FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2016

Sikich®

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NORTH CHICAGO, ILLINOIS
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INTRODUCTORY SECTION

Foss Park District
LIST OF PRINCIPAL OFFICERS
April 30, 2016

Board of Commissioners

Donna King, President

Vance Wyatt
Vice-President

Jimmy Baldwin
Commissioner

Susan Dixon
Commissioner

Johnny Johnson
Treasurer

****

Kari Cowart
Executive Director of Parks and Recreation

Angela Smith
Superintendent of Recreation

Robert Winter
Superintendent of Grounds/Maintenance

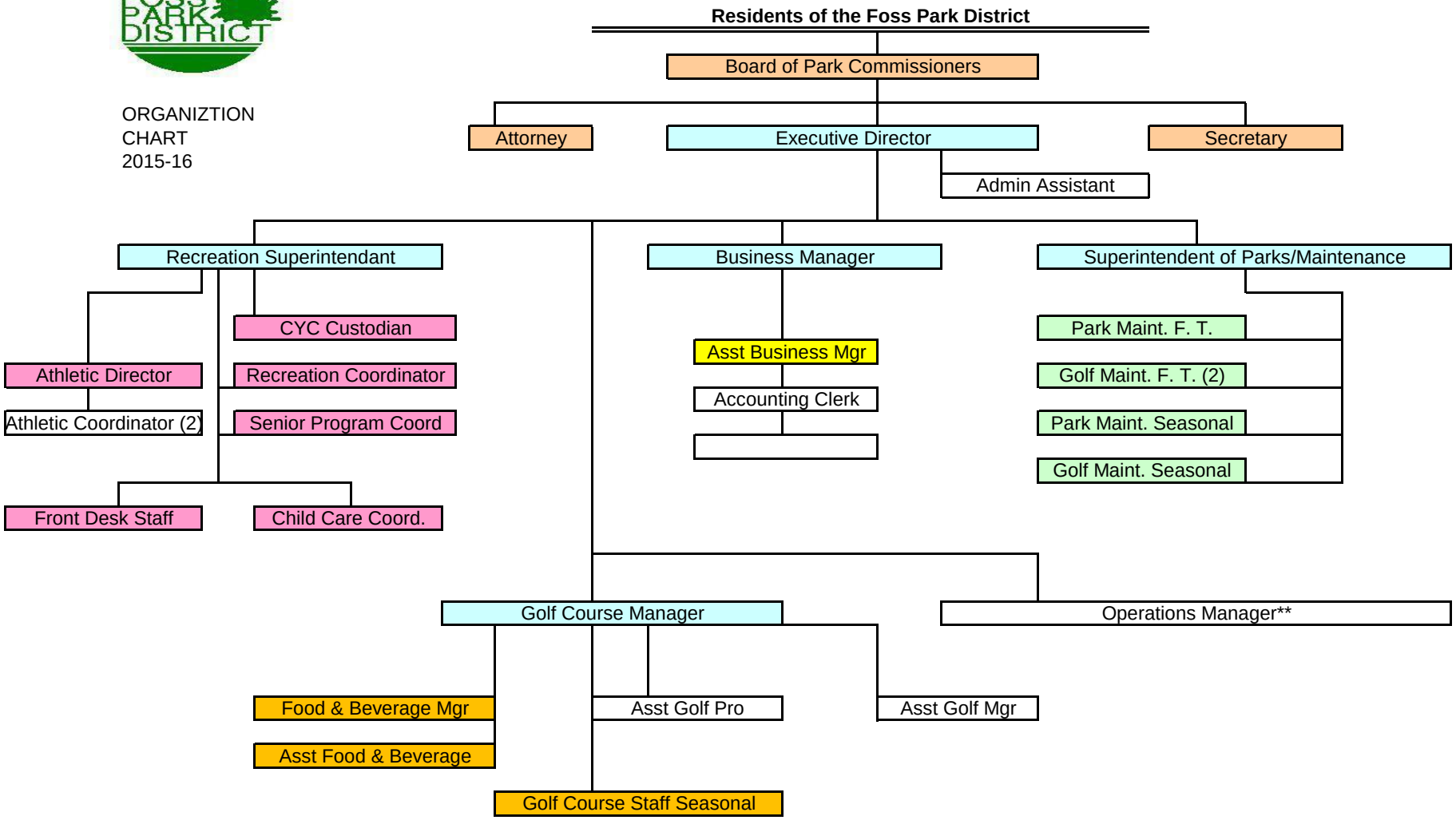
Bradley Skof
Business Manager

Gabriel Monroe
Golf Course Manager

Michael Herring
Food & Beverage Manager

ORGANIZTION
CHART
2015-16

2016



FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
Foss Park District
North Chicago, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Foss Park District (the District), as of and for the year ended April 30, 2016, and the related notes to 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

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting and cash basis of accounting are acceptable bases for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, business-type activities, and enterprise fund, and cash basis of each major governmental fund, and the aggregate remaining fund information as of April 30, 2016, and the respective changes in financial position - modified cash basis, and, where applicable, cash flows thereof for the year then ended on the bases of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 in the notes to financial statements, which describes the bases of accounting. The government-wide financial statements and the enterprise fund statements are prepared on a modified cash basis of accounting and the governmental fund financial statements are presented on the cash basis of accounting, which are comprehensive bases of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Change in Accounting Principle

The District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68,* which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The management's discussion and analysis, supplementary information, and the combining and individual nonmajor fund financial statements and budgetary comparison schedules listed in the table of contents as other supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the financial statements as a whole.

The management's discussion and analysis and supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Sikich LLP

Naperville, Illinois
December 15, 2016

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Foss Park District
Management's Discussion and Analysis
April 30, 2016

The Foss Park District (the "District") Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the governmental reporting model adopted by the Governmental Accounting Standards Board (GASB). Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's modified cash basis financial statements (beginning on page 4).

Financial Highlights

- The District's financial status remains stable, as the District concluded the fiscal year with a positive net position balance. Overall revenues for all governmental and business-type activities this past year were $3,542,780 with expenses being $3,670,089, for a decrease in net position of $127,309.
- Real estate and replacement taxes collected were $1,666,123 and $145,528 respectively, a decrease of $399,398 and an increase of $1,883, respectively, over the previous year.
- Recreation program registration fees $104,720, and expenses were $112,988. Recreation program expenses include $73,847 of depreciation expense. Depreciation expense charged to general government and park maintenance activities totaled $46,595 and $32,362, respectively.
- Golf course charges for services revenues were $1,129,163 for the year, which is a decrease of $173,698. Other golf revenues included $167,468 in transfers from governmental activities. Golf course expenses were $1,886,731, which included $214,837 of depreciation expense.
- The District continues to commit resources toward maintaining and improving parks, playgrounds, and facilities. In fiscal year 2016, $58,677 was spent on capital outlay for the District's facilities and equipment.
- The District's outstanding long-term debt was $1,760,000 at April 30, 2016, which is a reduction from last year's balances of existing debt.

Overview of the Financial Statements

The Management's Discussion and Analysis introduces the District's basic modified cash basis financial statements. The basic financial statements include: (1) government-wide financial statements, (2) enterprise fund financial statements, and (3) notes to the financial statements. The District also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The District's annual financial report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector, with its basis in a modified cash basis accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position.* This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors, such as diversification of the taxpayer base or the condition of the District's capital assets, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included based on being collected or paid in the fiscal year (i.e. modified cash basis). An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general administration, park maintenance, and recreational programs. The government-wide financial statements are presented on pages 4 through 6 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined in a single aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The District has two types of funds:

Governmental funds are reported in the modified cash basis fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of available resources and balances of resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of available resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds statement of assets and liabilities arising from cash transactions and the governmental funds statement of revenues collected, expenditures paid, and changes in fund balances (deficits) provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the required supplementary information for the General Fund and major special revenue funds. Budgetary comparison schedules for the other funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented starting on page 4 of this report.

Proprietary funds are reported in the modified cash basis fund financial statements and are used to account for activities similar to those provided in the private sector. Goods or services from these activities are provided to outside parties or customers. The District charges these customers fees to offset the cost of providing the respective service. The District's only proprietary fund is the Golf Course Fund.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements, but with more details.

The basic proprietary fund financial statements are presented starting on page 12 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees, and budgetary comparisons. Supplementary Information can be found on pages 37 and 38 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 50.

Government-wide Financial Analysis

Over time, changes in net position may be observed and used to discuss the changing financial position of the District as a whole. Approximately seventy-four percent of the District's total net position reflects its investment in capital assets (e.g. land, buildings, vehicles, and equipment), net of related debt. Although the District's investment in 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 capital assets themselves cannot be used to liquidate these liabilities.

Foss Park District's Net Position – Modified Cash Basis

	Governmental Activities	
	April 30, 2016	April 30, 2015
Assets:		
Current assets	$1,180,236	$ 931,267
Capital assets – not being depreciated	610,106	662,220
Capital assets – net of depreciation	1,510,467	1,589,604
Total assets	3,300,809	3,183,091
Liabilities:		
Current liabilities	197,263	160,330
Noncurrent liabilities	1,635,000	1,760,000
Total liabilities	1,832,263	1,920,330
Net position:		
Net investment in capital assets	1,136,648	371,824
Restricted	2,814,886	3,070,335
Unrestricted	(2,221,662)	(2,179,398)
Total net position	$1,729,872	$1,262,761

	Business-type Activities	
	April 30, 2016	April 30, 2015
Assets:		
Current assets	$ (84,084)	$ 321,665
Capital assets – not depreciated	1,491,429	1,491,429
Capital assets – net of depreciation	2,618,251	2,858,797
Total assets	4,025,596	4,671,891
Liabilities:		
Current liabilities	53,414	675
Noncurrent Liabilities	55,724	160,338
Total liabilities	109,138	161,013
Net position:		
Net investment in capital assets	4,000,542	4,189,888
Unrestricted	(84,084)	320,990
Total net position	$3,916,458	$4,510.878

Statement of Activities – Modified Cash Basis

	Governmental Activities	
	April 30, 2016	April 30, 2015
Revenues:		
Real estate taxes	$1,666,123	$2,065,521
Replacement taxes	145,528	143,645
Charges for services	106,950	90,542
Grants and contributions	1,850	90,169
Interest	21,274	1,668
Miscellaneous	303,548	217,718
Total	2,245,273	2,493,018
Expenses:		
General administration	1,344,896	1,523,835
Park maintenance	257,726	246,872
Recreation programs	113,370	148,189
Interest	62,170	65,978
Transfers	-0-	477,708
Total	1,778,162	2,462,582
Change in net position	467,111	148,681
Net position - beginning of year	1,262,781	1,114,080
Net position - end of year	$1,729,872	$1,262,761

	Business-type Activities	
	April 30, 2016	April 30, 2015
Revenues:		
Charges for services	$1,129,163	$ 1,302,861
Grants and contributions	875	479,208
Transfers in	167,469	-0-
Total	1,297,507	1,782,069
Expenses:		
Golf course	1,891,927	1,879,838
Change in net position	(594,420)	(97,769)
Net position-beginning of year	4,510,878	4,608,647
Net position - end of year	$3,916,458	$4,510,878

Financial Highlights

Revenues for governmental and business-type activities, excluding capital contributions, decreased by approximately 9% in fiscal year 2016 primarily due to a decrease in receipts from real estate taxes. In addition, due to the planned increase in property taxes collected in the General Corporate and Recreation funds, with no property taxes levied for Illinois Municipal Retirement Fund and Public Liability Fund Insurance purposes, the Park District was able to repay advances by the Illinois Municipal Retirement Fund and Public Liability Insurance funds to the General Corporate and Recreation funds, in the amount of $384,047.

Budgetary Highlights

The Foss Park District's Business Office requests that various Department heads submit fiscal year budget for revenue and planned expenditures be submitted before the fiscal year begins on May 1st. This information is compiled and presented to the Executive Director, prior to presentation to the Board of Commissioners. The proposed budget for the fiscal year is then made available for public viewing thirty days prior to approval at the Board meeting. The budget is voted on by the full Board of Commissioners after the Budget and Appropriation hearing. The approved budget is then filed with the County Clerk.

General Fund:
Total revenues in the General Corporate Fund were within 16% of the budgeted total of $1,349,718. A slightly larger decrease in expected other income receipts and Real Estate tax revenues is the reason for this occurrence.

General administration expenses were approximately $699,000 below budget as the District continues to utilize in-house expertise to reduce reliance on outsourcing services, with lower than expected increases in employee health-related costs. The District has also seen significant savings in communication and utility costs by "shopping" for better service agreements.

Park maintenance expenses were under budget by approximately $137,000. Savings were in the personnel and maintenance areas, where the District was able to find means of using existing assets to complete the necessary maintenance of buildings and parks within the District's boundaries. Overall expenses for both areas were about 56% below budget.

Recreation Fund:
Revenues for programs and rentals were over $13,000 under budget expectations. This was a result of a decrease in expected Real Estate taxes and other income and contributions. The total revenue for this fund was about 2% under budget.

Expenditures were under 58% of budget, due to the lack of programs being offered by the District's recreation staff.

Financial Analysis of the District's Funds

Governmental Funds
Governmental funds as reported in the statements are displayed to assess the spendable resources for current and future Park District operations. Governmental funds reported an ending total fund balance of $1,369,299, which represents an increase over last year of $478,362. This arose primarily as a result of transfers government funds to the business-type activities.

Major Governmental Funds
The General Corporate, Recreation, Special Recreation, Illinois Municipal Retirement, Public Liability Insurance, Capital Improvements, and Bond and Interest funds are the major governmental funds of the Park District.

The General Corporate Fund had a deficit fund balance at the end of the fiscal year of $1,170,497, which was a decrease in the deficit of $404,983, resulting from a planned excess of revenues collected over expenses paid. This was due to an increase in the property tax levy.

The Recreation Fund had a deficit fund balance at the end of the fiscal year of $97,608, which was a decrease in the deficit by $294,381. This was due to a decrease in expenses along with an increase in the property tax levy.

The Special Recreation Fund had a fund balance of $681,119 at the end of the fiscal year, which was an increase of $9,478. This was due to a fewer expenditures than anticipated in the budget.

The Illinois Municipal Retirement Fund's fund balance at the end of the fiscal year was $696,442, which was a decrease of $191,206. This was due to a halt in collecting property taxes for this fund.

The Public Liability Insurance Fund's fund balance at the end of the fiscal year was $742,770 which was a decrease of $192,841. This was due to a halt in collecting property taxes for this fund.

The Capital Improvements Fund's fund balance at the end of the fiscal year was $1,129,629, which was a decrease of $13,041. This was due expenditures in various capital projects in the fiscal year.

The Bond and Interest Fund's fund balance at the end of the fiscal year was $252,184, which was an increase of $181,004. This was due to the funds received but not yet paid on debt.

Several of the District's funds have been operating with advances from other funds in order to maintain services to the general public. Advances from the other funds totaled $2,846,695 as of April 30, 2016. The detail of the advances is shown on pages 30 through 31 of this report.

Capital Assets

Net capital assets decreased approximately $189,128 in the current year. This was a result primarily of depreciation expense.

Debt Administration

As of April 30, 2016, the Park District has an outstanding general obligation bonds issue of $180,000. This obligation is due and payable within two years. In addition there is outstanding an alternate revenue bond of $2,000,000. The Bond and Interest Fund had a fund balance of $252,184. The remainder will be paid through future real estate tax collections.

Factors Bearing on the District's Future

The General Corporate and Recreation funds have significant deficit fund balances, having incurred operating deficits for several years. The District has restructured its real estate tax levy to allow these deficits to be reduced over time.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report, or would like to request additional information, please contact the Executive Director, Business Manager or Board President, Foss Park District, 1730 Lewis Avenue, North Chicago, Illinois 60064.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2016

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
ASSETS			
Cash and cash equivalents	$ 356,968	$ -	$ 356,968
Investments	823,268	-	823,268
Inventory	-	177,242	177,242
Internal balances	261,326	(261,326)	-
Land and other capital assets not being depreciated	610,106	1,491,429	2,101,535
Capital assets being depreciated (net of accumulated depreciation)	1,510,467	2,618,251	4,128,718
Total assets	3,562,135	4,025,596	7,587,731
LIABILITIES			
Deposits	10,000	-	10,000
Payroll withholdings	62,263	-	62,263
Noncurrent liabilities			
Due within one year	125,000	53,414	178,414
Due in more than one year	1,635,000	55,724	1,690,724
Total liabilities	1,832,263	109,138	1,941,401
NET POSITION			
Net investment in capital assets	1,136,648	4,000,542	5,137,190
Restricted for			
Special needs	681,119	-	681,119
Pension payments	703,584	-	703,584
Liability	802,933	-	802,933
Capital projects	375,066		375,066
Debt service	252,184	-	252,184
Unrestricted (deficit)	(2,221,662)	(84,084)	(2,305,746)
TOTAL NET POSITION	$ 1,729,872	$ 3,916,458	$ 5,646,330

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2016

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 1,344,896	$ 2,230	$ -	$ -
Park maintenance	257,726	-	-	-
Recreation programs	113,370	104,720	1,850	-
Interest	62,170	-	-	-
Total governmental activities	1,778,162	106,950	1,850	-
Business-Type Activities				
Golf Course	1,891,927	1,129,163	875	-
TOTAL PRIMARY GOVERNMENT	$ 3,670,089	$ 1,236,113	$ 2,725	$ -

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ (1,342,666)	$ -	$ (1,342,666)
	(257,726)	-	(257,726)
	(6,800)	-	(6,800)
	(62,170)	-	(62,170)
	(1,669,362)	-	(1,669,362)
	-	(761,889)	(761,889)
	(1,669,362)	(761,889)	(2,431,251)
General Revenues			
Taxes			
Real estate taxes	1,666,123	-	1,666,123
Replacement taxes	145,528	-	145,528
Interest	21,274	-	21,274
Gain on sale of land	192,453	-	192,453
Miscellaneous	278,564	-	278,564
Transfers	(167,469)	167,469	-
Total general revenues	2,136,473	167,469	2,303,942
CHANGE IN NET POSITION	467,111	(594,420)	(127,309)
NET POSITION, MAY 1	1,262,761	4,510,878	5,773,639
NET POSITION, APRIL 30	$ 1,729,872	$ 3,916,458	$ 5,646,330

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS

April 30, 2016

	General Corporate	Recreation	Special Recreation	Illinois Municipal Retirement
ASSETS				
Cash and cash equivalents	$ 52,229	$ 29,637	$ 22,918	$ -
Investments	47,193	-	-	-
Advances to other funds	307,395	21,028	658,201	703,584
TOTAL ASSETS	$ 406,817	$ 50,665	$ 681,119	$ 703,584
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Deposits	$ 10,000	$ -	$ -	$ -
Payroll withholdings	62,263	-	-	-
Advances from other funds	1,505,051	148,273	-	7,142
Total liabilities	1,577,314	148,273	-	7,142
FUND BALANCES (DEFICIT)				
Nonspendable	307,395	-	-	-
Restricted	-	-	681,119	703,584
Assigned	-	-	-	-
Unassigned (deficit)	(1,477,892)	(97,608)	-	(7,142)
Total fund balances (deficit)	(1,170,497)	(97,608)	681,119	696,442
TOTAL LIABILITIES AND FUND BALANCES	$ 406,817	$ 50,665	$ 681,119	$ 703,584

Public Liability Insurance	Capital Improvements	Bond and Interest	Nonmajor Governmental	Total Governmental Funds
$ -	$ -	$ 252,184	$ -	$ 356,968
-	776,075	-	-	823,268
802,933	353,554	-	-	2,846,695
$ 802,933	$ 1,129,629	$ 252,184	$ -	$ 4,026,931
$ -	$ -	$ -	$ -	$ 10,000
-	-	-	-	62,263
60,163	749,498	-	115,242	2,585,369
60,163	749,498	-	115,242	2,657,632
-	-	-	-	307,395
802,933	375,066	252,184	-	2,814,886
-	5,065	-	-	5,065
(60,163)	-	-	(115,242)	(1,758,047)
742,770	380,131	252,184	(115,242)	1,369,299
$ 802,933	$ 1,129,629	$ 252,184	$ -	

Amounts reported for governmental activities in the statement of net position - modified cash basis are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	2,120,573
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	(1,760,000)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 1,729,872

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	General Corporate	Recreation	Special Recreation	Illinois Municipal Retirement
REVENUES COLLECTED				
Real estate taxes	$ 768,400	$ 680,028	$ 9,843	$ -
Personal property replacement taxes	145,528	-	-	-
Charges for services	2,230	104,720	-	-
Contributions and donations	-	1,850	-	-
Other income	208,562	27,665	-	-
Interest income	480	13	-	-
Total revenues collected	1,125,200	814,276	9,843	-
EXPENDITURES PAID				
Current				
General administration	441,251	441,141	365	155,585
Park maintenance	193,798	-	-	35,239
Recreation programs	-	39,141	-	382
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures paid	635,049	480,282	365	191,206
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	490,151	333,994	9,478	(191,206)
OTHER FINANCING SOURCES (USES)				
Procceds from sale of capital asset	250,000	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(335,168)	(39,613)	-	-
Total other financing sources (uses)	(85,168)	(39,613)	-	-
NET CHANGE IN FUND BALANCES	404,983	294,381	9,478	(191,206)
FUND BALANCES (DEFICIT), MAY 1	(1,575,480)	(391,989)	671,641	887,648
FUND BALANCES (DEFICIT), APRIL 30	$ (1,170,497)	$ (97,608)	$ 681,119	$ 696,442

Public Liability Insurance	Capital Improvements	Bond and Interest	Nonmajor Governmental	Total Governmental Funds
$ -	$ -	$ 182,114	$ 25,738	$ 1,666,123
-	-	-	-	145,528
-	-	-	-	106,950
-	-	-	-	1,850
1,765	40,571	-	-	278,563
-	20,747	34	-	21,274
1,765	61,318	182,148	25,738	2,220,288
194,606	15,682	577	40,134	1,289,341
-	-	-	-	229,037
-	-	-	-	39,523
				-
-	-	120,000	-	120,000
-	-	62,170	-	62,170
-	58,677	-	-	58,677
194,606	74,359	182,747	40,134	1,798,748
(192,841)	(13,041)	(599)	(14,396)	421,540
-	-	-	-	250,000
-	-	181,603	-	181,603
-	-	-	-	(374,781)
-	-	181,603	-	56,822
(192,841)	(13,041)	181,004	(14,396)	478,362
935,611	393,172	71,180	(100,846)	890,937
$ 742,770	$ 380,131	$ 252,184	$ (115,242)	$ 1,369,299

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

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

For the Year Ended April 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	478,362
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities		79,100
Net book value of capital assets sold is not reported in the governmental fund statements		(57,547)
Depreciation on capital assets is reported as an expense in the statement of activities		(152,804)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities		120,000
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	467,111

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS
ENTERPRISE FUND

April 30, 2016

	Business-Type Activities Golf Course
CURRENT ASSETS	
Inventory	$ 177,242
Total current assets	177,242
NONCURRENT ASSETS	
Land and other capital assets not being depreciated	1,491,429
Capital assets, net of accumulated depreciation	2,618,251
Total noncurrent assets	4,109,680
Total assets	4,286,922
CURRENT LIABILITIES	
Capital lease obligations	53,414
Total current liabilities	53,414
LONG-TERM LIABILITIES	
Advance from other funds	261,326
Capital lease obligations	55,724
Total long-term liabilities	317,050
Total liabilities	370,464
NET POSITION	
Net investment in capital assets	4,000,542
Unrestricted (deficit)	(84,084)
TOTAL NET POSITION	$ 3,916,458

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF REVENUES COLLECTED, EXPENSES, AND
CHANGES IN NET POSITION - MODIFIED CASH BASIS
ENTERPRISE FUND

For the Year Ended April 30, 2016

	Business-Type Activities Golf Course
OPERATING REVENUES COLLECTED	
Charges for services	$ 880,630
Rental	199,808
Other receipts	48,725
Total operating revenues	1,129,163
OPERATING EXPENSES PAID	
Golf course operations	1,201,282
Golf course maintenance	470,612
Depreciation	214,837
Total operating expenses	1,886,731
OPERATING (LOSS)	(757,568)
NON-OPERATING REVENUES (EXPENSES)	
Interest income	18
Contributions	875
Interest expense	(5,214)
Total non-operating revenues (expenses)	(4,321)
NET (LOSS) BEFORE TRANSFERS	(761,889)
Capital contributions to governmental activities	(25,709)
Transfers in	193,178
CHANGE IN NET POSITION	(594,420)
NET POSITION, MAY 1	4,510,878
NET POSITION, APRIL 30	$ 3,916,458

See accompanying notes to financial statements.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
ENTERPRISE FUND

For the Year Ended April 30, 2016

	Business-Type Activities
	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 1,129,163
Cash paid to suppliers	(893,557)
Cash paid to employees	(705,779)
Net cash from operating activities	(470,173)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from other funds for advances owed to Golf Course	332,516
Transfers in from other funds	193,178
Other revenues	875
Net cash from noncapital financing activities	526,569
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest paid on capital lease	(5,214)
Principal paid on capital lease	(51,200)
Net cash from capital and related financing activities	(56,414)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	18
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, MAY 1	-
CASH AND CASH EQUIVALENTS, APRIL 30	$ -

(This statement is continued on the following page.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS (Continued)
ENTERPRISE FUND

For the Year Ended April 30, 2016

	Business-Type Activities Golf Course
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	$ (757,568)
Adjustments to reconcile operating income (loss) to net cash used in operating activities	
Depreciation	214,837
Changes in assets and liabilities	
Decrease in payroll withholdings	(676)
Decrease in inventory	73,234
NET CASH FROM OPERATING ACTIVITIES	$ (470,173)
NONCASH TRANSACTIONS	
Capital contributions to governmental activities	$ (25,709)
TOTAL NONCASH TRANSACTIONS	$ (25,709)

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foss Park District, North Chicago, Illinois (the District) have been prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting allowed by state statutes, but which is not in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP),. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Reporting Entity

The District was created in 1907 as a body corporate and politic and is now operating under the provisions of The Park District Code of the State of Illinois. It provides the following services as authorized by its charter: recreational programs, the maintenance of parks and recreational facilities, and a golf course facility. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is based upon the significance of the potential component unit's operational or financial relationships with the primary government. No entities met the requirements to be reported as a component unit.

b. Government-Wide and Fund Financial Statements

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

Funds are classified into the following categories: governmental, proprietary, and fiduciary. The District does not have any fiduciary funds.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties or to other departments or agencies primarily within the District (internal service funds).

The government-wide financial statements (i.e., the modified cash basis statements of net position and activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, fees, and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and enterprise funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Corporate Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Recreation Fund accounts for the collection of resources and expenditures related to providing recreational programs.

The Special Recreation Fund is used to account for special revenues collected for providing recreational services to district residents with special needs.

The Illinois Municipal Retirement Fund accounts for the collection and use of real estate taxes for the purpose of funding the retirement fund for the District's employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

The Public Liability Insurance Fund accounts for the collection and use of real estate taxes for public liability insurance.

The Capital Improvements Fund is used to account for the construction cost of major improvements in the District.

The Bond and Interest Fund is used to account for the collection and use of real estate taxes for the payment of general long-term debt principal and interest. Management has elected to present the Bond and Interest fund as major for year over year comparison purposes.

The District reports the following major enterprise fund:

The Golf Course Fund accounts for the provision of golfing recreation and the maintenance of the course. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and financing. The golf course also operates video gaming machines which are maintained at the golf course club house.

Enterprise funds distinguish operating revenues collected and expenses paid from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operation. The principal operating revenues of the Golf Course Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition (except depreciation on capital assets) are reported as non-operating revenues and expenses.

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

The government-wide and proprietary fund financial statements are prepared using the modified cash basis of accounting. The modified cash basis of accounting omits recognition of certain revenues and the related assets, such as taxes receivable, until received, rather than when earned. Also, certain expenditures and the related liabilities, such as accounts payable and accrued items, are recognized when paid, rather than when the obligation is incurred. The financial statements reflect assets and liabilities arising from cash transactions, revenues collected, inventory on hand, and expenditures/expenses paid. The modified cash basis also includes depreciation expense as well as long-term capital assets and capital related liabilities. The modified cash basis of accounting is a comprehensive basis of accounting other than GAAP.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The governmental fund financial statements are prepared using the cash basis of accounting. The cash basis of accounting recognizes revenues when received instead of when earned or when measureable and available, and expenditures when paid instead of when incurred. The cash basis of accounting is a comprehensive basis of accounting other than GAAP.

d. Cash Equivalents

For purposes of reporting cash flows, the District considers all cash on hand, demand deposits, and highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

e. Investments

Investments consist of certificates of deposit with a maturity of greater than three months, at the purchase date, and are carried at cost.

f. Advances to Other Funds

Noncurrent portions of interfund loan receivables are reported as advances and are offset in the governmental funds equally by a nonspendable fund balance account in the General Corporate Fund, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation. Other funds' advances are offset by either restricted or assigned fund balance, indicating that the use of the proceeds from the collection of the advance is restricted or assigned.

g. Inventory

Inventory is maintained for goods held for resale at the golf course. It is valued at average cost.

h. Capital Assets

Capital assets, which include land, land improvements, construction in progress, machinery and equipment, and buildings and improvements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost in excess of a certain threshold, as shown below, and an estimated useful life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The following capitalization thresholds and estimated useful lives are used:

Assets	Threshold Value	Useful Life Years
Machinery and equipment	$ 5,000	3-20
Buildings and improvements	15,000	25-50
Land improvements		
Golf course	15,000	10-60
Other	15,000	10-50
Land	15,000	N/A

i. Long-Term Obligations

In the government-wide financial statements and the enterprise fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of the 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.

j. Fund Balance/Net Position

In accordance with the GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the governmental funds report up to five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Balance/Net Position (Continued)

Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as inventories.

Restricted - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws, and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are, by definition, restricted for those specified purposes.

Committed - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Park Commissioners). The Board of Park Commissioners commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds.

Assigned - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board of Park Commissioners or the individual Board of Park Commissioners delegates the authority to assign amounts to be used for specific purposes. Currently, the Assistant Business Manager has the authority to assign fund balances.

Unassigned - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Corporate Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. See Note 8 for detail of fund balance classifications.

k. Real Estate Taxes

The District's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible one-half on June 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1. Real estate tax revenues are recognized when distributions are received from the County Treasurer/Collector.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. INTERFUND ADVANCES

Due to the magnitude of the interfund balances and the District's inability to repay these balances within the next fiscal year, all interfund balances are classified as advances. The management of the District believes that all advances will eventually be repaid in full. Various funds have incurred operating deficits for several years. Those deficits have been funded with the interfund advances.

3. LEGAL COMPLIANCE AND ACCOUNTABILITY - DEFICIT FUND BALANCES

The General Corporate, Recreation, and Audit Funds of the District incurred operating deficits for several years. The District's management has been assessing the District's financial condition, has implemented new revenue sources, and is seeking additional potential revenue sources.

The following funds had a deficit in fund balance as of April 30, 2016:

Fund	Balance
General Corporate	$ (1,170,497)
Recreation	(97,608)
Audit	(115,242)

The District has restructured its real estate tax levy to allow these deficits to be reduced over time. The District also is expanding its operations to generate new revenue sources.

4. DEPOSITS AND INVESTMENTS

The District maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position - modified cash basis as "cash and cash equivalents." In addition, investments are separately held by several of the District's funds, which consist of certificates of deposit with maturities greater than 90 days.

4. DEPOSITS AND INVESTMENTS (Continued)

Certain of the funds participating in the cash pool incur overdrafts (deficits) in the account. Such overdrafts, in effect, constitute cash borrowed from other district funds and are, therefore, interfund advances which have not been authorized by Board action. Such loans are included in Note 7 as advances to/from other funds.

The District does not have an investment policy. Illinois Compiled Statutes (ILCS) authorizes the District to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds (a money market fund created by the State Legislature under the control of the State Treasurer that maintains a $1 share value) and the Illinois District Liquid Asset Fund (a money market fund created by the State Legislature under the control of the Illinois Association of Parks that maintains a $1 share value).

The District invests solely in certificates of deposit. At April 30, 2016, the District's deposits and investments consisted of the following:

Cash and cash equivalents	$ 356,968
Investments	823,268
TOTAL	$ 1,180,236

For disclosure purposes, the total above is segregated into two components: (1) cash on hand and (2) deposits with financial institutions, as follows:

Cash on hand	$ 3,155
Deposits with financial institutions	1,177,081
TOTAL	$ 1,180,236

The District's bank balances totaled $1,189,640 at April 30, 2016.

a. Interest Rate Risk

The District generally limits investment maturities to a maximum of three years as a means of managing its exposure to fair value losses arising from increased interest rates. The objective is to maintain a core portfolio with maturities of less than one year.

4. DEPOSITS AND INVESTMENTS (Continued)

b. Credit Risk

State law limits investments in commercial paper and mutual bond funds to the three top ratings issued by nationally recognized statistical rating organizations. The District does not impose further limits on investment choices.

c. Custodial Credit Risk

Custodial credit risk 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 deposits or collateral securities that are in the possession of an outside party. The full amount of the District's bank balance deposits were insured by the Federal Deposit Insurance Company as of April 30, 2016, therefore the District was not exposed to custodial credit risk.

d. Concentration of Credit Risk

The District prefers that its investments are diversified to eliminate the risk of loss resulting in an overconcentration in a security, maturity, issuer, or class of securities.

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2016 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 506,254	$ -	$ 57,547	$ 448,707
Construction in progress	155,966	5,433	-	161,399
Total capital assets not being deprectiated	662,220	5,433	57,547	610,106
Capital assets being depreciated				
Machinery and equipment	1,314,292	29,383	-	1,343,675
Buildings and equipment	1,639,023	44,284	-	1,683,307
Land improvements	958,427	-	-	958,427
Total capital assets being depreciated	3,911,742	73,667	-	3,985,409

5. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Machinery and equipment	$ 914,010	$ 101,204	$ -	$ 1,015,214
Buildings and improvements	1,104,535	32,016	-	1,136,551
Land improvements	303,593	19,584	-	323,177
Total accumulated depreciation	2,322,138	152,804	-	2,474,942
Total capital assets being depreciated, net	1,589,604	(79,137)	-	1,510,467
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 2,251,824	$ (73,704)	$ 57,547	$ 2,120,573
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 1,491,429	$ -	$ -	$ 1,491,429
Total capital assets not being depreciated	1,491,429	-	-	1,491,429
Capital assets being depreciated				
Machinery and equipment	980,250	-	29,383	950,867
Buildings and equipment	2,354,784	-	-	2,354,784
Land improvements	1,021,905	-	-	1,021,905
Total capital assets being depreciated	4,356,939	-	29,383	4,327,556
Less accumulated depreciation for				
Machinery and equipment	514,541	97,680	3,674	608,547
Buildings and improvements	442,767	48,391	-	491,158
Land improvements	540,834	68,766	-	609,600
Total accumulated depreciation	1,498,142	214,837	3,674	1,709,305
Total capital assets being depreciated, net	2,858,797	(214,837)	25,709	2,618,251
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 4,350,226	$ (214,837)	$ 25,709	$ 4,109,680

5. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES	
General government	$ 46,595
Recreation programs	73,847
Park maintenance	32,362
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 152,804
BUSINESS-TYPE ACTIVITIES	
Golf Course	$ 214,837
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	$ 214,837

6. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

The following is a summary of long-term debt activity for the District during the fiscal year:

	Balances May 1	Additions	Retirements	Balances April 30	Due Within One Year
GOVERNMENTAL ACTIVITIES					
General Obligation Park Bonds (Alternative Revenue Source), Series 2012A	$ 1,880,000	$ -	$ 120,000	$ 1,760,000	$ 125,000
TOTAL GOVERNMENTAL ACTIVITIES	$ 1,880,000	$ -	$ 120,000	$ 1,760,000	$ 125,000
BUSINESS-TYPE ACTIVITIES					
Capital lease	$ 160,337	$ -	$ 51,200	$ 109,137	$ 53,414
TOTAL BUSINESS-TYPE ACTIVITIES	$ 160,337	$ -	$ 51,200	$ 109,137	$ 53,414

6. LONG-TERM DEBT (Continued)

b. General Obligation Bonds Payable

In May 2012, the District issued $2,000,000 of General Obligation Park Bonds (Alternate Revenue Source), Series 2012A (the 2012A Series Bonds), with an interest rate ranging from 2.0% to 3.9%. The proceeds of the 2012A Series Bonds can be used for the payment of land condemned or purchased for parks and for building, maintaining, improving, and protecting the existing land and facilities of the District.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending April 30,	Principal	Interest	Total
2017	$ 125,000	$ 59,770	$ 184,770
2018	130,000	56,645	186,645
2019	130,000	53,395	183,395
2020	135,000	49,495	184,495
2021	140,000	45,445	185,445
2022-2026	755,000	154,825	909,825
2027-2028	345,000	20,280	365,280
TOTAL	$ 1,760,000	$ 439,855	$ 2,199,855

c. Revenues Pledged for Debt Service

The 2012A Series Bonds are to be paid through pledged property tax revenues. This pledge will remain until all of the bonds are retired. The amount of the pledge remaining at April 30, 2016 was $2,199,855. The commitment ends on December 15, 2027.

The District collected pledged revenues totaling $182,114 during the year ended April 30, 2016. Principal and interest retired during the same period totaled $182,170, which represents approximately 100% of the pledged revenues collected.

6. LONG-TERM DEBT (Continued)

d. Capital Lease Obligations

On January 30, 2013, the District entered into a noncancellable capital lease agreement for 70 new golf carts. The lease requires monthly installments of $9,402, including interest at 4.24%, from May 1 through October 1 of each year, for five years beginning on May 1, 2013. At April 30, 2016, the District is obligated for future payments under this lease, as follows:

Year Ending April 30,	Business-Type Activities		
	Principal	Interest	Total
2017	$ 53,414	$ 3,000	$ 56,414
2018	55,723	691	56,414
TOTAL	$ 109,137	$ 3,691	$ 112,828

7. INTERFUND ADVANCES/INTERNAL ADVANCES

Interfund advances arise when interfund receivables and payables exist which management does not intend to reimburse within a period of one year. The District has restructured its real estate tax levy to allow it to remedy and repay these unauthorized advances of approximately $2.8 million over time. Management believes that the District will have the time and resources necessary to allow it to repay these amounts. No contingencies related to these advances are known at this time; however, the District believes that the amount, if any, will not be material to the financial statements. The details of the reported internal balances are as follows:

	Advances To	Advances From
MAJOR GOVERNMENTAL		
General Corporate		
Recreation	$ 9,962	$ -
Audit	49,608	-
Golf Course	247,825	-
Illinois Municipal Retirement	-	519,632
Public Liability Insurance	-	698,164
Capital Improvements	-	287,255
Total General Corporate	307,395	1,505,051

7. INTERFUND ADVANCES/INTERNAL ADVANCES (Continued)

	Advances To	Advances From
MAJOR GOVERNMENTAL (Continued)		
Recreation		
General Corporate	$ -	$ 9,962
Special Recreation	-	10,017
Illinois Municipal Retirement	-	61,995
Public Liability Insurance	13,394	-
Capital Improvement	-	66,299
Audit	7,634	-
Golf Course	-	-
Total Recreation	21,028	148,273
Special Recreation		
Recreation	10,017	-
Illinois Municipal Retirement	7,142	-
Public Liability Insurance	46,769	-
Capital Improvements	580,772	-
Golf Course	13,501	-
Total Special Recreation	658,201	-
Illinois Municipal Retirement		
General Corporate	519,632	-
Recreation	61,995	-
Special Recreation	-	7,142
Capital Improvements	121,957	-
Total Illinois Municipal Retirement	703,584	7,142
Public Liability Insurance		
General Corporate	698,164	-
Recreation	-	13,394
Special Recreation	-	46,769
Capital Improvements	46,769	-
Audit	58,000	-
Total Public Liability Insurance	802,933	60,163
Capital Improvements		
General Corporate	287,255	-
Recreation	66,299	-
Special Recreation	-	580,772
Illinois Municipal Retirement	-	121,957
Public Liability Insurance	-	46,769
Total Capital Improvements	353,554	749,498

7. INTERFUND ADVANCES/INTERNAL ADVANCES (Continued)

	Advances To	Advances From
NONMAJOR GOVERNMENTAL		
Audit		
General Corporate	$ -	$ 49,608
Recreation	-	7,634
Public Liability Insurance	-	58,000
Total Audit	-	115,242
Total Governmental	2,846,695	2,585,369
MAJOR BUSINESS-TYPE		
Golf Course		
General Corporate	-	247,825
Special Recreation	-	13,501
Total Golf Course	-	261,326
Total interfund advances	$ 2,846,695	$ 2,846,695

8. FUND BALANCE REPORTING

As defined in Note 1, the District had $307,394 of nonspendable fund balance in the General Corporate Fund at April 30, 2016, which represented advances to other funds.

9. RESTRICTED FUND BALANCE/NET POSITION

The governmental fund statements report fund balance restricted for the following purposes:

Special Recreation	$ 681,119
Illinois Municipal Retirement	703,584
Public Liability Insurance	802,933
Capital Projects	375,066
Bond and Interest	252,184
TOTAL RESTRICTED FUND BALANCE	$ 2,814,886

The Capital Improvements fund also reports $5,065 of fund balance that it has assigned for capital projects.

9. RESTRICTED FUND BALANCE/NET POSITION (Continued)

The government-wide statement of net position - modified cash basis reports $2,814,886 of restricted net position which consists of the following:

Special Recreation	$ 681,119
Illinois Municipal Retirement	703,584
Public Liability Insurance	802,933
Capital Projects	375,066
Bond and Interest	252,184
TOTAL RESTRICTIONS	$ 2,814,886

10. CONTINGENCIES

a. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally state and federal governments. 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.

b. Litigation

The District is party to various claims and legal actions arising in the ordinary operations of the District government. While it is not possible at this time to determine the outcome of these matters, management believes that the ultimate liability, if any, will not be material to the financial statements.

11. DEFINED BENEFIT PENSION PLAN

The District's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The benefits, benefit levels, employee contributions and employer contributions for the plan are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

11. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description

Plan Administration

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

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

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	20
Inactive employees entitled to but not yet receiving benefits	124
Active employees	40
TOTAL	184

Benefits Provided

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

11. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2015 was 7.3% of covered payroll. The employer contribution for the year ending December 31, 2016 is 6.14% of covered payroll.

Actuarial Assumptions

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

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

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

11. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension (Asset)
BALANCES AT JANUARY 1, 2015	$ 3,378,665	$ 3,868,151	$ (489,486)
Changes for the period			
Service cost	123,838	-	123,838
Interest	253,182	-	253,182
Difference between expected and actual experience	(260,967)	-	(260,967)
Changes in assumptions	-	-	-
Employer contributions	-	87,483	(87,483)
Employee contributions	-	68,268	(68,268)
Net investment income	-	19,406	(19,406)
Benefit payments and refunds	(129,647)	(129,647)	-
Other (net transfer)	-	(379,672)	379,672
Net changes	(13,594)	(334,162)	320,568
BALANCES AT DECEMBER 31, 2015	$ 3,365,071	$ 3,533,989	$ (168,918)

11. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

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

For the year ended April 30, 2016, the District recognized pension expense of $331,874.

At April 30, 2016, the District has deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 129,782
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	205,958	-
Contributions made subsequent to the measurement date	22,093	-
TOTAL	$ 228,051	$ 129,782

Amounts shown above as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2017	$ (56,200)
2018	51,489
2019	51,489
2020	51,491
2021	-
Thereafter	-
TOTAL	$ 98,269

11. DEFINED BENEFIT PENSION PLAN (Continued)

a. Plan Description (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	$ 295,080	$ (168,918)	$ (549,239)

12. OTHER POSTEMPLOYMENT BENEFITS

The District provides postemployment medical insurance benefits (OPEB) for retired employees as required by state regulations. No formal postemployment benefit plan has been established. As of April 30, 2016, there were no retirees receiving benefits and 11 employees who were eligible to receive benefits upon retirement. Total monthly medical insurance premium costs were approximately $9,200.

The District's implicit cost is equal to the difference between current premium levels and what those premiums would be if retirees were not included. The implicit cost cannot presently be determined; however, management believes that this amount is immaterial.

13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases coverage against such risks and against other risks of loss, including health insurance, torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

SUPPLEMENTARY INFORMATION (Unaudited)

FOSS PARK DISTRICT
NORTH CHICAGO ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

		2016
Actuarially determined contribution	$	87,483
Contributions in relation to the actuarially determined contribution		87,483
CONTRIBUTION DEFICIENCY (Excess)	$	-
Covered-employee payroll	$	1,198,398
Contributions as a percentage of covered-employee payroll		7.30%

Notes to Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the preceding calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 28 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4% to 16.0% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

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

April 30, 2016

		2016
TOTAL PENSION LIABILITY		
Service cost	$	123,838
Interest		253,182
Differences between expected and actual experience		(260,967)
Changes in assumptions		-
Benefit payments, including refunds of member contributions		(129,647)
Net change in total pension liability		(13,594)
Total pension liability - beginning		3,378,665
TOTAL PENSION LIABILITY - ENDING	$	3,365,071
PLAN FIDUCIARY NET POSITION		
Contributions - employer	$	87,483
Contributions - member		68,268
Net investment income		19,406
Benefit payments, including refunds of member contributions		(129,647)
Administrative expense		(379,672)
Net change in plan fiduciary net position		(334,162)
Plan fiduciary net position - beginning		3,868,151
PLAN FIDUCIARY NET POSITION - ENDING	$	3,533,989
EMPLOYER'S NET PENSION ASSET	$	(168,918)
Plan fiduciary net position as a percentage of the total pension asset		105.02%
Covered-employee payroll	$	1,198,398
Employer's net pension asset as a percentage of covered-employee payroll		(14.10%)

Information presented as of April 30, 2016.

(See independent auditor's report.)

OTHER SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL CORPORATE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 780,693	$ 768,400	$ (12,293)
Intergovernmental revenues	140,000	145,528	5,528
Charges for services	3,000	2,230	(770)
Other income	426,000	208,562	(217,438)
Interest income	25	480	455
Total revenues collected	1,349,718	1,125,200	(224,518)
EXPENDITURES PAID			
Current			
General administration	1,140,000	441,251	(698,749)
Park maintenance	331,000	193,798	(137,202)
Total expenditures paid	1,471,000	635,049	(835,951)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(121,282)	490,151	611,433
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital asset	-	250,000	250,000
Transfers (out)	-	(335,168)	(335,168)
Total other financing sources (uses)	-	(85,168)	(85,168)
NET CHANGE IN FUND BALANCE	$ (121,282)	404,983	$ 526,265
FUND BALANCE (DEFICIT), MAY 1		(1,575,480)	
FUND BALANCE (DEFICIT), APRIL 30		$ (1,170,497)	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED REVENUES COLLECTED - BUDGET AND ACTUAL
GENERAL CORPORATE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 780,693	$ 768,400	$ (12,293)
Intergovernmental revenues			
Replacement taxes	140,000	145,528	5,528
Charges for services			
Rentals	3,000	2,230	(770)
Other income			
Expense reimbursement	-	3,437	3,437
Other	426,000	205,125	(220,875)
Total other income	426,000	208,562	(217,438)
Interest income	25	480	455
TOTAL REVENUES COLLECTED	$ 1,349,718	$ 1,125,200	$ (224,518)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES PAID - BUDGET AND ACTUAL
GENERAL CORPORATE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
EXPENDITURES PAID			
General administration			
Personal services			
Salaries	$ 275,000	$ 266,652	$ (8,348)
Fringe benefits	50,000	22,769	(27,231)
Total personal services	325,000	289,421	(35,579)
Contractual services			
Professional services	150,000	57,868	(92,132)
Utilities and cleaning	5,000	1,184	(3,816)
Maintenance, repairs, and insurance	15,000	16,525	1,525
Communications	40,000	38,642	(1,358)
Other	590,000	33,088	(556,912)
Total contractual services	800,000	147,307	(652,693)
Commodities	15,000	4,523	(10,477)
Total general administration before capital outlay and debt service	1,140,000	441,251	(698,749)
Capital outlay	5,000	-	(5,000)
Total general administration	1,145,000	441,251	(703,749)
Park maintenance			
Personal services			
Salaries	175,000	152,549	(22,451)
Fringe benefits	30,000	131	(29,869)
Total personal services	205,000	152,680	(52,320)
Contractual services			
Professional services	5,000	-	(5,000)
Utilities and cleaning	20,000	10,973	(9,027)
Maintenance, repairs, and insurance	50,000	12,225	(37,775)
Communications	6,000	1,204	(4,796)
Other expenditures	5,000	-	(5,000)
Total contractual services	86,000	24,402	(61,598)
Commodities	40,000	16,716	(23,284)
Total park maintenance	331,000	193,798	(137,202)
TOTAL EXPENDITURES PAID	$ 1,476,000	$ 635,049	$ (840,951)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
RECREATION FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 691,002	$ 680,028	$ (10,974)
Charges for services	100,020	104,720	4,700
Contributions and donations	1,000	1,850	850
Other income	35,500	27,665	(7,835)
Interest income	-	13	13
Total revenues collected	827,522	814,276	(13,246)
EXPENDITURES PAID			
General administration	1,051,500	441,141	(610,359)
Recreation programs	92,000	39,141	(52,859)
Total expenditures paid	1,143,500	480,282	(663,218)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(315,978)	333,994	649,972
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(39,613)	(39,613)
Total other financing sources (uses)	-	(39,613)	(39,613)
NET CHANGE IN FUND BALANCE	$ (315,978)	294,381	$ 610,359
FUND BALANCE (DEFICIT), MAY 1		(391,989)	
FUND BALANCE (DEFICIT), APRIL 30		$ (97,608)	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED REVENUES COLLECTED - BUDGET AND ACTUAL
RECREATION FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 691,002	$ 680,028	$ (10,974)
Charges for services			
Fees	77,520	77,174	(346)
Rentals	22,500	27,546	5,046
Total charges for services	100,020	104,720	4,700
Contributions and donations	1,000	1,850	850
Other income	35,500	27,665	(7,835)
Interest income	-	13	13
TOTAL REVENUES COLLECTED	$ 827,522	$ 814,276	$ (13,246)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES PAID - BUDGET AND ACTUAL
RECREATION FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
EXPENDITURES PAID			
General administration			
Personal services			
Salaries	$ 400,000	$ 280,864	$ (119,136)
Fringe benefits	60,000	16,980	(43,020)
Total personal services	460,000	297,844	(162,156)
Contractual services			
Professional services	9,000	15,740	6,740
Utilities and cleaning	75,000	32,032	(42,968)
Maintenance, repairs, and insurance	50,000	35,291	(14,709)
Communications	50,000	35,082	(14,918)
Total contractual services	184,000	118,145	(65,855)
Other expenditures			
Commodities	50,000	25,152	(24,848)
Other expenditures	2,500	-	(2,500)
Capital outlay	5,000	-	(5,000)
Transfers out	350,000	-	(350,000)
Total other expenditures	407,500	25,152	(382,348)
Total general administration	1,051,500	441,141	(610,359)
Recreation programs			
Personal services			
Salaries	8,000	-	(8,000)
Fringe benefits	2,000	-	(2,000)
Total personal services	10,000	-	(10,000)
Contractual services			
Professional services	5,000	-	(5,000)
Utilities/cleaning	2,000	-	(2,000)
Maintenance and repair/insurance	5,000	-	(5,000)
Communications	30,000	12,575	(17,425)
Total contractual services	42,000	12,575	(29,425)
Other expenditures			
Commodities	40,000	26,566	(13,434)
Total recreation programs	92,000	39,141	(52,859)
TOTAL EXPENDITURES PAID	$ 1,143,500	$ 480,282	$ (663,218)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL RECREATION FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 15,000	$ 9,843	$ (5,157)
Total revenues collected	15,000	9,843	(5,157)
EXPENDITURES PAID			
Current			
General administration			
Professional services	8,000	-	(8,000)
Maintenance, repairs, and insurance	15,000	-	(15,000)
Communications	12,000	365	(11,635)
Commodities	8,000	-	(8,000)
Capital outlay	25,000	-	(25,000)
Total general administration	68,000	365	(67,635)
Total expenditures paid	68,000	365	(67,635)
NET CHANGE IN FUND BALANCE	$ (53,000)	9,478	$ 62,478
FUND BALANCE, MAY 1		671,641	
FUND BALANCE, APRIL 30		$ 681,119	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
None	$ -	$ -	$ -
Total revenues collected	-	-	-
EXPENDITURES PAID			
Current			
General administration	223,768	155,585	(68,183)
Park maintenance	50,683	35,239	(15,444)
Recreation programs	550	382	(168)
Total expenditures paid	275,001	191,206	(83,795)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(275,001)	(191,206)	83,795
OTHER FINANCING SOURCES (USES)			
Transfers in	360,000	-	(360,000)
Total other financing sources (uses)	360,000	-	(360,000)
NET CHANGE IN FUND BALANCE	$ 84,999	(191,206)	$ (276,205)
FUND BALANCE, MAY 1		887,648	
FUND BALANCE, APRIL 30		$ 696,442	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
PUBLIC LIABILITY INSURANCE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Other income	$ 306,400	$ 1,765	$ (304,635)
Total revenues collected	306,400	1,765	(304,635)
EXPENDITURES PAID			
Current			
General administration			
Personnel services			
Workers' compensation and unemployment insurance	150,000	107,636	(42,364)
Professional services	45,000	14,277	(30,723)
Liability insurance	100,000	59,725	(40,275)
Communications	30,000	12,125	(17,875)
Commodities	20,000	843	(19,157)
Total general administration	345,000	194,606	(150,394)
Capital outlay	60,000	-	(60,000)
Total expenditures paid	405,000	194,606	(210,394)
NET CHANGE IN FUND BALANCE	$ (98,600)	(192,841)	$ (94,241)
FUND BALANCE, MAY 1		935,611	
FUND BALANCE, APRIL 30		$ 742,770	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Intergovernmental	$ 62,464	$ 40,571	$ (21,893)
Interest income	1,000	20,747	19,747
Total revenues collected	63,464	61,318	(2,146)
EXPENDITURES PAID			
General administration			
Professional services	50,000	(92)	(50,092)
Maintenance and repair	60,000	15,774	(44,226)
Communications	1,000	-	(1,000)
Capital outlay	350,000	58,677	(291,323)
Total expenditures paid	461,000	74,359	(386,641)
NET CHANGE IN FUND BALANCE	$ (397,536)	(13,041)	$ 384,495
FUND BALANCE, MAY 1		393,172	
FUND BALANCE, APRIL 30		$ 380,131	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BOND AND INTEREST FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 183,994	$ 182,114	$ (1,880)
Interest income	200	34	(166)
Total revenues collected	184,194	182,148	(2,046)
EXPENDITURES PAID			
General administration			
Professional services	30,000	577	(29,423)
Debt service			
Principal	400,000	120,000	(280,000)
Interest and bond fees	25,000	62,170	37,170
Total expenditures paid	455,000	182,747	(272,253)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(270,806)	(599)	(274,299)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	181,603	181,603
NET CHANGE IN FUND BALANCE	$ (270,806)	181,004	$ (92,696)
FUND BALANCE, MAY 1		71,180	
FUND BALANCE, APRIL 30		$ 252,184	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES, AND
FUND BALANCES ARISING FROM CASH TRANSACTIONS
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue Funds		Total Nonmajor Funds
	Audit	**Police**	
ASSETS			
None	$ -	$ -	$ -
TOTAL ASSETS	$ -	$ -	$ -
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Advances from other funds	$ 115,242	$ -	$ 115,242
FUND BALANCES			
Unassigned	(115,242)	-	(115,242)
Total fund balances (deficit)	(115,242)	-	(115,242)
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ -	$ -

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue Funds		Total Nonmajor Funds
	Audit	**Police**	
REVENUES COLLECTED			
Real estate taxes	$ 10,976	$ 14,762	$ 25,738
Total revenues collected	10,976	14,762	25,738
EXPENDITURES PAID			
General administration	10,976	29,158	40,134
Total expenditures paid	10,976	29,158	40,134
NET CHANGE IN FUND BALANCES	-	(14,396)	(14,396)
FUND BALANCE (DEFICIT), MAY 1	(115,242)	14,396	(100,846)
FUND BALANCE (DEFICIT), APRIL 30	$ (115,242)	$ -	$ (115,242)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 11,153	$ 10,976	$ (177)
Total revenues collected	11,153	10,976	(177)
EXPENDITURES PAID			
General administration	30,000	10,976	(19,024)
Total expenditures paid	30,000	10,976	(19,024)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(18,847)	-	18,847
OTHER FINANCING SOURCES (USES)			
Transfers in	6,847	-	(6,847)
Total other financing sources (uses)	6,847	-	(6,847)
NET CHANGE IN FUND BALANCE	$ (12,000)	-	$ 12,000
FUND BALANCE (DEFICIT), MAY 1		(115,242)	
FUND BALANCE (DEFICIT), APRIL 30		$ (115,242)	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES COLLECTED			
Real estate taxes	$ 15,000	$ 14,762	$ (238)
Total revenues collected	15,000	14,762	(238)
EXPENDITURES PAID			
Current			
General administration			
Personnel services	125,000	24,781	(100,219)
Professional services	15,000	-	(15,000)
Utilities and cleaning	5,000	1,706	(3,294)
Maintenance and repair	10,000	1,148	(8,852)
Communications	5,000	-	(5,000)
Commodities	15,000	1,523	(13,477)
Capital outlay	30,000	-	(30,000)
Total general administration	205,000	29,158	(175,842)
Total expenditures paid	205,000	29,158	(175,842)
NET CHANGE IN FUND BALANCE	$ (190,000)	(14,396)	$ 175,604
FUND BALANCE, MAY 1		14,396	
FUND BALANCE, APRIL 30		$ -	

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED OPERATING REVENUE COLLECTED - BUDGET AND ACTUAL
GOLF COURSE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES COLLECTED			
Charges for services	$ 1,659,000	$ 880,630	$ (778,370)
Rental	100	199,808	199,708
Other receipts	77,000	48,725	(28,275)
TOTAL OPERATING REVENUES COLLECTED	$ 1,736,100	$ 1,129,163	$ (606,937)

(See independent auditor's report.)

FOSS PARK DISTRICT
NORTH CHICAGO, ILLINOIS

SCHEDULE OF DETAILED OPERATING EXPENSES PAID - BUDGET AND ACTUAL
GOLF COURSE FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
OPERATING EXPENSES PAID			
Golf course operations expenses paid			
Personal			
Salaries	$ 525,000	$ 463,902	$ (61,098)
Fringe benefits	60,000	24,734	(35,266)
Total personal	585,000	488,636	(96,364)
Contractual services			
Professional services	30,000	18,837	(11,163)
Utilities and cleaning	50,000	33,145	(16,855)
Maintenance, repairs, and insurance	20,000	29,529	9,529
Communications	130,000	94,753	(35,247)
Other expenditures	5,000	-	(5,000)
Total contractual services	235,000	176,264	(58,736)
Commodities	700,000	541,596	(158,404)
Capital outlay	75,000	-	(75,000)
Total golf course operations expenses paid	1,595,000	1,206,496	(388,504)
Golf course maintenance expenses paid			
Personal			
Salaries	275,000	204,382	(70,618)
Fringe benefits	50,000	13,437	(36,564)
Total personal	325,000	217,819	(107,181)
Contractual services			
Professional services	7,500	3,726	(3,774)
Utilities and cleaning	75,000	57,818	(17,182)
Maintenance, repairs, and insurance	75,000	36,358	(38,642)
Communications	6,000	2,972	(3,028)
Other expenditures	10,000	-	(10,000)
Total contractual services	173,500	100,875	(72,625)
Commodities	200,000	151,758	(48,242)
Total golf course maintenance expenses paid before capital outlay	698,500	470,452	(228,048)
Capital outlay	25,000	160	(24,840)
Total golf course maintenance expenses paid	723,500	470,612	(252,888)
Depreciation	-	214,837	214,837
TOTAL OPERATING EXPENSES PAID	$ 2,318,500	$ 1,891,945	$ (426,555)

(See independent auditor's report.)

BUDGETS AND BUDGETARY ACCOUNTING

Budgetary Controls

The budget for all funds is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The District's budget identified revenues and expenditures in broad categories.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

a. The District's Executive Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.

b. A public hearing is held at the District's office to obtain taxpayer comments.

c. The budget is legally adopted through a passage of resolution.

d. The District's Executive Director is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditure of any fund must be approved by the Board of Commissioners.

e. Formal budgetary integration is employed as a management control device during the year for the General Corporate Fund, all special revenue and capital projects funds, and the Golf Course Fund. Formal budgetary integration is not employed for the Bond and Interest Fund because of effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

The appropriations may be amended by the Board of Commissioners. There were no amendments to the budget for the year ended April 30, 2016.