

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
MAY 31, 2020

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

October 16, 2020

Members of the 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 the Grayslake Community Park District, Illinois, as of and for the year ended May 31, 2020, and the related notes to the financial statements, which collectively comprise the 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 of 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 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 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 Grayslake Community Park District, Illinois, as of May 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management 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 Grayslake Community Park District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

Our discussion and analysis of the Grayslake Community Park District's financial performance provides an overview of the District's financial activities for the fiscal year ended May 31, 2020. Please read it in conjunction with District's financial statements, which begin on page 16.

FINANCIAL HIGHLIGHTS

- The District's net position decreased by \$551,069, or 2.5 percent, as a result of this year's operations.
- During the year, revenues totaled \$4,161,581, while expenses totaled \$4,712,650, resulting in an a decrease to net position of \$551,069.
- The District's net position totaled \$21,383,511 on May 31, 2020, which includes \$20,100,739 net investment in capital assets, \$696,220 subject to external restrictions, and \$586,552 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a deficit this year of \$126,848, resulting in ending fund balance of \$322,995, a decrease of 28.2 percent.
- On May 31, 2020, the District's total Fund Balances equaled \$1,982,979. Fund balances decreased \$196,426. The decrease is due primarily to the Recreation Fund, which had a decrease in fund balance of \$246,492.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 16 - 18) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements begin on page 20. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government wide financial statements can be found on pages 16 - 18 of this report.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two 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 District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the 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. The District only has governmental activities and does not have any business-type activities. The governmental activities of the District include General Government, Recreation, and Interest on Long-Term Debt.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the District can be classified as 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

USING THIS ANNUAL REPORT - Continued

Governmental Funds - Continued

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The District maintains eleven 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, and Capital Projects Fund, all of which are considered a major fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20 - 26 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 59 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's I.M.R.F. employee pension obligations, retiree benefits plan, and budgetary comparison schedules for the General, Recreation, and Special Recreation Funds. Required supplementary information can be found on pages 61 - 67 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 71 - 84 of this report.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$21,383,511.

| | Net Position | |
|----------------------------------|--------------|------------|
| | 5/31/2020 | 5/31/2019 |
| Current and Other Assets | \$ 5,323,531 | 5,627,717 |
| Capital Assets | 24,777,105 | 25,293,553 |
| Total Assets | 30,100,636 | 30,921,270 |
| Deferred Outflows | 553,167 | 851,374 |
| Total Assets/ Def. Outflows | 30,653,803 | 31,772,644 |
| Long-Term Debt | 5,173,333 | 5,922,323 |
| Other Liabilities | 835,269 | 962,510 |
| Total Liabilities | 6,008,602 | 6,884,833 |
| Deferred Inflows | 3,261,690 | 2,953,231 |
| Total Liabilities/Def. Inflows | 9,270,292 | 9,838,064 |
| Net Position | | |
| Net Investment in Capital Assets | 20,100,739 | 19,022,698 |
| Restricted | 696,220 | 1,207,905 |
| Unrestricted | 586,552 | 1,703,977 |
| Total Net Position | 21,383,511 | 21,934,580 |

A large portion of the District's net position, \$20,100,739, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the 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, \$696,220, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining amount of \$586,552, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis May 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

| | Changes in Net Position | |
|----------------------------|-------------------------|------------|
| | 5/31/2020 | 5/31/2019 |
| Revenues | | |
| Program Revenues | | |
| Charges for Services | \$ 1,135,415 | 1,274,816 |
| Operating Grants/Contrib. | — | 1,522,618 |
| Capital Grants/Contrib. | 5,448 | 67,450 |
| General Revenues | | |
| Property Taxes | 2,919,382 | 2,836,203 |
| Replacement Taxes | 21,242 | 19,405 |
| Interest Income | 60,682 | 74,633 |
| Miscellaneous | 19,412 | 6,582 |
| Total Revenues | 4,161,581 | 5,801,707 |
| Expenses | | |
| General Government | 1,625,892 | 1,444,633 |
| Park Maintenance | 949,131 | 1,042,741 |
| Culture and Recreation | 1,950,209 | 1,810,678 |
| Interest on Long-Term Debt | 187,418 | 194,946 |
| Total Expenses | 4,712,650 | 4,492,998 |
| Change in Net Position | (551,069) | 1,308,709 |
| Net Position - Beginning | 21,934,580 | 20,625,871 |
| Net Position - Ending | 21,383,511 | 21,934,580 |

Net position of the District decreased by \$551,069 or 2.5 percent compared to an increase of \$1,308,709 in the fiscal year ended May 31, 2019. The a decrease for 2020 is mainly due to a decrease in Operating Grants of \$1,522,618 received in 2019 and none in 2020.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

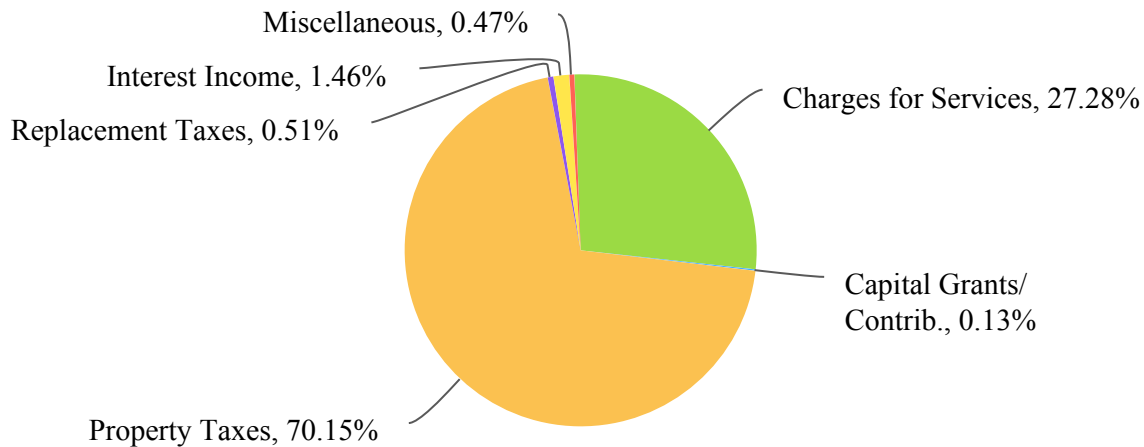
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities

Revenues for governmental activities totaled \$4,161,581 while the cost of all governmental functions totaled \$4,712,650. This results in a decrease of \$551,069. For May 31, 2019, revenues totaled \$5,801,707 with expenses of \$4,492,998, resulting in an increase of \$1,308,709.

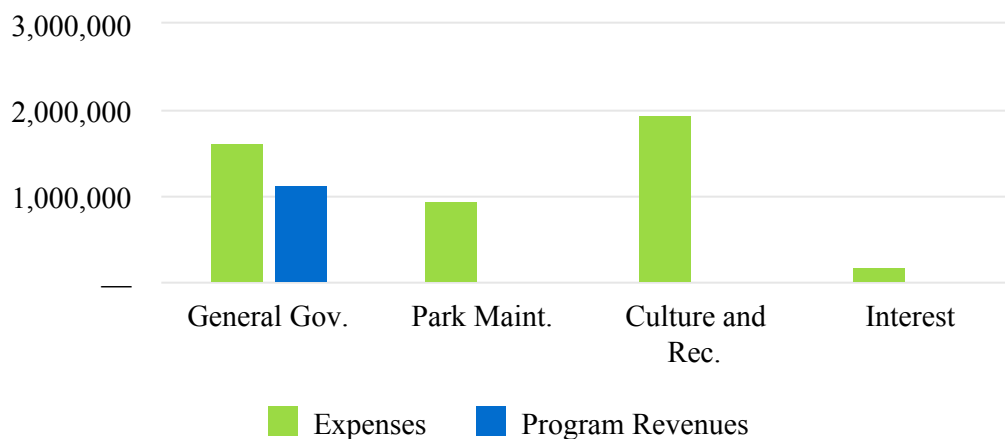
The following table graphically depicts the major revenue sources of the District. It depicts very clearly the reliance on charges for services and property taxes to fund governmental activities.

Revenues by Source - Governmental Activities



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.

Expenses and Program Revenues - Governmental Activities



GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

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

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combining ending fund balances of \$1,982,979, which is \$196,426, or 9.0 percent, lower than last year's total of \$2,179,405. The majority of this decrease is due to the spend down of fund balance reserves. Additionally, the partial closure of the District's programming due to COVID resulted in a significant loss in revenue.

The General Fund is the chief operating fund of the District which accounts for general administrative operations. The General Fund reported a decrease in fund balance of \$126,848 decreasing the fund balance to \$322,995. The decrease is due to a transfer out of the General Fund to the Capital Projects Fund due to building reserves for future capital spending. Total revenues were \$1,171,499, slightly higher than last year. Revenues are higher primarily due to an increase in tax revenue from the prior year.

The Recreation Fund is a special revenue fund used to account for the operations of the recreation programs of the District. The Recreation Fund reported a decrease in fund balance of \$246,492. The decrease in fund balance is due to a decrease in revenues compared to the prior year due to COVID-19 pandemic closures and cancellations of programs. Also, due to a transfer out of \$200,000 to the Capital Projects Fund completed before the COVID-19 pandemic shut down, which is due to building reserves for future capital spending.

The Special Recreation Fund is a special revenue fund used to account for revenues and expenditures related to special recreation services. At May 31, 2020, total fund balance of the Special Recreation Fund was \$309,558. The fund balance of the Special Recreation Fund decreased by \$41,107 during the year ended May 31, 2020. This decrease is under the expected change in the budget.

The Debt Service Fund is a fund used to account for revenues and expenditures related to debt. At May 31, 2020, total fund balance of the Debt Service Fund was \$120,145. The fund balance of the Debt Service Fund decreased by \$9,815 during the year ended May 31, 2020. This decrease is very close to the expected decrease as budgeted.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital projects. At May 31, 2020, total fund balance of the Capital Projects Fund was \$740,255. The fund balance of the Capital Projects Fund increased by \$277,799, during the year ended May 31, 2020. The Capital Projects Fund's increased was primarily due to transfers in from the General and Recreation Funds for future capital spending.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District Board of Commissioners made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$1,171,499, compared to budgeted revenues of \$1,145,854. The General Fund actual expenditures for the year were \$27,186 lower than budgeted, primarily due to all expenditure functions coming in lower than budgeted, except for capital outlay.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of May 31, 2020 was \$24,777,105 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, improvements other than buildings and machinery and equipment.

| | Capital Assets - Net of Depreciation | |
|--------------------------|--------------------------------------|-------------------|
| | 5/31/2020 | 5/31/2019 |
| Land | \$ 16,015,853 | 16,015,853 |
| Construction in Progress | 93,003 | — |
| Land Improvements | 5,165,604 | 5,697,447 |
| Buildings | 2,932,538 | 3,018,055 |
| Vehicles | 60,872 | 83,264 |
| Machinery & Equipment | 509,235 | 478,934 |
| Total | <u>24,777,105</u> | <u>25,293,553</u> |

This year's major additions included:

| | |
|--------------------------|----------------|
| Construction in Progress | \$ 93,003 |
| Machinery & Equipment | <u>100,774</u> |
| | <u>193,777</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Capital Assets - Continued

Additional information on the District's capital assets can be found in Note 3 of this report.

Debt Administration

At May 31, 2020, the District had total outstanding debt of \$4,803,737 as compared to \$5,116,486 for the May 31, 2019 year end. The following is a comparative statement of outstanding debt:

| | Long-Term Debt Outstanding | |
|--------------------------------|----------------------------|-----------|
| | 2020 | 2019 |
| General Obligation Bonds - Net | \$ 4,740,637 | 5,076,986 |
| Capital Leases | 63,100 | 39,500 |
| Total | 4,803,737 | 5,116,486 |

The District's total debt decreased by \$280,500 during the year ended May 31, 2020. The key factor in this decrease was regularly scheduled debt payments.

Additional information on the District's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Grayslake Community Park District's elected and appointed officials considered many factors when setting the fiscal-year May 2021 budget, tax rates, and fees that will be charged for its governmental activities. Factors considered include the economy, any changes in the tax base, potential legislative changes (primarily the minimum wage increases), continued struggles of many District facilities as well as changes in the District's workforce. All these indicators were considered when adopting the General Fund budget for 2021.

The COVID-19 pandemic remains the greatest factor negatively effecting the current national and local economy, creating a very uncertain period. The District has instituted a minimum fund balance policy requiring that fund balances be equal to 25% of operating expenditures. As a result of this policy the District was well positioned to weather the economic storm of COVID-19. One main financial goal going forward for this fiscal year is to remain above the fund balance targets for all funds.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

May 31, 2020

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - Continued

Management's continued focus will be on maximizing full programming use of District facilities while fine-tuning operational and staffing efficiencies in order to maximize facility profitability through fees and charges in order to offer affordable year-round recreational programs and services to Grayslake residents. The District continues to practice aggressive yet reasonable efforts to ensure existing parks and facilities are maintained to a high level to meet resident expectations.

A continued focus on management and operational practices will continue environmentally sound initiatives, energy conservation equipment purchases and practices, utilizing purchasing cooperatives; sharing government agency resources, and continued reassessment & reprioritization of budgetary expenditures are key operational strategies to maintain costs while providing essential services. A continued focus on safety and risk management will also contribute to an overall positive budgetary and operational performance by minimizing expenses and liability attributed to resolving potential claims.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Grayslake Community Park District, 240 Commerce Dr., Grayslake, IL 60030, or phone 847-223-7529.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Net Position

May 31, 2020

See Following Page

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Net Position

May 31, 2020

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| ASSETS | |
| Current Assets | |
| Cash and Investments | \$ 2,514,683 |
| Receivables - Net of Allowances | 2,793,492 |
| Prepays | <u>15,356</u> |
| Total Current Assets | <u>5,323,531</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Nondepreciable | 16,108,856 |
| Depreciable | 18,395,865 |
| Accumulated Depreciation | <u>(9,727,616)</u> |
| Total Noncurrent Assets | <u>24,777,105</u> |
| Total Assets | <u>30,100,636</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Items - IMRF | 413,202 |
| Deferred Items - RBP | 12,594 |
| Unamortized Refunding Loss | <u>127,371</u> |
| Total Deferred Outflows of Resources | <u>553,167</u> |
| Total Assets and Deferred Outflows of Resources | <u>30,653,803</u> |

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

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | \$ 128,671 |
| Accrued Payroll | 94,619 |
| Other Payables | 129,280 |
| Accrued Interest Payable | 86,494 |
| Current Portion of Long-Term Debt | 396,205 |
| Total Current Liabilities | <u>835,269</u> |
| Noncurrent Liabilities | |
| Compensated Absences Payable | 104,405 |
| Net Pension Liability - IMRF | 556,041 |
| Total OPEB Liability - RBP | 79,254 |
| General Obligation Bonds - Net | 4,394,288 |
| Capital Leases | 39,345 |
| Total Noncurrent Liabilities | <u>5,173,333</u> |
| Total Liabilities | <u>6,008,602</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred Items - IMRF | 233,942 |
| Deferred Items - RBP | 39,766 |
| Property Taxes | 2,987,982 |
| Total Deferred Inflows of Resources | <u>3,261,690</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>9,270,292</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 20,100,739 |
| Restricted - Special Levies | |
| Special Recreation | 309,558 |
| Debt Service | 120,145 |
| Liability Insurance | 55,192 |
| Audit | 3,021 |
| Retirement | 145,282 |
| Paving and Lighting | 13,429 |
| Natural History | 49,593 |
| Unrestricted | <u>586,552</u> |
| Total Net Position | <u>21,383,511</u> |

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended May 31, 2020

| | Expenses | Program Revenues | | Net (Expenses)/ Revenues |
|-------------------------------|--------------|----------------------------|-------------------------------------|--------------------------------|
| | | Charges for Services | Capital Grants/ Contributions | |
| Governmental Activities | | | | |
| General Government | \$ 1,625,892 | — | — | (1,625,892) |
| Park Maintenance | 949,131 | — | — | (949,131) |
| Culture and Recreation | 1,950,209 | 1,135,415 | 5,448 | (809,346) |
| Interest on Long-Term Debt | 187,418 | — | — | (187,418) |
| Total Governmental Activities | 4,712,650 | 1,135,415 | 5,448 | (3,571,787) |

General Revenues

Taxes

Property Taxes 2,919,382

State Replacement Taxes 21,242

Interest Income 60,682

Miscellaneous 19,412

3,020,718

Change in Net Position (551,069)

Net Position - Beginning 21,934,580

Net Position - Ending 21,383,511

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

May 31, 2020

See Following Page

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

May 31, 2020

| | <u>General</u> |
|--|------------------|
| ASSETS | |
| Cash and Investments | \$ 484,496 |
| Receivables - Net of Allowances | |
| Taxes | 1,042,831 |
| Accounts | — |
| Prepays | — |
| | <u>—</u> |
| Total Assets | <u>1,527,327</u> |
| LIABILITIES | |
| Accounts Payable | 30,188 |
| Accrued Payroll | 58,269 |
| Other Payables | — |
| Total Liabilities | <u>88,457</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Property Taxes | <u>1,115,875</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>1,204,332</u> |
| FUND BALANCES | |
| Nonspendable | — |
| Restricted | — |
| Assigned | — |
| Unassigned | 322,995 |
| Total Fund Balances | <u>322,995</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>1,527,327</u> |

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

| Special Recreation | | Debt Service | Capital Projects | Nonmajor | Totals |
|--------------------|-----------------------|-----------------|---------------------|----------|-----------|
| Recreation | Special Recreation | | | | |
| 437,928 | 335,710 | 153,316 | 785,255 | 317,978 | 2,514,683 |
| 776,082 | 186,835 | 473,577 | — | 313,466 | 2,792,791 |
| 275 | — | — | — | 426 | 701 |
| 15,356 | — | — | — | — | 15,356 |
| 1,229,641 | 522,545 | 626,893 | 785,255 | 631,870 | 5,323,531 |
| 14,963 | 13,066 | — | 45,000 | 25,454 | 128,671 |
| 31,447 | — | — | — | 4,903 | 94,619 |
| 129,280 | — | — | — | — | 129,280 |
| 175,690 | 13,066 | — | 45,000 | 30,357 | 352,570 |
| 830,442 | 199,921 | 506,748 | — | 334,996 | 2,987,982 |
| 1,006,132 | 212,987 | 506,748 | 45,000 | 365,353 | 3,340,552 |
| 15,356 | — | — | — | — | 15,356 |
| — | 309,558 | 120,145 | — | 266,517 | 696,220 |
| 208,153 | — | — | 740,255 | — | 948,408 |
| — | — | — | — | — | 322,995 |
| 223,509 | 309,558 | 120,145 | 740,255 | 266,517 | 1,982,979 |
| 1,229,641 | 522,545 | 626,893 | 785,255 | 631,870 | 5,323,531 |

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

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

May 31, 2020

| | |
|--|--------------------------|
| Total Governmental Fund Balances | \$ 1,982,979 |
| 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. | 24,777,105 |
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds. | |
| Deferred Items - IMRF | 179,260 |
| Deferred Items - RBP | (27,172) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. | |
| Compensated Absences Payable | (130,506) |
| Net Pension Liability - IMRF | (556,041) |
| Total OPEb Liability - RBP | (79,254) |
| General Obligation Bonds - Net | (4,740,637) |
| Capital Leases | (63,100) |
| Loss on Refunding | 127,371 |
| Accrued Interest Payable | (86,494) |
| | <hr/> |
| Net Position of Governmental Activities | <u>21,383,511</u> |

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended May 31, 2020**

See Following Page

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended May 31, 2020

| | <u>General</u> |
|--|-----------------------|
| Revenues | |
| Taxes | \$ 1,087,399 |
| Charges for Services | — |
| Grants and Donations | 5,448 |
| Interest | 60,682 |
| Miscellaneous | 17,970 |
| Total Revenues | <u>1,171,499</u> |
| Expenditures | |
| Current | |
| General Gvoernment | 359,648 |
| Park Maintenance | 624,190 |
| Culture and Recreation | — |
| Capital Outlay | 147,213 |
| Debt Service | |
| Principal Retirement | 10,853 |
| Interest and Fiscal Charges | 1,750 |
| Total Expenditures | <u>1,143,654</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>27,845</u> |
| Other Financing Sources (Uses) | |
| Debt Issuance | 45,307 |
| Transfers In | — |
| Transfers Out | <u>(200,000)</u> |
| | <u>(154,693)</u> |
| Net Change in Fund Balances | (126,848) |
| Fund Balances - Beginning | <u>449,843</u> |
| Fund Balances - Ending | <u><u>322,995</u></u> |

| Special Recreation | | Debt Service | Capital Projects | Nonmajor | Totals |
|--------------------|-----------------------|-----------------|---------------------|----------|-----------|
| Recreation | Special Recreation | | | | |
| 789,853 | 189,996 | 508,373 | — | 365,003 | 2,940,624 |
| 1,135,415 | — | — | — | — | 1,135,415 |
| — | — | — | — | — | 5,448 |
| — | — | — | — | — | 60,682 |
| 962 | — | — | — | 480 | 19,412 |
| 1,926,230 | 189,996 | 508,373 | — | 365,483 | 4,161,581 |
| | | | | | |
| 763,197 | — | — | — | 354,182 | 1,477,027 |
| 324,941 | — | — | — | — | 949,131 |
| 840,527 | 125,139 | — | — | 19,784 | 985,450 |
| 31,453 | 105,964 | — | 122,201 | 41,480 | 448,311 |
| | | | | | |
| 10,854 | — | 335,000 | — | — | 356,707 |
| 1,750 | — | 183,188 | — | — | 186,688 |
| 1,972,722 | 231,103 | 518,188 | 122,201 | 415,446 | 4,403,314 |
| | | | | | |
| (46,492) | (41,107) | (9,815) | (122,201) | (49,963) | (241,733) |
| | | | | | |
| — | — | — | — | — | 45,307 |
| — | — | — | 400,000 | — | 400,000 |
| (200,000) | — | — | — | — | (400,000) |
| (200,000) | — | — | 400,000 | — | 45,307 |
| | | | | | |
| (246,492) | (41,107) | (9,815) | 277,799 | (49,963) | (196,426) |
| | | | | | |
| 470,001 | 350,665 | 129,960 | 462,456 | 316,480 | 2,179,405 |
| | | | | | |
| 223,509 | 309,558 | 120,145 | 740,255 | 266,517 | 1,982,979 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended May 31, 2020

| | |
|---|---------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ (196,426) |
|---|---------------------|

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

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

| | |
|--------------------------------------|-----------|
| Capital Outlays | 193,777 |
| Depreciation Expense | (708,735) |
| Disposals - Cost | (3,100) |
| Disposals - Accumulated Depreciation | 1,610 |

The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

| | |
|---------------------------------|-----------|
| Change in Deferred Items - IMRF | (526,367) |
| Change in Deferred Items - RBP | (11,066) |

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

| | |
|---|----------|
| Changes in Compensated Absences Payable | (11,467) |
| Changes in Net Pension Liability - IMRF | 392,041 |
| Changes in Total OPEB Liability - RBP | 7,994 |
| Retirement of Debt - Net | 358,056 |
| Issuance of Debt | (45,307) |
| Amortization of Refunding Loss | (6,704) |

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

4,625

| | |
|---|-------------------------|
| Changes in Net Position of Governmental Activities | <u>(551,069)</u> |
|---|-------------------------|

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established in GAAP and used by the District are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). The District's park maintenance, culture and recreation and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The 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 District's functions (general government, park maintenance, culture and recreation, etc.). These functions are supported by general government revenues (property taxes, personal property replacement taxes, and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).

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

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

Fund Financial Statements

The financial transactions of the 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/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental category.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses) for the determination of major funds. The District electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a single column in the fund financial statements. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

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

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

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

Governmental Funds

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

General fund is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for specified purposes. The District maintains eight special revenue funds. The Recreation Fund, a major fund, is used to account for the operations of various recreation programs and facilities. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities. The Special Recreation Fund, also a major fund, is used to account for the expenditures in connection with the Special Recreation Association of Central Lake County, which provides community based therapeutic recreation programs and services to people of all ages with disabilities or special needs. The other six funds (Liability Insurance, Audit, Retirement, Paving and Lighting, Natural History and Social Security) are all considered nonmajor funds.

Debt service funds are used to account for the accumulation of resources, and the payment of, general long-term debt principal and interest. The District maintains one debt service fund and is treated as a major fund.

Capital projects funds are used to account for all resources used for the acquisition of capital assets. The District maintains one capital projects fund and is treated as a major fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus

The government-wide Statement of Net Position and the Statement of Activities are presented using the economic resources measurement focus as defined below.

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

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

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end.

The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

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

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets

Capital assets purchased or acquired with an original cost greater than \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

| | |
|-----------------------|--------------|
| Land Improvements | 20 Years |
| Buildings | 50 Years |
| Vehicles | 8 Years |
| Machinery & Equipment | 5 - 20 Years |

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

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 are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Net Position

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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 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 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 May 31, 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 15, 2019.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year:

| Fund | Excess |
|---------------------|-----------|
| Special Recreation | \$ 10,390 |
| Retirement | 2,073 |
| Paving and Lighting | 3,000 |
| Social Security | 5,441 |

The funds were budgeted and intended to spend down a portion of the fund balance to fall within the proper range.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

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

Deposits. At year-end, the carrying amount of the District's deposits totaled \$959,224 and the bank balances totaled \$899,270. In addition, the District has \$1,555,459 invested in the Illinois Funds at year-end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy requires investment in only secured (essentially risk-free), liquid and short-term investments. At year-end the District's investment in the Illinois Funds is rated AAAM by Standard & Poor's.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District does not have an investment policy that addresses concentration of credit risk.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires collateral for any deposits in excess of insured amounts. At year-end the entire bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy that addresses custodial credit risk for investments. At year-end, the District's investment in the Illinois Funds is noncategorizable.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

| Transfers In | Transfers Out | Amount |
|------------------|---------------|----------------|
| Capital Projects | General | \$ 200,000 |
| Capital Projects | Recreation | 200,000 |
| | | <u>400,000</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--------------------------------------|-----------------------|-----------|-----------|--------------------|
| Nondepreciable Capital Assets | | | | |
| Land | \$ 16,015,853 | — | — | 16,015,853 |
| Construction in Progress | — | 93,003 | — | 93,003 |
| | 16,015,853 | 93,003 | — | 16,108,856 |
| Depreciable Capital Assets | | | | |
| Land Improvements | 11,597,541 | — | — | 11,597,541 |
| Buildings | 4,202,998 | — | — | 4,202,998 |
| Vehicles | 332,937 | — | — | 332,937 |
| Machinery & Equipment | 2,164,715 | 100,774 | 3,100 | 2,262,389 |
| | 18,298,191 | 100,774 | 3,100 | 18,395,865 |
| Less Accumulated Depreciation | | | | |
| Land Improvements | 5,900,094 | 531,843 | — | 6,431,937 |
| Buildings | 1,184,943 | 85,517 | — | 1,270,460 |
| Vehicles | 249,673 | 22,392 | — | 272,065 |
| Machinery & Equipment | 1,685,781 | 68,983 | 1,610 | 1,753,154 |
| | 9,020,491 | 708,735 | 1,610 | 9,727,616 |
| Total Net Depreciable Capital Assets | 9,277,700 | (607,961) | 1,490 | 8,668,249 |
| Total Net Capital Assets | 25,293,553 | (514,958) | 1,490 | 24,777,105 |

Depreciation expense of \$708,735 was charged to the culture and recreation function.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

Property taxes for the 2019 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by June of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about June 1 and September 1. The County collects such taxes and remits them periodically.

LONG-TERM DEBT

General Obligation Bonds

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

| Issue | Beginning Balances | Issuances | Retirements | Ending Balances |
|--|-----------------------|-----------|-------------|--------------------|
| \$3,135,000 General Obligation Limited Tax Park Bonds of 2014A - Due in annual installments of \$60,000 to \$235,000 plus interest at 2.00% to 4.50% through December 1, 2037. | \$ 2,795,000 | — | 80,000 | 2,715,000 |
| \$3,405,000 General Obligation Refunding Park Bonds of 2014B - Due in annual installments of \$160,000 to \$335,000 plus interest at 2.00% to 3.38% through December 1, 2026. | 2,255,000 | — | 255,000 | 2,000,000 |
| | 5,050,000 | — | 335,000 | 4,715,000 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Capital Leases

The District has entered into two lease agreements as lessee for financing the acquisition of park equipment. Capital assets of \$96,478 have been added to machinery and equipment for governmental activities as a result of these capital leases. The lease agreements qualifies as a capital lease for accounting purposes and; therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The future minimum lease payments and the net present value of these minimum lease payments are as follows:

| Fiscal Year | Total Lease Payment |
|-------------------|---------------------------|
| 2021 | \$ 26,244 |
| 2022 | 27,555 |
| 2023 | 12,445 |
| 2024 | 1,037 |
| Interest Portion | <u>(4,181)</u> |
| Principal Balance | <u><u>63,100</u></u> |

Long-Term Liability Activity

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

| Type of Debt | Beginning Balances | Additions | Deductions | Ending Balances | Amounts Due within One Year |
|----------------------------------|-----------------------|---------------|----------------|--------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Compensated Absences | \$ 119,039 | 22,934 | 11,467 | 130,506 | 26,101 |
| Net Pension Liability - IMRF | 948,082 | — | 392,041 | 556,041 | — |
| Total OPEB Liability - RBP | 87,248 | — | 7,994 | 79,254 | — |
| General Obligation Bonds Payable | 5,050,000 | — | 335,000 | 4,715,000 | 345,000 |
| Plus: Unamortized Bond Premium | 79,306 | — | 3,965 | 75,341 | 3,965 |
| Less: Unamortized Bond Discount | (52,320) | 2,616 | — | (49,704) | (2,616) |
| Capital Leases | 39,500 | 45,307 | 21,707 | 63,100 | 23,755 |
| | <u>6,270,855</u> | <u>70,857</u> | <u>772,174</u> | <u>5,569,538</u> | <u>396,205</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liability Activity - Continued

For the governmental activities, the compensated absences, the net pension liability, and the total OPEB liability are liquidated by the General Fund. Payments on the general obligation bonds payable are made by the Debt Service Fund and payments to the capital leases are made by the General and Recreation Funds.

Debt Service Requirements to Maturity

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

| Fiscal Year | General Obligation Bonds | |
|----------------|-----------------------------|-----------|
| | Principal | Interest |
| 2021 | \$ 345,000 | 172,988 |
| 2022 | 390,000 | 162,638 |
| 2023 | 400,000 | 150,938 |
| 2024 | 420,000 | 138,938 |
| 2025 | 435,000 | 125,288 |
| 2026 | 455,000 | 110,732 |
| 2027 | 285,000 | 143,644 |
| 2028 | 135,000 | 84,644 |
| 2029 | 145,000 | 79,244 |
| 2030 | 155,000 | 73,444 |
| 2031 | 165,000 | 67,050 |
| 2032 | 175,000 | 63,647 |
| 2033 | 185,000 | 53,026 |
| 2034 | 195,000 | 45,394 |
| 2035 | 210,000 | 37,350 |
| 2036 | 220,000 | 27,900 |
| 2037 | 235,000 | 18,000 |
| 2038 | 165,000 | 7,426 |
| Totals | 4,715,000 | 1,562,291 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides "...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more that .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question."

| | |
|---|-----------------------|
| Assessed Valuation - 2019 | <u>\$ 631,304,328</u> |
| Legal Debt Limit - 2.875% of Assessed Value | 18,149,999 |
| Amount of Debt Applicable to Limit | <u>4,715,000</u> |
| Legal Debt Margin | <u>13,434,999</u> |
| Non-Referendum Legal Debt Limit | |
| 0.575% of Assessed Valuation | 3,630,000 |
| Amount of Debt Applicable to Debt Limit | <u>2,715,000</u> |
| Non-Referendum Legal Debt Margin | <u>915,000</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Commissioners; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Commissioners' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Commissioners itself or b) a body or official to which the Board of Commissioners has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Commissioners, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATION - Continued

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

| | | Special Revenue | | | | | |
|----------------------|---------|-----------------|--------------------|--------------|------------------|----------|-----------|
| | General | Recreation | Special Recreation | Debt Service | Capital Projects | Nonmajor | Totals |
| Nonspendable | | | | | | | |
| Prepays | \$ — | 15,356 | — | — | — | — | 15,356 |
| Restricted | | | | | | | |
| Special Recreation | — | — | 309,558 | — | — | — | 309,558 |
| Debt Service | — | — | — | 120,145 | — | — | 120,145 |
| Liability Insurance | — | — | — | — | — | 55,192 | 55,192 |
| Audit | — | — | — | — | — | 3,021 | 3,021 |
| Retirement | — | — | — | — | — | 145,282 | 145,282 |
| Paving and Lighting | — | — | — | — | — | 13,429 | 13,429 |
| Natural History | — | — | — | — | — | 49,593 | 49,593 |
| | — | — | 309,558 | 120,145 | — | 266,517 | 696,220 |
| Assigned | | | | | | | |
| Recreation | — | 208,153 | — | — | — | — | 208,153 |
| Capital Improvements | — | — | — | — | 740,255 | — | 740,255 |
| | — | 208,153 | — | — | 740,255 | — | 948,408 |
| Unassigned | 322,995 | — | — | — | — | — | 322,995 |
| Total Fund Balances | 322,995 | 223,509 | 309,558 | 120,145 | 740,255 | 266,517 | 1,982,979 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of May 31, 2020:

| | |
|--|-------------------|
| Governmental Activities | |
| Capital Assets - Net of Accumulated Depreciation | \$ 24,777,105 |
| | |
| Add: Unamortized Refunding Loss | 127,371 |
| | |
| Less Capital Related Debt: | |
| General Obligation Bonds - Net | (4,740,637) |
| Capital Lease | <u>(63,100)</u> |
| | |
| Net Investment in Capital Assets | <u>20,100,739</u> |

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

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

Grants

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

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the District's operations and financial position cannot be determined.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT

Park District Risk Management Agency (PDRMA)

The 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 1991, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect as of January 1, 2020 to January 1, 2021:

| Coverage | Member Deductible | PDRMA Self-Insured Retention | Limits |
|-------------------------------|-------------------|------------------------------|---|
| PROPERTY | | | |
| Property/Bldg/Contents | | | |
| All Losses Per Occurrence | \$1,000 | \$1,000,000 | \$1,000,000,000/All Members |
| Flood/Except Zones A & V | \$1,000 | \$1,000,000 | \$250,000,000/Occurrence/Annual Aggregate |
| Flood, Zones A & V | \$1,000 | \$1,000,000 | \$200,000,000/Occurrence/Annual Aggregate |
| Earthquake Shock | \$1,000 | \$100,000 | \$100,000,000/Occurrence/Annual Aggregate |
| Auto Physical Damage | | | |
| Comprehensive and Collision | \$1,000 | \$1,000,000 | Included |
| Course of Construction | \$1,000 | Included | \$25,000,000 |
| Business Interruption, Rental | | | |
| Income, Tax Income Combined | \$1,000 | | \$100,000,000/Reported Values |
| | | | \$500,000/\$2,500,000/Non-Reported Values |
| Service Interruption | 24 Hours | N/A | \$25,000,000 |
| Boiler and Machinery | | | \$100,000,000 Equipment Breakdown |
| Property Damage | \$1,000 | \$9,000 | Property Damage - Included |
| Business Income | 48 Hours | N/A | Included |
| Fidelity and Crime | \$1,000 | \$24,000 | \$2,000,000/Occurrence |
| Seasonal Employees | \$1,000 | \$9,000 | \$1,000,000/Occurrence |
| Blanket Bond | \$1,000 | \$24,000 | \$2,000,000/Occurrence |
| WORKERS COMPENSATION | | | |
| Employers Liability | N/A | \$500,000 | Statutory |
| | | \$500,000 | \$3,500,000 Employers Liability |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

| Coverage | Member Deductible | PDRMA Self- Insured Retention | Limits |
|---|----------------------|-------------------------------------|---|
| LIABILITY | | | |
| General | None | \$500,000 | \$21,500,000/Occurrence |
| Auto Liability | None | \$500,000 | \$21,500,000/Occurrence |
| Employment Practices | None | \$500,000 | \$21,500,000/Occurrence |
| Public Officials' Liability | None | \$500,000 | \$21,500,000/Occurrence |
| Law Enforcement Liability | None | \$500,000 | \$21,500,000/Occurrence |
| Uninsured/Underinsured Motorists | None | \$500,000 | \$1,000,000/Occurrence |
| POLLUTION LIABILITY | | | |
| Liability - Third Party | None | \$25,000 | \$5,000,000/Occurrence |
| Property - First Party | \$1,000 | \$24,000 | \$30,000,000 3 Year Aggregate |
| OUTBREAK EXPENSE | | | |
| Outbreak Expense | 24 Hours | N/A | \$15,000 per Day |
| | | | \$1,000,000 Aggregate Policy Limit |
| INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA | | | |
| LIABILITY COVERAGE | | | |
| Breach Response | 1,000 | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Business Interruption | 8 Hours | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Business Interruption due to | | | |
| System Failure | 8 Hours | \$100,000 | \$250,000/Occurrence/Annual Aggregate |
| Dependent Business Loan | 8 Hours | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Liability | 1000 | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| eCrime | 1000 | \$100,000 | \$50,000/Occurrence/Annual Aggregate |
| Criminal Reward | \$1,000 | \$100,000 | \$50,000 Hourly Sublimit/\$50,000 Forensic |
| | | | Exp./\$150,000 Dependent Bus. Interruption |
| DEADLY WEAPON RESPONSE | | | |
| Liability | \$1,000 | \$9,000 | \$500,000/Occurrence/\$2,500,000 Annual Aggregate |
| First Party Property | \$1,000 | \$9,000 | \$250,000/Occurrence as part of overall limit |
| Crisis Management Services | \$1,000 | \$9,000 | \$250,000/Occurrence as part of overall limit |
| Counseling/Funeral Expenses | \$1,000 | \$9,000 | \$250,000/Occurrence as part of overall limit |
| Medical Expenses | \$1,000 | \$9,000 | \$25,000/person/\$500,000 Annual Aggregate |
| AD&D | \$1,000 | \$9,000 | \$50,000/person/\$500,000 Annual Aggregate |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

| Coverage | Member Deductible | PDRMA Self- Insured Retention | Limits |
|---|----------------------|-------------------------------------|---|
| VOLUNTEER MEDICAL ACCIDENT | | | |
| Volunteer Medical Accident | None | \$5,000 | \$5,000 Medical Expense and AD&D |
| | | | Excess of any other Collectible Insurance |
| UNDERGROUND STORAGE TANK LIABILITY | | | |
| Underground Storage Tank Liability | None | N/A | \$10,000, Follows Illinois Leaking |
| | | | Underground Tank Fund |
| UNEMPLOYMENT COMPENSATION | | | |
| Unemployment Compensation | N/A | N/A | Statutory |

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District.

As a member of PDRMA's Property/Casualty Program, the 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 District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body.

The 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 investigations 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.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2019 and the statement of revenues and expenses for the period ending December 31, 2019. The District's portion of the overall equity of the pool is 0.180% or \$88,742.

| | |
|---|---------------|
| Assets | \$ 70,609,234 |
| Deferred Outflows of Resources - Pensions | 2,207,181 |
| Liabilities | 23,059,101 |
| Deferred Inflows of Resources - Pension | 404,213 |
| Total Net Position | 49,353,101 |
| Operating Revenues | 19,983,615 |
| Nonoperating Revenues | 6,014,647 |
| Expenditures | 20,463,511 |

Park District Risk Management Agency (PDRMA) Health Program

Since February 1, 1993, the District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance 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 District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and PDRMA Health Program is governed by a contract and by-laws that have been adopted by a resolution of each member's governing body. Members are 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.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) Health Program - Continued

The following represents a summary of PDRMA's Health Program balance sheet at December 31, 2019 and the statement of revenues and expenses for the period ending December 31, 2019.

| | |
|---|---------------|
| Assets | \$ 26,084,474 |
| Deferred Outflows of Resources - Pensions | 933,533 |
| Liabilities | 6,616,310 |
| Deferred Inflows of Resources - Pension | 173,234 |
| Total Net Position | 20,228,463 |
| Operating Revenues | 36,581,515 |
| Nonoperating Revenues | 2,343,640 |
| Expenditures | 36,884,494 |

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.

JOINT VENTURE

Special Recreation Association of Central Lake County

The District is a member of the Special Recreation Association of Central Lake County (SRACLC), a cooperative formed by Member Agencies to provide community based Therapeutic Recreation services to individuals with disabilities and their families and to share the expenses of such programs on a cooperative basis. Contribution requirements are determined based on a percentage of the individual park district's equalized assessed valuation and population as defined. The District's 2020 contribution was \$94,992.

The District does not exercise direct oversight of the SRACLC, and accordingly, the Association has not been included in these basic financial statements. The audited financial statements of SRACLC are available at 290 Oakwood Road, Vernon Hills, IL 60061.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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).

IMRF provides two tiers of pension benefits. 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 10 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.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. 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 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits | 15 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 15 |
| Active Plan Members | <u>25</u> |
| Total | <u><u>55</u></u> |

Contributions. As set by statute, the 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. For the year-ended May 31, 2020, the District's contribution was 10.13% of covered payroll.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Net Pension Liability. The District's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

| | |
|----------------------------|---------------------|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Market |
| Actuarial Assumptions | |
| Interest Rate | 7.25% |
| Salary Increases | 3.35% to 14.25% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. 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 | Long-Term Expected Real Rate of Return |
|---------------------------|--------|--|
| Fixed Income | 28.00% | 3.25% |
| Domestic Equities | 37.00% | 5.75% |
| International Equities | 18.00% | 6.50% |
| Real Estate | 9.00% | 5.20% |
| Blended | 7.00% | 3.60% - 7.60% |
| Cash and Cash Equivalents | 1.00% | 1.85% |

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the District calculated using the discount rate as well as what the District's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability/(Asset) | \$ 1,397,837 | 556,041 | (126,553) |

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2018 | \$ 5,030,154 | 4,082,072 | 948,082 |
| Changes for the Year: | | | |
| Service Cost | 112,494 | — | 112,494 |
| Interest on the Total Pension Liability | 362,608 | — | 362,608 |
| Changes of Benefit Terms | — | — | — |
| Difference Between Expected and Actual Experience of the Total Pension Liability | 61,801 | — | 61,801 |
| Changes of Assumptions | — | — | — |
| Contributions - Employer | — | 113,127 | (113,127) |
| Contributions - Employees | — | 53,467 | (53,467) |
| Net Investment Income | — | 756,316 | (756,316) |
| Benefit Payments, Including Refunds of Employee Contributions | (169,824) | (169,824) | — |
| Other (Net Transfer) | — | 6,034 | (6,034) |
| Net Changes | 367,079 | 759,120 | (392,041) |
| Balances at December 31, 2019 | 5,397,233 | 4,841,192 | 556,041 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended May 31, 2020, the District recognized pension expense of \$256,399. At May 31, 2020, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Totals |
|---|--------------------------------------|-------------------------------------|-----------|
| Difference Between Expected and Actual Experience | \$ 259,489 | (9,504) | 249,985 |
| Change in Assumptions | 98,423 | (57,669) | 40,754 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | — | (166,769) | (166,769) |
| Total Pension Expense to be Recognized in Future Periods | 357,912 | (233,942) | 123,970 |
| Pension Contributions Made Subsequent to the Measurement Date | 55,290 | — | 55,290 |
| Total Deferred Amounts Related to IMRF | 413,202 | (233,942) | 179,260 |

\$55,290 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended May 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

| Fiscal Year | Net Deferred Outflows/ (Inflows) of Resources |
|----------------|--|
| 2021 | \$ 101,656 |
| 2022 | 54,392 |
| 2023 | 51,805 |
| 2024 | (83,883) |
| 2025 | — |
| Thereafter | — |
| Total | 123,970 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The District's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides healthcare to retired employees and their dependents. The retired employees and dependents pay on a pay-all basis.

Plan Membership. As of May 31, 2020, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits | — |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | — |
| Active Plan Members | <u>18</u> |
| Total | <u><u>18</u></u> |

Total OPEB Liability

District's total OPEB liability was measured as of May 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the May 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

| | |
|--|---|
| Inflation | 3.00% |
| Salary Increases | 4.00% |
| Discount Rate | 2.63% |
| Healthcare Cost Trend Rates | Initial rate of 6.00% decreasing to an ultimate rate of 4.00% for 2036 and later years for PPO and HMO. |
| Retirees' Share of Benefit-Related Costs | 100% of projected health insurance premiums for retirees |

The discount rate was based on expected rate of return associated with funded benefits and for unfunded benefits, the 20-year muni bond rates.

Mortality rates were based on the RP-2014 Combined Mortality Table for males and females.

Change in the Total OPEB Liability

| | Total OPEB Liability |
|---|-------------------------|
| Balance at May 31, 2019 | <u>\$ 87,248</u> |
| Changes for the Year: | |
| Service Cost | 3,290 |
| Interest | 2,661 |
| Changes of Benefit Terms | — |
| Difference Between Expected and Actual Experience | (4,340) |
| Changes of Assumptions or Other Inputs | (7,860) |
| Benefit Payments | — |
| Other Changes | <u>(1,745)</u> |
| Net Changes | <u>(7,994)</u> |
| Balance at May 31, 2020 | <u><u>79,254</u></u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 2.63%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease (1.63%) | Current Discount Rate (2.63%) | 1% Increase (3.63%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$ 85,182 | 79,254 | 73,641 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease (Varies) | Healthcare Cost Trend Rates (Varies) | 1% Increase (Varies) |
|----------------------|-------------------------|---|-------------------------|
| Total OPEB Liability | \$ 71,527 | 79,254 | 87,976 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended May 31, 2020, the District recognized OPEB expense of \$3,072. At May 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Totals |
|---|--------------------------------------|-------------------------------------|----------|
| Difference Between Expected and Actual Experience | \$ 8,376 | (3,893) | 4,483 |
| Change in Assumptions | 4,218 | (35,873) | (31,655) |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | — | — | — |
| Total Deferred Amounts Related to OPEB | 12,594 | (39,766) | (27,172) |

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

| Fiscal Year | Net Deferred (Inflows) of Resources |
|----------------|---|
| 2021 | \$ (2,880) |
| 2022 | (2,880) |
| 2023 | (2,880) |
| 2024 | (2,880) |
| 2025 | (2,880) |
| Thereafter | (12,772) |
| Total | (27,172) |

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefits Plan
- Budgetary Comparison Schedules
General Fund
Recreation - Special Revenue Fund
Special Recreation - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund Schedule of Employer Contributions May 31, 2020

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2015 | \$ 120,289 | \$ 120,289 | \$ — | \$ 1,011,681 | 11.89% |
| 2016 | 120,442 | 120,442 | — | 1,012,120 | 11.90% |
| 2017 | 115,753 | 115,753 | — | 1,085,866 | 10.66% |
| 2018 | 97,278 | 97,278 | — | 1,040,956 | 9.35% |
| 2019 | 111,536 | 111,536 | — | 1,118,039 | 9.98% |
| 2020 | 122,073 | 122,073 | — | 1,205,375 | 10.13% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 24 Years |
| Asset Valuation Method | 5-Year Smoothed Market |
| Inflation | 2.50% |
| Salary Increases | 3.35% - 14.25% |
| Investment Rate of Return | 7.50% |
| Retirement Age | See the Notes to the Financial Statements |
| Mortality | IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). |

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
May 31, 2020**

| | <u>12/31/2014</u> |
|---|------------------------------|
| Total Pension Liability | |
| Service Cost | \$ 123,693 |
| Interest | 251,510 |
| Differences Between Expected and Actual Experience | (283,436) |
| Change of Assumptions | 86,214 |
| Benefit Payments, Including Refunds of Member Contributions | <u>(104,852)</u> |
| Net Change in Total Pension Liability | 73,129 |
| Total Pension Liability - Beginning | <u>3,348,520</u> |
| Total Pension Liability - Ending | <u><u>3,421,649</u></u> |
| Plan Fiduciary Net Position | |
| Contributions - Employer | \$ 120,289 |
| Contributions - Members | 45,526 |
| Net Investment Income | 177,106 |
| Benefit Payments, Including Refunds of Member Contributions | (104,852) |
| Other (Net Transfer) | <u>(20,420)</u> |
| Net Change in Plan Fiduciary Net Position | 217,649 |
| Plan Net Position - Beginning | <u>2,872,893</u> |
| Plan Net Position - Ending | <u><u>3,090,542</u></u> |
| Employer's Net Pension Liability | <u><u>\$ 331,107</u></u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 90.32% |
| Covered Payroll | \$ 1,011,681 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 32.73% |

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

| 12/31/2015 | 12/31/2016 | 12/31/2017 | 12/31/2018 | 12/31/2019 |
|------------|------------|------------|------------|------------|
| 109,009 | 114,596 | 123,442 | 105,847 | 112,494 |
| 256,232 | 266,769 | 298,673 | 342,789 | 362,608 |
| (118,909) | 167,527 | 492,096 | (16,666) | 61,801 |
| — | (5,978) | (151,759) | 172,611 | — |
| (110,328) | (106,551) | (146,848) | (184,047) | (169,824) |
| 136,004 | 436,363 | 615,604 | 420,534 | 367,079 |
| 3,421,649 | 3,557,653 | 3,994,016 | 4,609,620 | 5,030,154 |
| 3,557,653 | 3,994,016 | 4,609,620 | 5,030,154 | 5,397,233 |
| 120,442 | 115,753 | 97,278 | 111,536 | 113,127 |
| 45,545 | 48,864 | 45,742 | 51,387 | 53,467 |
| 15,592 | 208,569 | 592,323 | (221,430) | 756,316 |
| (110,328) | (106,551) | (146,848) | (184,047) | (169,824) |
| (33,379) | 45,471 | 236,946 | 58,665 | 6,034 |
| 37,872 | 312,106 | 825,441 | (183,889) | 759,120 |
| 3,090,542 | 3,128,414 | 3,440,520 | 4,265,961 | 4,082,072 |
| 3,128,414 | 3,440,520 | 4,265,961 | 4,082,072 | 4,841,192 |
| 429,239 | 553,496 | 343,659 | 948,082 | 556,041 |
| 87.93% | 86.14% | 92.54% | 81.15% | 89.70% |
| 1,012,120 | 1,085,866 | 1,016,492 | 1,093,494 | 1,172,304 |
| 42.41% | 50.97% | 33.81% | 86.70% | 47.43% |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

May 31, 2020

| | 05/31/18 | 05/31/19 | 05/31/20 |
|---|------------|-----------|-----------|
| Total OPEB Liability | | | |
| Service Cost | \$ 4,707 | 5,073 | 3,290 |
| Interest | 2,570 | 2,813 | 2,661 |
| Changes in Benefit Terms | — | — | — |
| Differences Between Expected and Actual Experience | 10,838 | — | (4,340) |
| Change of Assumptions or Other Inputs | (3,726) | 1,490 | (7,860) |
| Benefit Payments | (2,269) | (2,241) | — |
| Other Changes | (28,132) | 388 | (1,745) |
| Net Change in Total OPEB Liability | (16,012) | 7,523 | (7,994) |
| Total OPEB Liability - Beginning | 95,737 | 79,725 | 87,248 |
| Total OPEB Liability - Ending | 79,725 | 87,248 | 79,254 |
| Covered Payroll | \$ 918,963 | 1,046,793 | 1,048,350 |
| Total OPEB Liability as a Percentage of Covered Payroll | 8.68% | 8.33% | 7.56% |

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018 - 2020.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual |
|--|------------------|-----------|-----------|
| | Original | Final | Amounts |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 1,068,104 | 1,068,104 | 1,066,157 |
| Replacement Taxes | 12,000 | 12,000 | 21,242 |
| Grants and Donations | | | |
| Lake Treatment Contributions | 6,000 | 6,000 | 5,448 |
| Interest Income | 48,000 | 48,000 | 60,682 |
| Miscellaneous | 11,750 | 11,750 | 17,970 |
| Total Revenues | 1,145,854 | 1,145,854 | 1,171,499 |
| Expenditures | | | |
| Current | | | |
| General Government | 398,120 | 398,120 | 359,648 |
| Park Maintenance | 642,860 | 642,860 | 624,190 |
| Capital Outlay | 116,800 | 116,800 | 147,213 |
| Debt Service | | | |
| Principal Retirement | 10,853 | 10,853 | 10,853 |
| Interest and Fiscal Charges | 2,207 | 2,207 | 1,750 |
| Total Expenditures | 1,170,840 | 1,170,840 | 1,143,654 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (24,986) | (24,986) | 27,845 |
| Other Financing Sources (Uses) | | | |
| Debt Issuance | — | — | 45,307 |
| Transfers In | 25,000 | 25,000 | — |
| Transfers Out | — | — | (200,000) |
| | 25,000 | 25,000 | (154,693) |
| Net Change In Fund Balance | 14 | 14 | (126,848) |
| Fund Balance - Beginning | | | 449,843 |
| Fund Balance - Ending | | | 322,995 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Recreation Fund - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual |
|--|------------------|-----------|-----------|
| | Original | Final | Amounts |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 791,611 | 791,611 | 789,853 |
| Charges for Services | | | |
| Facility Fees | 17,000 | 17,000 | 9,072 |
| Recreation Program Fees | 1,170,000 | 1,170,000 | 1,005,436 |
| Golf Course Fees | 99,500 | 99,500 | 99,110 |
| Concessions | 24,000 | 24,000 | 11,792 |
| Athletic Fees | 20,000 | 20,000 | 10,005 |
| Miscellaneous | 2,000 | 2,000 | 962 |
| Total Revenues | 2,124,111 | 2,124,111 | 1,926,230 |
| Expenditures | | | |
| Current | | | |
| General Government | 827,255 | 827,255 | 763,197 |
| Park Maintenance | 354,885 | 354,885 | 324,941 |
| Culture and Recreation | 892,075 | 892,075 | 840,527 |
| Capital Outlay | 34,900 | 34,900 | 31,453 |
| Debt Service | | | |
| Principal | 10,854 | 10,854 | 10,854 |
| Interest and Fiscal Charges | 2,206 | 2,206 | 1,750 |
| Total Expenditures | 2,122,175 | 2,122,175 | 1,972,722 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,936 | 1,936 | (46,492) |
| Other Financing (Uses) | | | |
| Transfers Out | — | — | (200,000) |
| Net Change in Fund Balance | 1,936 | 1,936 | (246,492) |
| Fund Balance - Beginning | | | 470,001 |
| Fund Balance - Ending | | | 223,509 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Special Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual |
|---------------------------------|------------------|----------|----------|
| | Original | Final | Amounts |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 190,418 | 190,418 | 189,996 |
| Expenditures | | | |
| Current | | | |
| Culture and Recreation | | | |
| Salaries and Wages | 23,100 | 23,100 | 23,085 |
| Dues and Subscriptions | 92,113 | 92,113 | 94,992 |
| Park Maintenance | 7,000 | 7,000 | 7,062 |
| Capital Outlay | | | |
| Special Projects | 98,500 | 98,500 | 105,964 |
| Total Expenditures | 220,713 | 220,713 | 231,103 |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | (30,295) | (30,295) | (41,107) |
| Other Financing Sources | | | |
| Transfers In | 31,000 | 31,000 | — |
| Net Change in Fund Balance | 705 | 705 | (41,107) |
| Fund Balance - Beginning | | | 350,665 |
| Fund Balance - Ending | | | 309,558 |

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

Recreation Fund

The Recreation Fund is used to account for the operations of various recreation programs and facilities. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities.

Special Recreation Fund

The Special Recreation Fund is used to account for the expenditures in connection with the Special Recreation Association of Central Lake County, which provides community based therapeutic recreation programs and services to people of all ages with disabilities or special needs.

Liability Insurance Fund

The Liability Insurance Fund is used to account for the operation of the District's insurance and risk management activities. Financing is provided from an annual property tax levy.

Audit Fund

The Audit Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the District.

Retirement Fund

The Retirement Fund is used to account for the receipt of property taxes to fund payments to the state controlled pension fund.

INDIVIDUAL FUND DESCRIPTIONS - Continued

SPECIAL REVENUE FUNDS - Continued

Paving and Lighting Fund

The Paving and Lighting Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for paving and lighting improvements throughout the District.

Natural History Fund

The Natural History Fund is used to account for the revenue and expenditures of the outdoor nature programs and living museum. An annual tax levy in conjunction with program revenue is used to finance the fund.

Social Security Fund

The Social Security Fund is used to account for the receipt of property taxes to fund payments to the federally administered social security program.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the Districts long-term debt. Funding is provided by a specific property tax levy.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for all resources used for the acquisition or construction of capital projects.

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual |
|--|------------------|---------|---------|
| | Original | Final | Amounts |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | \$ 171,800 | 171,800 | 173,010 |
| Employee Benefits | 42,725 | 42,725 | 41,637 |
| Professional Services | 75,500 | 75,500 | 51,212 |
| Public Recognition | 3,000 | 3,000 | 2,195 |
| Staff and Volunteer Recognition | 4,500 | 4,500 | 3,038 |
| Mileage and Travel Reimbursements | 6,500 | 6,500 | 6,159 |
| Dues and Subscriptions | 8,545 | 8,545 | 7,471 |
| Training | 14,900 | 14,900 | 10,737 |
| Printing | 1,150 | 1,150 | 840 |
| Fireworks | 17,500 | 17,500 | 17,500 |
| Utilities | 14,850 | 14,850 | 11,472 |
| Supplies | 3,000 | 3,000 | 3,060 |
| Postage | 1,300 | 1,300 | 1,056 |
| IT Maintenance and Software | 18,850 | 18,850 | 19,203 |
| Miscellaneous | 14,000 | 14,000 | 11,058 |
| Total General Government | 398,120 | 398,120 | 359,648 |
| Park Maintenance | | | |
| Salaries and Wages | 287,500 | 287,500 | 271,154 |
| Employee Benefits | 59,735 | 59,735 | 60,019 |
| Professional Services | 33,250 | 33,250 | 40,751 |
| Mileage and Travel Reimbursements | 250 | 250 | — |
| Dues and Subscriptions | 715 | 715 | 794 |
| Training | 1,000 | 1,000 | 655 |
| Equipment Rental | 5,700 | 5,700 | 4,440 |
| Permit and License Fees | 800 | 800 | 1,946 |
| Utilities | 43,660 | 43,660 | 36,317 |
| Playground and Field maintenance and Repairs | 117,750 | 117,750 | 114,963 |
| Equipment Maintenance and Repairs | 35,000 | 35,000 | 42,419 |
| Pump-Outs | 11,750 | 11,750 | 10,051 |
| Fuel | 30,000 | 30,000 | 25,865 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended May 31, 2020**

| | Budgeted Amounts | | Actual Amounts |
|------------------------------|------------------|-----------|-------------------|
| | Original | Final | |
| Expenditures - Continued | | | |
| Park Maintenance - Continued | | | |
| Uniforms | \$ 5,000 | 5,000 | 4,673 |
| Vehicle Supplies | 1,200 | 1,200 | 1,055 |
| Salt and Salt Supplies | 5,000 | 5,000 | 3,129 |
| Miscellaneous | 4,550 | 4,550 | 5,959 |
| Total Park Maintenance | 642,860 | 642,860 | 624,190 |
| Capital Outlay | | | |
| General Government | | | |
| Equipment/Machinery/Computer | 4,600 | 4,600 | 2,817 |
| Park Maintenance | | | |
| Equipment/Machinery/Computer | 42,000 | 42,000 | 89,780 |
| Land Improvements | 37,250 | 37,250 | 23,990 |
| Building Improvements | 32,950 | 32,950 | 30,626 |
| Total Capital Outlay | 116,800 | 116,800 | 147,213 |
| Debt Service | | | |
| Principal Retirement | 10,853 | 10,853 | 10,853 |
| Interest and Fiscal Charges | 2,207 | 2,207 | 1,750 |
| Total Debt Service | 13,060 | 13,060 | 12,603 |
| Total Expenditures | 1,170,840 | 1,170,840 | 1,143,654 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Recreation - Special Revenue Fund****Schedule of Expenditures - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | Budgeted Amounts | | Actual Amounts |
|-----------------------------------|------------------|---------|-------------------|
| | Original | Final | |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | \$ 458,800 | 458,800 | 455,030 |
| Employee Benefits | 127,225 | 127,225 | 122,390 |
| Professional Services | 27,500 | 27,500 | 23,470 |
| Public Recognition | 8,000 | 8,000 | 3,814 |
| Staff and Volunteer Recognition | 4,500 | 4,500 | 3,683 |
| Mileage and Travel Reimbursements | 13,500 | 13,500 | 13,200 |
| Dues and Subscriptions | 4,180 | 4,180 | 5,078 |
| Training | 17,550 | 17,550 | 12,734 |
| Printing | 40,000 | 40,000 | 19,147 |
| Portable Services | 9,500 | 9,500 | 5,514 |
| Equipment Rental | 500 | 500 | — |
| Bank and Credit Card Charges | 25,000 | 25,000 | 26,294 |
| Utilities | 21,450 | 21,450 | 20,141 |
| Equipment Maintenance and Repairs | 10,500 | 10,500 | 11,056 |
| Fuel | 2,000 | 2,000 | 953 |
| Supplies | 14,200 | 14,200 | 6,848 |
| Postage | 11,000 | 11,000 | 5,567 |
| Resale Food and Beverage | 10,000 | 10,000 | 4,162 |
| IT Maintenance and Software | 20,150 | 20,150 | 21,677 |
| Miscellaneous | 1,700 | 1,700 | 2,439 |
| Total General Government | 827,255 | 827,255 | 763,197 |
| Park Maintenance | | | |
| Salaries and Wages | 280,500 | 280,500 | 256,605 |
| Employee Benefits | 59,685 | 59,685 | 53,706 |
| Building Maintenance and Repairs | 14,700 | 14,700 | 14,630 |
| Total Park Maintenance | 354,885 | 354,885 | 324,941 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Recreation - Special Revenue Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended May 31, 2020**

| | Budgeted Amounts | | Actual Amounts |
|---------------------------------------|------------------|-----------|-------------------|
| | Original | Final | |
| Expenditures - Continued | | | |
| Culture and Recreation | | | |
| Salaries and Wages | \$ 366,400 | 366,400 | 333,718 |
| Program Supplies | 412,500 | 412,500 | 411,566 |
| Golf Salaries and Wages | 51,000 | 51,000 | 52,962 |
| Golf Employee Benefits | 6,825 | 6,825 | 6,544 |
| Golf Professional Services | 3,500 | 3,500 | 3,465 |
| Golf Permit Fees | 1,800 | 1,800 | 1,727 |
| Golf Utilities | 11,650 | 11,650 | 7,863 |
| Golf Building Maintenance and Repairs | 7,500 | 7,500 | 4,445 |
| Golf Supplies | 20,400 | 20,400 | 9,153 |
| Golf Food and Beverage | 10,500 | 10,500 | 9,084 |
| Total Culture and Recreation | 892,075 | 892,075 | 840,527 |
| Capital Outlay | | | |
| General Government | | | |
| Equipment/Machinery/Computer | 6,600 | 6,600 | 3,028 |
| Park Maintenance | | | |
| Land Improvements | 25,800 | 25,800 | 28,425 |
| Culture and Recreation | | | |
| Land Improvements | 2,500 | 2,500 | — |
| Total Capital Outlay | 34,900 | 34,900 | 31,453 |
| Debt Service | | | |
| Principal | 10,854 | 10,854 | 10,854 |
| Interest and Fiscal Charges | 2,206 | 2,206 | 1,750 |
| Total Debt Service | 13,060 | 13,060 | 12,604 |
| Total Expenditures | 2,122,175 | 2,122,175 | 1,972,722 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> |
|--|-------------------------|--------------|----------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 509,504 | 509,504 | 508,373 |
| Expenditures | | | |
| Debt Service | | | |
| Principal | 335,000 | 335,000 | 335,000 |
| Interest and Fiscal Charges | 183,238 | 183,238 | 183,188 |
| Total Expenditures | 518,238 | 518,238 | 518,188 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (8,734) | (8,734) | (9,815) |
| Other Financing Sources | | | |
| Tranfers In | 8,800 | 8,800 | — |
| Net Change in Fund Balance | 66 | 66 | (9,815) |
| Fund Balance - Beginning | | | 129,960 |
| Fund Balance - Ending | | | 120,145 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> |
|--|-------------------------|--------------|----------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> |
| Revenues | | | |
| Grants and Donations | | | |
| Developer Donations | \$ 30,000 | 30,000 | — |
| Expenditures | | | |
| Capital Outlay | | | |
| Special Projects | 133,000 | 133,000 | 122,201 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (103,000) | (103,000) | (122,201) |
| Other Financing Sources | | | |
| Transfers In | 103,000 | 103,000 | 400,000 |
| Net Change in Fund Balance | <u>—</u> | <u>—</u> | 277,799 |
| Fund Balance - Beginning | | | <u>462,456</u> |
| Fund Balance - Ending | | | <u>740,255</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet****May 31, 2020**

| | Liability Insurance | Audit | Retirement | Paving and Lighting | Natural History | Social Security | Totals |
|--|------------------------|--------|------------|------------------------|--------------------|--------------------|---------|
| ASSETS | | | | | | | |
| Cash and Investments | \$ 63,458 | 3,730 | 117,273 | 35,330 | 49,593 | 48,594 | 317,978 |
| Receivables - Net of Allowances | | | | | | | |
| Taxes | 98,745 | 10,118 | 106,438 | 27,133 | — | 71,032 | 313,466 |
| Accounts | 426 | — | — | — | — | — | 426 |
| Total Assets | 162,629 | 13,848 | 223,711 | 62,463 | 49,593 | 119,626 | 631,870 |
| LIABILITIES | | | | | | | |
| Accounts Payable | 1,776 | — | — | 20,000 | — | 3,678 | 25,454 |
| Accrued Payroll | — | — | 4,903 | — | — | — | 4,903 |
| Total Liabilities | 1,776 | — | 4,903 | 20,000 | — | 3,678 | 30,357 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Property Taxes | 105,661 | 10,827 | 113,894 | 29,034 | — | 75,580 | 334,996 |
| Total Liabilities and Deferred Inflows of Resources | 107,437 | 10,827 | 118,797 | 49,034 | — | 79,258 | 365,353 |
| FUND BALANCES | | | | | | | |
| Restricted | 55,192 | 3,021 | 104,914 | 13,429 | 49,593 | 40,368 | 266,517 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | 162,629 | 13,848 | 223,711 | 62,463 | 49,593 | 119,626 | 631,870 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended May 31, 2020

| | Liability Insurance | Audit | Retirement | Paving and Lighting | Natural History | Social Security | Totals |
|-----------------------------|------------------------|--------|------------|------------------------|--------------------|--------------------|----------|
| Revenues | | | | | | | |
| Taxes | \$ 102,846 | 10,537 | 135,192 | 28,254 | — | 88,174 | 365,003 |
| Miscellaneous | 480 | — | — | — | — | — | 480 |
| Total Revenues | 103,326 | 10,537 | 135,192 | 28,254 | — | 88,174 | 365,483 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General Government | 104,668 | 8,000 | 122,073 | — | — | 119,441 | 354,182 |
| Culture and Recreation | — | — | — | — | 19,784 | — | 19,784 |
| Capital Outlay | — | — | — | 41,480 | — | — | 41,480 |
| Total Expenditures | 104,668 | 8,000 | 122,073 | 41,480 | 19,784 | 119,441 | 415,446 |
| Net Change in Fund Balances | (1,342) | 2,537 | 13,119 | (13,226) | (19,784) | (31,267) | (49,963) |
| Fund Balances - Beginning | 56,534 | 484 | 91,795 | 26,655 | 69,377 | 71,635 | 316,480 |
| Fund Balances - Ending | 55,192 | 3,021 | 104,914 | 13,429 | 49,593 | 40,368 | 266,517 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Liability Insurance - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|---------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 103,075 | 103,075 | 102,846 |
| Miscellaneous | 2,000 | 2,000 | 480 |
| Total Revenues | 105,075 | 105,075 | 103,326 |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | 16,310 | 16,310 | 16,538 |
| Legal Services | 1,500 | 1,500 | — |
| Background Checks | 6,000 | 6,000 | 2,498 |
| Insurance | 69,130 | 69,130 | 75,978 |
| Security and Safety | 12,000 | 12,000 | 9,654 |
| Total Expenditures | 104,940 | 104,940 | 104,668 |
| Net Change in Fund Balance | 135 | 135 | (1,342) |
| Fund Balance - Beginning | | | 56,534 |
| Fund Balance - Ending | | | 55,192 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Audit - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|--------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 10,560 | 10,560 | 10,537 |
| Expenditures | | | |
| General Government | | | |
| Audit Services | 8,000 | 8,000 | 8,000 |
| Net Change in Fund Balance | 2,560 | 2,560 | 2,537 |
| Fund Balance - Beginning | | | 484 |
| Fund Balance - Ending | | | 3,021 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Retirement - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended May 31, 2020

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|---------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 135,493 | 135,493 | 135,192 |
| Expenditures | | | |
| General Government | | | |
| IMRF Contributions | 120,000 | 120,000 | 122,073 |
| Net Change in Fund Balance | 15,493 | 15,493 | 13,119 |
| Fund Balance - Beginning | | | 91,795 |
| Fund Balance - Ending | | | 104,914 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Paving and Lighting - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> |
|--|-------------------------|--------------|----------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 28,317 | 28,317 | 28,254 |
| Expenditures | | | |
| Capital Outlay | | | |
| Equipment | 38,480 | 38,480 | 41,480 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (10,163) | (10,163) | (13,226) |
| Other Financing Sources | | | |
| Transfers In | 11,000 | 11,000 | — |
| Net Change in Fund Balance | <u>837</u> | <u>837</u> | (13,226) |
| Fund Balance - Beginning | | | <u>26,655</u> |
| Fund Balance - Ending | | | <u>13,429</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Natural History - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> |
|---------------------------------|-------------------------|--------------|----------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ — | — | — |
| Expenditures | | | |
| Culture and Recreation | | | |
| Salaries and Wages | 4,800 | 4,800 | 4,759 |
| Professional Services | 20,100 | 20,100 | 15,025 |
| Total Expenditures | 24,900 | 24,900 | 19,784 |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | (24,900) | (24,900) | (19,784) |
| Other Financing Sources | | | |
| Transfers In | 25,000 | 25,000 | — |
| Net Change in Fund Balance | 100 | 100 | (19,784) |
| Fund Balance - Beginning | | | 69,377 |
| Fund Balance - Ending | | | 49,593 |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS**Social Security - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended May 31, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> |
|---------------------------------|-------------------------|--------------|----------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 88,371 | 88,371 | 88,174 |
| Expenditures | | | |
| General Government | | | |
| FICA Employer Contributions | 92,000 | 92,000 | 96,802 |
| Medicare Employer Contributions | 22,000 | 22,000 | 22,639 |
| Total Expenditures | 114,000 | 114,000 | 119,441 |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | (25,629) | (25,629) | (31,267) |
| Other Financing Sources | | | |
| Transfers In | 26,000 | 26,000 | — |
| Net Change in Fund Balance | 371 | 371 | (31,267) |
| Fund Balance - Beginning | | | 71,635 |
| Fund Balance - Ending | | | 40,368 |

SUPPLEMENTAL SCHEDULES

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Limited Tax Park Bonds of 2014A

May 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of Issue | March 12, 2014 |
| Date of Maturity | December 1, 2037 |
| Authorized Issue | \$3,135,000 |
| Interest Rates | 2.00% - 4.50% |
| Interest Dates | June 1 and December 1 |
| Principal Maturity Date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year | Requirements | | | Interest Due on | | | |
|----------------|------------------|------------------|------------------|-----------------|----------------|--------|----------------|
| | Principal | Interest | Totals | Jun. 1 | Amount | Dec. 1 | Amount |
| 2021 | \$ 85,000 | 111,144 | 196,144 | 2020 | 55,572 | 2020 | 55,572 |
| 2022 | 90,000 | 108,594 | 198,594 | 2021 | 54,297 | 2021 | 54,297 |
| 2023 | 95,000 | 105,894 | 200,894 | 2022 | 52,947 | 2022 | 52,947 |
| 2024 | 105,000 | 103,044 | 208,044 | 2023 | 51,522 | 2023 | 51,522 |
| 2025 | 110,000 | 98,844 | 208,844 | 2024 | 49,422 | 2024 | 49,422 |
| 2026 | 120,000 | 94,444 | 214,444 | 2025 | 47,222 | 2025 | 47,222 |
| 2027 | 125,000 | 89,644 | 214,644 | 2026 | 44,822 | 2026 | 44,822 |
| 2028 | 135,000 | 84,644 | 219,644 | 2027 | 42,322 | 2027 | 42,322 |
| 2029 | 145,000 | 79,244 | 224,244 | 2028 | 39,622 | 2028 | 39,622 |
| 2030 | 155,000 | 73,444 | 228,444 | 2029 | 36,722 | 2029 | 36,722 |
| 2031 | 165,000 | 67,050 | 232,050 | 2030 | 33,525 | 2030 | 33,525 |
| 2032 | 175,000 | 63,647 | 238,647 | 2031 | 30,122 | 2031 | 33,525 |
| 2033 | 185,000 | 53,026 | 238,026 | 2032 | 26,513 | 2032 | 26,513 |
| 2034 | 195,000 | 45,394 | 240,394 | 2033 | 22,697 | 2033 | 22,697 |
| 2035 | 210,000 | 37,350 | 247,350 | 2034 | 18,675 | 2034 | 18,675 |
| 2036 | 220,000 | 27,900 | 247,900 | 2035 | 13,950 | 2035 | 13,950 |
| 2037 | 235,000 | 18,000 | 253,000 | 2036 | 9,000 | 2036 | 9,000 |
| 2038 | 165,000 | 7,426 | 172,426 | 2037 | 3,713 | 2037 | 3,713 |
| | <u>2,715,000</u> | <u>1,268,733</u> | <u>3,983,733</u> | | <u>632,665</u> | | <u>636,068</u> |

GRAYSLAKE COMMUNITY PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Park Bonds of 2014B

May 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of Issue | March 12, 2014 |
| Date of Maturity | December 1, 2026 |
| Authorized Issue | \$3,405,000 |
| Interest Rates | 2.00% - 3.38% |
| Interest Dates | June 1 and December 1 |
| Principal Maturity Date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year | Requirements | | | Interest Due on | | | |
|----------------|------------------|----------------|------------------|-----------------|----------------|--------|----------------|
| | Principal | Interest | Totals | Jun. 1 | Amount | Dec. 1 | Amount |
| 2021 | \$ 260,000 | 61,844 | 321,844 | 2020 | 30,922 | 2020 | 30,922 |
| 2022 | 300,000 | 54,044 | 354,044 | 2021 | 27,022 | 2021 | 27,022 |
| 2023 | 305,000 | 45,044 | 350,044 | 2022 | 22,522 | 2022 | 22,522 |
| 2024 | 315,000 | 35,894 | 350,894 | 2023 | 17,947 | 2023 | 17,947 |
| 2025 | 325,000 | 26,444 | 351,444 | 2024 | 13,222 | 2024 | 13,222 |
| 2026 | 335,000 | 16,288 | 351,288 | 2025 | 8,144 | 2025 | 8,144 |
| 2027 | 160,000 | 54,000 | 214,000 | 2026 | 27,000 | 2026 | 27,000 |
| | <u>2,000,000</u> | <u>293,558</u> | <u>2,293,558</u> | | <u>146,779</u> | | <u>146,779</u> |