

Foss Park District, Illinois

Annual Financial Report

For the Year Ended April 30, 2012

Foss Park District, Illinois
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 For the Year Ended April 30, 2012

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INTRODUCTORY SECTION

Foss Park District, Illinois
LIST OF PRINCIPAL OFFICIALS
April 30, 2012

Board of Commissioners

Lawrence Wade, President

Kingston Neal
Vice-President/Treasurer

Vernon McKinley
Commissioner

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

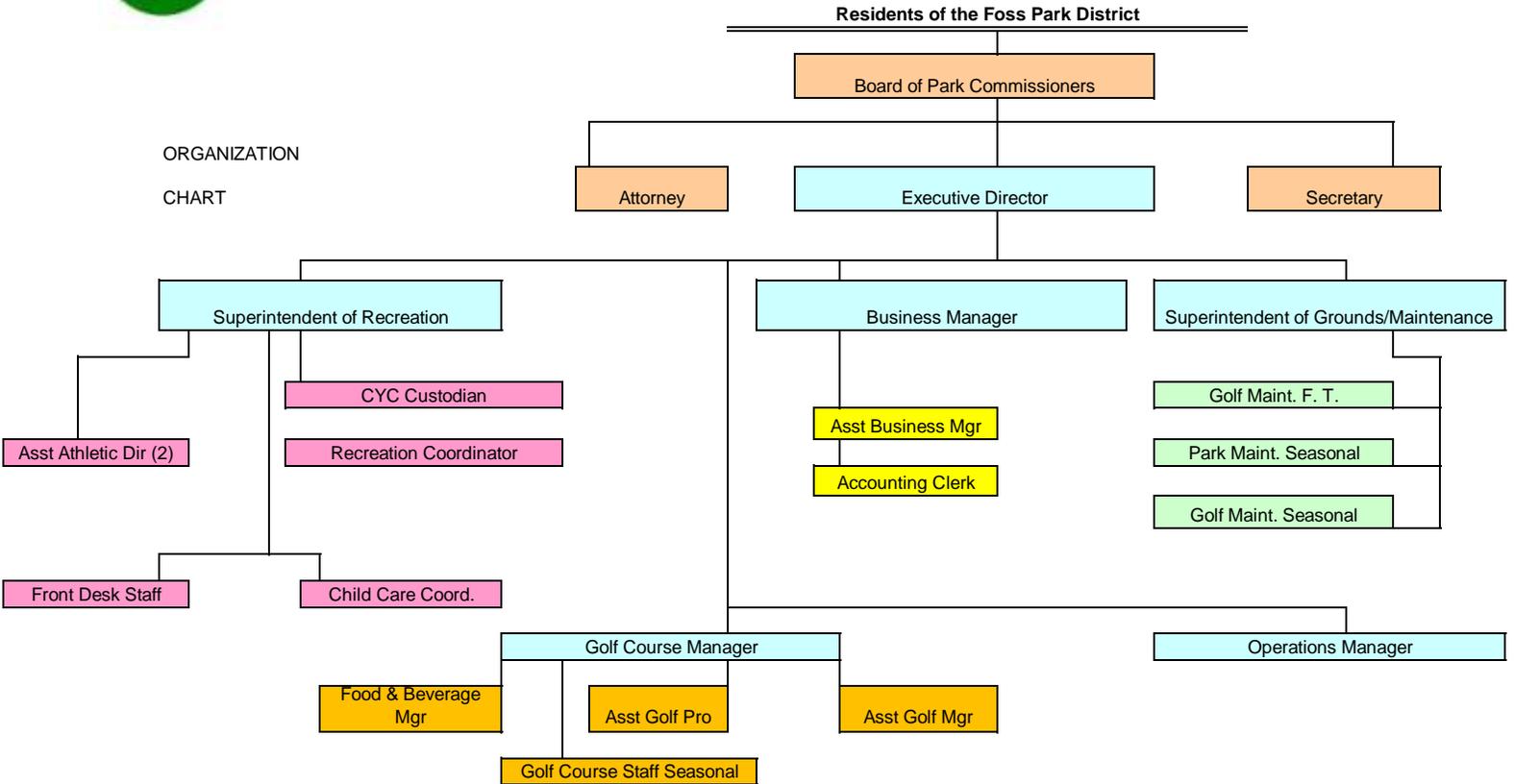
Gabriel Monroe
Golf Course Manager

Mary Myers-Love
Operations Manager

Ronald Hoffman
Food & Beverage Manager



2012



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

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 ("District"), as of and for the year ended April 30, 2012, which collectively comprise the District's basic modified cash basis financial statements, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 balance sheet date. It was not practicable to extend our auditing procedures sufficiently to satisfy ourselves as to the fairness of this inventory, stated at \$195,287, in the accompanying financial statements as of April 30, 2012.

As described in Note A-3 to the financial statements, the Park District prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, except the effects of such adjustments, if any, as might have been determined to be necessary had we been able to apply adequate procedures regarding the Park District's inventory, the basic modified cash basis financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of April 30, 2012, and the respective changes in financial position thereof for the year then ended, on the basis of accounting described in Note A-3.

(Continued)

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 10, the Illinois Municipal Retirement Fund historical data on page 41, and the budgetary comparison schedules and notes to required supplementary information on pages 42 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 supplementary financial information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying introductory and other information sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements by us or other auditors, and accordingly, we do not express an opinion or provide any assurance on it.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
December 12, 2012

Foss Park District

Management's Discussion and Analysis

April 30, 2012

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 11).

Financial Highlights

- The District's financial status remains stable, as the District concluded the fiscal year with a positive net assets balance. Overall revenues for all governmental and business-type activities this past year were \$5,132,660 with expenses being \$5,071,336, for an increase in net assets of \$61,324.
- Real estate and replacement taxes collected were \$1,765,962 and \$129,758 respectively, an increase of \$45,504 and a decrease of \$14,082, respectively, over the previous year.
- Recreation program registration, fees, and operating contributions resulted in collected revenues of \$98,952, an increase of \$19,585, and expenses were \$163,351. Recreation program expenses include \$63,692 of depreciation expense. Depreciation expense charged to general government and park maintenance activities totaled \$40,738 and \$20,920, respectively.
- Golf course charges for services revenues were \$1,108,849 for the year, which is an increase of \$363,722. Other golf revenues included \$1,884,950 in capital contributions from governmental activities. Golf course expenses were \$1,400,234, which included \$138,416 of depreciation expense.
- The District continues to commit resources toward maintaining and improving parks, playgrounds, and facilities. In fiscal year 2012, \$2,082,563 was spent on capital outlay for the District's facilities and equipment.
- The District's outstanding long-term debt was \$624,465 at April 30, 2012, which represents a decrease from the previous year due to retirement of existing debt.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

Foss Park District
Management's Discussion and Analysis
April 30, 2012

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

The second government-wide statement is the *Statement of Activities* which reports how the District's net assets 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 11 through 13 of this report.

Fund Financial Statements

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

The District has two types of funds:

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

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

Foss Park District
Management's Discussion and Analysis
April 30, 2012

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

The basic governmental fund financial statements are presented starting on page 14 of this report.

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

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

The basic proprietary fund financial statements are presented starting on page 19 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The index to notes to the financial statements begins on page 22 and the notes begin on page 24 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees, and budgetary comparisons. Required Supplementary Information can be found on pages 41 through 46 of this report and the Notes to the Required Supplementary Information can be found on page 47.

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 55.

Government-wide Financial Analysis

Over time, changes in net assets may be observed and used to discuss the changing financial position of the District as a whole. Approximately seventy-five percent of the District's total net assets reflect its investment in capital assets (e.g. land, buildings, vehicles, and equipment), net of related debt. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

**Foss Park District
Management's Discussion and Analysis
April 30, 2012**

Foss Park District's Net Assets – Modified Cash Basis

	<u>Governmental Activities</u>	
	<u>April 30, 2012</u>	<u>April 30, 2011</u>
<u>Assets:</u>		
Current assets	\$1,576,859	\$3,401,081
Capital assets – not being depreciated	506,254	563,806
Capital assets – net of depreciation	<u>1,695,704</u>	<u>1,635,997</u>
Total assets	<u>3,778,817</u>	<u>5,600,884</u>
<u>Liabilities:</u>		
Current liabilities	20,768	13,236
Noncurrent liabilities	<u>624,465</u>	<u>921,775</u>
Total liabilities	<u>645,233</u>	<u>935,011</u>
<u>Net assets:</u>		
Invested in capital assets, net of related debt	1,577,493	2,049,105
Restricted by enabling legislation	3,944,211	4,561,110
Unrestricted	<u>(2,388,120)</u>	<u>(1,944,342)</u>
Total net assets	<u>\$3,133,584</u>	<u>\$4,665,873</u>

	<u>Business-type Activities</u>	
	<u>April 30, 2012</u>	<u>April 30, 2011</u>
<u>Assets:</u>		
Current assets	\$ 236,362	\$ 370,731
Capital assets – not depreciated	1,491,429	1,491,429
Capital assets – net of depreciation	<u>2,315,342</u>	<u>587,890</u>
Total assets	<u>4,043,133</u>	<u>2,450,050</u>
<u>Liabilities:</u>		
Current liabilities	<u>-0-</u>	<u>530</u>
Total liabilities	<u>-0-</u>	<u>530</u>
<u>Net assets:</u>		
Invested in capital assets, net of related debt	3,806,771	2,079,319
Unrestricted	<u>236,362</u>	<u>370,201</u>
Total net assets	<u>\$4,043,133</u>	<u>\$2,449,520</u>

**Foss Park District
Management's Discussion and Analysis
April 30, 2012**

Statement of Activities – Modified Cash Basis

	<u>Governmental Activities</u>	
	<u>April 30, 2012</u>	<u>April 30, 2011</u>
<u>Revenues:</u>		
Real estate taxes	\$1,765,962	\$1,720,458
Replacement taxes	129,758	143,840
Charges for services	100,587	80,809
Grants and contributions	600	963
Interest	5,274	16,029
Miscellaneous	<u>136,632</u>	<u>125,012</u>
Total	<u>2,138,813</u>	<u>2,087,111</u>
<u>Expenses:</u>		
General administration	3,247,943	1,357,075
Park maintenance	225,214	245,137
Recreation programs	163,351	471,249
Interest	<u>34,594</u>	<u>10,200</u>
Total	<u>3,671,102</u>	<u>2,083,661</u>
Change in net assets	(1,532,289)	3,450
Net assets - beginning of year	<u>4,665,873</u>	<u>4,662,423</u>
Net assets - end of year	<u>\$3,133,584</u>	<u>\$4,665,873</u>

	<u>Business-type Activities</u>	
	<u>April 30, 2012</u>	<u>April 30, 2011</u>
<u>Revenues:</u>		
Charges for services	\$1,108,849	\$745,127
Capital contributions	1,884,950	88,811
Interest	<u>48</u>	<u>-0-</u>
Total	<u>2,993,847</u>	<u>833,938</u>
<u>Expenses:</u>		
Golf course	\$1,400,234	\$927,283
Change in net assets	1,593,613	(93,345)
Net assets – beginning of year	<u>2,449,520</u>	<u>2,542,865</u>
Net assets - end of year	<u>\$4,043,133</u>	<u>\$2,449,520</u>

**Foss Park District
Management's Discussion and Analysis
April 30, 2012**

Financial Highlights

Revenues for governmental and business-type activities, excluding capital contributions, increased by approximately 11% in fiscal year 2012 primarily due to an increase in charges for services from the Golf Course (Enterprise Fund). In addition, due to the planned increase in property taxes collected in the General Corporate and Recreation funds, with no property taxes levied for Illinois Municipal Retirement Fund and Public Liability Fund Insurance purposes, the Park District was able to repay advances by the Illinois Municipal Retirement Fund and Public Liability Insurance funds to the General Corporate and Recreation funds, in the amount of \$378,190.

Budgetary Highlights

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

General Fund:

Total revenues in the General Corporate Fund were within 3% of the budgeted total of \$927,930. A slightly larger decrease in expected property tax and replacement tax receipts was the major reason for this occurrence. In addition, interest income was considerably short of expected budget because of a shift in assets and spending increases in the Fund.

General administration expenses were approximately \$58,000 below budget as the District continues to utilize in-house expertise to reduce reliance on outsourcing services, with lower than expected increased in employee health-related costs. The District has also seen significant savings in communication and utility costs by "shopping" for better service agreements.

Park maintenance expenses were also below budget by approximately \$32,000. Significant savings were in the personnel and maintenance areas, where the District was able to find means of using existing assets to complete the necessary maintenance of buildings and parks within the District's boundaries. Overall expenses for both areas were about 13% below budget.

Recreation Fund:

Revenues for programs and rentals were over \$22,000 above budget expectations. This was a result of more programming accomplished by newly hired staff, and more than offset the reduced revenues from property and replacement taxes. The total revenue for this fund was about 1% over budget.

Expenditures were within 2% of budget, due to careful attention to costs associated with running the many programs associated with the District's plans.

**Foss Park District
Management's Discussion and Analysis
April 30, 2012**

Financial Analysis of the District's Funds

Governmental Funds

Governmental funds as reported in the statements are displayed to assess the spendable resources for current and future Park District operations. Governmental funds reported an ending total fund balance of \$1,556,091, which represents a decrease over last year of \$1,831,754. This arose primarily as a result of capital outlay expenditures, of which \$1,884,950 related to golf course facility improvements that were contributed to the Golf Course Fund.

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 \$2,128,849, which was a decrease in the deficit of \$283,317, resulting from a planned excess of revenues collected over expenses paid. This was due to an increase in the property tax levy.

The Recreation Fund had a deficit fund balance at the end of the fiscal year of \$897,592, which was a decrease in the deficit of \$378,350. This was due to an excess of revenues collected over expenditures paid, also due to an increase in the property tax levy.

The Special Recreation Fund had a fund balance of \$662,716 at the end of the fiscal year, which was a decrease of \$8,022. This was due to a deficiency of revenues collected over expenditures paid.

The Illinois Municipal Retirement Fund's fund balance at the end of the fiscal year was \$1,501,683, which was a decrease of \$176,912. 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 \$1,510,262 which was a decrease of \$288,458. 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 \$726,235, which was a decrease of \$1,876,522. This was due to spending from funds received from a bond issued in March 2011, on the golf facility improvements described previously.

The Bond and Interest Fund's fund balance at the end of the fiscal year was \$78,004, which was a decrease of \$75,576. This was due to the transfer of monies to Capital Improvements Fund by Board of Commissioners action.

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 \$4,005,783 as of April 30, 2012. The detail of the advances is shown on pages 35 through 36 of this report.

**Foss Park District
Management's Discussion and Analysis
April 30, 2012**

Capital Assets

Net capital assets increased approximately \$1.7 Million in the current year. This was a result of a major renovation at the Golf Course paid for with proceeds from the bond issued in the previous fiscal year. The project was completed in fiscal year 2012.

Debt Administration

As of April 30, 2012, the Park District has an outstanding general obligation bond issue of \$624,465. This obligation is due and payable within two years. The Bond and Interest Fund had a fund balance of \$78,004. The remainder will be paid through future real estate tax collections.

Factors Bearing on the District's Future

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

Contacting the District's Financial Management

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

Foss Park District, Illinois
Statement of Net Assets - Modified Cash Basis
April 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,597,625	\$ 2,017	\$ 1,599,642
Investments	10,368	-	10,368
Inventory	-	195,287	195,287
Internal advances	(39,058)	39,058	-
Deposit with paying agent	7,924	-	7,924
Land and other capital assets not being depreciated	506,254	1,491,429	1,997,683
Capital assets, net of accumulated depreciation	<u>1,695,704</u>	<u>2,315,342</u>	<u>4,011,046</u>
 Total assets	 <u>3,778,817</u>	 <u>4,043,133</u>	 <u>7,821,950</u>
LIABILITIES			
Lease deposits	10,000	-	10,000
Payroll withholdings	10,768	-	10,768
Noncurrent liabilities			
Due within one year	304,690	-	304,690
Due in more than one year	<u>319,775</u>	<u>-</u>	<u>319,775</u>
 Total liabilities	 <u>645,233</u>	 <u>-</u>	 <u>645,233</u>
NET ASSETS			
Investment in capital assets, net of related debt	1,577,493	3,806,771	5,384,264
Restricted by enabling legislation	3,944,211	-	3,944,211
Unrestricted	<u>(2,388,120)</u>	<u>236,362</u>	<u>(2,151,758)</u>
 Total net assets	 <u>\$ 3,133,584</u>	 <u>\$ 4,043,133</u>	 <u>\$ 7,176,717</u>

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, 2012

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Contributions</u>	<u>Capital Contributions</u>
Governmental activities				
General administration	\$ 3,247,943	\$ 2,235	\$ -	\$ -
Park maintenance	225,214	-	-	-
Recreational programs	163,351	98,352	600	-
Interest	34,594	-	-	-
Total governmental activities	<u>3,671,102</u>	<u>100,587</u>	<u>600</u>	<u>-</u>
Business-type activities				
Golf course	<u>1,400,234</u>	<u>1,108,849</u>	<u>-</u>	<u>1,884,950</u>
Total functions/programs	<u>\$ 5,071,336</u>	<u>\$ 1,209,436</u>	<u>\$ 600</u>	<u>\$ 1,884,950</u>

General revenues
Real estate taxes
Replacement taxes
Interest
Miscellaneous

Total general revenues

Changes in net assets

Net assets - beginning

Net assets - ending

The accompanying notes are an integral part of this statement.

Net Expense and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (3,245,708)	\$ -	\$ (3,245,708)
(225,214)	-	(225,214)
(64,399)	-	(64,399)
(34,594)	-	(34,594)
<u>(3,569,915)</u>	<u>-</u>	<u>(3,569,915)</u>
<u>-</u>	<u>1,593,565</u>	<u>1,593,565</u>
<u>(3,569,915)</u>	<u>1,593,565</u>	<u>(1,976,350)</u>
1,765,962	-	1,765,962
129,758	-	129,758
5,274	48	5,322
136,632	-	136,632
<u>2,037,626</u>	<u>48</u>	<u>2,037,674</u>
(1,532,289)	1,593,613	61,324
<u>4,665,873</u>	<u>2,449,520</u>	<u>7,115,393</u>
<u>\$ 3,133,584</u>	<u>\$ 4,043,133</u>	<u>\$ 7,176,717</u>

Foss Park District, Illinois

Governmental Funds

Combining Statement of Assets and Liabilities Arising from Cash Transactions

April 30, 2012

	General Corporate Fund	Recreation Fund	Special Recreation Fund	Illinois Municipal Retirement Fund
ASSETS				
Cash and cash equivalents	\$ 139,244	\$ 145,419	\$ 662,716	\$ 153,949
Investments	10,368	-	-	-
Advances to other funds	151,700	-	-	1,347,734
Deposit with paying agent	-	-	-	-
Total assets	<u>\$ 301,312</u>	<u>\$ 145,419</u>	<u>\$ 662,716</u>	<u>\$ 1,501,683</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Lease deposits	\$ 10,000	\$ -	\$ -	\$ -
Payroll withholdings	10,768	-	-	-
Advances from other funds	<u>2,409,393</u>	<u>1,043,011</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,430,161</u>	<u>1,043,011</u>	<u>-</u>	<u>-</u>
Fund balance (deficit)				
Nonspendable	151,700	-	-	1,347,734
Restricted	-	-	662,716	153,949
Unassigned	<u>(2,280,549)</u>	<u>(897,592)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(2,128,849)</u>	<u>(897,592)</u>	<u>662,716</u>	<u>1,501,683</u>
Total liabilities and fund balances (deficits)	<u>\$ 301,312</u>	<u>\$ 145,419</u>	<u>\$ 662,716</u>	<u>\$ 1,501,683</u>

The accompanying notes are an integral part of this statement.

Public Liability Insurance Fund	Capital Improvements Fund	Bond and Interest Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 51,158	\$ 183,513	\$ 70,080	\$ 191,546	\$ 1,597,625
-	-	-	-	10,368
1,459,104	664,679	-	-	3,623,217
-	-	7,924	-	7,924
<u>\$ 1,510,262</u>	<u>\$ 848,192</u>	<u>\$ 78,004</u>	<u>\$ 191,546</u>	<u>5,239,134</u>
\$ -	\$ -	\$ -	\$ -	\$ 10,000
-	-	-	-	10,768
-	121,957	-	87,914	3,662,275
-	121,957	-	87,914	3,683,043
1,459,104	664,679	7,924	-	3,631,141
51,158	61,556	70,080	191,546	1,191,005
-	-	-	(87,914)	(3,266,055)
<u>1,510,262</u>	<u>726,235</u>	<u>78,004</u>	<u>103,632</u>	<u>1,556,091</u>
<u>\$ 1,510,262</u>	<u>\$ 848,192</u>	<u>\$ 78,004</u>	<u>\$ 191,546</u>	

Amounts reported for governmental activities in the statement of net assets - 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.	2,201,958
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(624,465)</u>

Net assets of governmental activities	<u>\$ 3,133,584</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, 2012

	General Corporate Fund	Recreation Fund	Special Recreation Fund	Illinois Municipal Retirement Fund
Revenues collected				
Real estate taxes	\$ 732,051	\$ 648,562	\$ 19,264	\$ -
Intergovernmental revenues	64,879	64,879	-	-
Charges for services	2,235	98,352	-	-
Contributions and donations	-	600	-	-
Other income	103,057	24,378	-	-
Interest income	295	155	267	87
	902,517	836,926	19,531	87
Total revenues collected				
Expenditures paid				
Current				
General administration	442,181	416,560	20,153	149,633
Park maintenance	177,019	-	-	27,275
Recreation programs	-	42,016	-	91
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	7,400	-
	619,200	458,576	27,553	176,999
Total expenditures paid				
Excess (deficiency) of revenues collected over expenditures paid	283,317	378,350	(8,022)	(176,912)
Other financing sources and uses				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
	-	-	-	-
Total other financing sources and uses				
Net change in fund balances	283,317	378,350	(8,022)	(176,912)
Fund balance (deficit)				
Beginning of year	(2,412,166)	(1,275,942)	670,738	1,678,595
End of year	\$ (2,128,849)	\$ (897,592)	\$ 662,716	\$ 1,501,683

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>
\$ -	\$ -	\$ 330,767	\$ 35,318	\$ 1,765,962
-	-	-	-	129,758
-	-	-	-	100,587
-	-	-	-	600
7,056	2,141	-	-	136,632
29	4,304	23	114	5,274
<u>7,085</u>	<u>6,445</u>	<u>330,790</u>	<u>35,432</u>	<u>2,138,813</u>
183,996	46,763	984	62,361	1,322,631
-	-	-	-	204,294
-	-	-	-	42,107
-	-	297,310	-	297,310
-	-	34,594	-	34,594
111,547	1,909,682	-	41,002	2,069,631
<u>295,543</u>	<u>1,956,445</u>	<u>332,888</u>	<u>103,363</u>	<u>3,970,567</u>
<u>(288,458)</u>	<u>(1,950,000)</u>	<u>(2,098)</u>	<u>(67,931)</u>	<u>(1,831,754)</u>
-	73,478	-	-	73,478
-	-	(73,478)	-	(73,478)
-	73,478	(73,478)	-	-
(288,458)	(1,876,522)	(75,576)	(67,931)	(1,831,754)
<u>1,798,720</u>	<u>2,602,757</u>	<u>153,580</u>	<u>171,563</u>	<u>3,387,845</u>
<u>\$ 1,510,262</u>	<u>\$ 726,235</u>	<u>\$ 78,004</u>	<u>\$ 103,632</u>	<u>\$ 1,556,091</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, 2012

Net change in fund balances - total governmental funds	\$ (1,831,754)
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 and disposals in the current period.	2,155
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>297,310</u>
Change in net assets of governmental activities	\$ <u><u>(1,532,289)</u></u>

The accompanying notes are an integral part of this statement.

Foss Park District, Illinois
Golf Course - Major Enterprise Fund
Statement of Net Assets - Modified Cash Basis
April 30, 2012

ASSETS

Current assets

Cash	\$ 2,017
Inventory	<u>195,287</u>

Total current assets 197,304

Noncurrent assets

Advances to other funds	382,566
Land and other capital assets not being depreciated	1,491,429
Capital assets, net of accumulated depreciation	<u>2,315,342</u>

Total noncurrent assets 4,189,337

Total assets 4,386,641

LIABILITIES

Advances from other funds	<u>343,508</u>
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Total liabilities 343,508

NET ASSETS

Invested in capital assets, net of related debt	3,806,771
Unrestricted	<u>236,362</u>

Total net assets \$ 4,043,133

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 Assets - Modified Cash Basis

For the Year Ended April 30, 2012

Operating revenues collected	
Charges for services	\$ 1,065,610
Other receipts	<u>43,239</u>
Total operating revenues collected	<u>1,108,849</u>
Operating expenses	
Golf course operations	789,420
Golf course maintenance	440,760
Depreciation	<u>138,416</u>
Total operating expenses	<u>1,368,596</u>
Operating loss	<u>(259,747)</u>
Nonoperating revenues (expenses)	
Interest income	48
Loss on disposal of capital assets	<u>(31,638)</u>
Total nonoperating revenues (expenses)	<u>(31,590)</u>
Loss before capital contributions	(291,337)
Capital contributions	<u>1,884,950</u>
Change in net assets	1,593,613
Net assets	
Beginning of year	<u>2,449,520</u>
End of year	<u>\$ 4,043,133</u>

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, 2012

Cash flows from operating activities	
Cash received from customers	\$ 1,108,849
Cash paid to suppliers	(898,568)
Cash paid to employees	<u>(482,613)</u>
Net cash used in operating activities	<u>(272,332)</u>
Cash flows from investing activities	
Interest received	48
Purchase of capital assets	<u>(12,556)</u>
Net cash used in investing activities	<u>(12,508)</u>
Cash flows from noncapital financing activities	
Repayment of advances to other funds	<u>286,857</u>
Net cash provided by noncapital financing activities	<u>286,857</u>
Net change in cash	2,017
Cash	
Beginning of year	<u>-</u>
End of year	<u>\$ 2,017</u>
Reconciliation of operating loss to net cash used in operating activities	
Operating loss	\$ (259,747)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	138,416
Increase in inventory	(150,471)
Decrease in sales tax payable	<u>(530)</u>
Net cash used in operating activities	<u>\$ (272,332)</u>

The accompanying notes are an integral part of this statement.

Foss Park District, Illinois
Index for Notes to the Financial Statements
April 30, 2012

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Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

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. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the modified cash basis statements of net assets 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.

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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

3. 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.

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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

4. 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.

5. 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.

6. Investments

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

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. 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.

8. 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.

9. Capital Assets

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

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.

The following capitalization thresholds and estimated useful lives are used:

	Threshold Value	Useful Life (years)
Machinery and equipment	\$ 5,000	3 - 20
Buildings and improvements	15,000	25 - 50
Land improvements		
Golf course	15,000	10 - 60
Other	15,000	10 - 50
Land	15,000	

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. 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 assets.

11. Fund Balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), which was adopted by the Park District during 2012. In the fund financial statements, governmental funds now 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.
- 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.
- 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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Real Estate Taxes

Real estate taxes are levied in December by passage of a tax levy resolution, which was passed on December 15, 2010. 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.

13. 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.

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, 2012:

<u>Fund</u>	<u>Deficit Balance</u>
General Corporate Fund	\$ (2,128,849)
Recreation Fund	(897,592)
Audit Fund	(87,914)

The Park District has restructured its real estate tax levy to allow these deficits to be reduced over time.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

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

1. Explanation 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	\$	185,057
Deletions		(57,552)
Depreciation expense		<u>(125,350)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$	<u>2,155</u>

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 assets - 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.

State statutes allow the Park District to make deposits in: insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds Investment Pool.

At April 30, 2012, the Park District's deposits and investments consisted of the following:

Cash and cash equivalents	\$	1,599,642
Investments		<u>10,368</u>
	\$	<u>1,610,010</u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE E - DEPOSITS AND INVESTMENTS (Continued)

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	\$	2,506
Deposits with financial institutions		<u>1,607,504</u>
	\$	<u><u>1,610,010</u></u>

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, 2012, 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, 2012

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2012 was as follows:

1. <u>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	\$ -	\$ -	\$ 506,254
Construction in progress	<u>57,552</u>	<u>-</u>	<u>57,552</u>	<u>-</u>
Total capital assets not being depreciated	<u>563,806</u>	<u>-</u>	<u>57,552</u>	<u>506,254</u>
Capital assets being depreciated				
Machinery and equipment	1,174,696	-	-	1,174,696
Buildings and improvements	1,340,256	150,882	-	1,491,138
Land improvements	<u>910,397</u>	<u>34,175</u>	<u>-</u>	<u>944,572</u>
Total capital assets being depreciated	<u>3,425,349</u>	<u>185,057</u>	<u>-</u>	<u>3,610,406</u>
Less accumulated depreciation for:				
Machinery and equipment	570,358	81,081	-	651,439
Buildings and improvements	991,660	25,378	-	1,017,038
Land improvements	<u>227,334</u>	<u>18,891</u>	<u>-</u>	<u>246,225</u>
Total accumulated depreciation	<u>1,789,352</u>	<u>125,350</u>	<u>-</u>	<u>1,914,702</u>
Total capital assets being depreciated, net	<u>1,635,997</u>	<u>59,707</u>	<u>-</u>	<u>1,695,704</u>
Governmental activities capital assets, net	<u>\$ 2,199,803</u>	<u>\$ 59,707</u>	<u>\$ 57,552</u>	<u>\$ 2,201,958</u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE F - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2. <u>Business-Type Activity</u>				
Capital assets not being depreciated				
Land	\$ 1,491,429	\$ -	\$ -	\$ 1,491,429
Capital assets being depreciated				
Land improvements	414,788	224,673	-	639,461
Buildings and improvements	678,440	1,436,477	186,319	1,928,598
Equipment	<u>964,527</u>	<u>236,356</u>	<u>417,769</u>	<u>783,114</u>
Total capital assets being depreciated	<u>2,057,755</u>	<u>1,897,506</u>	<u>604,088</u>	<u>3,351,173</u>
Less accumulated depreciation for:				
Land improvements	247,808	51,340	-	299,148
Buildings and improvements	444,717	25,863	166,458	304,122
Equipment	<u>777,340</u>	<u>61,213</u>	<u>405,992</u>	<u>432,561</u>
Total accumulated depreciation	<u>1,469,865</u>	<u>138,416</u>	<u>572,450</u>	<u>1,035,831</u>
Total capital assets being depreciated, net	<u>587,890</u>	<u>1,759,090</u>	<u>31,638</u>	<u>2,315,342</u>
Business-type activity capital assets, net	<u>\$ 2,079,319</u>	<u>\$ 1,759,090</u>	<u>\$ 31,638</u>	<u>\$ 3,806,771</u>

3. Depreciation Expense

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

Governmental activities:

General government	\$ 40,738
Recreational programs	63,692
Park maintenance	<u>20,920</u>

Total depreciation expense – governmental activities \$ 125,350

Business-type activity:

Golf course	<u>\$ 138,416</u>
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Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

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>Governmental activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds					
Series 2011	\$ 921,775	\$ -	\$ 297,310	\$ 624,465	\$ 304,690
Total governmental activities	<u>\$ 921,775</u>	<u>\$ -</u>	<u>\$ 297,310</u>	<u>\$ 624,465</u>	<u>\$ 304,690</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 4.95-5.35%. 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 \$7,924 at April 30, 2012, is recorded in the Bond and Interest Fund.

3. Annual Debt Service Requirements to Maturity

<u>Fiscal Year Ending April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Total</u>
2013	\$ 304,690	\$ 32,190	\$ 336,880	\$ 369,070
2014	<u>319,775</u>	<u>17,108</u>	<u>336,883</u>	<u>353,991</u>
	<u>\$ 624,465</u>	<u>\$ 49,298</u>	<u>\$ 673,763</u>	<u>\$ 723,061</u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES

The government-wide statement of net assets reports \$39,058 in internal balances. The Park District's internal balances on the statement of net assets 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 \$4 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:

	Advances To	Advances From
<u>Governmental Funds</u>		
General Corporate Fund		
Recreation Fund	\$ 9,962	\$ -
Audit Fund	29,914	-
Golf Course Fund	111,824	-
Illinois Municipal Retirement Fund	-	992,698
Public Liability Insurance Fund	-	1,050,000
Capital Improvements Fund	-	366,695
Total General Corporate Fund	151,700	2,409,393
Recreation Fund		
General Corporate Fund	-	9,962
Illinois Municipal Retirement Fund	-	233,079
Public Liability Insurance Fund	-	351,104
Capital Improvements Fund	-	66,300
Golf Course Fund	-	382,566
Total Recreation Fund	-	1,043,011
Illinois Municipal Retirement Fund		
General Corporate Fund	992,698	-
Recreation Fund	233,079	-
Capital Improvements Fund	121,957	-
Total Illinois Municipal Retirement Fund	1,347,734	-

(Continued)

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES (Continued)

	Advances To	Advances From
<u>Governmental Funds</u> (Continued)		
Public Liability Insurance Fund		
General Corporate Fund	\$ 1,050,000	\$ -
Recreation Fund	351,104	-
Audit Fund	58,000	-
Total Public Liability Insurance Fund	1,459,104	-
Capital Improvements Fund		
General Corporate Fund	366,695	-
Recreation Fund	66,300	-
Illinois Municipal Retirement Fund	-	121,957
Golf Course Fund	231,684	-
Total Capital Improvements Fund	664,679	121,957
Audit Fund		
General Corporate Fund	-	29,914
Public Liability Insurance Fund	-	58,000
Total Audit Fund	-	87,914
Total governmental funds	3,623,217	3,662,275
<u>Enterprise Fund</u>		
Golf Course Fund		
General Corporate Fund	-	111,824
Recreation Fund	382,566	-
Capital Improvements Fund	-	231,684
Total Golf Course Fund	382,566	343,508
Total interfund advances	4,005,783	4,005,783
Less amounts eliminated under GASB 34	(3,966,725)	(3,966,725)
Internal advances	\$ 39,058	\$ 39,058

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE I - INTERFUND TRANSFERS

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds		
Capital Improvements		
Bond and Interest	\$ 73,478	\$ -
Total Capital Improvements Fund	<u>73,478</u>	<u>-</u>
Bond and Interest		
Capital Improvements	<u>-</u>	<u>73,478</u>
Total Bond and Interest Fund	<u>-</u>	<u>73,478</u>
Total governmental funds	<u>73,478</u>	<u>73,478</u>
Less amounts eliminated under GASB 34	<u>(73,478)</u>	<u>(73,478)</u>
Total	<u>\$ -</u>	<u>\$ -</u>

NOTE J - FUND BALANCE REPORTING

As defined in Note A-11, the Park District had the following components of nonspendable fund balance at April 30, 2012:

Advances to other funds	
General Fund	\$ 151,700
Illinois Municipal Retirement Fund	1,347,734
Public Liability Insurance Fund	1,459,104
Capital Improvements Fund	664,679
Deposit with paying agent Bond and Interest Fund	<u>7,924</u>
Total nonspendable	<u>\$ 3,631,141</u>

NOTE K - RESTRICTIONS FOR ENABLING LEGISLATION

The government-wide statement of net assets - modified cash basis reports \$3,944,211 of net assets restricted by enabling legislation, which consists of the following:

<u>Enabling Legislation Restrictions</u>	<u>Amount</u>
Special Recreation	\$ 662,716
Illinois Municipal Retirement Fund	1,501,683
Public Liability Insurance	1,510,262
Bond and Interest	78,004
Police	<u>191,546</u>
Total restrictions for enabling legislation	<u>\$ 3,944,211</u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE L - LEASE COMMITMENTS

The Park District leases golf carts under the terms of a noncancelable operating lease that expires in October 2012. The lease requires monthly rental payments of approximately \$3,582 from May 15 through October 15 of each year. Total lease expense charged to Golf Course operations commodities expense for the year ended April 30, 2012 was approximately \$21,750.

As of April 30, 2012, the Park District's future minimum rental payments are as follows:

<u>Fiscal Year</u>	<u>Rentals</u>
2013	\$ <u>21,491</u>

NOTE M - CONTINGENCIES

1. Grants

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

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 N - 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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE N - DEFINED BENEFIT PENSION PLANS (Continued)

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 2011 was 8.84%. 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 calendar year 2011 was \$83,940.

Three-Year Trend Information			
Calendar Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2011	\$ 83,940	100%	\$ -
12/31/2010	66,389	100%	-
12/31/2009	45,655	100%	-

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 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, 2009 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2012

NOTE N - DEFINED BENEFIT PENSION PLANS (Continued)

4. Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 96.55% funded. The actuarial accrued liability for benefits was \$1,764,520 and the actuarial value of assets was \$1,703,657, resulting in an unfunded actuarial accrued liability (UAAL) of \$60,863. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$949,548 and the ratio of the UAAL to the covered payroll was 6%.

The schedule of funding progress, presented as required supplementary information (RSI) 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 O - 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, 2012, there were no retirees receiving benefits and ten employees who were eligible to receive benefits upon retirement. Total monthly premium costs were approximately \$8,900.

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.

NOTE P - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 12, 2012, 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 assets date, other than the following, that require disclosure in the financial

On May 30, 2012, the District issued \$2,000,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2012A. The bonds' interest rates are 2.0% to 3.9% and they are due on various dates through December 15, 2027. The purpose of the issuance was to finance various capital projects.

REQUIRED SUPPLEMENTARY INFORMATION

Foss Park District, Illinois

Illinois Municipal Retirement Fund

Schedule of Funding Progress

April 30, 2012

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)
12/31/2011	\$ 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
12/31/2009	1,760,876	1,784,691	23,815	98.67	821,132	2.90

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$1,621,646. On a market basis, the funded ratio would be 91.90%.

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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 743,630	\$ 732,051	\$ (11,579)
Intergovernmental revenues	70,000	64,879	(5,121)
Charges for services	3,500	2,235	(1,265)
Other income	100,800	103,057	2,257
Interest income	<u>10,000</u>	<u>295</u>	<u>(9,705)</u>
Total revenues collected	<u>927,930</u>	<u>902,517</u>	<u>(25,413)</u>
Expenditures paid			
Current			
General administration	500,300	442,181	58,119
Park maintenance	208,950	177,019	31,931
Capital outlay			
General administration	<u>3,800</u>	<u>-</u>	<u>3,800</u>
Total expenditures paid	<u>713,050</u>	<u>619,200</u>	<u>93,850</u>
Excess of revenues collected over expenditures paid	\$ <u>214,880</u>	283,317	\$ <u>68,437</u>
Fund deficit			
Beginning of year		<u>(2,412,166)</u>	
End of year		<u>\$ (2,128,849)</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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 658,830	\$ 648,562	\$ (10,268)
Intergovernmental revenues	70,000	64,879	(5,121)
Charges for services	75,559	98,352	22,793
Contributions and donations	-	600	600
Other income	25,525	24,378	(1,147)
Interest income	<u>500</u>	<u>155</u>	<u>(345)</u>
Total revenues collected	<u>830,414</u>	<u>836,926</u>	<u>6,512</u>
Expenditures paid			
General administration	418,681	416,560	2,121
Recreational programs	<u>47,193</u>	<u>42,016</u>	<u>5,177</u>
Total expenditures paid	<u>465,874</u>	<u>458,576</u>	<u>7,298</u>
Excess of revenues collected over expenditures paid	<u>\$ 364,540</u>	378,350	<u>\$ 13,810</u>
Fund deficit			
Beginning of year		<u>(1,275,942)</u>	
End of year		<u>\$ (897,592)</u>	

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, 2012

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 19,569	\$ 19,264	\$ (305)
Interest income	200	267	67
Total revenues collected	<u>19,769</u>	<u>19,531</u>	<u>(238)</u>
Expenditures paid			
Current			
General administration			
Maintenance, repairs, and insurance	53,000	8,400	44,600
Communications	10,000	11,753	(1,753)
Commodities	1,000	-	1,000
Total general administration	<u>64,000</u>	<u>20,153</u>	<u>43,847</u>
Capital outlay	<u>-</u>	<u>7,400</u>	<u>(7,400)</u>
Total expenditures paid	<u>64,000</u>	<u>27,553</u>	<u>36,447</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (44,231)</u>	(8,022)	<u>\$ 36,209</u>
Fund balance			
Beginning of year		<u>670,738</u>	
End of year		<u>\$ 662,716</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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Interest income	\$ 300	\$ 87	\$ (213)
Total revenue collected	<u>300</u>	<u>87</u>	<u>(213)</u>
Expenditures paid			
General administration	147,943	149,633	(1,690)
Park maintenance	26,967	27,275	(308)
Recreation programs	<u>90</u>	<u>91</u>	<u>(1)</u>
Total expenditures paid	<u>175,000</u>	<u>176,999</u>	<u>(1,999)</u>
Deficiency of revenues collected over expenditures paid	<u>\$ (174,700)</u>	(176,912)	<u>\$ (2,212)</u>
Fund balance			
Beginning of year		<u>1,678,595</u>	
End of year		<u>\$ 1,501,683</u>	

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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Other income	\$ 1,300	\$ 7,056	\$ 5,756
Interest income	<u>500</u>	<u>29</u>	<u>(471)</u>
Total revenues collected	<u>1,800</u>	<u>7,085</u>	<u>5,285</u>
Expenditures paid			
Current			
General administration			
Personnel services			
Workers' compensation	90,000	30,835	59,165
Unemployment insurance	-	51,142	(51,142)
Professional services	22,000	19,543	2,457
Liability insurance	122,500	82,284	40,216
Communications	20,000	-	20,000
Commodities	<u>6,000</u>	<u>192</u>	<u>5,808</u>
Total general administration	260,500	183,996	76,504
Capital outlay	<u>85,000</u>	<u>111,547</u>	<u>(26,547)</u>
Total expenditures paid	<u>345,500</u>	<u>295,543</u>	<u>49,957</u>
Deficiency of revenues collected over expenditures paid	<u>\$ (343,700)</u>	(288,458)	<u>\$ 55,242</u>
Fund balance			
Beginning of year		<u>1,798,720</u>	
End of year		<u>\$ 1,510,262</u>	

Foss Park District, Illinois

Notes to the Required Supplementary Information

April 30, 2012

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, 2012.

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, 2012:

<u>Fund</u>	<u>Amount</u>
Illinois Municipal Retirement	\$ 1,999
Capital Improvements	589,445
Bond and Interest	7,688
Police	29,835

SUPPLEMENTAL INFORMATION

Foss Park District, Illinois
 General Corporate Fund - Major Fund
 Schedule of Detailed Revenues Collected -
 Budget and Actual
For the Year Ended April 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>743,630</u>	\$ <u>732,051</u>	\$ <u>(11,579)</u>
Intergovernmental revenues			
Replacement taxes	<u>70,000</u>	<u>64,879</u>	<u>(5,121)</u>
Charges for services			
Rentals	<u>3,500</u>	<u>2,235</u>	<u>(1,265)</u>
Other income			
Expense reimbursement	-	4,462	4,462
Grants	-	25,000	25,000
Other	<u>100,800</u>	<u>73,595</u>	<u>(27,205)</u>
Total other income	<u>100,800</u>	<u>103,057</u>	<u>2,257</u>
Interest income	<u>10,000</u>	<u>295</u>	<u>(9,705)</u>
Total revenues collected	\$ <u><u>927,930</u></u>	\$ <u><u>902,517</u></u>	\$ <u><u>(25,413)</u></u>

Foss Park District, Illinois
 General Corporate Fund - Major Fund
 Schedule of Detailed Expenditures Paid -
 Budget and Actual
For the Year Ended April 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General administration			
Personnel services			
Salaries	\$ 305,000	\$ 293,813	\$ 11,187
Fringe benefits	30,000	15,617	14,383
Total personnel services	<u>335,000</u>	<u>309,430</u>	<u>25,570</u>
Contractual services			
Professional services	15,800	20,073	(4,273)
Maintenance, repairs, and insurance	9,000	9,754	(754)
Communications	46,000	25,445	20,555
Other	90,000	73,339	16,661
Total contractual services	<u>160,800</u>	<u>128,611</u>	<u>32,189</u>
Commodities	<u>4,500</u>	<u>4,140</u>	<u>360</u>
Total general administration before capital outlay and debt service	<u>500,300</u>	<u>442,181</u>	<u>58,119</u>
Capital outlay	<u>3,800</u>	<u>-</u>	<u>3,800</u>
Total general administration	<u>504,100</u>	<u>442,181</u>	<u>61,919</u>
Park maintenance			
Personnel services			
Salaries	<u>140,000</u>	<u>115,016</u>	<u>24,984</u>
Total personnel services	<u>140,000</u>	<u>115,016</u>	<u>24,984</u>
Contractual services			
Utilities and cleaning	12,400	10,786	1,614
Maintenance, repairs, and insurance	27,000	15,019	11,981
Communications	3,150	406	2,744
Total contractual services	<u>42,550</u>	<u>26,211</u>	<u>16,339</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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Park maintenance (continued)			
Commodities	\$ <u>26,400</u>	\$ <u>35,792</u>	\$ <u>(9,392)</u>
Total park maintenance	<u>208,950</u>	<u>177,019</u>	<u>31,931</u>
Total expenditures paid	<u>\$ 713,050</u>	<u>\$ 619,200</u>	<u>\$ 93,850</u>

(Concluded)

Foss Park District, Illinois
 Recreation Fund - Major Fund
 Schedule of Detailed Revenues Collected -
 Budget and Actual
For the Year Ended April 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>658,830</u>	\$ <u>648,562</u>	\$ <u>(10,268)</u>
Intergovernmental revenues			
Replacement taxes	<u>70,000</u>	<u>64,879</u>	<u>(5,121)</u>
Charges for services			
Fees	64,559	69,847	5,288
Rentals	<u>11,000</u>	<u>28,505</u>	<u>17,505</u>
Total charges for services	<u>75,559</u>	<u>98,352</u>	<u>22,793</u>
Contributions and donations	<u>-</u>	<u>600</u>	<u>600</u>
Other income	<u>25,525</u>	<u>24,378</u>	<u>(1,147)</u>
Interest income	<u>500</u>	<u>155</u>	<u>(345)</u>
Total revenues collected	\$ <u><u>830,414</u></u>	\$ <u><u>836,926</u></u>	\$ <u><u>6,512</u></u>

Foss Park District, Illinois
 Recreation Fund - Major Fund
 Schedule of Detailed Expenditures Paid -
 Budget and Actual
For the Year Ended April 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures paid			
General administration			
Personal services			
Salaries	\$ 303,131	\$ 305,113	\$ (1,982)
Fringe benefits	10,000	11,223	(1,223)
Total personal services	<u>313,131</u>	<u>316,336</u>	<u>(3,205)</u>
Professional services			
Professional services	4,000	1,548	2,452
Utilities and cleaning	46,350	35,557	10,793
Maintenance, repairs, and insurance	18,500	27,812	(9,312)
Communications	24,200	17,963	6,237
Total professional services	<u>93,050</u>	<u>82,880</u>	<u>10,170</u>
Commodities	<u>12,500</u>	<u>17,344</u>	<u>(4,844)</u>
Total general administration	<u>418,681</u>	<u>416,560</u>	<u>2,121</u>
Recreation programs			
Personal services			
Salaries	8,525	384	8,141
Total personal services	<u>8,525</u>	<u>384</u>	<u>8,141</u>
Contractual services			
Professional services	100	5,079	(4,979)
Utilities and cleaning	-	582	(582)
Communications	11,443	6,748	4,695
Total contractual services	<u>11,543</u>	<u>12,409</u>	<u>(866)</u>
Commodities	<u>27,125</u>	<u>29,223</u>	<u>(2,098)</u>
Total recreation programs	<u>47,193</u>	<u>42,016</u>	<u>5,177</u>
Total expenditures paid	<u>\$ 465,874</u>	<u>\$ 458,576</u>	<u>\$ 7,298</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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Grants	\$ 48,700	\$ -	\$ (48,700)
Interest income	8,000	4,304	(3,696)
Other income	-	2,141	2,141
Total revenues collected	<u>56,700</u>	<u>6,445</u>	<u>(50,255)</u>
Expenditures paid			
General administration			
Professional services	26,000	46,552	(20,552)
Maintenance and repair	5,000		5,000
Communications	-	211	(211)
Capital outlay	<u>1,336,000</u>	<u>1,909,682</u>	<u>(573,682)</u>
Total expenditures paid	<u>1,367,000</u>	<u>1,956,445</u>	<u>(589,445)</u>
Deficiency of revenues collected over expenditures paid	(1,310,300)	(1,950,000)	(639,700)
Other financing source			
Transfer in	<u>-</u>	<u>73,478</u>	<u>73,478</u>
Excess of revenues collected and other financing source over expenditures paid	<u>\$ (1,310,300)</u>	(1,876,522)	<u>\$ (566,222)</u>
Fund balance			
Beginning of year		<u>2,602,757</u>	
End of year		<u>\$ 726,235</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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 335,938	\$ 330,767	\$ (5,171)
Interest income	500	23	(477)
Total revenues collected	<u>336,438</u>	<u>330,790</u>	<u>(5,648)</u>
Expenditures paid			
General administration			
Professional services	15,000	984	14,016
Debt service			
Principal	300,000	297,310	2,690
Interest and bond fees	10,200	34,594	(24,394)
Total expenditures paid	<u>325,200</u>	<u>332,888</u>	<u>(7,688)</u>
Excess (deficiency) of revenues collected over expenditures paid	11,238	(2,098)	(13,336)
Other financing use			
Transfer out	-	(73,478)	(73,478)
Excess (deficiency) of revenues collected over expenditures paid and other financing use	<u>11,238</u>	(75,576)	<u>(86,814)</u>
Fund balance			
Beginning of year		<u>153,580</u>	
End of year		<u>\$ 78,004</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, 2012

	<u>Special Revenue Funds</u>		
	<u>Audit</u>	<u>Police</u>	Total
	<u>Fund</u>	<u>Fund</u>	<u>Nonmajor</u>
			<u>Funds</u>
ASSETS			
Cash	\$ <u> -</u>	\$ <u> 191,546</u>	\$ <u> 191,546</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Advances from other funds	\$ <u> 87,914</u>	\$ <u> -</u>	\$ <u> 87,914</u>
Fund balances (deficit)			
Restricted	-	191,546	191,546
Unassigned	<u>(87,914)</u>	<u> -</u>	<u>(87,914)</u>
Total fund balances (deficits)	<u>(87,914)</u>	<u> 191,546</u>	<u> 103,632</u>
Total liabilities and fund balances (deficit)	\$ <u> -</u>	\$ <u> 191,546</u>	\$ <u> 191,546</u>

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, 2012

	<u>Special Revenue Funds</u>		
	<u>Audit Fund</u>	<u>Police Fund</u>	<u>Total Nonmajor Funds</u>
Revenues collected			
Real estate taxes	\$ 16,054	\$ 19,264	\$ 35,318
Interest income	<u>2</u>	<u>112</u>	<u>114</u>
Total revenues collected	<u>16,056</u>	<u>19,376</u>	<u>35,432</u>
Expenditures paid			
General administration	16,056	46,305	62,361
Capital outlay	<u>-</u>	<u>41,002</u>	<u>41,002</u>
Total expenditures paid	<u>16,056</u>	<u>87,307</u>	<u>103,363</u>
Deficiency of revenues collected over expenditures paid	-	(67,931)	(67,931)
Fund balances (deficit)			
Beginning of year	<u>(87,914)</u>	<u>259,477</u>	<u>171,563</u>
End of year	<u><u>\$ (87,914)</u></u>	<u><u>\$ 191,546</u></u>	<u><u>\$ 103,632</u></u>

Foss Park District, Illinois

Audit Fund

Schedule of Revenues Collected, Expenditures Paid, and Change in Fund Balance (Deficit) - Budget and Actual For the Fiscal Year Ended April 30, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 16,308	\$ 16,054	\$ (254)
Interest income	<u>100</u>	<u>2</u>	<u>(98)</u>
Total revenues collected	<u>16,408</u>	<u>16,056</u>	<u>(352)</u>
Expenditures paid			
General administration			
Professional fees	<u>30,000</u>	<u>16,056</u>	<u>13,944</u>
Total expenditures paid	<u>30,000</u>	<u>16,056</u>	<u>13,944</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(13,592)</u></u>	-	\$ <u><u>13,592</u></u>
Fund deficit			
Beginning of year		<u>(87,914)</u>	
End of year		\$ <u><u>(87,914)</u></u>	

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, 2012

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 19,569	\$ 19,264	\$ (305)
Interest income	<u>200</u>	<u>112</u>	<u>(88)</u>
Total revenues collected	<u>19,769</u>	<u>19,376</u>	<u>(393)</u>
Expenditures paid			
Current			
General administration			
Personnel services	50,000	32,115	17,885
Utilities and cleaning	1,800	1,707	93
Maintenance and repair	500	203	297
Communications	300	689	(389)
Commodities	<u>4,872</u>	<u>11,591</u>	<u>(6,719)</u>
Total general administration	<u>57,472</u>	<u>46,305</u>	<u>11,167</u>
Capital outlay	<u>-</u>	<u>41,002</u>	<u>(41,002)</u>
Total expenditures paid	<u>57,472</u>	<u>87,307</u>	<u>(29,835)</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(37,703)</u></u>	(67,931)	\$ <u><u>(30,228)</u></u>
Fund balance			
Beginning of year		<u>259,477</u>	
End of year		\$ <u><u>191,546</u></u>	

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, 2012

	Original and Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Operating revenues collected			
Charges for services	\$ 1,195,100	\$ 1,065,610	\$ (129,490)
Other receipts	<u>37,032</u>	<u>43,239</u>	<u>6,207</u>
Total operating revenues collected	<u>\$ 1,232,132</u>	<u>\$ 1,108,849</u>	<u>\$ (123,283)</u>

Foss Park District, Illinois

Golf Course Fund - Major Fund

Schedule of Detailed Operating Expenses - Budget and Actual For the Fiscal Year Ended April 30, 2012

	Original and Final Budget	Actual	Variance Positive (Negative)
Golf course operations expenses			
Personal services			
Salaries	\$ 245,000	\$ 225,762	\$ 19,238
Fringe benefits	20,000	29,271	(9,271)
Total personal expenses	<u>265,000</u>	<u>255,033</u>	<u>9,967</u>
Contractual services			
Professional services	-	991	(991)
Utilities and cleaning	28,450	19,874	8,576
Maintenance, repairs, and insurance	16,000	32,410	(16,410)
Communications	34,700	74,757	(40,057)
Total contractual services	<u>79,150</u>	<u>128,032</u>	<u>(48,882)</u>
Commodities	<u>248,600</u>	<u>406,355</u>	<u>(157,755)</u>
Total golf course operations expenses before capital outlay	<u>592,750</u>	<u>789,420</u>	<u>(196,670)</u>
Capital outlay	<u>22,000</u>	<u>-</u>	<u>22,000</u>
Total golf course operations expenses	<u>614,750</u>	<u>789,420</u>	<u>(174,670)</u>
Golf course maintenance expenses			
Personnel services			
Salaries	232,428	189,983	42,445
Fringe benefits	33,700	37,597	(3,897)
Total personal services	<u>266,128</u>	<u>227,580</u>	<u>38,548</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, 2012

	Original and Final Budget	Actual	Variance Positive (Negative)
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Golf course maintenance expenses (continued)			
Contractual services			
Professional services	\$ 6,700	\$ -	\$ 6,700
Utilities and cleaning	37,750	35,052	2,698
Maintenance, repairs, and insurance	64,000	32,699	31,301
Communications	4,850	2,312	2,538
Total contractual services	<u>113,300</u>	<u>70,063</u>	<u>43,237</u>
Commodities	<u>168,065</u>	<u>143,117</u>	<u>24,948</u>
Total golf course maintenance expenses before capital outlay	<u>547,493</u>	<u>440,760</u>	<u>106,733</u>
Capital outlay	<u>240</u>	<u>-</u>	<u>240</u>
Total golf course maintenance expenses	<u>547,733</u>	<u>440,760</u>	<u>106,973</u>
Depreciation	<u>-</u>	<u>138,416</u>	<u>(138,416)</u>
Total operating expenses	<u>\$ 1,162,483</u>	<u>\$ 1,368,596</u>	<u>\$ (206,113)</u>

(Concluded)

OTHER INFORMATION

Foss Park District, Illinois
 General Obligation Limited Tax Park Bonds - Series 2011
 Schedule of Annual Debt Service Requirements
April 30, 2012

Date of Contract	March 9, 2011
Date of Maturity	December 15, 2013
Amount of Contract	\$921,775
Interest Rates	4.95-5.35%
Payable to	First Midwest Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2013	\$ 304,690	\$ 32,190	\$ 336,880
2014	319,775	17,108	336,883
	\$ 624,465	\$ 49,298	\$ 673,763

Foss Park District, Illinois

Legal Debt Margin

April 30, 2012

Assessed valuation - 2011	\$ <u>292,252,466</u>
Legal debt limit - 2.875% of assessed valuation	\$ 8,402,258
Amount of debt applicable to debt limit	<u>624,465</u>
Legal debt margin	\$ <u><u>7,777,793</u></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."