the funds. |                  |                             |
| Bond Discounts, net of related amortization   | \$ 57,552        |                             |
| Bond Premiums, net of related amortization  | (87,237)         |                             |
| Loss on Refunding, net of related amortization  | 147,483          |                             |
| Net Pension Liability - IMRF  | <u>(553,496)</u> |                             |
|   |                  | (435,698)                   |
| Some liabilities are not due and payable in the current period and therefore are not reported in the funds.   |                  |                             |
| Bonds and Notes Payable   | \$ (5,675,000)   |                             |
| Compensated Absences  | (95,543)         |                             |
| Accrued Interest on Long-Term Debt  | <u>(99,767)</u>  |                             |
|   |                  | (5,870,310)                 |
| Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds   |                  |                             |
| Pension Expense/Revenue - IMRF  |                  | <u>255,614</u>              |
| Net Position of Governmental Activities   |                  | <u><u>\$ 20,613,246</u></u> |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED MAY 31, 2017

|   | General Fund        | Recreation Fund     | Special Recreation Fund | Debt Service Fund | Capital Projects Fund | 2014 Debt Project Fund | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|---------------------|-------------------------|-------------------|-----------------------|------------------------|--------------------------|--------------------------|
| <b>REVENUES</b>   |                     |                     |                         |                   |                       |                        |                          |                          |
| Property Taxes  | \$ 976,211          | \$ 720,679          | \$ 190,657              | \$ 505,269        | \$ -                  | \$ -                   | \$ 369,415               | \$ 2,762,231             |
| Personal Property Replacement Taxes                         | 21,437              | -                   | -                       | -                 | -                     | -                      | -                        | 21,437                   |
| Grants and Donations  | -                   | -                   | -                       | -                 | 24,711                | -                      | -                        | 24,711                   |
| Developer Donations   | -                   | -                   | -                       | -                 | 226,960               | -                      | -                        | 226,960                  |
| Interest Income   | 7,099               | -                   | -                       | -                 | -                     | 13,801                 | -                        | 20,900                   |
| Facility Fees   | -                   | 12,074              | -                       | -                 | -                     | -                      | -                        | 12,074                   |
| Recreation Program Fees                                     | -                   | 1,077,108           | -                       | -                 | -                     | -                      | -                        | 1,077,108                |
| Golf Course Fees  | -                   | 81,712              | -                       | -                 | -                     | -                      | -                        | 81,712                   |
| Concessions   | -                   | 26,248              | -                       | -                 | -                     | -                      | -                        | 26,248                   |
| Affiliate Fees  | -                   | 18,519              | -                       | -                 | -                     | -                      | -                        | 18,519                   |
| Miscellaneous Income  | 16,962              | 2,393               | -                       | -                 | -                     | -                      | -                        | 19,355                   |
|   | <u>\$ 1,021,709</u> | <u>\$ 1,938,733</u> | <u>\$ 190,657</u>       | <u>\$ 505,269</u> | <u>\$ 251,671</u>     | <u>\$ 13,801</u>       | <u>\$ 369,415</u>        | <u>\$ 4,291,255</u>      |
| <b>EXPENDITURES</b>   |                     |                     |                         |                   |                       |                        |                          |                          |
| Current   |                     |                     |                         |                   |                       |                        |                          |                          |
| General Government  | \$ 340,229          | \$ 696,417          | \$ -                    | \$ -              | \$ -                  | \$ -                   | \$ 319,955               | \$ 1,356,601             |
| Park Maintenance  | 609,482             | 265,392             | -                       | -                 | -                     | -                      | -                        | 874,874                  |
| Culture and Recreation                                      | -                   | 808,675             | 109,425                 | -                 | -                     | -                      | 24,711                   | 942,811                  |
| Capital Outlay  | 8,712               | -                   | 110,371                 | -                 | 28,055                | 750,450                | -                        | 897,588                  |
| Debt Service  |                     |                     |                         |                   |                       |                        |                          |                          |
| Principal   | -                   | -                   | -                       | 300,000           | -                     | -                      | -                        | 300,000                  |
| Interest and Fees   | -                   | -                   | -                       | 208,788           | -                     | -                      | -                        | 208,788                  |
|   | <u>\$ 958,423</u>   | <u>\$ 1,770,484</u> | <u>\$ 219,796</u>       | <u>\$ 508,788</u> | <u>\$ 28,055</u>      | <u>\$ 750,450</u>      | <u>\$ 344,666</u>        | <u>\$ 4,580,662</u>      |
| <b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> | <u>\$ 63,286</u>    | <u>\$ 168,249</u>   | <u>\$ (29,139)</u>      | <u>\$ (3,519)</u> | <u>\$ 223,616</u>     | <u>\$ (736,649)</u>    | <u>\$ 24,749</u>         | <u>\$ (289,407)</u>      |
| <b>OTHER FINANCING SOURCES/(USES)</b>                       | <u>-</u>            | <u>-</u>            | <u>-</u>                | <u>-</u>          | <u>-</u>              | <u>-</u>               | <u>-</u>                 | <u>-</u>                 |
| <b>NET CHANGE IN FUND BALANCES</b>                          | <u>\$ 63,286</u>    | <u>\$ 168,249</u>   | <u>\$ (29,139)</u>      | <u>\$ (3,519)</u> | <u>\$ 223,616</u>     | <u>\$ (736,649)</u>    | <u>\$ 24,749</u>         | <u>\$ (289,407)</u>      |
| <b>FUND BALANCES - JUNE 1, 2016</b>                         | <u>484,468</u>      | <u>272,566</u>      | <u>499,757</u>          | <u>117,757</u>    | <u>(66,744)</u>       | <u>1,015,713</u>       | <u>328,378</u>           | <u>2,651,895</u>         |
| <b>FUND BALANCES - MAY 31, 2017</b>                         | <u>\$ 547,754</u>   | <u>\$ 440,815</u>   | <u>\$ 470,618</u>       | <u>\$ 114,238</u> | <u>\$ 156,872</u>     | <u>\$ 279,064</u>      | <u>\$ 353,127</u>        | <u>\$ 2,362,488</u>      |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
 FUND FINANCIAL STATEMENTS  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED MAY 31, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (289,407)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

|                      |                |         |
|----------------------|----------------|---------|
| Depreciation Expense | \$ (717,118)   |         |
| Capital Outlays      | <u>713,175</u> | (3,943) |

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

|   |                  |          |
|---|------------------|----------|
| Bond Discount - Amortization              | \$ (2,616)       |          |
| Accrued Interest on Long-Term Debt        | 4,151            |          |
| Bond Premium - Amortization               | 3,965            |          |
| Deferred Loss on Refunding - Amortization | (6,704)          |          |
| Compensated Absences                      | 14,487           |          |
| Pension Expense                           | <u>(106,253)</u> | (92,970) |

Employer Pension Contributions are expensed in the fund financial statements but are treated as a reduction in the Net Pension Liability on the government-wide financial statements. 105,501

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but the repayment reduces long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.

|                             |  |                |
|-----------------------------|--|----------------|
| Repayment of Long-Term Debt |  | <u>300,000</u> |
|-----------------------------|--|----------------|

Change in Net Position of Governmental Activities \$ 19,181

GRAYSLAKE COMMUNITY PARK DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF FIDUCIARY NET POSITION  
 LAKE MANAGEMENT FUND  
 MAY 31, 2017

|                                    |           |                |
|------------------------------------|-----------|----------------|
| ASSETS                             | <u>\$</u> | <u>-</u>       |
| Total Assets                       | <u>\$</u> | <u>-</u>       |
|                                    |           |                |
| LIABILITIES                        |           |                |
| Cash Overdraft                     | <u>\$</u> | <u>2,665</u>   |
| Total Liabilities                  | <u>\$</u> | <u>2,665</u>   |
|                                    |           |                |
| NET POSITION                       |           |                |
| Unassigned                         | <u>\$</u> | <u>(2,665)</u> |
| Total Net Position                 | <u>\$</u> | <u>(2,665)</u> |
|                                    |           |                |
| Total Liabilities and Net Position | <u>\$</u> | <u>-</u>       |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
 FUND FINANCIAL STATEMENTS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 LAKE MANAGEMENT FUND  
 FOR THE YEAR ENDED MAY 31, 2017

|   |                          |
|---|--------------------------|
| REVENUES  |                          |
| Donations   | \$ 1,892                 |
| Total Revenues  | <u>\$ 1,892</u>          |
| EXPENDITURES  |                          |
| Current   |                          |
| Chemical Applications                                   | \$ 3,153                 |
| Total Expenditures                                      | <u>\$ 3,153</u>          |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (1,261)               |
| OTHER FINANCING SOURCES/(USES)                          | <u>-</u>                 |
| NET CHANGE IN NET POSITION                              | \$ (1,261)               |
| NET POSITION - JUNE 1, 2016                             | <u>(1,404)</u>           |
| NET POSITION - MAY 31, 2017                             | <u><u>\$ (2,665)</u></u> |

The Notes to Financial Statements are an integral part of this statement.

GRAYSLAKE COMMUNITY PARK DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2017

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Grayslake Community Park District (Park District) is duly organized and existing under the provisions of the laws of the State of Illinois. The Park District operates under the Park District Code of the State of Illinois, and all laws amendatory thereto. The Park District operates under the board-manager form of government and provides a variety of recreational facilities, programs, and services.

The Park District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the Park District are discussed below.

**A. Reporting Entity**

The accompanying financial statements comply with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions that comprise the Park District. Component units are legally separate entities for which the Park District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the Park District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the Park District. Using these criteria, the Park District has no component units. In addition, the Park District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

**B. Basic Financial Statements – Government-Wide Statements**

The Park District's basic financial statements include both government-wide (reporting the Park District as a whole) and fund (reporting the Park District's major funds) financial statements. Both the government-wide and fund financial statements categorize primary activities as governmental activities. The Park District's general government, park maintenance, and culture and recreation functions are classified as governmental activities. The Park District does not conduct any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis by column, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Park District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Park District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Park District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (general government, park maintenance, and culture and recreation). Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

The Park District does not allocate indirect costs.

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

### C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the Park District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of all governmental funds) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements.

The following fund types are used by the Park District:

#### 1. Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The activities reported in these funds are reported as governmental activities in the government-wide financial statements. The Park District reports these governmental funds and fund types:

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

Special Revenue Funds – The Special Revenue Funds (Recreation, Special Recreation, Liability Insurance, Audit, Retirement, Paving and Lighting, Natural History, and Social Security) are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service.

Debt Service Fund – The Debt Service Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

Capital Project Funds – The Capital Project Funds (Capital Project Fund and 2014 Bond Project Fund) are used to account for financial resources to be used for the acquisition or construction of capital projects.

#### 2. Fiduciary Funds

Fiduciary Funds (Lake Management Fund) are used to account for assets held by the Park District in a trustee capacity or as an agent for a third party (individuals, private organizations, or other governments).

## NOTES TO FINANCIAL STATEMENTS (Continued)

### D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

#### 1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property tax revenues are recognized in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements are met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

#### 2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

### E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all Park District funds. Instead, the funds maintain their cash balances in a common money market account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain of the funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other Park District funds and are, therefore, interfund loans that have not been authorized by Park District Board action.

The Lake Management Fund had a cash overdraft of \$2,665 at May 31, 2017.

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. Cash equivalents are accounted for at cost, which approximates market.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

### F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

### G. *Prepaid Expenses*

Prepaid expenses are for payments made by the Park District in the current year for goods and services received in the subsequent fiscal year.



## NOTES TO FINANCIAL STATEMENTS (Continued)

### H. *Inventories*

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. No inventories are maintained by the Park District.

### I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

### J. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line half-year basis over the following estimated useful lives:

|                         |             |
|-------------------------|-------------|
| Land Improvements       | 20 years    |
| Buildings               | 50 years    |
| Vehicles                | 8 years     |
| Machinery and Equipment | 5 -20 years |

### K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheet and Statements of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

### L. *Compensated Absences*

Vacation and sick time benefits are granted to employees in varying amounts to specified maximums depending on tenure with the Park District. A liability for the accrued but unused vacation and sick time is recorded on the government-wide financial statements.

### M. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

### N. *Government-Wide Net Position*

Government-wide net position is divided into three components:

1. Net investment in capital assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – consists of net position that is restricted by the Park District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. Unrestricted net position – all other net position is reported in this category.

### O. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The spendable fund balances are arranged in a hierarchy based on spending constraints.

1. Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
2. Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Commissioners. Committed amounts cannot be used for any other purpose unless the Board of Commissioners removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
3. Assigned – Assigned fund balances are amounts that are constrained by the Park District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Commissioners has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Park District itself. All other assigned fund balances are the residual amounts of the fund.

4. Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. This classification is also used to represent negative fund balances in other funds.

## NOTES TO FINANCIAL STATEMENTS (Continued)

The Park District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

### P. *Property Tax Calendar and Revenues*

The Park District's property tax is levied each calendar year on all taxable real property located in the Park District's district on or before the last Tuesday in December. The 2016 levy was passed by the Board on November 16, 2016. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The Park District receives significant distributions of tax receipts approximately one month after these dates.

### Q. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## **NOTE 2 - DEPOSITS AND INVESTMENTS**

Deposits with financial institutions are fully insured or collateralized by securities held in the Park District's name.

The Park District is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6.

*Interest Rate Risk.* The Park District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk.* State law limits investments to specific types of investment instruments. In general, the investment philosophy of the Park District is to invest in only secured (essentially risk-free), liquid and short-term investments.

*Concentration of Credit Risk.* The Park District places no limit on the amount the Park District may invest in any one investment instrument.

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the Park District's deposits may not be returned to it. The Park District's custodial credit risk policy requires collateral for any deposits in excess of insured amounts. At May 31, 2017, none of the Park District's bank balances were exposed to custodial credit risk.

## **NOTE 3 - RESTRICTED INVESTMENTS**

The 2014 Bond Project Fund reflects restricted investments balances in the amount of \$279,064 representing the amount the Park District has in bond proceeds at May 31, 2017.

## **NOTE 4 - CAPITAL ASSETS**

Capital asset activity for the year ended May 31, 2017 was as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

|   | Balance<br>June 1, 2016 | Increases           | Decreases         | Balance<br>May 31, 2017 |
|---|-------------------------|---------------------|-------------------|-------------------------|
| <b>Governmental Activities</b>                |                         |                     |                   |                         |
| Capital Assets not being depreciated          |                         |                     |                   |                         |
| Land  | \$ 13,551,853           | \$ 960,000          | \$ -              | \$ 14,511,853           |
| Construction in Progress                      | 256,761                 | -                   | 256,761           | -                       |
| Total Capital Assets not being depreciated    | <u>\$ 13,808,614</u>    | <u>\$ 960,000</u>   | <u>\$ 256,761</u> | <u>\$ 14,511,853</u>    |
| Other Capital Assets                          |                         |                     |                   |                         |
| Land Improvements                             | \$ 9,923,992            | \$ 953,119          | \$ -              | \$ 10,877,111           |
| Buildings                                     | 4,199,416               | -                   | -                 | 4,199,416               |
| Vehicles                                      | 316,377                 | -                   | 17,500            | 298,877                 |
| Machinery and Equipment                       | 2,409,030               | 16,817              | -                 | 2,425,847               |
| Total Other Capital Assets at Historical Cost | <u>\$ 16,848,815</u>    | <u>\$ 969,936</u>   | <u>\$ 17,500</u>  | <u>\$ 17,801,251</u>    |
| Less Accumulated Depreciation for:            |                         |                     |                   |                         |
| Land Improvements                             | \$ 4,334,301            | \$ 500,053          | \$ -              | \$ 4,834,354            |
| Buildings                                     | 928,741                 | 85,519              | -                 | 1,014,260               |
| Vehicles                                      | 193,667                 | 25,056              | 17,500            | 201,223                 |
| Machinery and Equipment                       | 1,855,625               | 106,490             | -                 | 1,962,115               |
| Total Accumulated Depreciation                | <u>\$ 7,312,334</u>     | <u>\$ 717,118</u>   | <u>\$ 17,500</u>  | <u>\$ 8,011,952</u>     |
| Other Capital Assets, Net                     | <u>\$ 9,536,481</u>     | <u>\$ 252,818</u>   | <u>\$ -</u>       | <u>\$ 9,789,299</u>     |
| Governmental Activities Capital Assets, Net   | <u>\$ 23,345,095</u>    | <u>\$ 1,212,818</u> | <u>\$ 256,761</u> | <u>\$ 24,301,152</u>    |

Depreciation expense was charged to functions as follows:

|                                |                   |
|--------------------------------|-------------------|
| <b>Governmental Activities</b> |                   |
| Unallocated                    | <u>\$ 717,118</u> |

**NOTE 5 - LONG-TERM LIABILITY ACTIVITY**

Long-term liability activity for the year ended May 31, 2017 was as follows:

|   | Balance<br>June 1, 2016 | Additions         | Retirements       | Balance<br>May 31, 2017 | Amounts<br>Due Within<br>One Year |
|---|-------------------------|-------------------|-------------------|-------------------------|-----------------------------------|
| <b>Governmental Activities</b>                      |                         |                   |                   |                         |                                   |
| Long-Term Debt                                      |                         |                   |                   |                         |                                   |
| 2014A G.O. Bond                                     | \$ 3,010,000            | \$ -              | \$ 70,000         | \$ 2,940,000            | \$ 70,000                         |
| 2014B G.O. Bond                                     | 2,965,000               | -                 | 230,000           | 2,735,000               | 235,000                           |
| Unamortized Discount                                | (60,168)                | 2,616             | -                 | (57,552)                | 2,616                             |
| Unamortized Premium                                 | 91,202                  | (3,965)           | -                 | 87,237                  | (3,965)                           |
| Total Long-Term Debt                                | <u>\$ 6,006,034</u>     | <u>\$ (1,349)</u> | <u>\$ 300,000</u> | <u>\$ 5,704,685</u>     | <u>\$ 303,651</u>                 |
| Other Long-Term Obligations                         |                         |                   |                   |                         |                                   |
| Compensated Absences                                | \$ 110,030              | \$ -              | \$ 14,487         | \$ 95,543               | \$ -                              |
| Net Pension Liability - IMRF                        | 429,239                 | 124,257           | -                 | 553,496                 | -                                 |
| Total Other Long-Term Obligations                   | <u>\$ 539,269</u>       | <u>\$ 124,257</u> | <u>\$ 14,487</u>  | <u>\$ 649,039</u>       | <u>\$ -</u>                       |
| Total Governmental Activities Long-Term Obligations | <u>\$ 6,545,303</u>     | <u>\$ 122,908</u> | <u>\$ 314,487</u> | <u>\$ 6,353,724</u>     | <u>\$ 303,651</u>                 |

Bonds and notes payable consisted of the following at May 31, 2017:

|   | Maturity<br>Date | Interest<br>Rate | Face<br>Amount      | Carrying<br>Amount  |
|---|------------------|------------------|---------------------|---------------------|
| <b>Governmental Activities</b>                          |                  |                  |                     |                     |
| General Obligation Limited Tax Park Bonds, Series 2014A |                  |                  |                     |                     |
|   | 12/1/2037        | 2.5%-4.5%        | \$ 3,135,000        | \$ 2,940,000        |
| General Obligation Refunding Park Bonds, Series 2014B   |                  |                  |                     |                     |
|   | 12/1/2026        | 2.0%-3.375%      | 3,405,000           | 2,735,000           |
| Total   |                  |                  | <u>\$ 6,540,000</u> | <u>\$ 5,675,000</u> |

NOTES TO FINANCIAL STATEMENTS (Continued)

At May 31, 2017 the annual debt service requirements to service long-term debt attributable to governmental activities are:

| Year Ending May 31 | Principal           | Interest            | Total               |
|--------------------|---------------------|---------------------|---------------------|
| 2018               | \$ 305,000          | \$ 199,538          | \$ 504,538          |
| 2019               | 320,000             | 191,088             | 511,088             |
| 2020               | 335,000             | 182,238             | 517,238             |
| 2021               | 345,000             | 172,988             | 517,988             |
| 2022               | 390,000             | 162,638             | 552,638             |
| 2023               | 400,000             | 150,938             | 550,938             |
| 2024               | 420,000             | 138,938             | 558,938             |
| 2025               | 435,000             | 125,288             | 560,288             |
| 2026               | 455,000             | 110,731             | 565,731             |
| 2027               | 285,000             | 95,044              | 380,044             |
| 2028               | 135,000             | 84,644              | 219,644             |
| 2029               | 145,000             | 79,244              | 224,244             |
| 2030               | 155,000             | 73,444              | 228,444             |
| 2031               | 165,000             | 67,050              | 232,050             |
| 2032               | 175,000             | 60,244              | 235,244             |
| 2033               | 185,000             | 53,025              | 238,025             |
| 2034               | 195,000             | 45,394              | 240,394             |
| 2035               | 210,000             | 37,350              | 247,350             |
| 2036               | 220,000             | 27,900              | 247,900             |
| 2037               | 235,000             | 18,000              | 253,000             |
| 2038               | 165,000             | 7,425               | 172,425             |
|                    | <u>\$ 5,675,000</u> | <u>\$ 2,083,149</u> | <u>\$ 7,758,149</u> |

*Reconciliation to the Statement of Net Position*

The following summarizes non-current liabilities as shown on the Statement of Net Position:

|                                     | Due Within<br>One Year | Due in More<br>Than One Year | Total               |
|-------------------------------------|------------------------|------------------------------|---------------------|
| Bonds and Notes Payable             | \$ 305,000             | \$ 5,370,000                 | \$ 5,675,000        |
| Bond Discounts, net of amortization | (2,616)                | (54,936)                     | (57,552)            |
| Bond Premiums, net of amortization  | 3,965                  | 83,272                       | 87,237              |
| Other Long-term Liabilities         | -                      | 649,039                      | 649,039             |
|                                     | <u>\$ 306,349</u>      | <u>\$ 6,047,375</u>          | <u>\$ 6,353,724</u> |

**NOTE 6 - DEFICIT FUND BALANCES/NET POSITON**

The following fund had a deficit fund balance/net position as of May 31, 2017:

| Fund            | May 31, 2017<br>Balance |
|-----------------|-------------------------|
| Lake Management | \$ (2,665)              |

**NOTE 7 - PROPERTY TAXES**

Property taxes receivable of \$2,700,660 and unavailable revenue of \$2,771,156 recorded in these financial statements are from the 2016 tax levy. The unavailable revenue is 100% of the 2016 levy. These taxes are unavailable as the Park District does not consider the amounts to be available and does not budget for their use in fiscal year 2017. The Park District has determined that 100% of the amounts collected for the 2015 levy are allocable for use in fiscal year 2017. Therefore, 100% of the amounts collected for the 2015 levy (\$2,762,231) are recorded in these financial statements as property taxes revenue. A summary of the assessed valuation, rates, and extensions for the years 2016, 2015, and 2014 follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

| Year                | 2016          |                     | 2015          |                     | 2014          |                     |
|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|
|                     | Rates         | Extensions          | Rates         | Extensions          | Rates         | Extensions          |
| Assessed Valuation  | \$549,586,015 |                     | \$503,351,770 |                     | \$477,788,905 |                     |
| Corporate           | 0.1779        | \$ 977,686          | 0.1943        | \$ 978,138          | 0.2024        | \$ 966,978          |
| Recreation          | 0.1314        | 722,085             | 0.1434        | 722,028             | 0.1493        | 713,052             |
| Liability Insurance | 0.0173        | 95,276              | 0.0189        | 95,264              | 0.0197        | 94,177              |
| Debt Service        | 0.0917        | 504,146             | 0.1006        | 506,140             | 0.1050        | 501,760             |
| Retirement          | 0.0228        | 125,251             | 0.0249        | 125,239             | 0.0264        | 126,318             |
| Paving and Lighting | 0.0048        | 26,171              | 0.0019        | 9,634               | 0.0010        | 4,845               |
| Special Recreation  | 0.0314        | 172,707             | 0.0379        | 191,002             | 0.0400        | 191,115             |
| Audit Tax           | 0.0018        | 9,755               | -             | -                   | -             | -                   |
| Social Security     | 0.0250        | 137,644             | 0.0279        | 140,239             | 0.0277        | 132,333             |
|                     | <u>0.5041</u> | <u>\$ 2,770,721</u> | <u>0.5498</u> | <u>\$ 2,767,684</u> | <u>0.5715</u> | <u>\$ 2,730,578</u> |

**NOTE 8 - EXCESS OF EXPENDITURES OVER BUDGET**

For the year ended May 31, 2017, the expenditures of the following funds exceeded the budget:

| Fund             | Budget   | Actual   | Excess of Actual Over Budget |
|------------------|----------|----------|------------------------------|
| Audit            | \$ 8,750 | \$ 9,225 | \$ 475                       |
| Capital Projects | 13,200   | 28,055   | 14,855                       |

**NOTE 9 - OPERATING LEASES, AS LESSEE**

The Park District, as lessee, leases a copier. Estimated minimum annual rentals are as follows:

| Year Ending May 31 | Amount   |
|--------------------|----------|
| 2018               | \$ 5,136 |

Total rental expense for all operating leases for the year ended May 31, 2017 was \$5,136.

**NOTE 10 - ILLINOIS MUNICIPAL RETIREMENT FUND**

*Plan Description*

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

*Benefits Provided*

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

NOTES TO FINANCIAL STATEMENTS (Continued)

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

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

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

*Employees Covered by Benefit Terms*

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2016, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Retirees and beneficiaries currently receiving benefits          | 12               |
| Inactive plan members entitled to but not yet receiving benefits | 13               |
| Active plan members  | <u>22</u>        |
| Total  | <u><u>47</u></u> |

*Contributions*

As set by statute, the Park District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Park District's annual contribution rate for calendar year 2015 was 11.90%. For the fiscal year ended May 31, 2017, the Park District contributed \$109,231 to the Plan. The Park District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability*

The components of the net pension liability of the IMRF as of December 31, 2016, calculated in accordance with GASB Statement No. 68, were as follows:

|   |              |
|---|--------------|
| Total Pension Liability   | \$ 3,994,016 |
| IMRF Fiduciary Net Position   | 3,440,520    |
| Park District's Net Pension Liability   | 553,496      |
| IMRF Fiduciary Net Position as a Percentage<br>of the Total Pension Liability | 86.14%       |

NOTES TO FINANCIAL STATEMENTS (Continued)

See the Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the Plan.

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2016 using the following actuarial methods and assumptions.

|                          |  |
|--------------------------|--|
| Assumptions              |  |
| Inflation                | 3.50%  |
| Price Inflation          | 2.75%  |
| Salary Increases         | 3.75%-14.50% including inflation   |
| Interest Rate            | 7.50%  |
| Asset Valuation Method   | Market Value of Assets   |
| Projected Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013. |

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

*Long-Term Expected Rate of Return*

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

| Asset Class            | Target Allocation | Projected Return |
|------------------------|-------------------|------------------|
| Equities               | 38.0%             | 6.85%            |
| International Equities | 17.0%             | 6.75%            |
| Fixed Income           | 27.0%             | 3.00%            |
| Real Estate            | 8.0%              | 5.75%            |
| Alternatives           | 9.0%              |                  |
| Private Equity         |                   | 7.35%            |
| Hedge Funds            |                   | 5.25%            |
| Commodities            |                   | 2.65%            |
| Cash                   | 1.0%              | 2.25%            |
|                        | 100.0%            |                  |

*Single Discount Rate*

The projection of cash flow used to determine this Single Discount Rate assumed that the Plan members’ contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:



NOTES TO FINANCIAL STATEMENTS (Continued)

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

For the purpose of this discount rate, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.78%; and resulting single discount rate is 7.50%.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Park District calculated using the discount rate of 7.50% as well as what the Park District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

|                               | 1% Decrease<br>6.50% | Current<br>Discount Rate<br>7.50% | 1% Increase<br>8.50% |
|-------------------------------|----------------------|-----------------------------------|----------------------|
| Net Pension Liability/(Asset) | \$ 1,202,214         | \$ 553,496                        | \$ 28,981            |

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

For the year ended May 31, 2017, the Park District recognized pension expense of \$105,869. At May 31, 2017, the Park District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Outflows<br>of Resources | Inflows<br>of Resources | Net Outflows<br>of Resources |
|--|--------------------------|-------------------------|------------------------------|
| Expense in Future Periods  |                          |                         |                              |
| Differences between expected and actual experience                           | \$ 132,460               | \$ 67,191               | \$ 65,269                    |
| Assumption changes   | -                        | 4,727                   | (4,727)                      |
| Net difference between projected and actual earnings on pension investments  | 154,176                  | -                       | 154,176                      |
| Total deferred amounts to be recognized in pension expense in future periods | \$ 286,636               | \$ 71,918               | \$ 214,718                   |
| Pension contributions made subsequent to the measurement date                | 40,896                   | -                       | 40,896                       |
| Total deferred amounts related to pensions                                   | <u>\$ 327,532</u>        | <u>\$ 71,918</u>        | <u>\$ 255,614</u>            |

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

| Year Ending<br>December 31 | Net Deferred<br>Outflows<br>of Resources |
|----------------------------|--|
| 2017                       | \$ 57,353                                |
| 2018                       | 57,353                                   |
| 2019                       | 67,738                                   |
| 2020                       | 32,274                                   |
| 2021                       | -  |
| Thereafter                 | -  |
|                            | <u>\$ 214,718</u>                        |

NOTES TO FINANCIAL STATEMENTS (Continued)

**NOTE 11 - INTERFUND BALANCES/TRANSFERS**

There were no interfund balances or transfers as of May 31, 2017.

**NOTE 12 - RISK MANAGEMENT**

The Park District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since March 15, 1991, the Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members.

As a member of PDRMA's Property/Casualty Program, the Park District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Park District's governing body. The Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

Since 95.90% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

On February 1, 1993, the Park District became a member of the Park District Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

Members can choose to provide any combination of coverages available to their employees and pay premiums accordingly.

As a member of the PDRMA Health Program, the Park District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote each. The relationship between the Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Park District's governing body. The Park District is contractually obligated to make all monthly payments to the PDRMA Health Program, and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

NOTES TO FINANCIAL STATEMENTS (Continued)

A large percentage of PDRMA’s liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

PDRMA issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained directly from PDRMA.

**NOTE 13 - NET POSITION ADJUSTMENT**

The Park District had the following net position adjustment for the year ended May 31, 2017, which is shown on the Statement of Activities:

|   |                   |
|---|-------------------|
| Adjustments to May 31, 2016 balances to correct:  |                   |
| Land donation                                     | \$ 960,000        |
| IMRF adjustment                                   | (16,811)          |
| Total adjustment to fund balance and net position | <u>\$ 943,189</u> |

A land donation was received by the District in 2004 but never recorded on the books. An adjustment was made in the current year to account for this donation.

In fiscal year 2016 the Park District used the 2014 IMRF actuarial report. In fiscal year 2017 the 2016 IMRF actuarial report was available and therefore an adjustment was made to adjust for the 2015 IMRF actuarial report.

**NOTE 14 - CONTINGENCIES**

The Park District is not aware of any pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

**NOTE 15 - LEGAL DEBT LIMITATION**

The Illinois Compiled Statutes limits the amount of indebtedness to 2.875% of the most recent available equalized assessed valuation (EAV) of the Park District.

|                       |                      |
|-----------------------|----------------------|
| 2016 EAV              | \$ 549,586,015       |
|                       | X <u>2.875%</u>      |
| Debt Margin           | \$ 15,800,598        |
| Current Debt          | 5,675,000            |
| Remaining Debt Margin | <u>\$ 10,125,598</u> |

**NOTE 16 - CHANGE IN ACCOUNTING PRINCIPLE**

During the year ended May 31, 2017, the Park District implemented GASB Statement No. 72, *Fair Value Measurement and Application*. This statement further clarifies how the fair value is determined for assets and liabilities. This statement also requires additional disclosures about the fair value measurement of the investments held by the Park District.

**NOTE 17 - SUBSEQUENT EVENTS**

The Park District has evaluated subsequent events through July 20, 2017, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

GRAYSLAKE COMMUNITY PARK DISTRICT  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
MAY 31, 2017

|   | <u>5/31/2017*</u>       | <u>5/31/2016</u>        | <u>5/31/2015</u>        |
|---|-------------------------|-------------------------|-------------------------|
| <b>TOTAL PENSION LIABILITY</b>  |                         |                         |                         |
| Service Cost  | \$ 114,596              | \$ 109,009              | \$ 123,693              |
| Interest  | 266,769                 | 256,232                 | 251,510                 |
| Differences Between Expected and Actual Experience                                  | 167,527                 | (118,909)               | (283,436)               |
| Changes in Assumptions  | (5,978)                 | -                       | 86,214                  |
| Benefit Payments, Including Refunds of Member Contributions                         | <u>(106,551)</u>        | <u>(110,328)</u>        | <u>(104,852)</u>        |
| Net Change in Total Pension Liability   | \$ 436,363              | \$ 136,004              | \$ 73,129               |
| <br>Total Pension Liability - Beginning   | <br><u>3,557,653</u>    | <br><u>3,421,649</u>    | <br><u>3,348,520</u>    |
| <br>Total Pension Liability - Ending  | <br><u>\$ 3,994,016</u> | <br><u>\$ 3,557,653</u> | <br><u>\$ 3,421,649</u> |
| <br><b>PLAN FIDUCIARY NET POSITION</b>  |                         |                         |                         |
| Contributions - Employer  | \$ 115,753              | \$ 120,442              | \$ 120,289              |
| Contributions - Member  | 48,864                  | 45,545                  | 45,526                  |
| Net Investment Income   | 208,569                 | 15,592                  | 177,106                 |
| Benefit Payments, Including Refunds of Member Contributions                         | (106,551)               | (110,328)               | (104,852)               |
| Other   | <u>45,471</u>           | <u>(33,379)</u>         | <u>(20,420)</u>         |
| Net Change in Plan Fiduciary Net Position   | \$ 312,106              | \$ 37,872               | \$ 217,649              |
| <br>Plan Net Position - Beginning   | <br><u>3,128,414</u>    | <br><u>3,090,542</u>    | <br><u>2,872,893</u>    |
| <br>Plan Net Position - Ending  | <br><u>\$ 3,440,520</u> | <br><u>\$ 3,128,414</u> | <br><u>\$ 3,090,542</u> |
| <br>Park District's Net Pension Liability   | <br><u>\$ 553,496</u>   | <br><u>\$ 429,239</u>   | <br><u>\$ 331,107</u>   |
| <br>Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability   | <br>86.14%              | <br>87.93%              | <br>90.32%              |
| <br>Covered-Employee Payroll  | <br>\$ 1,085,866        | <br>\$ 1,012,120        | <br>\$ 1,011,681        |
| <br>Employer's Net Pension Liability as a Percentage<br>of Covered-Employee Payroll | <br>50.97%              | <br>42.41%              | <br>32.73%              |

\* This information presented is based on the actuarial valuation performed as of December 31 year end prior to the fiscal year end listed above.

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

GRAYSLAKE COMMUNITY PARK DISTRICT  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTION  
MAY 31, 2017

|  | 5/31/2017*   | 5/31/2016    | 5/31/2015    |
|--|--------------|--------------|--------------|
| Actuarially-Determined Contribution                              | \$ 115,753   | \$ 120,442   | \$ 120,289   |
| Contributions in Relation to Actuarially-Determined Contribution | 115,753      | 120,442      | 120,289      |
| Contribution Deficiency/(Excess)                                 | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  |
| Covered-Employee Payroll   | \$ 1,085,866 | \$ 1,012,120 | \$ 1,011,681 |
| Contributions as a Percentage of Covered-Employee Payroll        | 10.66%       | 11.90%       | 11.89%       |

**Notes to Schedule:**

**Actuarial Method and Assumptions Used on the Calculation of the 2016 Contribution Rate \***

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

**Actuarial Cost Method:** Aggregate entry age = normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 27-year closed period until remaining period reaches 15 years (then 15-year rolling period)

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

**Wage Growth:** 3.50%

**Price Inflation:** 2.75%, approximate; No explicit price inflation assumption is used in this valuation.

**Salary Increases:** 3.75% to 14.50%, including inflation

**Investment Rate of Return:** 7.50%

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

**Mortality:** RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward ten years.

\*Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation; note two year lag between valuation and rate setting.

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

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED MAY 31, 2017

|  | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|--|--|---------------------------------|
| <b>REVENUES</b>                              |  |                                 |
| Property Taxes                               | \$ 978,138   | \$ 976,211                      |
| Personal Property Replacement Taxes          | 15,000   | 21,437                          |
| Interest Income                              | 2,000  | 7,099                           |
| Miscellaneous Income                         | 10,000   | 16,962                          |
| <b>Total Revenues</b>                        | <u>\$ 1,005,138</u>                                  | <u>\$ 1,021,709</u>             |
| <b>EXPENDITURES</b>                          |  |                                 |
| Current                                      |  |                                 |
| General Government                           |  |                                 |
| Salaries and Wages                           | \$ 181,000   | \$ 187,144                      |
| Employee Benefits                            | 49,650   | 47,643                          |
| Professional Services                        | 15,850   | 28,827                          |
| Public Recognition                           | 4,000  | 3,253                           |
| Staff and Volunteer Recognition              | 3,700  | 3,840                           |
| Mileage and Travel Reimbursements            | 6,900  | 4,960                           |
| Dues and Subscriptions                       | 7,920  | 6,590                           |
| Training                                     | 5,500  | 5,008                           |
| Printing                                     | 1,050  | 789                             |
| Fireworks                                    | 15,000   | 15,000                          |
| Utilities                                    | 15,200   | 10,903                          |
| Supplies                                     | 2,700  | 2,053                           |
| Postage                                      | 1,300  | 1,144                           |
| IT Maintenance and Software                  | 26,150   | 16,256                          |
| Miscellaneous                                | 4,000  | 6,819                           |
|  | <u>\$ 339,920</u>                                    | <u>\$ 340,229</u>               |
| Park Maintenance                             |  |                                 |
| Salaries and Wages                           | \$ 241,000   | \$ 226,201                      |
| Employee Benefits                            | 52,980   | 50,795                          |
| Professional Services                        | 32,750   | 34,318                          |
| Mileage and Travel Reimbursements            | 175  | 341                             |
| Dues and Subscriptions                       | 715  | 530                             |
| Training                                     | 1,500  | -                               |
| Equipment Rental                             | 5,650  | 3,986                           |
| Permit and License Fees                      | 755  | 718                             |
| Utilities                                    | 42,705   | 43,552                          |
| Building Maintenance and Repairs             | 12,000   | 61,206                          |
| Vehicles Maintenance and Repairs             | 16,000   | 16,742                          |
| Playground and Field Maintenance and Repairs | 40,800   | 35,488                          |
| Equipment Maintenance and Repairs            | 20,250   | 30,564                          |
| Pump-outs                                    | 11,750   | 10,901                          |
| Fuel   | 43,000   | 19,405                          |
| Uniforms                                     | 5,000  | 6,713                           |
| Building Supplies                            | 9,500  | 12,499                          |
| Equipment Supplies                           | 5,700  | 7,848                           |
| Vehicle Supplies                             | 1,900  | 104                             |
| Landscape Supplies                           | 37,250   | 31,080                          |
| Salt and Salt Supplies                       | 4,500  | 3,015                           |
| Miscellaneous                                | 54,595   | 13,476                          |
|  | <u>\$ 640,475</u>                                    | <u>\$ 609,482</u>               |

See Accompanying Independent Auditor's Report

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| EXPENDITURES (Continued)                                    |  |                                 |
| Capital Outlay  |  |                                 |
| General Government  |  |                                 |
| Equipment/Machinery/Computer                                | \$ -   | \$ 8,712                        |
| Furniture and Fixtures                                      | 1,500  | -                               |
|   | \$ 1,500   | \$ 8,712                        |
| Debt Service  |  |                                 |
| Principal   | \$ 2,568   | \$ -                            |
|   | \$ 2,568   | \$ -                            |
| <br>Total Expenditures                                      | <br>\$ 984,463                                       | <br>\$ 958,423                  |
| <br>EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | <br>\$ 20,675  | <br>\$ 63,286                   |
| <br>OTHER FINANCING SOURCES/(USES)                          |  |                                 |
| Transfers   | (5,903)  | -                               |
| <br>NET CHANGE IN FUND BALANCE                              | <br>\$ 14,772  | <br>\$ 63,286                   |
| <br>FUND BALANCE - JUNE 1, 2016                             | <br>484,468  | <br>484,468                     |
| <br>FUND BALANCE - MAY 31, 2017                             | <br>\$ 499,240                                       | <br>\$ 547,754                  |

See Accompanying Independent Auditor's Report



GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - RECREATION FUND  
FOR THE YEAR ENDED MAY 31, 2017

|                                       | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---------------------------------------|--|---------------------------------|
| <b>REVENUES</b>                       |  |                                 |
| Property Taxes                        | \$ 722,028   | \$ 720,679                      |
| Facility Fees                         | 16,000   | 12,074                          |
| Recreation Program Fees               | 1,186,500  | 1,077,108                       |
| Golf Course Fees                      | 87,000   | 81,712                          |
| Concessions                           | 30,000   | 26,248                          |
| Affiliate Fees                        | 16,000   | 18,519                          |
| Miscellaneous Income                  | 7,000  | 2,393                           |
| <b>Total Revenues</b>                 | <b>\$ 2,064,528</b>                                  | <b>\$ 1,938,733</b>             |
| <b>EXPENDITURES</b>                   |  |                                 |
| Current                               |  |                                 |
| General Government                    |  |                                 |
| Salaries and Wages                    | \$ 475,700   | \$ 432,985                      |
| Employee Benefits                     | 117,650  | 108,415                         |
| Professional Services                 | 250  | 120                             |
| Public Recognition                    | 6,000  | 2,144                           |
| Staff and Volunteer Recognition       | 4,000  | 3,824                           |
| Mileage and Travel Reimbursements     | 13,500   | 12,600                          |
| Dues and Subscriptions                | 4,020  | 2,989                           |
| Training                              | 14,600   | 9,916                           |
| Printing                              | 40,000   | 33,475                          |
| Portable Services                     | 7,500  | 9,089                           |
| Equipment Rental                      | 500  | -                               |
| Bank and Credit Card Charges          | 20,000   | 22,867                          |
| Utilities                             | 15,380   | 16,310                          |
| Fuel                                  | 2,200  | 1,192                           |
| Supplies                              | 12,000   | 7,918                           |
| Postage                               | 10,900   | 9,846                           |
| Resale Food and Beverage              | 15,000   | 9,702                           |
| IT Maintenance and Software           | 13,260   | 10,506                          |
| Miscellaneous                         | 63,278   | 2,519                           |
|                                       | <b>\$ 835,738</b>                                    | <b>\$ 696,417</b>               |
| Park Maintenance                      |  |                                 |
| Salaries and Wages                    | \$ 230,000   | \$ 217,356                      |
| Employee Benefits                     | 52,900   | 44,459                          |
| Building Maintenance and Repairs      | 8,150  | 3,577                           |
|                                       | <b>\$ 291,050</b>                                    | <b>\$ 265,392</b>               |
| Culture and Recreation                |  |                                 |
| Salaries and Wages                    | \$ 349,400   | \$ 299,079                      |
| Program Supplies                      | 436,500  | 386,115                         |
| Golf Salaries and Wages               | 66,000   | 73,973                          |
| Golf Employee Benefits                | 7,081  | 6,417                           |
| Golf Professional Services            | 4,800  | 3,813                           |
| Golf Permit Fees                      | 3,500  | 1,711                           |
| Golf Utilities                        | 11,550   | 10,890                          |
| Golf Building Maintenance and Repairs | 6,550  | 7,732                           |

See Accompanying Independent Auditor's Report

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - RECREATION FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| EXPENDITURES (Continued)                                    |  |                                 |
| Current (Continued)   |  |                                 |
| Culture and Recreation (Continued)                          |  |                                 |
| Golf Landscape  | \$ 12,500  | \$ 9,532                        |
| Golf Supplies   | 500  | 170                             |
| Golf Food and Beverage                                      | 6,500  | 9,243                           |
|   | \$ 904,881   | \$ 808,675                      |
| <br>Total Expenditures                                      | <br>\$ 2,031,669                                     | <br>\$ 1,770,484                |
| <br>EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | <br>\$ 32,859  | <br>\$ 168,249                  |
| <br>OTHER FINANCING SOURCES/(USES)                          | <br>-  | <br>-                           |
| <br>NET CHANGE IN FUND BALANCE                              | <br>\$ 32,859  | <br>\$ 168,249                  |
| <br>FUND BALANCE - JUNE 1, 2016                             | <br>272,566  | <br>272,566                     |
| <br>FUND BALANCE - MAY 31, 2017                             | <br>\$ 305,425                                       | <br>\$ 440,815                  |

See Accompanying Independent Auditor's Report

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - SPECIAL RECREATION FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| REVENUES  |  |                                 |
| Property Taxes  | \$ 191,002   | \$ 190,657                      |
| Total Revenues  | \$ 191,002   | \$ 190,657                      |
| EXPENDITURES  |  |                                 |
| Current   |  |                                 |
| Culture and Recreation                                  |  |                                 |
| Salaries and Wages                                      | \$ 22,962  | \$ 19,118                       |
| Dues and Subscriptions                                  | 90,305   | 90,307                          |
|   | \$ 113,267   | \$ 109,425                      |
| Capital Outlay  |  |                                 |
| Culture and Recreation                                  | \$ 108,000   | \$ 110,371                      |
| Special Projects  | 108,000  | 110,371                         |
|   | \$ 108,000   | \$ 110,371                      |
| Total Expenditures                                      | \$ 221,267   | \$ 219,796                      |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (30,265)  | \$ (29,139)                     |
| OTHER FINANCING SOURCES/(USES)                          | -  | -                               |
| NET CHANGE IN FUND BALANCE                              | \$ (30,265)  | \$ (29,139)                     |
| FUND BALANCE - JUNE 1, 2016                             | 499,757  | 499,757                         |
| FUND BALANCE - MAY 31, 2017                             | \$ 469,492   | \$ 470,618                      |

See Accompanying Independent Auditor's Report

GRAYSLAKE COMMUNITY PARK DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
MAY 31, 2017

**NOTE 1 - BUDGETARY ACCOUNTING AND BUDGET PROCESS**

As set forth in the Illinois Park District Code, the Board of Commissioners adopts an annual budget ordinance of estimated revenues and appropriations for the Park District's governmental funds. The budget, which serves as a management control device, is adopted using the modified accrual basis method of accounting. As part of the Required Supplementary Information contained in this report, the actual revenues and expenditures are compared to the original and final budgets for the Park District's General Fund and each major special revenue fund for the period to demonstrate compliance with the adopted budget.

The annual budget process is as follows:

1. During May, the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year. The operating budget includes proposed disbursements and the means of financing them.
2. Public hearings are conducted at a public meeting to obtain taxpayer comments.
3. Prior to June 30, the budget is legally adopted through passage of an ordinance.
4. The Treasurer is authorized to transfer up to 10% of the total budget between budget items within an individual fund; however, any revisions that alter the total disbursements of any fund must be approved by the Board of Commissioners. Appropriations lapse at the end of the year.
5. Formal budgetary integration is employed as a management control device during the year in all funds at the object level.

The budget was approved on May 18, 2016.

**NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET**

No fund presented as Required Supplementary Information had expenditures that exceeded the budget for the year ended May 31, 2017.

SUPPLEMENTAL FINANCIAL INFORMATION

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| REVENUES  |  |                                 |
| Property Taxes  | \$ 506,140   | \$ 505,269                      |
| Total Revenues  | \$ 506,140   | \$ 505,269                      |
| EXPENDITURES  |  |                                 |
| Debt Service  |  |                                 |
| Principal   | \$ 300,000   | \$ 300,000                      |
| Interest and Fees                                       | 209,338  | 208,788                         |
|   | \$ 509,338   | \$ 508,788                      |
| Total Expenditures                                      | \$ 509,338   | \$ 508,788                      |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (3,198)   | \$ (3,519)                      |
| OTHER FINANCING SOURCES/(USES)                          | -  | -                               |
| NET CHANGE IN FUND BALANCE                              | \$ (3,198)   | \$ (3,519)                      |
| FUND BALANCE - JUNE 1, 2016                             | 117,757  | 117,757                         |
| FUND BALANCE - MAY 31, 2017                             | \$ 114,559   | \$ 114,238                      |

See Accompanying Independent Auditor's Report

GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | Budgeted Amounts<br>Original and Final | Actual<br>Amounts |
|---|--|-------------------|
| REVENUES  |  |                   |
| Grants  | \$ 14,500                              | \$ 24,711         |
| Donations   | 80,000                                 | -                 |
| Developer Donations                                     | -                                      | 226,960           |
| Total Revenues  | \$ 94,500                              | \$ 251,671        |
| EXPENDITURES  |  |                   |
| Current   |  |                   |
| Culture and Recreation                                  |  |                   |
| Professional Services                                   | \$ 2,000                               | \$ -              |
|   | \$ 2,000                               | \$ -              |
| Capital Outlay  |  |                   |
| Culture and Recreation                                  |  |                   |
| Equipment   | \$ 11,200                              | \$ 10,505         |
| Special Projects  | -                                      | 17,550            |
|   | \$ 11,200                              | \$ 28,055         |
| Total Expenditures                                      | \$ 13,200                              | \$ 28,055         |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ 81,300                              | \$ 223,616        |
| OTHER FINANCING SOURCES/(USES)                          | -                                      | -                 |
| NET CHANGE IN FUND BALANCE                              | \$ 81,300                              | \$ 223,616        |
| FUND BALANCE - JUNE 1, 2016                             | (66,744)                               | (66,744)          |
| FUND BALANCE - MAY 31, 2017                             | \$ 14,556                              | \$ 156,872        |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECT FUND - 2014 BOND PROJECT FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | Budgeted Amounts<br>Original and Final | Actual<br>Amounts |
|---|--|-------------------|
| REVENUES  |  |                   |
| Interest Income   | \$ 1,000                               | \$ 13,801         |
| Total Revenues  | \$ 1,000                               | \$ 13,801         |
| EXPENDITURES  |  |                   |
| Capital Outlay  |  |                   |
| Culture and Recreation                                  |  |                   |
| Land Improvements                                       | \$ 329,680                             | \$ 282,957        |
| Parks   | 554,594                                | 467,493           |
|   | \$ 884,274                             | \$ 750,450        |
| Total Expenditures                                      | \$ 884,274                             | \$ 750,450        |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (883,274)                           | \$ (736,649)      |
| OTHER FINANCING SOURCES/(USES)                          | -                                      | -                 |
| NET CHANGE IN FUND BALANCE                              | \$ (883,274)                           | \$ (736,649)      |
| FUND BALANCE - JUNE 1, 2016                             | 1,015,713                              | 1,015,713         |
| FUND BALANCE - MAY 31, 2017                             | \$ 132,439                             | \$ 279,064        |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
 COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS  
 MAY 31, 2017

|  | Liability<br>Insurance<br>Fund | Audit<br>Fund    | Retirement<br>Fund | Paving and<br>Lighting<br>Fund | Natural<br>History<br>Fund | Social<br>Security<br>Fund | Total Other<br>Governmental<br>Funds |
|--|--------------------------------|------------------|--------------------|--------------------------------|----------------------------|----------------------------|--------------------------------------|
| <b>ASSETS</b>  |                                |                  |                    |                                |                            |                            |                                      |
| Cash and Cash Equivalents  | \$ 48,432                      | \$ 544           | \$ 61,558          | \$ 31,649                      | \$ 182,111                 | \$ 46,575                  | \$ 370,869                           |
| Receivables (Net of Allowance for<br>Estimated Uncollectible Amounts)          |                                |                  |                    |                                |                            |                            |                                      |
| Property Taxes   | 92,868                         | 9,508            | 122,083            | 25,508                         | -                          | 134,162                    | 384,129                              |
| <b>Total Assets</b>  | <b>\$ 141,300</b>              | <b>\$ 10,052</b> | <b>\$ 183,641</b>  | <b>\$ 57,157</b>               | <b>\$ 182,111</b>          | <b>\$ 180,737</b>          | <b>\$ 754,998</b>                    |
| <b>LIABILITIES</b>   |                                |                  |                    |                                |                            |                            |                                      |
| Accounts Payable   | \$ 1,961                       | \$ -             | \$ -               | \$ -                           | \$ -                       | \$ 3,138                   | \$ 5,099                             |
| Accrued Expenses   | -                              | -                | 2,240              | -                              | -                          | -                          | 2,240                                |
| <b>Total Liabilities</b>   | <b>\$ 1,961</b>                | <b>\$ -</b>      | <b>\$ 2,240</b>    | <b>\$ -</b>                    | <b>\$ -</b>                | <b>\$ 3,138</b>            | <b>\$ 7,339</b>                      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                                |                  |                    |                                |                            |                            |                                      |
| Unavailable Revenue - Property Taxes   | \$ 95,276                      | \$ 9,755         | \$ 125,686         | \$ 26,171                      | \$ -                       | \$ 137,644                 | \$ 394,532                           |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>\$ 95,276</b>               | <b>\$ 9,755</b>  | <b>\$ 125,686</b>  | <b>\$ 26,171</b>               | <b>\$ -</b>                | <b>\$ 137,644</b>          | <b>\$ 394,532</b>                    |
| <b>FUND BALANCES</b>   |                                |                  |                    |                                |                            |                            |                                      |
| Restricted for:  |                                |                  |                    |                                |                            |                            |                                      |
| Liability Insurance  | \$ 44,050                      | \$ -             | \$ -               | \$ -                           | \$ -                       | \$ -                       | \$ 44,050                            |
| Audit  | -                              | 285              | -                  | -                              | -                          | -                          | 285                                  |
| Retirement   | -                              | -                | 55,691             | -                              | -                          | 76,780                     | 132,471                              |
| Natural History  | -                              | -                | -                  | -                              | 181,898                    | -                          | 181,898                              |
| Paving and Lighting  | -                              | -                | -                  | 30,979                         | -                          | -                          | 30,979                               |
| Assigned for:  |                                |                  |                    |                                |                            |                            |                                      |
| Liability Insurance  | 13                             | -                | -                  | -                              | -                          | -                          | 13                                   |
| Audit  | -                              | 12               | -                  | -                              | -                          | -                          | 12                                   |
| Retirement   | -                              | -                | 24                 | -                              | -                          | -                          | 24                                   |
| Natural History  | -                              | -                | -                  | -                              | 213                        | -                          | 213                                  |
| Paving and Lighting  | -                              | -                | -                  | 7                              | -                          | -                          | 7                                    |
| Unassigned   | -                              | -                | -                  | -                              | -                          | (36,825)                   | (36,825)                             |
| <b>Total Fund Balances</b>   | <b>\$ 44,063</b>               | <b>\$ 297</b>    | <b>\$ 55,715</b>   | <b>\$ 30,986</b>               | <b>\$ 182,111</b>          | <b>\$ 39,955</b>           | <b>\$ 353,127</b>                    |
| <b>Total Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances</b> | <b>\$ 141,300</b>              | <b>\$ 10,052</b> | <b>\$ 183,641</b>  | <b>\$ 57,157</b>               | <b>\$ 182,111</b>          | <b>\$ 180,737</b>          | <b>\$ 754,998</b>                    |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 OTHER GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED MAY 31, 2017

|   | Liability<br>Insurance<br>Fund | Audit<br>Fund   | Retirement<br>Fund | Paving and<br>Lighting<br>Fund | Natural<br>History<br>Fund | Social<br>Security<br>Fund | Total Other<br>Governmental<br>Funds |
|---|--------------------------------|-----------------|--------------------|--------------------------------|----------------------------|----------------------------|--------------------------------------|
| REVENUES  |                                |                 |                    |                                |                            |                            |                                      |
| Property Taxes  | \$ 95,028                      | \$ -            | \$ 125,192         | \$ 9,289                       | \$ -                       | \$ 139,906                 | \$ 369,415                           |
|   | <u>\$ 95,028</u>               | <u>\$ -</u>     | <u>\$ 125,192</u>  | <u>\$ 9,289</u>                | <u>\$ -</u>                | <u>\$ 139,906</u>          | <u>\$ 369,415</u>                    |
| EXPENDITURES  |                                |                 |                    |                                |                            |                            |                                      |
| Current   |                                |                 |                    |                                |                            |                            |                                      |
| General Government                                      | \$ 92,341                      | \$ 9,225        | \$ 109,075         | \$ -                           | \$ -                       | \$ 109,314                 | \$ 319,955                           |
| Culture and Recreation                                  | -                              | -               | -                  | 6,058                          | 18,653                     | -                          | 24,711                               |
|   | <u>\$ 92,341</u>               | <u>\$ 9,225</u> | <u>\$ 109,075</u>  | <u>\$ 6,058</u>                | <u>\$ 18,653</u>           | <u>\$ 109,314</u>          | <u>\$ 344,666</u>                    |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ 2,687                       | \$ (9,225)      | \$ 16,117          | \$ 3,231                       | \$ (18,653)                | \$ 30,592                  | \$ 24,749                            |
| OTHER FINANCING SOURCES/(USES)                          | -                              | -               | -                  | -                              | -                          | -                          | -                                    |
| NET CHANGE IN FUND BALANCES                             | \$ 2,687                       | \$ (9,225)      | \$ 16,117          | \$ 3,231                       | \$ (18,653)                | \$ 30,592                  | \$ 24,749                            |
| FUND BALANCES - JUNE 1, 2016                            | 41,376                         | 9,522           | 39,598             | 27,755                         | 200,764                    | 9,363                      | 328,378                              |
| FUND BALANCES - MAY 31, 2017                            | <u>\$ 44,063</u>               | <u>\$ 297</u>   | <u>\$ 55,715</u>   | <u>\$ 30,986</u>               | <u>\$ 182,111</u>          | <u>\$ 39,955</u>           | <u>\$ 353,127</u>                    |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - LIABILITY INSURANCE FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | Budgeted Amounts<br>Original and Final | Actual<br>Amounts |
|---|--|-------------------|
| REVENUES  |  |                   |
| Property Taxes  | \$ 95,264                              | \$ 95,028         |
| Miscellaneous Revenue                                   | 1,000                                  | -                 |
| Total Revenues  | \$ 96,264                              | \$ 95,028         |
| EXPENDITURES  |  |                   |
| Current   |  |                   |
| General Government                                      |  |                   |
| Salaries and Wages                                      | \$ 18,798                              | \$ 16,659         |
| Legal Services  | 1,000                                  | 1,158             |
| Background Checks                                       | 6,000                                  | 5,690             |
| Insurance   | 72,245                                 | 67,872            |
| Security and Safety                                     | 2,500                                  | 962               |
|   | \$ 100,543                             | \$ 92,341         |
| Total Expenditures                                      | \$ 100,543                             | \$ 92,341         |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (4,279)                             | \$ 2,687          |
| OTHER FINANCING SOURCES/(USES)                          | -                                      | -                 |
| NET CHANGE IN FUND BALANCE                              | \$ (4,279)                             | \$ 2,687          |
| FUND BALANCE - JUNE 1, 2016                             | 41,376                                 | 41,376            |
| FUND BALANCE - MAY 31, 2017                             | \$ 37,097                              | \$ 44,063         |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - AUDIT FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| REVENUES  |  |                                 |
| Total Revenues  | \$ -   | \$ -                            |
| EXPENDITURES  |  |                                 |
| Current   |  |                                 |
| General Government                                      |  |                                 |
| Audit Services  | \$ 8,750   | \$ 9,225                        |
|   | \$ 8,750   | \$ 9,225                        |
| Total Expenditures                                      | \$ 8,750   | \$ 9,225                        |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (8,750)   | \$ (9,225)                      |
| OTHER FINANCING SOURCES/(USES)                          | -  | -                               |
| NET CHANGE IN FUND BALANCE                              | \$ (8,750)   | \$ (9,225)                      |
| FUND BALANCE - JUNE 1, 2016                             | 9,522  | 9,522                           |
| FUND BALANCE - MAY 31, 2017                             | \$ 772   | \$ 297                          |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - RETIREMENT FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | Budgeted Amounts<br>Original and Final | Actual<br>Amounts |
|---|--|-------------------|
| REVENUES  |  |                   |
| Property Taxes  | \$ 125,239                             | \$ 125,192        |
| Total Revenues  | \$ 125,239                             | \$ 125,192        |
| EXPENDITURES  |  |                   |
| Current   |  |                   |
| General Government                                      | \$ 125,200                             | \$ 109,075        |
| IMRF Contributions                                      | \$ 125,200                             | \$ 109,075        |
| Total Expenditures                                      | \$ 125,200                             | \$ 109,075        |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ 39                                  | \$ 16,117         |
| OTHER FINANCING SOURCES/(USES)                          | -                                      | -                 |
| NET CHANGE IN FUND BALANCE                              | \$ 39                                  | \$ 16,117         |
| FUND BALANCE - JUNE 1, 2016                             | 39,598                                 | 39,598            |
| FUND BALANCE - MAY 31, 2017                             | \$ 39,637                              | \$ 55,715         |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - PAVING AND LIGHTING FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| REVENUES  |  |                                 |
| Property Taxes  | \$ 9,634   | \$ 9,289                        |
| Total Revenues  | \$ 9,634   | \$ 9,289                        |
| EXPENDITURES  |  |                                 |
| Current   |  |                                 |
| Culture and Recreation                                  |  |                                 |
| Electric  | \$ 1,000   | \$ -                            |
| Special Projects  | 8,634  | 6,058                           |
|   | \$ 9,634   | \$ 6,058                        |
| Total Expenditures                                      | \$ 9,634   | \$ 6,058                        |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ -   | \$ 3,231                        |
| OTHER FINANCING SOURCES/(USES)                          | -  | -                               |
| NET CHANGE IN FUND BALANCE                              | \$ -   | \$ 3,231                        |
| FUND BALANCE - JUNE 1, 2016                             | 27,755   | 27,755                          |
| FUND BALANCE - MAY 31, 2017                             | \$ 27,755  | \$ 30,986                       |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - NATURAL HISTORY FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | <u>Budgeted Amounts</u><br><u>Original and Final</u> | <u>Actual</u><br><u>Amounts</u> |
|---|--|---------------------------------|
| REVENUES  |  |                                 |
| Total Revenues  | \$ -   | \$ -                            |
| EXPENDITURES  |  |                                 |
| Current   |  |                                 |
| Culture and Recreation                                  |  |                                 |
| Salaries and Wages                                      | \$ 5,223   | \$ 1,758                        |
| Professional Services                                   | 20,000   | 16,895                          |
|   | \$ 25,223  | \$ 18,653                       |
| Total Expenditures                                      | \$ 25,223  | \$ 18,653                       |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ (25,223)  | \$ (18,653)                     |
| OTHER FINANCING SOURCES/(USES)                          | -  | -                               |
| NET CHANGE IN FUND BALANCE                              | \$ (25,223)  | \$ (18,653)                     |
| FUND BALANCE - JUNE 1, 2016                             | 200,764  | 200,764                         |
| FUND BALANCE - MAY 31, 2017                             | \$ 175,541   | \$ 182,111                      |

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GRAYSLAKE COMMUNITY PARK DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - SOCIAL SECURITY FUND  
FOR THE YEAR ENDED MAY 31, 2017

|   | Budgeted Amounts<br>Original and Final | Actual<br>Amounts |
|---|--|-------------------|
| REVENUES  |  |                   |
| Property Taxes  | \$ 140,239                             | \$ 139,906        |
| Total Revenues  | \$ 140,239                             | \$ 139,906        |
| EXPENDITURES  |  |                   |
| Current   |  |                   |
| General Government                                      |  |                   |
| FICA Employer Contribution                              | \$ 92,000                              | \$ 88,377         |
| Medicare Employer Contribution                          | 22,000                                 | 20,937            |
|   | \$ 114,000                             | \$ 109,314        |
| Total Expenditures                                      | \$ 114,000                             | \$ 109,314        |
| EXCESS OR (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | \$ 26,239                              | \$ 30,592         |
| OTHER FINANCING SOURCES/(USES)                          | -                                      | -                 |
| NET CHANGE IN FUND BALANCE                              | \$ 26,239                              | \$ 30,592         |
| FUND BALANCE - JUNE 1, 2016                             | 9,363                                  | 9,363             |
| FUND BALANCE - MAY 31, 2017                             | \$ 35,602                              | \$ 39,955         |

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