

**Foss Park District, Illinois**

**Annual Financial Report**

**For the Year Ended April 30, 2013**

**Foss Park District, Illinois**  
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 For the Year Ended April 30, 2013

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## **INTRODUCTORY SECTION**

**Foss Park District, Illinois**  
LIST OF PRINCIPAL OFFICIALS  
April 30, 2013

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Board of Commissioners

Lawrence Wade, President

Kingston Neal  
Vice-President/Treasurer

Vernon McKinley  
Commissioner, Treasurer

Donna King  
Commissioner

Bernard Semasko  
Commissioner

\* \* \* \* \*

Kevin Holley  
Executive Director of Parks and Recreation

Kari Cowart  
Superintendent of Recreation

Robert Winter  
Superintendent of Grounds/Maintenance

Bradley Skof  
Business Manager

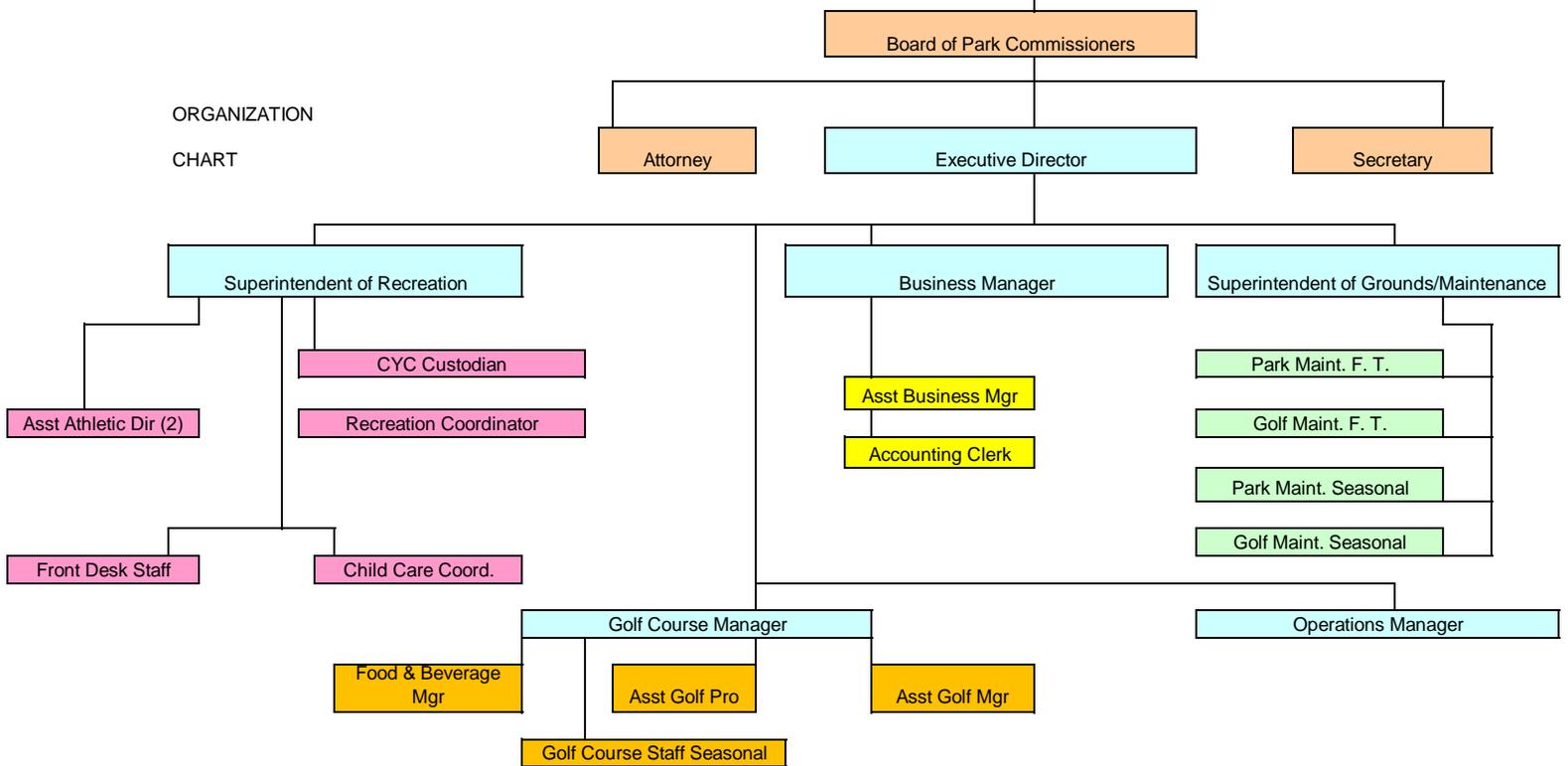
Gabriel Monroe  
Golf Course Manager

Ronald Hoffman  
Food & Beverage Manager



2013

Residents of the Foss Park District



## **FINANCIAL SECTION**

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

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, Illinois (the "District"), as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

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

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 A; this includes determining that the modified cash basis of accounting is an acceptable basis 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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***Auditor's Responsibility***

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, with the exception of the matter discussed in the following paragraph, the financial statements, referred to above, present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of April 30, 2013, and the respective changes in financial position-modified cash basis and, where applicable, cash flows, thereof for the year then ended on the basis of accounting described in Note A.

The Park District was unable to reconcile the results of its physical inventory counts to its perpetual records, and was unable to produce an accurate extended inventory detail, as of the statement of net position date. It was not practicable to extend our auditing procedures sufficiently to satisfy ourselves as to the fairness of this inventory, stated at \$193,357, in the accompanying financial statements, as of April 30, 2013.

***Basis of Accounting***

We draw attention to Note A to the financial statements, which describes the basis of accounting. The financial statements are prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matters***

***Supplementary Information***

The management's discussion and analysis on pages 4 through 10, the Illinois Municipal Retirement Fund historical data on page 44, and the budgetary comparison schedules and notes to supplementary information on pages 45 through 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is considered to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic modified cash basis financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

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

MILLER, COOPER & CO., LTD.

*Miller, Cooper & Co., Ltd.*

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Certified Public Accountants

Deerfield, Illinois  
November 8, 2013

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

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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 12).

### **Financial Highlights**

- 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 \$4,684,034, with expenses being \$5,372,044, for a decrease in net position of \$688,010.
- Real estate and replacement taxes collected were \$1,760,871 and \$128,648 respectively, a decrease of \$5,091 and \$1,110, respectively, over the previous year.
- Recreation program registration, fees, and operating contributions resulted in collected revenues of \$77,902, a decrease of \$21,050, and expenses were \$100,094. Recreation program expenses include \$63,692 of depreciation expense. Depreciation expense charged to general government and park maintenance activities totaled \$44,044 and \$20,920, respectively.
- Golf course charges for services revenues were \$1,708,841 for the year, which is an increase of \$599,992. Other golf course revenues included \$780,393 in capital contributions from governmental activities. Golf course expenses were \$2,280,216, which included \$179,988 of depreciation expense.
- The District continues to commit resources toward maintaining and improving parks, playgrounds, and facilities. In fiscal year 2013, \$1,164,940 was spent, on capital outlay, for the District's facilities and equipment.
- The District's outstanding long-term debt was \$2,575,332, at April 30, 2013, which represents an increase from the previous year, due largely to a \$2,000,000 debt issue, in May 2012.

### **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) governmental funds and 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.

In the current year, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63). In the government-wide financial statements, the District is now required to report five elements on the statement of net position (formerly known as the statement of net assets), assets, deferred outflow of resources, liabilities, deferred inflows of resources, and net position (formerly known as net assets). The types of deferred outflows and inflows of resources to be reported currently consist of service concession arrangements and derivative instruments. As of June 30, 2013, the District has no deferred outflows or deferred inflows of resources. 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.

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

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**Government-Wide Financial Statements (Continued)**

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 12 through 14 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 financial 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 *combining statement of assets and liabilities arising from cash transactions* and the governmental funds *combining 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 schedules are included in the supplementary information for the General Corporate Fund and major special revenue funds. Budgetary comparison schedules for the other funds can be found in the other supplementary information section of this report. These schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented starting on page 15 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 (enterprise) fund financial statements are presented starting on page 20 of this report.

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

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**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 index for notes to the financial statements begins on page 23 and the notes begin on page 25 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees, and budgetary comparisons. Supplementary Information can be found on pages 45 through 50 of this report and the Notes to the Supplementary Information can be found on page 51.

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 59.

**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 one hundred 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.

**Summary Schedule of Net Position – Modified Cash Basis**

	<u>Governmental Activities</u>	
	<u>April 30, 2013</u>	<u>April 30, 2012</u>
<b><u>Assets:</u></b>		
Current assets and advances	\$2,373,954	\$1,576,859
Capital assets – not being depreciated	581,409	506,254
Capital assets – net of depreciation	<u>1,620,888</u>	<u>1,695,704</u>
Total assets	<u>4,576,251</u>	<u>3,778,817</u>
<b><u>Liabilities:</u></b>		
Current liabilities	340,079	325,458
Noncurrent liabilities	<u>2,319,775</u>	<u>624,465</u>
Total liabilities	<u>2,340,079</u>	<u>645,233</u>
<b><u>Net Position:</u></b>		
Invested in capital assets, net of related debt	2,073,302	1,577,493
Restricted by enabling legislation	3,539,440	3,944,211
Unrestricted	<u>(3,376,570)</u>	<u>(2,388,120)</u>
Total net position	<u>\$2,236,172</u>	<u>\$3,133,584</u>

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

**Summary Schedule of Net Position – Modified Cash Basis (Continued)**

	<u>Business-Type Activities</u>	
	<u>April 30, 2013</u>	<u>April 30, 2012</u>
<b><u>Assets:</u></b>		
Current assets net of advances	\$ (154,636)	\$ 236,362
Capital assets – not being depreciated	1,746,986	1,491,429
Capital assets – net of depreciation	<u>2,915,742</u>	<u>2,315,342</u>
Total assets	<u>4,508,092</u>	<u>4,043,133</u>
<b><u>Liabilities:</u></b>		
Current liabilities	50,527	-0-
Noncurrent liabilities	<u>205,030</u>	<u>-0-</u>
Total liabilities	<u>255,557</u>	<u>-0-</u>
<b><u>Net Position:</u></b>		
Invested in capital assets, net of related debt	4,662,728	3,806,771
Unrestricted	<u>(410,193)</u>	<u>236,362</u>
Total net position	<u>\$4,252,535</u>	<u>\$4,043,133</u>

**Summary Schedule of Activities – Modified Cash Basis**

	<u>Governmental Activities</u>	
	<u>April 30, 2013</u>	<u>April 30, 2012</u>
<b><u>Revenues:</u></b>		
Real estate taxes	\$1,760,871	\$1,765,962
Replacement taxes	128,648	129,758
Charges for services	75,273	100,587
Grants and contributions	83,219	600
Interest	2,084	5,274
Miscellaneous	<u>144,321</u>	<u>136,632</u>
Total	<u>2,194,416</u>	<u>2,138,813</u>
<b><u>Expenses:</u></b>		
General administration	2,650,943	3,247,943
Park maintenance	273,625	225,214
Recreation programs	100,094	163,351
Interest	<u>67,166</u>	<u>34,594</u>
Total	<u>3,091,828</u>	<u>3,671,102</u>
Change in net position	(897,412)	(1,532,289)
Net position - beginning of year	<u>3,133,584</u>	<u>4,665,873</u>
Net position - end of year	<u>\$2,236,172</u>	<u>\$3,133,584</u>

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

**Summary Schedule of Activities – Modified Cash Basis (Continued)**

	<u>Business-Type Activities</u>	
	<u>April 30, 2013</u>	<u>April 30, 2012</u>
<b><u>Revenues:</u></b>		
Charges for services	\$1,708,841	\$1,108,849
Capital contributions	780,393	1,884,950
Interest	384	48
Total	2,489,618	2,993,847
<b><u>Expenses:</u></b>		
Golf course	\$2,280,216	\$1,400,234
Change in net position	209,402	1,593,613
Net position – beginning of year	4,043,133	2,449,520
Net position - end of year	\$4,252,535	\$4,043,133

**Financial Highlights**

Revenues for governmental and business-type activities, excluding capital contributions, increased by approximately 18% in fiscal year 2013, primarily due to an increase in charges for services from the golf course. In addition, due to the planned increase in real estate taxes collected in the General Corporate and Recreation funds, with no real estate taxes levied for Illinois Municipal Retirement Fund and Public Liability Insurance Fund purposes, the Park District was able to repay advances by the Illinois Municipal Retirement Fund and Public Liability Insurance Fund to the General Corporate and Recreation funds, in the amount of \$418,100.

**Budgetary Highlights**

The Foss Park District's Business Office requests that various department heads submit fiscal year budgets for revenues and planned expenditures before the fiscal year begins, on May 1<sup>st</sup>. This information is compiled and presented to the Executive Director, prior to presentation to the Board of Park 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 Park Commissioners after the Budget and Appropriation hearing. The approved budget is then filed with the County Clerk.

**General Corporate Fund:**

Total revenues in the General Corporate Fund were 0.4% higher than the budgeted total of \$965,272. Negative variances in real estate tax and replacement tax receipts were offset by an increase in cell tower lease income, which is recorded in other income. Overall expenditures were about 31% over budget.

General administration expenditures were approximately \$256,000 over budget, due to expenditures incurred at a summer concert in Foss Park, co-sponsored by the Park District. The District continues to seek reimbursement of some of the costs.

Park maintenance expenditures were below budget by approximately \$25,000. Significant savings were achieved in personnel services, 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.

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

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**Budgetary Highlights** (Continued)

Recreation Fund:

Revenues from all sources were approximately \$39,000 below budget expectations. This was a result of under-attendance in current programming as well as negative variances in property and replacement taxes. The total revenue for this fund was about 5% under budget.

Expenditures were approximately 12% under budget, due to careful attention to costs associated with running the District's many programs.

**Financial Analysis of the District's Funds**

Governmental Funds

Governmental funds as reported in the financial statements are displayed to assess the spendable resources for current and future Park District operations. Governmental funds reported an ending total fund balance of \$2,353,650, which represents an increase over last year of \$797,559. This arose primarily as a result of proceeds from the issuance of the \$2,000,000 general obligation park bonds (alternate revenue source), series 2012A.

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 \$2,124,045, which was a decrease in the deficit of \$4,804, resulting from a planned excess of revenues collected over expenditures paid. The concert expenditures previously mentioned affected the amount available to repay interfund borrowings.

The Recreation Fund had a deficit fund balance, at the end of the fiscal year, of \$569,539, which was a decrease in the deficit of \$328,053. This was due to an excess of revenues collected over expenditures paid, due to an increase in the property tax levy.

The Special Recreation Fund had a fund balance of \$676,904, at the end of the fiscal year, which was an increase of \$14,188. This was due to under spending as regards to planned expenditures.

The Illinois Municipal Retirement Fund's fund balance, at the end of the fiscal year, was \$1,313,747, which was a decrease of \$187,936. 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 \$1,263,293, which was a decrease of \$246,696. 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 \$1,602,603, which was an increase of \$876,368. This was due to the bond issuance in May 2012; the proceeds of that issuance having not been completely spent yet due to planned building and acquisitions to be completed in the future.

The Bond and Interest Fund's fund balance, at the end of the fiscal year, was \$133,311, which was an increase of \$55,307. This was due to the receipt of proceeds from the issuance of the newly issued 2012A bonds, as described above.

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 \$3,888,899, as of April 30, 2013. The detail of the advances is shown on pages 39 through 40 of this report.

**Foss Park District, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2013**

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**Capital Assets**

Net capital assets increased approximately \$860,000, in the current year. This was primarily a result of a completion of a stand-alone pavilion, at the Golf Course, paid for with proceeds from the bond issued in 2012.

**Debt Administration**

As of April 30, 2013, the Park District has two outstanding general obligation bond issues, totaling \$2,319,775. The general obligation limited tax park bonds, series 2011, with an outstanding balance of \$319,775, are due and payable within one year, and will be paid through future real estate tax collections. The general obligation park bonds (alternate revenue source), series 2012A, with an outstanding balance of \$2,000,000, are payable over a 15-year period. The interest will be paid through future property tax revenues, and principal will be paid through program revenues. The Bond and Interest Fund had a fund balance of \$133,311, at April 30, 2013.

**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, Illinois

Statement of Net Position - Modified Cash Basis

April 30, 2013

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	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,430,545	\$ 2,370	\$ 1,432,915
Investments	516,325	-	516,325
Inventory	-	193,357	193,357
Advance to private organization	4,187	-	4,187
Internal advances	350,363	(350,363)	-
Deposits with paying agents	72,534	-	72,534
Land and other capital assets not being depreciated	581,409	1,746,986	2,328,395
Capital assets, net of accumulated depreciation	<u>1,620,888</u>	<u>2,915,742</u>	<u>4,536,630</u>
Total assets	<u>4,576,251</u>	<u>4,508,092</u>	<u>9,084,343</u>
<b>LIABILITIES</b>			
Lease deposits	10,120	-	10,120
Payroll withholdings	10,184	-	10,184
Noncurrent liabilities			
Due within one year	319,775	50,527	370,302
Due in more than one year	<u>2,000,000</u>	<u>205,030</u>	<u>2,205,030</u>
Total liabilities	<u>2,340,079</u>	<u>255,557</u>	<u>2,595,636</u>
<b>NET POSITION</b>			
Investment in capital assets, net of related debt	2,073,302	4,407,171	6,480,473
Restricted by enabling legislation	3,539,440	-	3,539,440
Unrestricted	<u>(3,376,570)</u>	<u>(154,636)</u>	<u>(3,531,206)</u>
Total net position	<u>\$ 2,236,172</u>	<u>\$ 4,252,535</u>	<u>\$ 6,488,707</u>

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The accompanying notes are an integral part of this statement.

**Foss Park District, Illinois**  
Statement of Activities - Modified Cash Basis  
For the Year Ended April 30, 2013

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Contributions	Capital Grants and Contributions
Governmental activities				
General administration	\$ 2,650,943	\$ 5,590	\$ -	\$ 75,000
Park maintenance	273,625	-	-	-
Recreational programs	100,094	69,683	8,219	-
Interest	67,166	-	-	-
Total governmental activities	3,091,828	75,273	8,219	75,000
Business-type activities				
Golf course	2,280,216	1,708,841	-	780,393
Total functions/programs	\$ 5,372,044	\$ 1,784,114	\$ 8,219	\$ 855,393
			General revenues	
			Real estate taxes	
			Replacement taxes	
			Interest	
			Miscellaneous	
			Total general revenues	
			Changes in net position	
			Net position - beginning	
			Net position - ending	

The accompanying notes are an integral part of this statement.

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Net Expense and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (2,570,353)	\$ -	\$ (2,570,353)
(273,625)	-	(273,625)
(22,192)	-	(22,192)
(67,166)	-	(67,166)
<u>(2,933,336)</u>	<u>-</u>	<u>(2,933,336)</u>
<u>-</u>	<u>209,018</u>	<u>209,018</u>
<u>(2,933,336)</u>	<u>209,018</u>	<u>(2,724,318)</u>
1,760,871	-	1,760,871
128,648	-	128,648
2,084	384	2,468
144,321	-	144,321
<u>2,035,924</u>	<u>384</u>	<u>2,036,308</u>
(897,412)	209,402	(688,010)
<u>3,133,584</u>	<u>4,043,133</u>	<u>7,176,717</u>
<u>\$ 2,236,172</u>	<u>\$ 4,252,535</u>	<u>\$ 6,488,707</u>

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# Foss Park District, Illinois

## Governmental Funds

### Combining Statement of Assets and Liabilities Arising from Cash Transactions

April 30, 2013

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	General Corporate Fund	Recreation Fund	Special Recreation Fund	Illinois Municipal Retirement Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$ 551	\$ 1,255	\$ 676,904	\$ 137,097
Investments	15,386	-	-	-
Advance to private organization	-	4,187	-	-
Advances to other funds	294,595	-	-	1,176,650
Deposits with paying agents	-	-	-	-
Total assets	<u>\$ 310,532</u>	<u>\$ 5,442</u>	<u>\$ 676,904</u>	<u>\$ 1,313,747</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Deposits	\$ 10,000	\$ 120	\$ -	\$ -
Payroll withholdings	10,184	-	-	-
Advances from other funds	2,414,393	574,861	-	-
Total liabilities	<u>2,434,577</u>	<u>574,981</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit)</b>				
Nonspendable	294,595	4,187	-	1,176,650
Restricted	-	-	676,904	137,097
Unassigned	<u>(2,418,640)</u>	<u>(573,726)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(2,124,045)</u>	<u>(569,539)</u>	<u>676,904</u>	<u>1,313,747</u>
Total liabilities and fund balances (deficits)	<u>\$ 310,532</u>	<u>\$ 5,442</u>	<u>\$ 676,904</u>	<u>\$ 1,313,747</u>

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The accompanying notes are an integral part of this statement.

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Public Liability Insurance Fund	Capital Improvements Fund	Bond and Interest Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 51,205	\$ 350,571	\$ 60,777	\$ 152,185	\$ 1,430,545
-	500,939	-	-	516,325
-	-	-	-	4,187
1,212,088	873,050	-	-	3,556,383
-	-	72,534	-	72,534
<u>\$ 1,263,293</u>	<u>\$ 1,724,560</u>	<u>\$ 133,311</u>	<u>\$ 152,185</u>	<u>5,579,974</u>
\$ -	\$ -	\$ -	\$ -	\$ 10,120
-	-	-	-	10,184
-	121,957	-	94,809	3,206,020
-	121,957	-	94,809	3,226,324
1,212,088	873,050	72,534	-	3,633,104
51,205	729,553	60,777	152,185	1,807,721
-	-	-	(94,809)	(3,087,175)
<u>1,263,293</u>	<u>1,602,603</u>	<u>133,311</u>	<u>57,376</u>	<u>2,353,650</u>
<u>\$ 1,263,293</u>	<u>\$ 1,724,560</u>	<u>\$ 133,311</u>	<u>\$ 152,185</u>	

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.	2,202,297
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(2,319,775)</u>

Net position of governmental activities	<u>\$ 2,236,172</u>
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## Foss Park District, Illinois

### Governmental Funds

Combining Statement of Revenues Collected, Expenditures Paid, and Changes in Fund Balances (Deficits)

For the Year Ended April 30, 2013

	General Corporate Fund	Recreation Fund	Special Recreation Fund	Illinois Municipal Retirement Fund
Revenues collected				
Real estate taxes	\$ 772,839	\$ 609,245	\$ 16,923	\$ -
Personal property replacement taxes	64,324	64,324	-	-
Charges for services	5,590	69,683	-	-
Contributions and donations	-	8,219	-	-
Other income	125,921	18,176	-	-
Interest income	94	38	146	140
	<u>968,768</u>	<u>769,685</u>	<u>17,069</u>	<u>140</u>
Total revenues collected				
Expenditures paid				
Current				
General administration	745,926	405,604	2,881	153,035
Park maintenance	218,038	-	-	34,667
Recreation programs	-	36,028	-	374
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Bond issuance costs	-	-	-	-
	<u>963,964</u>	<u>441,632</u>	<u>2,881</u>	<u>188,076</u>
Total expenditures paid				
Excess (deficiency) of revenues collected over expenditures paid	<u>4,804</u>	<u>328,053</u>	<u>14,188</u>	<u>(187,936)</u>
Other financing sources				
Proceeds from bond issuance	-	-	-	-
Bond issue premium	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources				
Net change in fund balances	<u>4,804</u>	<u>328,053</u>	<u>14,188</u>	<u>(187,936)</u>
Fund balance (deficit)				
Beginning of year	<u>(2,128,849)</u>	<u>(897,592)</u>	<u>662,716</u>	<u>1,501,683</u>
End of year	<u>\$ (2,124,045)</u>	<u>\$ (569,539)</u>	<u>\$ 676,904</u>	<u>\$ 1,313,747</u>

The accompanying notes are an integral part of this statement.

<u>Public Liability Insurance Fund</u>	<u>Capital Improvements Fund</u>	<u>Bond and Interest Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 330,838	\$ 31,026	\$ 1,760,871
-	75,000	-	-	203,648
-	-	-	-	75,273
-	-	-	-	8,219
224	-	-	-	144,321
48	1,581	21	16	2,084
<u>272</u>	<u>76,581</u>	<u>330,859</u>	<u>31,042</u>	<u>2,194,416</u>
247,241	144,760	3,241	77,298	1,779,986
-	-	-	-	252,705
-	-	-	-	36,402
-	-	304,690	-	304,690
-	-	67,166	-	67,166
-	910,933	-	-	910,933
-	51,078	-	-	51,078
<u>247,241</u>	<u>1,106,771</u>	<u>375,097</u>	<u>77,298</u>	<u>3,402,960</u>
<u>(246,969)</u>	<u>(1,030,190)</u>	<u>(44,238)</u>	<u>(46,256)</u>	<u>(1,208,544)</u>
-	1,900,455	99,545	-	2,000,000
-	6,103	-	-	6,103
-	1,906,558	99,545	-	2,006,103
(246,969)	876,368	55,307	(46,256)	797,559
<u>1,510,262</u>	<u>726,235</u>	<u>78,004</u>	<u>103,632</u>	<u>1,556,091</u>
<u>\$ 1,263,293</u>	<u>\$ 1,602,603</u>	<u>\$ 133,311</u>	<u>\$ 57,376</u>	<u>\$ 2,353,650</u>

## Foss Park District, Illinois

Reconciliation of the Combining Statement of Revenues Collected, Expenditures Paid, and Changes in  
Fund Balances (Deficits) of Governmental Funds to the Statement of Activities - Modified Cash Basis  
For the Year Ended April 30, 2013

---

Net change in fund balances - total governmental funds	\$	797,559
 Amounts reported for governmental activities in the statement of activities - modified cash basis are different because:		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
		339
 The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
		<u>(1,695,310)</u>
Change in net position of governmental activities	\$	<u><u>(897,412)</u></u>

---

The accompanying notes are an integral part of this statement.

**Foss Park District, Illinois**  
Golf Course - Major Enterprise Fund  
Statement of Net Position - Modified Cash Basis  
April 30, 2013

---

ASSETS

Current assets

Cash	\$ 2,370
Inventory	<u>193,357</u>

Total current assets	<u>195,727</u>
----------------------	----------------

Noncurrent assets

Advances to other funds	332,516
Land and other capital assets not being depreciated	1,746,986
Capital assets, net of accumulated depreciation	<u>2,915,742</u>

Total noncurrent assets	<u>4,995,244</u>
-------------------------	------------------

Total assets	<u>5,190,971</u>
--------------	------------------

LIABILITIES

Advances from other funds	682,879
Capital lease obligations	
Due within one year	50,527
Due in more than one year	<u>205,030</u>

Total liabilities	<u>938,436</u>
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NET POSITION

Invested in capital assets, net of related debt	4,407,171
Unrestricted	<u>(154,636)</u>

Total net position	<u>\$ 4,252,535</u>
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The accompanying notes are an integral part of this statement.

**Foss Park District, Illinois**  
 Golf Course - Major Enterprise Fund  
 Statement of Revenues Collected, Expenses Paid, and Change in Net Position - Modified Cash Basis  
For the Year Ended April 30, 2013

---

Operating revenues collected	
Charges for services	\$ 1,475,273
Rentals	182,613
Other receipts	<u>50,955</u>
Total operating revenues collected	<u>1,708,841</u>
Operating expenses paid and depreciation	
Golf course operations	1,616,485
Golf course maintenance	483,743
Depreciation	<u>179,988</u>
Total operating expenses paid and depreciation	<u>2,280,216</u>
Operating loss	<u>(571,375)</u>
Nonoperating revenues	
Interest income	<u>384</u>
Loss before capital contributions	(570,991)
Capital contributions	<u>780,393</u>
Change in net position	209,402
Net position	
Beginning of year	<u>4,043,133</u>
End of year	<u><u>\$ 4,252,535</u></u>

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The accompanying notes are an integral part of this statement.

**Foss Park District, Illinois**  
 Golf Course - Major Enterprise Fund  
 Statement of Cash Flows - Modified Cash Basis  
For the Year Ended April 30, 2013

---

Cash flows from operating activities	
Cash received from customers	\$ 1,708,841
Cash paid to suppliers	(1,421,695)
Cash paid to employees	<u>(676,603)</u>
Net cash used in operating activities	<u>(389,457)</u>
Cash flows from investing activities	
Interest received	<u>384</u>
Cash flows from noncapital financing activities	
Advances from other funds	339,376
Repayment of advances to other funds	<u>50,050</u>
Net cash provided by noncapital financing activities	<u>389,426</u>
Net change in cash	353
Cash	
Beginning of year	<u>2,017</u>
End of year	<u><u>\$ 2,370</u></u>
Reconciliation of operating loss to net cash used in operating activities	
Operating loss	\$ (571,375)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	179,988
Increase in inventory	<u>1,930</u>
Net cash used in operating activities	<u><u>\$ (389,457)</u></u>

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The accompanying notes are an integral part of this statement.

**Foss Park District, Illinois**  
Index for Notes to the Financial Statements  
April 30, 2013

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**Foss Park District, Illinois**  
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April 30, 2013

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(Concluded)

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foss Park District, Illinois (Park 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 (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Park District's accounting policies are described below.

### 1. Reporting Entity

The Foss Park District was created in 1907 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.

### 2. New Accounting Pronouncement

The Governmental Accounting Standards Board (GASB) has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63), which was adopted by the District, as of the fiscal year ended April 30, 2013. In the government-wide financial statements, the District is now required to report five elements on the statement of net position (formerly known as the statement of net assets), assets, deferred outflow of resources, liabilities, deferred inflows of resources, and net position (formerly known as net assets). The types of deferred outflows and inflows of resources to be reported currently consist of service concession arrangements and derivative instruments. As of April 30, 2013, the District has no deferred outflows or deferred inflows of resources.

### 3. Government-Wide and Fund Financial Statements

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 Park 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.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

---

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

### 3. Government-Wide and Fund Financial Statements (Continued)

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. The Park District has no fiduciary funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

Governmental funds are used to account for the Park District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), acquisition or construction of capital assets (capital projects funds), and the payment of principal and interest on 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.

Enterprise 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.

### 4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide 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, and expenditures/expenses paid. The modified cash basis of accounting is a comprehensive basis of accounting other than GAAP.

The Park District reports the following major governmental funds:

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

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

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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

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

The Special Recreation Fund is used to account for special revenues collected for providing recreational services to Park 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 Park District's employees.

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 Park 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.

The Park 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 nonoperating 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 enterprise 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 nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Park District's policy to use restricted resources first, then unrestricted resources as they are needed.

### 5. Budgets

Budgets are adopted on a basis consistent with the modified cash basis of accounting. Annual budgets are adopted for the general, special revenue, capital project, debt, and enterprise funds. All annual budgets lapse at fiscal year-end.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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

### 6. Cash Equivalents

For purposes of the statement of cash flows, the Park District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

### 7. Investments

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

### 8. 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, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

### 9. Inventory

Inventory is maintained for goods held for resale at the golf course. It is valued at the lower of cost (first-in, first-out) or market. The Park District does not record inventories for supplies. Instead, supplies are charged as expenditures when purchased, and those on hand at year-end are not included in the statement of assets and liabilities arising from cash transactions or the statement of net position.

### 10. Capital Assets

Capital assets, which include land, land improvements, construction in progress, equipment not in service, 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.

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. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

---

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

### 10. Capital Assets (Continued)

The following capitalization thresholds and estimated useful lives are used:

	<u>Threshold Value</u>	<u>Useful Life (years)</u>
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

### 11. 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 fund-types and business fund types 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.

### 12. Fund Balance

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

- a. *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.
- b. *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.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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

### 12. Fund Balance (Continued)

- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Park 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 Park District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds.
- d. *Assigned* - refers to amounts that are constrained by the Park District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Park Commissioners or the individual the 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. At April 30, 2013, the District has no assigned fund balances.
- e. *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.

See Note I for detail of fund balance classifications.

### 13. Real Estate Taxes

Real estate taxes are levied in December by passage of a tax levy resolution, which was passed on December 21, 2011. Tax bills are payable in two installments, on or about June 1 and September 1, of the following year. The county collects such taxes and remits them periodically. Real estate tax revenues are recognized when distributions are received from the County Treasurer/Collector.

### 14. 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.

## NOTE B - INTERFUND ADVANCES

Due to the magnitude of the interfund balances and the Park District's inability to repay these balances within the next fiscal year, all interfund balances are classified as advances. The management of the Park 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.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE C - LEGAL COMPLIANCE AND ACCOUNTABILITY - DEFICIT FUND BALANCES

The General Corporate and Recreation Funds of the Park District incurred operating deficits for several years. The Park District's management has been assessing the Park 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, 2013:

<u>Fund</u>	<u>Balance</u>
General Corporate	\$ (2,124,045)
Recreation	(569,539)
Audit	(94,809)

The Park 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

## NOTE D - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanations of certain differences between the governmental funds statement of revenues collected, expenditures paid, and changes in fund balances (deficits) and the government-wide statement of activities - modified cash basis:

One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 128,995
Depreciation expense	<u>(128,656)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ <u><u>339</u></u>

Another element of that reconciliation explains that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Issuance of long-term debt	\$ (2,000,000)
Repayment of long-term debt	<u>304,690</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ <u><u>(1,695,310)</u></u>

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE E - DEPOSITS AND INVESTMENTS

The Park 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 Park District's funds, which consist of certificates of deposit with maturities greater than 90 days.

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

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At April 30, 2013, the Park District's deposits and investments consisted of the following:

Cash and cash equivalents	\$ 1,432,915
Investments	<u>516,325</u>
	<u>\$ 1,949,240</u>

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	\$ 2,955
Deposits with financial institutions	<u>1,946,285</u>
	<u>\$ 1,949,240</u>

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE E - DEPOSITS AND INVESTMENTS (Continued)

### 1. Interest Rate Risk

The Park District's investment policy 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.

### 2. Credit Risk

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

### 3. Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its deposits or collateral securities that are in the possession of an outside party. All collateral was held by financial institutions other than the pledging financial institution. As of April 30, 2013, the Park District had no deposits that were uninsured and uncollateralized.

### 4. Concentration of Credit Risk

It is the policy of the Park District to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in an overconcentration in a security, maturity, issuer, or class of securities.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

## NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2013 was as follows:

<u>1. Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 506,254	\$ 65,155	\$ -	\$ 571,409
Construction in progress	-	10,000	-	10,000
	<u>506,254</u>	<u>75,155</u>	<u>-</u>	<u>581,409</u>
Total capital assets not being depreciated	<u>506,254</u>	<u>75,155</u>	<u>-</u>	<u>581,409</u>
Capital assets being depreciated				
Machinery and equipment	1,174,696	9,000	-	1,183,696
Buildings and improvements	1,491,138	44,840	-	1,535,978
Land improvements	944,572	-	-	944,572
	<u>3,610,406</u>	<u>53,840</u>	<u>-</u>	<u>3,664,246</u>
Total capital assets being depreciated	<u>3,610,406</u>	<u>53,840</u>	<u>-</u>	<u>3,664,246</u>
Less accumulated depreciation for:				
Machinery and equipment	651,439	81,981	-	733,420
Buildings and improvements	1,017,038	27,784	-	1,044,822
Land improvements	246,225	18,891	-	265,116
	<u>1,914,702</u>	<u>128,656</u>	<u>-</u>	<u>2,043,358</u>
Total accumulated depreciation	<u>1,914,702</u>	<u>128,656</u>	<u>-</u>	<u>2,043,358</u>
Total capital assets being depreciated, net	<u>1,695,704</u>	<u>(74,816)</u>	<u>-</u>	<u>1,620,888</u>
Governmental activities capital assets, net	<u>\$ 2,201,958</u>	<u>\$ 339</u>	<u>\$ -</u>	<u>\$ 2,202,297</u>

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

**NOTE F - CAPITAL ASSETS (Continued)**

<u>2. Business-Type Activity</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 1,491,429	\$ -	\$ -	\$ 1,491,429
Equipment, not in service	<u>-</u>	<u>255,557</u>	<u>-</u>	<u>255,557</u>
	<u>1,491,429</u>	<u>255,557</u>	<u>-</u>	<u>1,746,986</u>
Capital assets being depreciated				
Land improvements	639,461	293,260	-	932,721
Buildings and improvements	1,928,598	409,986	-	2,338,584
Equipment	<u>783,114</u>	<u>77,142</u>	<u>210,559</u>	<u>649,697</u>
Total capital assets being depreciated	<u>3,351,173</u>	<u>780,388</u>	<u>210,559</u>	<u>3,921,002</u>
Less accumulated depreciation for:				
Land improvements	299,148	72,411	-	371,559
Buildings and improvements	304,122	42,672	-	346,794
Equipment	<u>432,561</u>	<u>64,905</u>	<u>210,559</u>	<u>286,907</u>
Total accumulated depreciation	<u>1,035,831</u>	<u>179,988</u>	<u>210,559</u>	<u>1,005,260</u>
Total capital assets being depreciated, net	<u>2,315,342</u>	<u>600,400</u>	<u>-</u>	<u>2,915,742</u>
Business-type activity capital assets, net	<u>\$ 3,806,771</u>	<u>\$ 855,957</u>	<u>\$ -</u>	<u>\$ 4,662,728</u>

**3. Depreciation Expense**

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

Governmental activities:	
General government	\$ 44,044
Recreational programs	63,692
Park maintenance	<u>20,920</u>
Total depreciation expense – governmental activities	<u>\$ 128,656</u>
Business-type activity:	
Golf course	<u>\$ 179,988</u>

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

## NOTE G - LONG-TERM DEBT

### 1. Changes in Long-Term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental activities</u>					
General obligation limited					
tax park bonds, Series					
2011	\$ 624,465	\$ -	\$ 304,690	\$ 319,775	\$ 319,775
General obligation park					
bonds (alternate revenue					
source), series 2012A	-	2,000,000	-	2,000,000	-
Total governmental	624,465	2,000,000	304,690	2,319,775	319,775
activities					
<u>Business-type activities</u>					
Capital lease					
	-	255,557	-	255,557	50,527
	<u>\$ 624,465</u>	<u>\$ 2,255,557</u>	<u>\$ 304,690</u>	<u>\$ 2,575,332</u>	<u>\$ 370,302</u>

### 2. General Obligation Bonds Payable

In March 2011, the Park District issued \$921,775 of General Obligation Limited Tax Park Bonds, Series 2011 (the 2011 Series Bonds), with an interest rate of 5.35%. The proceeds of the 2011 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 Park District. A tax escrow account has been established pursuant to the Bond Ordinance for the purpose of providing the funds to pay the principal and interest on the bonds. This account, which had a balance of \$7,964, at April 30, 2013, is recorded as a deposit with the paying agent, in the Bond and Interest Fund.

In May 2012, the Park District issued \$2,000,000 of General Obligation Park Bonds (Alternate Revenue Source), Series 2012A (the 2012A Series Bonds), with an interest rate of 2.00-3.90%. 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 Park District. A capitalized interest fund has been established pursuant to the Bond Ordinance for the purpose of providing the funds to pay the initial interest installments on the bonds, through December 15, 2013. This account, which had a balance of \$64,570, at April 30, 2013, is recorded as a deposit with the paying agent, in the Bond and Interest Fund.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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

### 3. Annual Debt Service Requirements to Maturity

<u>Fiscal Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 319,775	\$ 81,678	\$ 401,453
2015	120,000	64,570	184,570
2016	120,000	62,170	182,170
2017	125,000	59,770	184,770
2018	130,000	56,645	186,645
2019-2023	690,000	225,925	915,925
2024-2028	<u>815,000</u>	<u>97,515</u>	<u>912,515</u>
	<u>\$ 2,319,775</u>	<u>\$ 648,273</u>	<u>\$ 2,968,048</u>

### 4. 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, 2013 was \$2,631,165. The commitment ends on December 15, 2027.

The District collected pledged revenues totaling \$330,838 during the year ended April 30, 2013. Principal and interest retired during the same period totaled \$34,975, which represents approximately 10.6% of the pledged revenues collected.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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

### 5. Capital Lease Obligations

On January 30, 2013, the District entered into a noncancellable capital lease agreement for approximately 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, 2013, the District is obligated for future payments under this lease, as follows:

Fiscal Year Ending April 30	Business-type Activities		
	Principal	Interest	Total
2014	\$ 50,527	\$ 5,887	\$ 56,414
2015	48,051	8,363	56,414
2016	50,128	6,286	56,414
2017	52,296	4,118	56,414
2018	54,555	1,859	56,414
	<u>\$ 255,557</u>	<u>\$ 26,513</u>	<u>\$ 282,070</u>

The equipment, which has a cost of \$255,557, is included under equipment not in service in the business-type activities capital assets.

## NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES

The government-wide statement of net position reports \$350,363 in internal balances. The Park District's internal balances on the statement of net position are interfund advances. Interfund advances arise when interfund receivables and payables exist which management does not intend to reimburse within a period of one year. The Park District has restructured its real estate tax levy to allow it to remedy and repay these unauthorized advances of approximately \$3.9 million over time. Management believes that the Park 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 Park 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:

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES (Continued)

	<u>Advances To</u>	<u>Advances From</u>
<u>Governmental Funds</u>		
General Corporate Fund		
Recreation Fund	\$ 9,962	\$ -
Audit Fund	36,809	-
Golf Course Fund	247,824	-
Illinois Municipal Retirement Fund	-	992,698
Public Liability Insurance Fund	-	1,050,000
Capital Improvements Fund	-	371,695
Total General Corporate Fund	<u>294,595</u>	<u>2,414,393</u>
Recreation Fund		
General Corporate Fund	-	9,962
Illinois Municipal Retirement Fund	-	61,995
Public Liability Insurance Fund	-	104,088
Capital Improvements Fund	-	66,300
Golf Course Fund	-	332,516
Total Recreation Fund	<u>-</u>	<u>574,861</u>
Illinois Municipal Retirement Fund		
General Corporate Fund	992,698	-
Recreation Fund	61,995	-
Capital Improvements Fund	121,957	-
Total Illinois Municipal Retirement Fund	<u>1,176,650</u>	<u>-</u>
Public Liability Insurance Fund		
General Corporate Fund	1,050,000	-
Recreation Fund	104,088	-
Audit Fund	58,000	-
Total Public Liability Insurance Fund	<u>1,212,088</u>	<u>-</u>

(Continued)

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES (Continued)

	<u>Advances To</u>	<u>Advances From</u>
<u>Governmental Funds (Continued)</u>		
Capital Improvements Fund		
General Corporate Fund	\$ 371,695	\$ -
Recreation Fund	66,300	-
Illinois Municipal Retirement Fund	-	121,957
Golf Course Fund	435,055	-
Total Capital Improvements Fund	<u>873,050</u>	<u>121,957</u>
Audit Fund		
General Corporate Fund	-	36,809
Public Liability Insurance Fund	-	58,000
Total Audit Fund	<u>-</u>	<u>94,809</u>
Total governmental funds	<u>3,556,383</u>	<u>3,206,020</u>
<u>Enterprise Fund</u>		
Golf Course Fund		
General Corporate Fund	-	247,824
Recreation Fund	332,516	-
Capital Improvements Fund	-	435,055
Total Golf Course Fund	<u>332,516</u>	<u>682,879</u>
Total interfund advances	3,888,899	3,888,899
Less amounts eliminated under GASB 34	<u>(3,538,536)</u>	<u>(3,538,536)</u>
Internal advances	<u>\$ 350,363</u>	<u>\$ 350,363</u>

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE I - FUND BALANCE REPORTING

As defined in Note A-12, the Park District had the following components of nonspendable fund balance at April 30, 2013:

Advances to other funds	
General Fund	\$ 294,595
Illinois Municipal Retirement Fund	1,176,650
Public Liability Insurance Fund	1,212,088
Capital Improvements Fund	873,050
Advance to private organization	
Recreation Fund	4,187
Deposits with paying agents	
Bond and Interest Fund	<u>72,534</u>
Total nonspendable	<u>\$ 3,633,104</u>

## NOTE J - RESTRICTIONS FOR ENABLING LEGISLATION

The government-wide statement of net position - modified cash basis reports \$3,539,440 of net position restricted by enabling legislation, which consists of the following:

<u>Enabling Legislation Restrictions</u>	<u>Amount</u>
Special Recreation	\$ 676,904
Illinois Municipal Retirement Fund	1,313,747
Public Liability Insurance	1,263,293
Bond and Interest	133,311
Police	<u>152,185</u>
Total restrictions for enabling legislation	<u>\$ 3,539,440</u>

## NOTE K - CONTINGENCIES

### 1. 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 Park District expects such amounts, if any, to be immaterial.

# Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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## NOTE K - CONTINGENCIES (Continued)

### 2. Litigation

The Park District is party to various claims and legal actions arising in the ordinary operations of the Park 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.

## NOTE L - DEFINED BENEFIT PENSION PLAN

### 1. Plan Description

The Park District's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. IMRF is an agent, multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

### 2. Funding Policy

As set by statute, plan members are required to contribute 4.5% of their annual covered salary. The statute requires the Park District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2012 was 7.92%. The Park District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

### 3. Annual Pension Cost

The required contribution for the fiscal year ended April 30, 2013 was \$87,256.

#### Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/2013	\$ 87,256	100%	\$ -
4/30/2012	86,106	100%	-
4/30/2011	72,239	100%	-

## Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2013

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### NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

#### 3. Annual Pension Cost (Continued)

The required contribution for 2013 was determined as part of the December 31, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefits increases of 3% annually. The actuarial value of the Park District's plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Park District plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30-year basis.

#### 4. Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the plan was 97.61% funded. The actuarial accrued liability for benefits was \$1,726,376 and the actuarial value of assets was \$1,685,068, resulting in an unfunded actuarial accrued liability (UAAL) of \$41,308. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,141,888 and the ratio of the UAAL to the covered payroll was 4%.

The schedule of funding progress, presented as supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### NOTE M - OTHER POSTEMPLOYMENT BENEFITS

The Park 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, 2013, there were no retirees receiving benefits and eleven employees who were eligible to receive benefits upon retirement. Total monthly medical insurance premium costs were approximately \$9,200.

The Park 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.

# **Foss Park District, Illinois**

Notes to the Financial Statements

April 30, 2013

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## NOTE N - 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 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.

## NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 8, 2013, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of net position date that require disclosure in the financial statements.

**SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

## Foss Park District, Illinois

### Illinois Municipal Retirement Fund

#### Schedule of Funding Progress

April 30, 2013

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2012	\$ 1,685,068	\$ 1,726,376	\$ 41,308	97.61 %	\$ 1,141,888	3.62 %
12/31/2011	1,703,657	1,764,520	60,863	96.55	949,548	6.41
12/31/2010	1,815,060	1,684,154	(130,906)	107.77	786,594	0.00

On a market value basis, the actuarial value of assets as of December 31, 2012 was \$1,747,334. On a market basis, the funded ratio would be 101.21%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Foss Park District. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**Foss Park District, Illinois**  
 General Corporate Fund  
 Schedule of Revenues Collected, Expenditures Paid, and  
 Change in Fund Deficit - Budget and Actual  
For the Year Ended April 30, 2013

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 800,772	\$ 772,839	\$ (27,933)
Intergovernmental revenues	65,000	64,324	(676)
Charges for services	3,000	5,590	2,590
Other income	96,000	125,921	29,921
Interest income	500	94	(406)
Total revenues collected	<u>965,272</u>	<u>968,768</u>	<u>3,496</u>
Expenditures paid			
Current			
General administration	490,100	745,926	(255,826)
Park maintenance	243,725	218,038	25,687
Capital outlay			
General administration	4,000	-	4,000
Total expenditures paid	<u>737,825</u>	<u>963,964</u>	<u>(226,139)</u>
Excess of revenues collected over expenditures paid	\$ <u>227,447</u>	4,804	\$ <u>(222,643)</u>
Fund deficit			
Beginning of year		<u>(2,128,849)</u>	
End of year		<u>\$ (2,124,045)</u>	

# Foss Park District, Illinois

## Recreation Fund

### Schedule of Revenues Collected, Expenditures Paid, and

### Change in Fund Deficit - Budget and Actual

For the Year Ended April 30, 2013

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 631,265	\$ 609,245	\$ (22,020)
Intergovernmental revenues	65,000	64,324	(676)
Charges for services	82,825	69,683	(13,142)
Contributions and donations	-	8,219	8,219
Other income	28,669	18,176	(10,493)
Interest income	<u>500</u>	<u>38</u>	<u>(462)</u>
Total revenues collected	<u>808,259</u>	<u>769,685</u>	<u>(38,574)</u>
Expenditures paid			
General administration	464,305	405,604	58,701
Recreation programs	<u>39,869</u>	<u>36,028</u>	<u>3,841</u>
Total expenditures paid	<u>504,174</u>	<u>441,632</u>	<u>62,542</u>
Excess of revenues collected over expenditures paid	<u>\$ 304,085</u>	328,053	<u>\$ 23,968</u>
Fund deficit			
Beginning of year		<u>(897,592)</u>	
End of year		<u>\$ (569,539)</u>	

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**Foss Park District, Illinois**  
Special Recreation Fund  
Schedule of Revenues Collected, Expenditures Paid, and  
Change in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 17,535	\$ 16,923	\$ (612)
Interest income	200	146	(54)
Total revenues collected	<u>17,735</u>	<u>17,069</u>	<u>(666)</u>
Expenditures paid			
Current			
General administration			
Maintenance, repairs, and insurance	50,000	1,801	48,199
Communications	15,000	1,080	13,920
Commodities	1,500	-	1,500
Total general administration	<u>66,500</u>	<u>2,881</u>	<u>63,619</u>
Capital outlay	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total expenditures paid	<u>81,500</u>	<u>2,881</u>	<u>78,619</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (63,765)</u>	14,188	<u>\$ 77,953</u>
Fund balance			
Beginning of year		<u>662,716</u>	
End of year		<u>\$ 676,904</u>	

**Foss Park District, Illinois**  
 Illinois Municipal Retirement Fund  
 Schedule of Revenues Collected, Expenditures Paid, and  
 Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2013

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Interest income	\$ 200	\$ 140	\$ (60)
Total revenue collected	<u>200</u>	<u>140</u>	<u>(60)</u>
Expenditures paid			
General administration	162,738	153,035	9,703
Park maintenance	36,865	34,667	2,198
Recreation programs	<u>397</u>	<u>374</u>	<u>23</u>
Total expenditures paid	<u>200,000</u>	<u>188,076</u>	<u>11,924</u>
Deficiency of revenues collected over expenditures paid	<u>\$ (199,800)</u>	(187,936)	<u>\$ 11,864</u>
Fund balance			
Beginning of year		<u>1,501,683</u>	
End of year		<u>\$ 1,313,747</u>	

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**Foss Park District, Illinois**  
Public Liability Insurance Fund  
Schedule of Revenues Collected, Expenditures Paid, and  
Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2013

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues collected			
Other income	\$ 5,000	\$ 224	\$ (4,776)
Interest income	<u>100</u>	<u>48</u>	<u>(52)</u>
Total revenues collected	<u>5,100</u>	<u>272</u>	<u>(4,828)</u>
Expenditures paid			
Current			
General administration			
Personnel services			
Workers' compensation and unemployment insurance	88,000	89,308	(1,308)
Professional services	22,000	9,586	12,414
Liability insurance	97,700	142,745	(45,045)
Communications	8,000	-	8,000
Commodities	<u>5,000</u>	<u>5,602</u>	<u>(602)</u>
Total general administration	220,700	247,241	(26,541)
Capital outlay	<u>115,000</u>	<u>-</u>	<u>115,000</u>
Total expenditures paid	<u>335,700</u>	<u>247,241</u>	<u>88,459</u>
Deficiency of revenues collected over expenditures paid	<u>\$ (330,600)</u>	(246,969)	<u>\$ 83,631</u>
Fund balance			
Beginning of year		<u>1,510,262</u>	
End of year		<u>\$ 1,263,293</u>	

**Foss Park District, Illinois**  
Notes to the Supplementary Information  
April 30, 2013

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**NOTE A - BUDGETS AND BUDGETARY ACCOUNTING**

1. 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 Park District's budget identified revenues and expenditures in broad categories. The detailed budget reported in the financial statements is the Park District management's interpretation of the budget.

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

- a. The Park District Executive Director submits to the Board of Park 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 Park District's office to obtain taxpayer comments.
- c. The budget is legally adopted through passage of a resolution.
- d. The Park District Director is authorized to transfer up to ten percent of the total budget between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Park Commissioners.
- e. Formal budgetary integration is employed as a management control device during the year for the General Corporate Fund, all special revenue funds, and the Golf Course Fund. Formal budgetary integration is not employed for the Bond and Interest Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

The appropriations may be amended by the Board of Park District Commissioners. There were no amendments to the budget for the year ended April 30, 2013.

2. Excess of Expenditures over Budget in Individual Funds

The following funds had excesses of expenditures over budget for the fiscal year ended April 30, 2013:

<u>Fund</u>	<u>Amount</u>
General Corporate	\$ (226,139)
Bond and Interest	(6,397)

**OTHER SUPPLEMENTARY INFORMATION**

**Foss Park District, Illinois**  
 General Corporate Fund - Major Fund  
 Schedule of Detailed Revenues Collected -  
 Budget and Actual  
For the Year Ended April 30, 2013

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>800,772</u>	\$ <u>772,839</u>	\$ <u>(27,933)</u>
Intergovernmental revenues			
Replacement taxes	<u>65,000</u>	<u>64,324</u>	<u>(676)</u>
Charges for services			
Rentals	<u>3,000</u>	<u>5,590</u>	<u>2,590</u>
Other income			
Expense reimbursement	-	2,621	2,621
Other	<u>96,000</u>	<u>123,300</u>	<u>27,300</u>
Total other income	<u>96,000</u>	<u>125,921</u>	<u>29,921</u>
Interest income	<u>500</u>	<u>94</u>	<u>(406)</u>
Total revenues collected	\$ <u><u>965,272</u></u>	\$ <u><u>968,768</u></u>	\$ <u><u>3,496</u></u>

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**Foss Park District, Illinois**  
 General Corporate Fund - Major Fund  
 Schedule of Detailed Expenditures Paid -  
 Budget and Actual  
For the Year Ended April 30, 2013

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General administration			
Personnel services			
Salaries	\$ 300,000	\$ 275,647	\$ 24,353
Fringe benefits	30,100	27,031	3,069
Total personnel services	<u>330,100</u>	<u>302,678</u>	<u>27,422</u>
Contractual services			
Professional services	26,000	328,869	(302,869)
Maintenance, repairs, and insurance	10,000	7,968	2,032
Communications	29,000	24,410	4,590
Utilities and cleaning	-	341	(341)
Other	90,000	74,607	15,393
Total contractual services	<u>155,000</u>	<u>436,195</u>	<u>(281,195)</u>
Commodities	<u>5,000</u>	<u>7,053</u>	<u>(2,053)</u>
Total general administration before capital outlay and debt service	<u>490,100</u>	<u>745,926</u>	<u>(255,826)</u>
Capital outlay	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Total general administration	<u>494,100</u>	<u>745,926</u>	<u>(251,826)</u>
Park maintenance			
Personnel services			
Salaries	155,425	134,110	21,315
Fringe benefits	11,000	-	11,000
Total personnel services	<u>166,425</u>	<u>134,110</u>	<u>32,315</u>
Contractual services			
Utilities and cleaning	11,900	13,227	(1,327)
Maintenance, repairs, and insurance	24,000	37,129	(13,129)
Professional services	2,000	725	1,275
Communications	3,150	346	2,804
Total contractual services	<u>41,050</u>	<u>51,427</u>	<u>(10,377)</u>

(Continued)

**Foss Park District, Illinois**  
 General Corporate Fund - Major Fund  
 Schedule of Detailed Expenditures Paid -  
 Budget and Actual (Continued)  
For the Year Ended April 30, 2013

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Park maintenance (continued)			
Commodities	\$ <u>36,250</u>	\$ <u>32,501</u>	\$ <u>3,749</u>
Total park maintenance	<u>243,725</u>	<u>218,038</u>	<u>25,687</u>
Total expenditures paid	\$ <u><u>737,825</u></u>	\$ <u><u>963,964</u></u>	\$ <u><u>(226,139)</u></u>

(Concluded)

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**Foss Park District, Illinois**  
 Recreation Fund - Major Fund  
 Schedule of Detailed Revenues Collected -  
 Budget and Actual  
For the Year Ended April 30, 2013

---

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>631,265</u>	\$ <u>609,245</u>	\$ <u>(22,020)</u>
Intergovernmental revenues			
Replacement taxes	<u>65,000</u>	<u>64,324</u>	<u>(676)</u>
Charges for services			
Fees	71,825	53,589	(18,236)
Rentals	<u>11,000</u>	<u>16,094</u>	<u>5,094</u>
Total charges for services	<u>82,825</u>	<u>69,683</u>	<u>(13,142)</u>
Contributions and donations	<u>-</u>	<u>8,219</u>	<u>8,219</u>
Other income	<u>28,669</u>	<u>18,176</u>	<u>(10,493)</u>
Interest income	<u>500</u>	<u>38</u>	<u>(462)</u>
Total revenues collected	\$ <u><u>808,259</u></u>	\$ <u><u>769,685</u></u>	\$ <u><u>(38,574)</u></u>

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**Foss Park District, Illinois**  
Recreation Fund - Major Fund  
Schedule of Detailed Expenditures Paid -  
Budget and Actual  
For the Year Ended April 30, 2013

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures paid			
General administration			
Personal services			
Salaries	\$ 309,340	\$ 275,561	\$ 33,779
Fringe benefits	26,440	20,528	5,912
Total personal services	<u>335,780</u>	<u>296,089</u>	<u>39,691</u>
Professional services			
Professional services	4,000	400	3,600
Utilities and cleaning	42,550	33,222	9,328
Maintenance, repairs, and insurance	18,500	35,175	(16,675)
Communications	29,080	13,442	15,638
Total professional services	<u>94,130</u>	<u>82,239</u>	<u>11,891</u>
Commodities	<u>34,395</u>	<u>27,276</u>	<u>7,119</u>
Total general administration	<u>464,305</u>	<u>405,604</u>	<u>58,701</u>
Recreation programs			
Personal services			
Salaries	5,835	1,445	4,390
Total personal services	<u>5,835</u>	<u>1,445</u>	<u>4,390</u>
Contractual services			
Professional services	-	3,381	(3,381)
Utilities and cleaning	350	-	350
Communications	12,365	10,742	1,623
Total contractual services	<u>12,715</u>	<u>14,123</u>	<u>(1,408)</u>
Commodities	<u>21,319</u>	<u>20,460</u>	<u>859</u>
Total recreation programs	<u>39,869</u>	<u>36,028</u>	<u>3,841</u>
Total expenditures paid	<u>\$ 504,174</u>	<u>\$ 441,632</u>	<u>\$ 62,542</u>

**Foss Park District, Illinois**  
 Capital Improvements Fund - Major Fund  
 Schedule of Revenues Collected, Expenditures Paid, and  
 Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Intergovernmental	\$ 75,000	\$ 75,000	\$ -
Interest income	6,000	1,581	(4,419)
Total revenues collected	<u>81,000</u>	<u>76,581</u>	<u>(4,419)</u>
Expenditures paid			
General administration			
Professional services	25,000	144,313	(119,313)
Maintenance and repair	10,000	-	10,000
Communications	200	447	(247)
Capital outlay	1,836,000	910,933	925,067
Bond issuance cost	-	51,078	(51,078)
Total expenditures paid	<u>1,871,200</u>	<u>1,106,771</u>	<u>764,429</u>
Deficiency of revenues collected over expenditures paid	(1,790,200)	(1,030,190)	760,010
Other financing source			
Proceeds from bond issuance	1,885,000	1,900,455	15,455
Bond issue premium	-	6,103	6,103
Total other financing sources	<u>1,885,000</u>	<u>1,906,558</u>	<u>21,558</u>
Excess of revenues collected and other financing source over expenditures paid	\$ <u>94,800</u>	876,368	\$ <u>781,568</u>
Fund balance			
Beginning of year		<u>726,235</u>	
End of year		<u>\$ 1,602,603</u>	

**Foss Park District, Illinois**  
 Bond and Interest Fund - Major Fund  
 Schedule of Revenues Collected, Expenditures Paid, and  
 Change in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 341,935	\$ 330,838	\$ (11,097)
Interest income	500	21	(479)
Total revenues collected	<u>342,435</u>	<u>330,859</u>	<u>(11,576)</u>
Expenditures paid			
General administration			
Professional services	22,500	3,241	19,259
Other	10,200	-	10,200
Debt service			
Principal	328,000	304,690	23,310
Interest and bond fees	8,000	67,166	(59,166)
Total expenditures paid	<u>368,700</u>	<u>375,097</u>	<u>(6,397)</u>
Deficiency of revenues collected over expenditures paid	(26,265)	(44,238)	(17,973)
Other financing source			
Proceeds from bond issuance	-	99,545	99,545
Excess (deficiency) of revenues collected and other financing source over expenditures paid	<u>\$ (26,265)</u>	55,307	<u>\$ 81,572</u>
Fund balance			
Beginning of year		<u>78,004</u>	
End of year		<u>\$ 133,311</u>	

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

#### **Audit Fund**

The Audit Fund is used to account for special revenues collected for providing audit services for the Park District. Property taxes are levied for this purpose.

#### **Police Fund**

The Police Fund is used to account for special revenues collected for providing public safety services for the Park District. Property taxes are levied for this purpose.

**Foss Park District, Illinois**

Nonmajor Governmental Funds

Combining Statement of Assets and Liabilities Arising From Cash Transactions

April 30, 2013

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	<u>Special Revenue Funds</u>		
	<u>Audit</u>	<u>Police</u>	Total
	<u>Fund</u>	<u>Fund</u>	<u>Nonmajor</u>
			<u>Funds</u>
<b>ASSETS</b>			
Cash	\$ <u>          -</u>	\$ <u>  152,185</u>	\$ <u>  152,185</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Advances from other funds	\$ <u>  94,809</u>	\$ <u>          -</u>	\$ <u>  94,809</u>
Fund balances (deficit)			
Restricted	-	152,185	152,185
Unassigned	<u>(94,809)</u>	<u>          -</u>	<u>(94,809)</u>
Total fund balances (deficit)	<u>(94,809)</u>	<u>  152,185</u>	<u>  57,376</u>
Total liabilities and fund balances (deficit)	\$ <u>          -</u>	\$ <u>  152,185</u>	\$ <u>  152,185</u>

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**Foss Park District, Illinois**  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues Collected, Expenditures Paid, and  
 Changes in Fund Balances (Deficit)  
For the Fiscal Year Ended April 30, 2013

	<u>Special Revenue Funds</u>		Total Nonmajor Funds
	<u>Audit Fund</u>	<u>Police Fund</u>	
Revenues collected			
Real estate taxes	\$ 14,103	\$ 16,923	\$ 31,026
Interest income	<u>2</u>	<u>14</u>	<u>16</u>
Total revenues collected	<u>14,105</u>	<u>16,937</u>	<u>31,042</u>
Expenditures paid			
General administration	<u>21,000</u>	<u>56,298</u>	<u>77,298</u>
Total expenditures paid	<u>21,000</u>	<u>56,298</u>	<u>77,298</u>
Deficiency of revenues collected over expenditures paid	(6,895)	(39,361)	(46,256)
Fund balances (deficit)			
Beginning of year	<u>(87,914)</u>	<u>191,546</u>	<u>103,632</u>
End of year	<u>\$ (94,809)</u>	<u>\$ 152,185</u>	<u>\$ 57,376</u>

# Foss Park District, Illinois

## Audit Fund

### Schedule of Revenues Collected, Expenditures Paid, and Change in Fund Deficit - Budget and Actual For the Fiscal Year Ended April 30, 2013

---

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 14,613	\$ 14,103	\$ (510)
Interest income	<u>-</u>	<u>2</u>	<u>2</u>
Total revenues collected	<u>14,613</u>	<u>14,105</u>	<u>(508)</u>
Expenditures paid			
General administration			
Professional fees	<u>25,000</u>	<u>21,000</u>	<u>4,000</u>
Total expenditures paid	<u>25,000</u>	<u>21,000</u>	<u>4,000</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(10,387)</u></u>	(6,895)	\$ <u><u>3,492</u></u>
Fund deficit			
Beginning of year		<u>(87,914)</u>	
End of year		\$ <u><u>(94,809)</u></u>	

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# Foss Park District, Illinois

## Police Fund

### Schedule of Revenues Collected, Expenditures Paid, and Change in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2013

---

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 17,535	\$ 16,923	\$ (612)
Interest income	<u>100</u>	<u>14</u>	<u>(86)</u>
Total revenues collected	<u>17,635</u>	<u>16,937</u>	<u>(698)</u>
Expenditures paid			
Current			
General administration			
Personnel services	75,000	40,819	34,181
Utilities and cleaning	1,800	1,717	83
Maintenance and repair	500	-	500
Communications	500	83	417
Commodities	<u>15,700</u>	<u>13,679</u>	<u>2,021</u>
Total general administration	<u>93,500</u>	<u>56,298</u>	<u>37,202</u>
Capital outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures paid	<u>143,500</u>	<u>56,298</u>	<u>87,202</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(125,865)</u></u>	(39,361)	\$ <u><u>86,504</u></u>
Fund balance			
Beginning of year		<u>191,546</u>	
End of year		\$ <u><u>152,185</u></u>	

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## **ENTERPRISE FUND**

### Golf Course Fund

The Golf Course Fund is used to account for the operations of the golf course. All activities necessary to provide such services are accounted for in this Fund, including, but not limited to, administration, operations, financing and related debt service, and billing and collections.

**Foss Park District, Illinois**

Golf Course Fund - Major Fund

Schedule of Detailed Operating Revenues Collected - Budget and Actual

For the Fiscal Year Ended April 30, 2013

---

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues collected			
Charges for services	\$ 2,785,275	\$ 1,475,273	\$ (1,310,002)
Rentals	17,400	182,613	165,213
Other receipts	37,332	50,955	13,623
Total operating revenues collected	<u>\$ 2,840,007</u>	<u>\$ 1,708,841</u>	<u>\$ (1,131,166)</u>

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## Foss Park District, Illinois

### Golf Course Fund - Major Fund

#### Schedule of Detailed Operating Expenses Paid - Budget and Actual For the Fiscal Year Ended April 30, 2013

---

	Original and Final Budget	Actual	Variance Positive (Negative)
Golf course operations expenses paid			
Personal services			
Salaries	\$ 325,000	\$ 372,838	\$ (47,838)
Fringe benefits	42,000	74,578	(32,578)
Total personal expenses	<u>367,000</u>	<u>447,416</u>	<u>(80,416)</u>
Contractual services			
Professional services	35,000	694	34,306
Utilities and cleaning	26,050	26,300	(250)
Maintenance, repairs, and insurance	31,000	35,089	(4,089)
Communications	144,000	129,382	14,618
Total contractual services	<u>236,050</u>	<u>191,465</u>	<u>44,585</u>
Commodities	<u>1,226,000</u>	<u>977,524</u>	<u>248,476</u>
Total golf course operations expenses before capital outlay	<u>1,829,050</u>	<u>1,616,405</u>	<u>212,645</u>
Capital outlay	<u>22,000</u>	<u>80</u>	<u>21,920</u>
Total golf course operations expenses paid	<u>1,851,050</u>	<u>1,616,485</u>	<u>234,565</u>
Golf course maintenance expenses paid			
Personnel services			
Salaries	243,661	198,200	45,461
Fringe benefits	27,000	30,987	(3,987)
Total personal services	<u>270,661</u>	<u>229,187</u>	<u>41,474</u>

(Continued)

# Foss Park District, Illinois

## Golf Course Fund - Major Fund

### Schedule of Detailed Operating Expenses Paid - Budget and Actual (Continued)

For the Fiscal Year Ended April 30, 2013

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	Original and Final Budget	Actual	Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Golf course maintenance expenses paid (continued)			
Contractual services			
Professional services	\$ 6,500	\$ -	\$ 6,500
Utilities and cleaning	61,500	78,553	(17,053)
Maintenance, repairs, and insurance	75,000	38,207	36,793
Communications	6,800	1,959	4,841
Total contractual services	<u>149,800</u>	<u>118,719</u>	<u>31,081</u>
Commodities	<u>160,500</u>	<u>135,837</u>	<u>24,663</u>
Total golf course maintenance expenses paid before capital outlay	<u>580,961</u>	<u>483,743</u>	<u>97,218</u>
Capital outlay	<u>240</u>	<u>-</u>	<u>240</u>
Total golf course maintenance expenses paid	<u>581,201</u>	<u>483,743</u>	<u>97,458</u>
Depreciation	<u>-</u>	<u>179,988</u>	<u>(179,988)</u>
Total operating expenses paid and depreciation	<u>\$ 2,432,251</u>	<u>\$ 2,280,216</u>	<u>\$ 152,035</u>

(Concluded)

**Foss Park District, Illinois**  
 General Obligation Limited Tax Park Bonds, Series 2011  
 Schedule of Annual Debt Service Requirements  
April 30, 2013

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Date of Contract	March 9, 2011
Date of Maturity	December 15, 2013
Amount of Contract	\$921,775
Interest Rates	5.35%
Payable to	First Midwest Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2014	\$ <u>319,775</u>	\$ <u>17,108</u>	\$ <u>336,883</u>

## Foss Park District, Illinois

General Obligation Park Bonds (Alternate Revenue Source), Series 2012A

Schedule of Annual Debt Service Requirements

April 30, 2013

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Date of Contract	May 30, 2012
Date of Maturity	December 15, 2027
Amount of Contract	\$2,000,000
Interest Rates	2.00% - 3.90%
Payable to	Bernardi Securities, Inc.

### CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2014	\$ -	\$ 64,570	\$ 64,570
2015	120,000	64,570	184,570
2016	120,000	62,170	182,170
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	140,000	41,105	181,105
2023	145,000	36,485	181,485
2024	150,000	31,410	181,410
2025	155,000	25,935	180,935
2026	165,000	19,890	184,890
2027	170,000	13,455	183,455
2028	175,000	6,825	181,825
	<u>\$ 2,000,000</u>	<u>\$ 631,165</u>	<u>\$ 2,631,165</u>

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## Foss Park District, Illinois

### Legal Debt Margin

April 30, 2013

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Assessed valuation - 2012	\$ <u>263,772,559</u>
Legal debt limit - 2.875% of assessed valuation	\$ 7,583,461
Amount of debt applicable to debt limit	<u>2,319,775</u>
Legal debt margin	\$ <u>5,263,686</u>

The Illinois Compiled Statutes provide, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness, in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for the state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."