

Foss Park District, Illinois

Annual Financial Report

For the Year Ended April 30, 2011

Foss Park District, Illinois

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(Concluded)

INTRODUCTORY SECTION

Foss Park District, Illinois
LIST OF PRINCIPAL OFFICIALS
April 30, 2011

Board of Commissioners

Bernard Semasko, President

Lawrence Wade
Vice-President

Vernon McKinley
Commissioner

Donna King
Commissioner

Kingston Neal
Commissioner/Treasurer

* * * * *

Kevin Holley
Executive Director of Parks and Recreation

(Vacant)
Superintendent of Recreation

Robert Winter
Superintendent of Parks/Maintenance

Bradley Skof
Business Manager

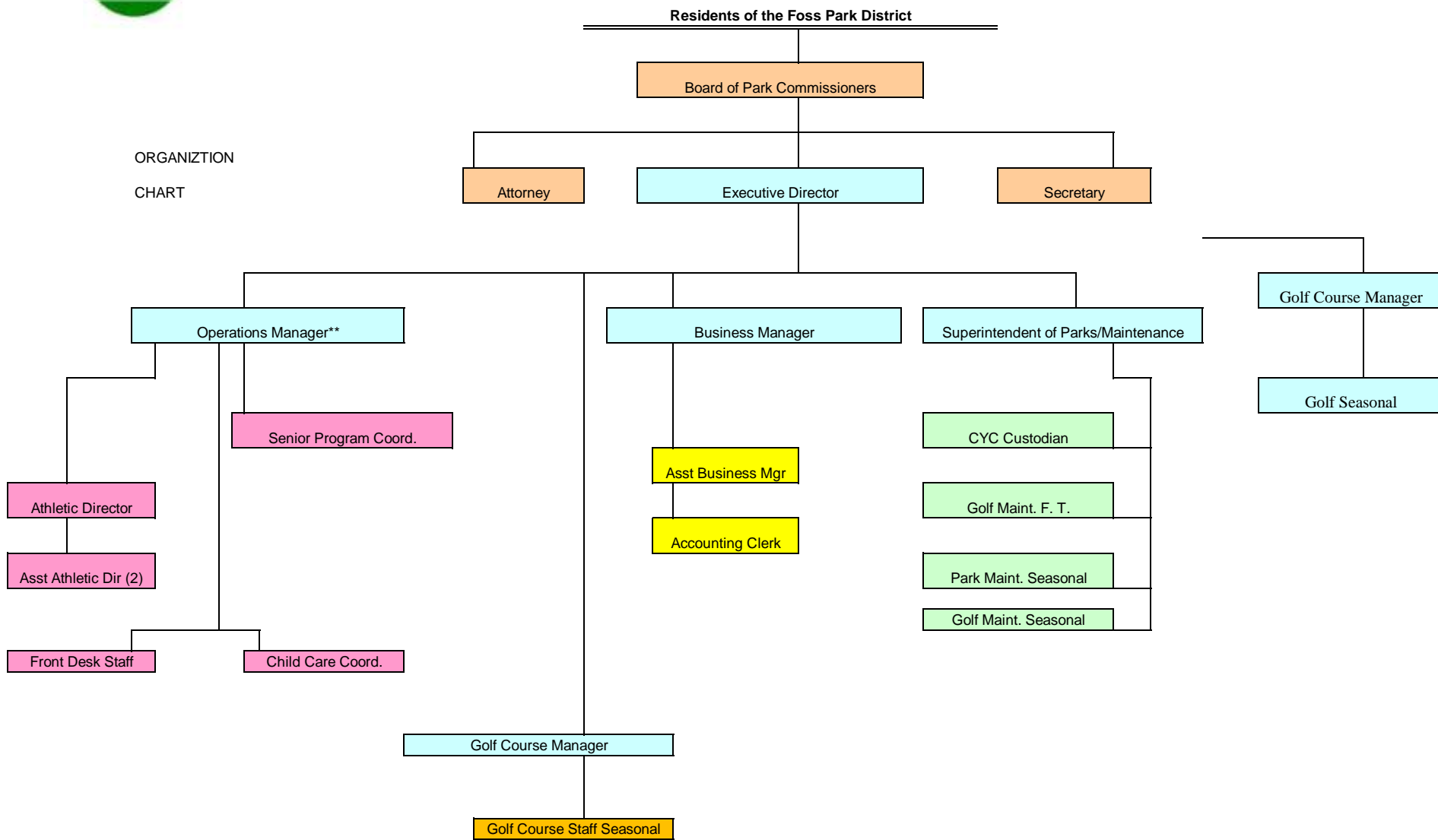
Gabriel Monroe
Golf Course Manager

Mary Myers-Love
Operations Manager



2011

ORGANIZATION
CHART



FINANCIAL SECTION



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 ("Park District"), as of and for the year ended April 30, 2011, which collectively comprise the Park District's basic modified cash basis financial statements, as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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.

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, the basic modified cash basis financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Park District's governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of April 30, 2011, and the respective revenues collected, expenditures paid, changes in fund balance (deficits)/net assets, and cash flows, where applicable, for the year then ended, on the basis of accounting described in Note A-3.

(Continued)

The management's discussion and analysis on pages 3 through 11 and the retirement fund historical data, budgetary comparison information, and notes to the required supplementary information on pages 42 through 47 are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the modified cash basis financial statements that collectively comprise the Park District's basic financial statements. The combining and individual fund statements and schedules of capital assets used in the operations of governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and capital assets used in the operations of governmental funds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., Ltd.

Certified Public Accountants

Deerfield, Illinois
October 17, 2011

Foss Park District Management's Discussion and Analysis April 30, 2011

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. This is the fifth year of the District's implementation. Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's modified cash basis financial statements (beginning on page 12).

Financial Highlights

- The District'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 \$2,921,049, with expenses being \$3,010,944, for a decrease in net assets of \$89,895.
- Real estate and replacement taxes collected were \$1,720,458 and \$143,840, respectively, a decrease of \$56,960 and an increase of \$14,436, respectively, over the previous year.
- Recreation program registration, fees, and operating contributions resulted in collected revenues of \$79,367, a decrease of \$41,310, and expenses were \$471,249. Recreation program expenses include \$63,194 of depreciation expense. Depreciation expense charged to general government and park maintenance activities totaled \$32,999 and \$19,359, respectively. Golf course revenues were \$745,127 for the year, which is a decrease of \$69,014, and expenses were \$927,233. Golf course expenses included \$87,459 of depreciation expense.
- The District continues to commit resources toward maintaining and improving parks, playgrounds, and facilities. In 2010-2011, \$336,603 was spent on capital outlay for the District's facilities and equipment.
- The District's outstanding long-term debt was \$921,775 at April 30, 2011, which represents an increase from the previous year.

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.

Foss Park District Management's Discussion and Analysis April 30, 2011

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 modified cash basis accounting and elimination or reclassification of internal activities.

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 12 through 14 of this report.

Fund Financial Statements

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

Foss Park District Management's Discussion and Analysis April 30, 2011

The District has two types of funds:

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

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

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

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

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

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

The basic proprietary fund financial statements are presented starting on page 20 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 23 and the notes begin on page 25 of this report.

**Foss Park District
Management's Discussion and Analysis
April 30, 2011**

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 42 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 nonmajor 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 fifty-eight 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's Net Assets – Modified Cash Basis

	<u>Governmental Activities</u>	
	<u>April 30, 2011</u>	<u>April 30, 2010</u>
<u>Assets:</u>		
Current assets	\$3,401,081	\$2,620,597
Capital assets – not depreciated	563,806	755,090
Capital assets – net of depreciation	<u>1,635,997</u>	<u>1,601,843</u>
Total assets	<u>5,600,884</u>	<u>4,977,530</u>
<u>Liabilities:</u>		
Current liabilities	13,236	10,107
Noncurrent liabilities	<u>921,775</u>	<u>305,000</u>
Total liabilities	<u>935,011</u>	<u>315,107</u>
<u>Net assets:</u>		
Invested in capital assets, net of related debt	2,049,105	2,356,933
Restricted for enabling legislation	4,561,110	4,946,750
Unrestricted	<u>(1,944,342)</u>	<u>(2,641,260)</u>
Total net assets	<u>\$4,665,873</u>	<u>\$4,662,423</u>

**Foss Park District
Management's Discussion and Analysis
April 30, 2011**

	<u>Business-type Activities</u>	
	<u>April 30, 2011</u>	<u>April 30, 2010</u>
<u>Assets:</u>		
Current assets	\$ 370,731	\$ 505,980
Capital assets – not depreciated	1,491,429	1,491,429
Capital assets – net of depreciation	<u>587,890</u>	<u>546,004</u>
Total assets	<u>2,450,050</u>	<u>2,543,413</u>
<u>Liabilities:</u>		
Current liabilities	<u>530</u>	<u>548</u>
Total liabilities	<u>530</u>	<u>548</u>
<u>Net assets:</u>		
Invested in capital assets, net of related debt	2,079,319	2,037,433
Unrestricted	<u>370,201</u>	<u>505,432</u>
Total net assets	<u>\$2,449,520</u>	<u>\$2,542,865</u>

Statement of Activities – Modified Cash Basis

	<u>Governmental Activities</u>	
	<u>April 30, 2011</u>	<u>April 30, 2010</u>
<u>Revenues:</u>		
Real estate taxes	\$1,720,458	\$1,777,418
Replacement taxes	143,840	129,404
Charges for services	80,809	126,753
Grants and contributions	963	20,125
Interest	16,029	28,959
Miscellaneous	<u>125,012</u>	<u>133,303</u>
Total	<u>2,087,111</u>	<u>2,215,962</u>

**Foss Park District
Management's Discussion and Analysis
April 30, 2011**

	<u>Governmental Activities</u>	
	<u>April 30, 2011</u>	<u>April 30, 2010</u>
<u>Expenses:</u>		
General administration	\$1,357,075	\$1,214,461
Park maintenance	245,137	247,932
Recreation programs	471,249	285,870
Interest	<u>10,200</u>	<u>10,650</u>
Total	<u>2,083,661</u>	<u>1,758,913</u>
Change in net assets	3,450	457,049
Net assets - beginning of year	<u>4,662,423</u>	<u>4,205,374</u>
Net assets - end of year	<u>\$4,665,873</u>	<u>\$4,662,423</u>

	<u>Business-type Activities</u>	
	<u>April 30, 2011</u>	<u>April 30, 2010</u>
<u>Revenues:</u>		
Charges for services	<u>\$745,127</u>	<u>\$814,141</u>
<u>Expenses:</u>		
Golf course	<u>927,283</u>	<u>897,933</u>
Change in net assets	(93,345)	(83,792)
Net assets – beginning of year	<u>2,542,865</u>	<u>2,626,657</u>
Net assets - end of year	<u>\$2,449,520</u>	<u>\$2,542,865</u>

Revenues decreased in fiscal year 2011, primarily due to a decrease of revenue-generating programs. Expenses increased slightly, but fixed costs remained relatively stable.

Expenses for recreation include new full-time positions filled during the fiscal year in order to plan for additional programming and thereby increase program revenues. Nonprogrammed revenues decreased primarily through reduced property tax receipts. This may be expected next fiscal year also.

Foss Park District Management's Discussion and Analysis April 30, 2011

Budgetary Highlights

The Foss Park District's Business Office requests that various department heads submit fiscal year budgets for revenue and that 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 fiscal year 2010-11 is then available for public viewing thirty days prior to approval at the Board meeting. The actual budget is then voted on by the full Board of Commissioners at the Budget and Appropriation hearing. The approved budget is then filed with the County Clerk. Following are descriptions of budgetary highlights for the General Fund and Recreation Fund:

General Fund:

Revenues, in particular fee income, were below budget. Charges for services, which include rental of shelters, parks, and fields, were approximately \$15,000 below budget. Some of the larger groups that rent on a continual basis were unable to arrange programming in Foss Park District's facilities.

General administration expenditures were approximately \$38,000 below budget, primarily as a result of favorable variances in salaries and benefits (approximately \$10,000) and professional services (approximately \$30,000). The use of in-house expertise allowed the Park District to minimize the cost of outside contractors.

Park maintenance expenditures were approximately \$50,000 below budget, primarily as a result of favorable variances in salaries and benefits (approximately \$16,000) and utilities and repairs (approximately \$12,000). Additionally, approximately \$17,000 was saved in purchases of commodities needed for park maintenance as a result of careful planning and consideration of current use of vendors in purchasing supplies.

Recreation Fund:

Revenues for programs and rentals (charges for services) were approximately \$66,000 below budget due to a lack of new programming and lack of staffing for a significant portion of the fiscal year. This has been addressed with the hiring of a new Recreation Supervisor at the end of the fiscal year.

Expenditures were lower in all areas of the Recreation Fund budget, again due to a lack of programming and staff. Salaries and benefits were approximately \$35,000 below budget, while services, utilities, maintenance, and communications were about \$40,000 below budget expectations. The purchase of commodities to supplement those expected programs was also below budget by approximately \$45,000.

Foss Park District Management's Discussion and Analysis April 30, 2011

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 \$3,387,845. This represents an increase over last year of \$777,355.

Major Governmental Funds

The General Corporate, 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 \$2,412,166, which was a decrease in the deficit of \$256,949, resulting from an excess of revenues collected over expenses paid.

The Recreation Fund had a deficit fund balance at the end of the fiscal year of \$1,275,942, which was a decrease in the deficit of \$390,017. This was due to an excess of revenues collected over expenditures paid.

The Illinois Municipal Retirement Fund's fund balance at the end of the fiscal year was \$1,678,595, which was a decrease of \$155,871. This was due to a halt to collecting property taxes for this fund.

The Public Liability Insurance Fund's fund balance at the end of the fiscal year was \$1,798,720, which was a decrease of \$185,980. This was due to a halt to collecting property taxes for this fund.

The Capital Improvements Fund's fund balance at the end of the fiscal year was \$2,602,757, which was an increase of \$545,849. This was due to a bond issue done in March 2011.

The Bond and Interest Fund's fund balance at the end of the fiscal year was \$153,580, which was an increase of \$5,364. This was due to an excess of revenues collected over expenditures paid.

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 \$4,773,715 as of April 30, 2011. The detail of the advances is shown on pages 36 through 38 of this report.

Foss Park District Management's Discussion and Analysis April 30, 2011

Capital Assets

The capital assets for the current fiscal year decreased approximately \$120,000. This was a result of a physical inventory of assets, which showed that some equipment was obsolete and taken off the books. There were other items, primarily vehicles, which were sold at public bid.

Debt Administration

As of April 30, 2011, the Park District has a general obligation bond issue of \$921,775. This obligation is due and payable within three years. The Bond and Interest Fund had a fund balance of \$153,580. The remainder will be paid through future real estate tax collections.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the General Corporate and Recreation funds had significant deficit fund balances, through 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, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,094,893	\$ -	\$ 3,094,893
Investments	632,103	-	632,103
Inventory	-	44,816	44,816
Internal advances	(325,915)	325,915	-
Land and other capital assets not being depreciated	563,806	1,491,429	2,055,235
Capital assets, net of accumulated depreciation	<u>1,635,997</u>	<u>587,890</u>	<u>2,223,887</u>
Total assets	<u>5,600,884</u>	<u>2,450,050</u>	<u>8,050,934</u>
LIABILITIES			
Current liabilities			
Other current liabilities	3,236	530	3,766
Lease deposits	10,000	-	10,000
Noncurrent liabilities			
Due within one year	297,310	-	297,310
Due in more than one year	<u>624,465</u>	<u>-</u>	<u>624,465</u>
Total liabilities	<u>935,011</u>	<u>530</u>	<u>935,541</u>
NET ASSETS			
Investment in capital assets, net of related debt	2,049,105	2,079,319	4,128,424
Restricted by enabling legislation	4,561,110	-	4,561,110
Unrestricted	<u>(1,944,342)</u>	<u>370,201</u>	<u>(1,574,141)</u>
Total net assets	\$ <u>4,665,873</u>	\$ <u>2,449,520</u>	\$ <u>7,115,393</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, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions</u>	<u>Capital Contributions</u>
Governmental activities				
General administration	\$ 1,357,075	\$ 2,405	\$ -	\$ -
Park maintenance	245,137	-	-	-
Recreational programs	471,249	78,404	963	-
Interest	10,200	-	-	-
	<u>2,083,661</u>	<u>80,809</u>	<u>963</u>	<u>-</u>
Total governmental activities				
Business-type activities				
Golf course	927,283	745,127	-	88,811
	<u>927,283</u>	<u>745,127</u>	<u>-</u>	<u>88,811</u>
Total functions/programs	\$ <u>3,010,944</u>	\$ <u>825,936</u>	\$ <u>963</u>	\$ <u>88,811</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		
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,354,670)	\$ -	\$ (1,354,670)
(245,137)	-	(245,137)
(391,882)	-	(391,882)
<u>(10,200)</u>	<u>-</u>	<u>(10,200)</u>
<u>(2,001,889)</u>	<u>-</u>	<u>(2,001,889)</u>
<u>-</u>	<u>(93,345)</u>	<u>(93,345)</u>
<u>(2,001,889)</u>	<u>(93,345)</u>	<u>(2,095,234)</u>
1,720,458	-	1,720,458
143,840	-	143,840
16,029	-	16,029
<u>125,012</u>	<u>-</u>	<u>125,012</u>
<u>2,005,339</u>	<u>-</u>	<u>2,005,339</u>
3,450	(93,345)	(89,895)
<u>4,662,423</u>	<u>2,542,865</u>	<u>7,205,288</u>
<u>\$ 4,665,873</u>	<u>\$ 2,449,520</u>	<u>\$ 7,115,393</u>

Foss Park District, Illinois

Governmental Funds

Statement of Assets and Liabilities Arising from Cash Transactions

April 30, 2011

	General Corporate Fund	Recreation Fund	Illinois Municipal Retirement Fund
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
ASSETS			
Cash and cash equivalents	\$ 102,878	\$ 280,592	\$ 179,337
Investments	10,294	-	-
Advances to other funds	<u>151,700</u>	<u>-</u>	<u>1,499,258</u>
Total assets	<u>\$ 264,872</u>	<u>\$ 280,592</u>	<u>\$ 1,678,595</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Other payables	\$ 3,236	\$ -	\$ -
Lease deposits	10,000	-	-
Advances from other funds	<u>2,663,802</u>	<u>1,556,534</u>	<u>-</u>
Total liabilities	<u>2,677,038</u>	<u>1,556,534</u>	<u>-</u>
Fund balance (deficit)			
Reserved for advances	151,700	-	1,499,258
Unreserved, undesignated reported in			
General fund	(2,563,866)	-	-
Special revenue funds	-	(1,275,942)	179,337
Debt service fund	-	-	-
Capital projects fund	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(2,412,166)</u>	<u>(1,275,942)</u>	<u>1,678,595</u>
Total liabilities and fund balances (deficits)	<u>\$ 264,872</u>	<u>\$ 280,592</u>	<u>\$ 1,678,595</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
\$ 112,950	\$ 1,335,341	\$ 153,580	\$ 930,215	\$ 3,094,893
-	621,809	-	-	632,103
<u>1,685,770</u>	<u>767,564</u>	<u>-</u>	<u>-</u>	<u>4,104,292</u>
<u>\$ 1,798,720</u>	<u>\$ 2,724,714</u>	<u>\$ 153,580</u>	<u>\$ 930,215</u>	<u>7,831,288</u>
\$ -	\$ -	\$ -	\$ -	3,236
-	-	-	-	10,000
<u>-</u>	<u>121,957</u>	<u>-</u>	<u>87,914</u>	<u>4,430,207</u>
<u>-</u>	<u>121,957</u>	<u>-</u>	<u>87,914</u>	<u>4,443,443</u>
1,685,770	767,564	-	-	4,104,292
-	-	-	-	(2,563,866)
112,950	-	-	842,301	(141,354)
-	-	153,580	-	153,580
<u>-</u>	<u>1,835,193</u>	<u>-</u>	<u>-</u>	<u>1,835,193</u>
<u>1,798,720</u>	<u>2,602,757</u>	<u>153,580</u>	<u>842,301</u>	<u>3,387,845</u>
<u>\$ 1,798,720</u>	<u>\$ 2,724,714</u>	<u>\$ 153,580</u>	<u>\$ 930,215</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.

2,199,803

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

(921,775)

Net assets of governmental activities

\$ 4,665,873

Foss Park District, Illinois

Governmental Funds

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

For the Year Ended April 30, 2011

	General Corporate Fund	Recreation Fund	Illinois Municipal Retirement Fund
Revenues collected			
Real estate taxes	\$ 715,710	\$ 640,010	\$ -
Intergovernmental revenues	71,920	71,920	-
Charges for services	2,405	78,404	-
Contributions and donations	-	963	-
Other income	88,088	27,704	-
Grants	-	-	-
Interest income	11,159	395	217
Total revenues collected	889,282	819,396	217
Expenditures paid			
Current			
General administration	432,420	287,783	107,600
Park maintenance	194,913	-	30,865
Recreation programs	-	141,596	17,623
Debt service			
Principal	5,000	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total expenditures paid	632,333	429,379	156,088
Excess (deficiency) of revenues collected over expenditures paid	256,949	390,017	(155,871)
Other financing sources			
Proceeds from issuance of debt	-	-	-
Net change in fund balances	256,949	390,017	(155,871)
Fund balance (deficit)			
Beginning of year	(2,669,115)	(1,665,959)	1,834,466
End of year	\$ (2,412,166)	\$ (1,275,942)	\$ 1,678,595

The accompanying notes are an integral part of this statement.

Public Liability <u>Insurance Fund</u>	Capital Improvements <u>Fund</u>	Bond and Interest <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
\$ -	\$ -	\$ 313,123	\$ 51,615	\$ 1,720,458
-	-	-	-	143,840
-	-	-	-	80,809
-	-	-	-	963
9,220	-	-	-	125,012
-	-	-	-	-
85	674	2,567	932	16,029
<u>9,305</u>	<u>674</u>	<u>315,690</u>	<u>52,547</u>	<u>2,087,111</u>
177,355	123,231	126	132,520	1,261,035
-	-	-	-	225,778
-	-	-	-	159,219
-	-	300,000	-	305,000
-	-	10,200	-	10,200
17,930	252,369	-	-	270,299
<u>195,285</u>	<u>375,600</u>	<u>310,326</u>	<u>132,520</u>	<u>2,231,531</u>
(185,980)	(374,926)	5,364	(79,973)	(144,420)
<u>-</u>	<u>921,775</u>	<u>-</u>	<u>-</u>	<u>921,775</u>
(185,980)	546,849	5,364	(79,973)	777,355
<u>1,984,700</u>	<u>2,055,908</u>	<u>148,216</u>	<u>922,274</u>	<u>2,610,490</u>
\$ <u><u>1,798,720</u></u>	\$ <u><u>2,602,757</u></u>	\$ <u><u>153,580</u></u>	\$ <u><u>842,301</u></u>	\$ <u><u>3,387,845</u></u>

Foss Park District, Illinois

Reconciliation of the 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, 2011

Net change in fund balances - total governmental funds	\$ 777,355
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 depreciation and disposals exceeded capital outlay in the current period.	(157,130)
The issuance of long-term debt provides current financial resources to governmental funds	(921,775)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>305,000</u>
Change in net assets of governmental activities	\$ <u><u>3,450</u></u>

The accompanying notes are an integral part of this statement.

Foss Park District, Illinois
Golf Course - Major Enterprise Fund
Statement of Assets and Liabilities Arising from Cash Transactions
April 30, 2011

ASSETS

Current assets

Inventory	\$ 44,816
-----------	-----------

Total current assets	<u>44,816</u>
----------------------	---------------

Noncurrent assets

Advances to other funds	669,423
-------------------------	---------

Land and other capital assets not being depreciated	1,491,429
---	-----------

Capital assets, net of accumulated depreciation	<u>587,890</u>
---	----------------

Total noncurrent assets	<u>2,748,742</u>
-------------------------	------------------

Total assets	<u>2,793,558</u>
--------------	------------------

LIABILITIES

Current liabilities

Sales taxes payable	530
---------------------	-----

Noncurrent liabilities

Advances from other funds	<u>343,508</u>
---------------------------	----------------

Total liabilities	<u>344,038</u>
-------------------	----------------

NET ASSETS

Invested in capital assets, net of related debt	2,079,319
---	-----------

Unrestricted	<u>370,201</u>
--------------	----------------

Total net assets	<u><u>\$ 2,449,520</u></u>
------------------	----------------------------

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
For the Year Ended April 30, 2011

Operating revenues collected	
Charges for services	\$ 708,495
Other receipts	<u>36,632</u>
Total operating revenues collected	<u>745,127</u>
Operating expenses	
Golf course operations	400,381
Golf course maintenance	439,443
Depreciation	<u>87,459</u>
Total operating expenses	<u>927,283</u>
Operating loss	(182,156)
Capital contributions	<u>88,811</u>
Change in net assets	(93,345)
Net assets	
Beginning of year	<u>2,542,865</u>
End of year	\$ <u><u>2,449,520</u></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, 2011

Cash flows from operating activities	
Cash received from customers	\$ 745,127
Cash paid to suppliers	(420,404)
Cash paid to employees	<u>(423,230)</u>
Net cash used in operating activities	<u>(98,507)</u>
Cash flows from investing activities	
Purchase of capital assets	<u>(40,534)</u>
Net cash used in investing activities	<u>(40,534)</u>
Cash flows from noncapital financing activities	
Repayment of advances to other funds	20,862
Advances from other funds	<u>118,179</u>
Net cash provided by noncapital financing activities	<u>139,041</u>
Net change in cash	-
Cash	
Beginning of year	<u>-</u>
End of year	\$ <u><u>-</u></u>
Reconciliation of operating loss to net cash used in operating activities	
Operating loss	\$ (182,156)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	87,459
Increase in inventory	(3,792)
Increase in sales tax payable	<u>(18)</u>
Net cash used in operating activities	\$ <u><u>(98,507)</u></u>

The accompanying notes are an integral part of this statement.

Foss Park District, Illinois
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April 30, 2011

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Foss Park District, Illinois

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Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

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 under the provisions of the laws of the state of Illinois, 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 primary government. 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, 2011

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) and the acquisition or construction of capital assets (capital projects 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 Illinois Municipal Retirement Fund accounts for the collection and use of real estate taxes for the purpose of funding the retirement fund for the Park District's employees.

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

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

The Bond and Interest Fund is used to account for the collection and use of real estate taxes for the payment of general long-term debt principal and interest.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 operations. 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. Appropriations

Appropriations are adopted on a basis consistent with the modified cash basis of accounting. Annual appropriations are adopted for the general, special revenue, capital project, debt, and enterprise funds. All annual appropriations 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.

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 fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Inventory

Inventory is maintained for goods and food 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	

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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

12. Real Estate Taxes

Real estate taxes are levied in December by passage of a tax levy resolution, which was passed on December 16, 2009. 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 have incurred operating deficits for several years. As a result, the Park District must find new sources of revenue and/or reduce expenditures. Management has been assessing the Park District's financial condition and is seeking ways to alleviate the problem. During the current fiscal year, the Park District's total cash, cash equivalents, and investments increased by \$645,638.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE C - LEGAL COMPLIANCE AND ACCOUNTABILITY - DEFICIT FUND BALANCES (Continued)

The following funds had a deficit in fund balance as of April 30, 2011:

<u>Fund</u>	<u>Deficit Balance</u>
General Corporate Fund	\$ (2,412,166)
Recreation Fund	(1,275,942)
Audit Fund	(87,914)

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

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	\$ 207,258
Deletions	(248,836)
Depreciation expense	<u>(115,552)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$ <u><u>(157,130)</u></u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

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, 2011, the Park District's deposits and investments consisted of the following:

Cash and cash equivalents	\$ 3,094,893
Investments	<u>632,103</u>
	<u>\$ 3,726,996</u>

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

Cash on hand	\$ 106
Deposits with financial institutions	<u>3,726,890</u>
	<u>\$ 3,726,996</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.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE E - DEPOSITS AND INVESTMENTS (Continued)

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, 2011, the Park District had deposits that were uninsured and uncollateralized totaling \$371,809.

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, 2011

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2011 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>248,836</u>	<u>57,552</u>	<u>248,836</u>	<u>57,552</u>
Total capital assets not being depreciated	<u>755,090</u>	<u>57,552</u>	<u>248,836</u>	<u>563,806</u>
Capital assets being depreciated				
Machinery and equipment	1,144,325	116,371	86,000	1,174,696
Buildings and improvements	1,306,921	33,335	-	1,340,256
Land improvements	<u>910,397</u>	<u>-</u>	<u>-</u>	<u>910,397</u>
Total capital assets being depreciated	<u>3,361,643</u>	<u>149,706</u>	<u>86,000</u>	<u>3,425,349</u>
Less accumulated depreciation for:				
Machinery and equipment	582,550	73,808	86,000	570,358
Buildings and improvements	968,124	23,536	-	991,660
Land improvements	<u>209,126</u>	<u>18,208</u>	<u>-</u>	<u>227,334</u>
Total accumulated depreciation	<u>1,759,800</u>	<u>115,552</u>	<u>86,000</u>	<u>1,789,352</u>
Total capital assets being depreciated, net	<u>1,601,843</u>	<u>34,154</u>	<u>-</u>	<u>1,635,997</u>
Governmental activities capital assets, net	<u>\$ 2,356,933</u>	<u>\$ 91,706</u>	<u>\$ 248,836</u>	<u>\$ 2,199,803</u>

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE F - CAPITAL ASSETS (Continued)

2. <u>Business-Type Activity</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 1,491,429	\$ -	\$ -	\$ 1,491,429
Capital assets being depreciated				
Land improvements	339,824	74,964	-	414,788
Buildings and improvements	678,440	-	-	678,440
Equipment	910,146	54,381	-	964,527
Total capital assets being depreciated	1,928,410	129,345	-	2,057,755
Less accumulated depreciation for:				
Land improvements	210,077	37,731	-	247,808
Buildings and improvements	433,219	11,498	-	444,717
Equipment	739,110	38,230	-	777,340
Total accumulated depreciation	1,382,406	87,459	-	1,469,865
Total capital assets being depreciated, net	546,004	41,886	-	587,890
Business-type activity capital assets, net	\$ 2,037,433	\$ 41,886	\$ -	\$ 2,079,319

3. Depreciation Expense

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

Governmental activities:

General government	\$ 32,999
Recreational programs	63,194
Park maintenance	19,359

 Total depreciation expense – governmental activities \$ 115,552

Business-type activity:

Golf course	\$ 87,459
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Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

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 2009	\$ 300,000	\$ -	\$ 300,000	\$ -	\$ -
Series 2011	<u>-</u>	<u>921,775</u>	<u>-</u>	<u>921,775</u>	<u>297,310</u>
Total general obligation bonds payable	<u>300,000</u>	<u>921,775</u>	<u>300,000</u>	<u>921,775</u>	<u>297,310</u>
Note payable	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>\$ 305,000</u>	<u>\$ 921,775</u>	<u>\$ 305,000</u>	<u>\$ 921,775</u>	<u>\$ 297,310</u>

2. General Obligation Bonds Payable

In November 2009, the Park District issued \$300,000 of General Obligation Limited Tax Park Bonds, Series 2009 (the 2009 Series Bonds), with an interest rate of 3.4%. The 2009 Series Bonds were repaid on November 1, 2010.

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 4.35-5.35%. 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.

3. Note Payable

The Park District had a note payable with the City of North Chicago, Illinois, related to the repair and improvement of a parking lot. The agreement called for eight annual payments of \$5,000 and was noninterest-bearing. The note was repaid in fiscal year 2011.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE G - LONG-TERM DEBT (Continued)

4. Annual Debt Service Requirements to Maturity

<u>Fiscal Year</u> <u>Ending</u> <u>April 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 297,310	\$ 34,594	\$ 331,904
2013	304,690	32,190	336,880
2014	<u>319,775</u>	<u>17,108</u>	<u>336,883</u>
	<u>\$ 921,775</u>	<u>\$ 83,892</u>	<u>\$ 1,005,667</u>

NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES

The government-wide statement of net assets reports \$325,915 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 \$4.8 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:

<u>Governmental Funds</u>	<u>Advances</u> <u>To</u>	<u>Advances</u> <u>From</u>
General Corporate Fund		
Recreation Fund	\$ 9,962	\$ -
Audit Fund	29,914	-
Golf Course Fund	111,824	-
Illinois Municipal Retirement Fund	-	1,144,222
Public Liability Insurance Fund	-	1,050,000
Capital Improvements Fund	-	469,580
Total General Corporate Fund	<u>151,700</u>	<u>2,663,802</u>

(Continued)

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES (Continued)

	Advances To	Advances From
<u>Governmental Funds</u> (continued)		
Recreation Fund		
General Corporate Fund	\$ -	\$ 9,962
Illinois Municipal Retirement Fund	-	233,079
Public Liability Insurance Fund	-	577,770
Capital Improvements Fund	-	66,300
Golf Course Fund	-	669,423
Total Recreation Fund	-	1,556,534
Illinois Municipal Retirement Fund		
General Corporate Fund	1,144,222	-
Recreation Fund	233,079	-
Capital Improvements Fund	121,957	-
Total Illinois Municipal Retirement Fund	1,499,258	-
Public Liability Insurance Fund		
General Corporate Fund	1,050,000	-
Recreation Fund	577,770	-
Audit Fund	58,000	-
Total Public Liability Insurance Fund	1,685,770	-
Capital Improvements Fund		
General Corporate Fund	469,580	-
Recreation Fund	66,300	-
Illinois Municipal Retirement Fund	-	121,957
Golf Course Fund	231,684	-
Total Capital Improvements Fund	767,564	121,957
Audit Fund		
General Corporate Fund	-	29,914
Public Liability Insurance Fund	-	58,000
	-	87,914
Total governmental funds	4,104,292	4,430,207

(Continued)

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE H - INTERFUND ADVANCES / INTERNAL ADVANCES (Continued)

	Advances To	Advances From
<u>Enterprise Fund</u>		
Golf Course Fund		
General Corporate Fund	\$ -	\$ 111,824
Recreation Fund	669,423	-
Capital Improvements Fund	-	231,684
Total Golf Course Fund	<u>669,423</u>	<u>343,508</u>
 Total interfund advances	 4,773,715	 4,773,715
 Less amounts eliminated under GASB 34	 <u>(4,447,800)</u>	 <u>(4,447,800)</u>
 Internal advances	 \$ <u>325,915</u>	 \$ <u>325,915</u>

NOTE I - RESTRICTIONS FOR ENABLING LEGISLATION

The government-wide statement of net assets - modified cash basis reports \$4,561,110 of net assets restricted by enabling legislation, which consists of the following:

<u>Enabling Legislation Restrictions</u>	<u>Amount</u>
Illinois Municipal Retirement Fund	\$ 1,678,595
Public Liability Insurance	1,798,720
Bond and Interest	153,580
Special Recreation	670,738
Police	<u>259,477</u>
 Total restrictions for enabling legislation	 \$ <u>4,561,110</u>

NOTE J - 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, 2011 was approximately \$21,500.

Foss Park District, Illinois

Notes to the Financial Statements

April 30, 2011

NOTE J - LEASE COMMITMENTS (Continued)

As of April 30, 2011, the Park District's future minimum rental payments are as follows:

<u>Fiscal Year</u>	<u>Rentals</u>
2012	\$ 21,491
2013	<u>21,491</u>
	<u>\$ 42,982</u>

NOTE K - CONSTRUCTION COMMITMENT

On March 23, 2011, the District entered into a contract for the construction of an addition to the golf course facility. The total commitment under this contract was \$939,393 at April 30, 2011.

NOTE L - 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 M - 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, 2011

NOTE M - DEFINED BENEFIT PENSION PLAN (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 2010 was 8.44%. 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 2010 was \$66,389.

Three-Year Trend Information			
Calendar Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2010	\$ 66,389	100%	\$ -
12/31/2009	45,655	100%	-
12/31/2008	31,127	100%	-

The required contribution for 2010 was determined as part of the December 31, 2008 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008 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 overfunded actuarial accrued liability at December 31, 2008 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, 2011

NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

4. Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 107.77% funded. The actuarial accrued liability for benefits was \$1,684,154 and the actuarial value of assets was \$1,815,060, resulting in an overfunded actuarial accrued liability (UAAL) of \$130,906. The covered payroll (annual payroll of active employees covered by the plan) for calendar year 2010 was \$786,594. Because the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

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 N - 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, 2011, there were no retirees receiving benefits and ten employees who were eligible to receive benefits upon retirement. Total monthly premium costs were approximately \$8,800.

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 O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 17, 2011, 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 that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Foss Park District, Illinois

Illinois Municipal Retirement Fund

Schedule of Funding Progress

April 30, 2011

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)
12/31/2010	\$ 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
12/31/2008	1,686,108	1,642,026	(44,082)	102.68	832,264	0.00

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$1,926,099. On a market basis, the funded ratio would be 114.37%.

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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 719,903	\$ 715,710	\$ (4,193)
Intergovernmental revenues	59,000	71,920	12,920
Charges for services	17,000	2,405	(14,595)
Other income	96,000	88,088	(7,912)
Interest income	5,500	11,159	5,659
	<u>897,403</u>	<u>889,282</u>	<u>(8,121)</u>
Total revenues collected			
Expenditures paid			
Current			
General administration	470,000	432,420	37,580
Park maintenance	244,962	194,913	50,049
Capital outlay			
General administration	3,800	-	3,800
Debt service			
General administration	-	5,000	(5,000)
	<u>718,762</u>	<u>632,333</u>	<u>86,429</u>
Total expenditures paid			
Excess of revenues collected over expenditures paid	\$ <u>178,641</u>	256,949	\$ <u>78,308</u>
Fund deficit			
Beginning of year		<u>(2,669,115)</u>	
End of year		\$ <u>(2,412,166)</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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 643,759	\$ 640,010	\$ (3,749)
Intergovernmental revenues	59,000	71,920	12,920
Charges for services	143,930	78,404	(65,526)
Contributions and donations	-	963	963
Other income	33,500	27,704	(5,796)
Interest income	<u>500</u>	<u>395</u>	<u>(105)</u>
Total revenues collected	<u>880,689</u>	<u>819,396</u>	<u>(61,293)</u>
Expenditures paid			
General administration	352,900	287,783	65,117
Recreational programs	<u>197,373</u>	<u>141,596</u>	<u>55,777</u>
Total expenditures paid	<u>550,273</u>	<u>429,379</u>	<u>120,894</u>
Excess of revenues collected over expenditures paid	\$ <u><u>330,416</u></u>	390,017	\$ <u><u>59,601</u></u>
Fund deficit			
Beginning of year		<u>(1,665,959)</u>	
End of year		\$ <u><u>(1,275,942)</u></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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues collected			
Interest income	\$ <u>500</u>	\$ <u>217</u>	\$ <u>(283)</u>
Total revenue collected	<u>500</u>	<u>217</u>	<u>(283)</u>
Expenditures paid			
General administration	106,851	107,600	(749)
Park maintenance	30,649	30,865	(216)
Recreation programs	<u>17,500</u>	<u>17,623</u>	<u>(123)</u>
Total expenditures paid	<u>155,000</u>	<u>156,088</u>	<u>(1,088)</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(154,500)</u></u>	(155,871)	\$ <u><u>(1,371)</u></u>
Fund balance			
Beginning of year		<u>1,834,466</u>	
End of year		\$ <u><u>1,678,595</u></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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Other income	\$ 1,300	\$ 9,220	\$ 7,920
Interest income	500	85	(415)
Total revenues collected	1,800	9,305	7,505
Expenditures paid			
General administration			
Personnel services			
Workers' compensation	90,000	29,798	60,202
Unemployment insurance	-	46,715	(46,715)
Professional services	22,000	19,633	2,367
Liability insurance	122,500	79,591	42,909
Communications	7,000	-	7,000
Operating supplies	6,000	1,618	4,382
Total general administration	247,500	177,355	70,145
Capital outlay	50,000	17,930	32,070
Total expenditures paid	297,500	195,285	102,215
Deficiency of revenues collected over expenditures paid	\$ (295,700)	(185,980)	\$ 109,720
Fund balance			
Beginning of year		1,984,700	
End of year		\$ 1,798,720	

Foss Park District, Illinois
Notes to the
Required Supplementary Information
April 30, 2011

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, 2011.

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, 2011:

<u>Fund</u>	<u>Amount</u>
Illinois Municipal Retirement	\$ 1,088
Capital Improvements	104,600

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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>719,903</u>	\$ <u>715,710</u>	\$ <u>(4,193)</u>
Intergovernmental revenues			
Replacement taxes	<u>59,000</u>	<u>71,920</u>	<u>12,920</u>
Charges for services			
Rentals	<u>17,000</u>	<u>2,405</u>	<u>(14,595)</u>
Other income			
Expense reimbursement	-	9,354	9,354
Grants	-	1,300	1,300
Other	<u>96,000</u>	<u>77,434</u>	<u>(18,566)</u>
Total other income	<u>96,000</u>	<u>88,088</u>	<u>(7,912)</u>
Interest income	<u>5,500</u>	<u>11,159</u>	<u>5,659</u>
Total revenues collected	\$ <u><u>897,403</u></u>	\$ <u><u>889,282</u></u>	\$ <u><u>(8,121)</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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General administration			
Personnel services			
Salaries	\$ 236,000	\$ 231,648	\$ 4,352
Fringe benefits	35,000	28,891	6,109
Total personnel services	<u>271,000</u>	<u>260,539</u>	<u>10,461</u>
Contractual services			
Professional services	45,000	15,475	29,525
Maintenance, repairs, and insurance	7,000	8,996	(1,996)
Communications	45,000	49,052	(4,052)
Other	85,000	93,723	(8,723)
Total contractual services	<u>182,000</u>	<u>167,246</u>	<u>14,754</u>
Commodities	<u>17,000</u>	<u>4,635</u>	<u>12,365</u>
Total general administration before capital outlay and debt service	<u>470,000</u>	<u>432,420</u>	<u>37,580</u>
Capital outlay	<u>3,800</u>	<u>-</u>	<u>3,800</u>
Debt service			
Principal	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>
Total general administration	<u>473,800</u>	<u>437,420</u>	<u>36,380</u>
Park maintenance			
Personnel services			
Salaries	152,912	136,511	16,401
Fringe benefits	150	131	19
Total personnel services	<u>153,062</u>	<u>136,642</u>	<u>16,420</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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Park maintenance (continued)			
Contractual services			
Professional services	\$ 2,000	\$ -	\$ 2,000
Utilities and cleaning	17,800	11,098	6,702
Maintenance, repairs, and insurance	27,500	21,895	5,605
Communications	4,480	2,085	2,395
Total contractual services	<u>51,780</u>	<u>35,078</u>	<u>16,702</u>
Commodities	<u>40,120</u>	<u>23,193</u>	<u>16,927</u>
Total park maintenance	<u>244,962</u>	<u>194,913</u>	<u>50,049</u>
Total expenditures paid	<u>\$ 718,762</u>	<u>\$ 632,333</u>	<u>\$ 86,429</u>

(Concluded)

Foss Park District, Illinois
Recreation Fund - Major Fund
Schedule of Detailed Revenues Collected -
Budget and Actual
For the Year Ended April 30, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ <u>643,759</u>	\$ <u>640,010</u>	\$ <u>(3,749)</u>
Intergovernmental revenues			
Replacement taxes	<u>59,000</u>	<u>71,920</u>	<u>12,920</u>
Charges for services			
Fees	129,930	67,513	(62,417)
Rentals	<u>14,000</u>	<u>10,891</u>	<u>(3,109)</u>
Total charges for services	<u>143,930</u>	<u>78,404</u>	<u>(65,526)</u>
Contributions and donations	<u>-</u>	<u>963</u>	<u>963</u>
Other income	<u>33,500</u>	<u>27,704</u>	<u>(5,796)</u>
Interest income	<u>500</u>	<u>395</u>	<u>(105)</u>
Total revenues collected	\$ <u><u>880,689</u></u>	\$ <u><u>819,396</u></u>	\$ <u><u>(61,293)</u></u>

Foss Park District, Illinois
Recreation Fund - Major Fund
Schedule of Detailed Expenditures Paid -
Budget and Actual
For the Year Ended April 30, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures paid			
General administration			
Personal services			
Salaries	\$ 177,000	\$ 177,994	\$ (994)
Fringe benefits	16,000	6,346	9,654
Total personal services	<u>193,000</u>	<u>184,340</u>	<u>8,660</u>
Professional services			
Professional services	7,500	4,924	2,576
Utilities and cleaning	56,600	42,103	14,497
Maintenance, repairs, and insurance	23,000	17,082	5,918
Communications	33,500	15,140	18,360
Total professional services	<u>120,600</u>	<u>79,249</u>	<u>41,351</u>
Commodities	<u>39,300</u>	<u>24,194</u>	<u>15,106</u>
Total general administration	<u>352,900</u>	<u>287,783</u>	<u>65,117</u>
Recreation programs			
Personal services			
Salaries	92,998	77,943	15,055
Fringe benefits	12,150	180	11,970
Total personal services	<u>105,148</u>	<u>78,123</u>	<u>27,025</u>
Contractual services			
Professional services	-	12,520	(12,520)
Utilities and cleaning	5,000	496	4,504
Maintenance, repairs, and insurance	500	-	500
Communications	26,425	20,451	5,974
Total contractual services	<u>31,925</u>	<u>33,467</u>	<u>(1,542)</u>
Commodities	<u>60,300</u>	<u>30,006</u>	<u>30,294</u>
Total recreation programs	<u>197,373</u>	<u>141,596</u>	<u>55,777</u>
Total expenditures paid	<u>\$ 550,273</u>	<u>\$ 429,379</u>	<u>\$ 120,894</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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Grants	\$ 48,700	\$ -	\$ (48,700)
Interest income	<u>20,000</u>	<u>674</u>	<u>(19,326)</u>
Total revenues collected	<u>68,700</u>	<u>674</u>	<u>(68,026)</u>
Expenditures paid			
General administration			
Professional services	25,000	93,550	(68,550)
Issuance costs	-	29,500	(29,500)
Communications	-	181	(181)
Capital outlay	<u>246,000</u>	<u>252,369</u>	<u>(6,369)</u>
Total expenditures paid	<u>271,000</u>	<u>375,600</u>	<u>(104,600)</u>
Deficiency of revenues collected over expenditures paid	(202,300)	(374,926)	(172,626)
Other financing source			
Proceeds from issuance of debt	<u>300,000</u>	<u>921,775</u>	<u>621,775</u>
Excess of revenues collected and other financing source over expenditures paid	<u>\$ 97,700</u>	546,849	<u>\$ 449,149</u>
Fund balance			
Beginning of year		<u>2,055,908</u>	
End of year		<u>\$ 2,602,757</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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues collected			
Real estate taxes	\$ 314,957	\$ 313,123	\$ (1,834)
Interest income	<u>2,000</u>	<u>2,567</u>	<u>567</u>
Total revenues collected	<u>316,957</u>	<u>315,690</u>	<u>(1,267)</u>
Expenditures paid			
General administration			
Professional services	15,000	126	14,874
Debt service			
Principal	300,000	300,000	-
Interest and bond fees	<u>10,200</u>	<u>10,200</u>	<u>-</u>
Total expenditures paid	<u>325,200</u>	<u>310,326</u>	<u>14,874</u>
Excess (deficiency) of revenues collected over expenditures paid	\$ <u><u>(8,243)</u></u>	5,364	\$ <u><u>13,607</u></u>
Fund balance			
Beginning of year		<u>148,216</u>	
End of year		\$ <u><u>153,580</u></u>	

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Recreation Fund

The Special Recreation Fund (previously, Recreation for the Handicapped Fund) is used to account for special revenues collected for providing recreational services to Park District residents with special needs.

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, 2011

	<u>Special Revenue Funds</u>			
	<u>Special Recreation Fund</u>	<u>Audit Fund</u>	<u>Police Fund</u>	<u>Total Nonmajor Funds</u>
ASSETS				
Cash	\$ <u>670,738</u>	\$ <u>-</u>	\$ <u>259,477</u>	\$ <u>930,215</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Advances from other funds	\$ <u>-</u>	\$ <u>87,914</u>	\$ <u>-</u>	\$ <u>87,914</u>
Fund balances (deficit)				
Unreserved, undesignated	<u>670,738</u>	<u>(87,914)</u>	<u>259,477</u>	<u>842,301</u>
Total liabilities and fund balances (deficit)	\$ <u>670,738</u>	\$ <u>-</u>	\$ <u>259,477</u>	\$ <u>930,215</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, 2011

	<u>Special Revenue Funds</u>			
	<u>Special Recreation Fund</u>	<u>Audit Fund</u>	<u>Police Fund</u>	<u>Total Nonmajor Funds</u>
Revenues collected				
Real estate taxes	\$ 17,205	\$ 17,205	\$ 17,205	\$ 51,615
Other income	-	-	-	-
Interest income	<u>560</u>	<u>10</u>	<u>362</u>	<u>932</u>
Total revenues collected	<u>17,765</u>	<u>17,215</u>	<u>17,567</u>	<u>52,547</u>
Expenditures paid				
General administration	<u>8,243</u>	<u>48,035</u>	<u>76,242</u>	<u>132,520</u>
Excess (deficiency) of revenues collected over expenditures paid	9,522	(30,820)	(58,675)	(79,973)
Fund balances (deficit)				
Beginning of year	<u>661,216</u>	<u>(57,094)</u>	<u>318,152</u>	<u>922,274</u>
End of year	\$ <u><u>670,738</u></u>	\$ <u><u>(87,914)</u></u>	\$ <u><u>259,477</u></u>	\$ <u><u>842,301</u></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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 17,305	\$ 17,205	\$ (100)
Interest income	200	560	360
Total revenues collected	17,505	17,765	260
Expenditures paid			
General administration			
Maintenance, repairs, and insurance	7,000	-	7,000
Communications	10,000	8,243	1,757
Commodities	1,000	-	1,000
Total expenditures paid	18,000	8,243	9,757
Excess (deficiency) of revenues collected over expenditures paid	\$ (495)	9,522	\$ 10,017
Fund balance			
Beginning of year		661,216	
End of year		\$ 670,738	

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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues collected			
Real estate taxes	\$ 17,305	\$ 17,205	\$ (100)
Interest income	<u>150</u>	<u>10</u>	<u>(140)</u>
Total revenues collected	<u>17,455</u>	<u>17,215</u>	<u>(240)</u>
Expenditures paid			
General administration			
Professional fees	<u>50,000</u>	<u>48,035</u>	<u>1,965</u>
Total expenditures paid	<u>50,000</u>	<u>48,035</u>	<u>1,965</u>
Deficiency of revenues collected over expenditures paid	\$ <u><u>(32,545)</u></u>	(30,820)	\$ <u><u>1,725</u></u>
Fund balance (deficit)			
Beginning of year		<u>(57,094)</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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues collected			
Real estate taxes	\$ 17,305	\$ 17,205	\$ (100)
Interest income	<u>200</u>	<u>362</u>	<u>162</u>
Total revenues collected	<u>17,505</u>	<u>17,567</u>	<u>62</u>
Expenditures paid			
General administration			
Personnel services	100,000	66,265	33,735
Utilities and cleaning	2,300	1,781	519
Maintenance and repair	1,000	-	1,000
Communications	3,900	3,660	240
Commodities	<u>6,500</u>	<u>4,536</u>	<u>1,964</u>
Total expenditures paid	<u>113,700</u>	<u>76,242</u>	<u>37,458</u>
Excess (deficiency) of revenues collected over expenditures paid	\$ <u><u>(96,195)</u></u>	(58,675)	\$ <u><u>2,698</u></u>
Fund balance			
Beginning of year		<u>318,152</u>	
End of year		\$ <u><u>259,477</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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues collected			
Charges for services	\$ 831,700	\$ 708,495	\$ (123,205)
Other receipts	<u>32,000</u>	<u>36,632</u>	<u>4,632</u>
Total operating revenues collected	\$ <u><u>863,700</u></u>	\$ <u><u>745,127</u></u>	\$ <u><u>(118,573)</u></u>

Foss Park District, Illinois

Golf Course Fund - Major Fund

Schedule of Detailed Operating Expenses Paid - Budget and Actual For the Fiscal Year Ended April 30, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
Golf course operations expenses paid			
Personal services			
Salaries	\$ 178,000	\$ 191,083	\$ (13,083)
Fringe benefits	16,000	21,218	(5,218)
Total personal expenses	194,000	212,301	(18,301)
Contractual services			
Professional services	3,000	240	2,760
Utilities and cleaning	25,900	25,047	853
Maintenance, repairs, and insurance	12,000	16,509	(4,509)
Communications	22,700	26,081	(3,381)
Total contractual services	63,600	67,877	(4,277)
Commodities	106,300	120,203	(13,903)
Total golf course operations expenses	363,900	400,381	(36,481)
Golf course maintenance expenses paid			
Personnel services			
Salaries	224,952	180,095	44,857
Fringe benefits	30,000	30,834	(834)
Total personal services	254,952	210,929	44,023
Contractual services			
Professional services	6,000	-	6,000
Utilities and cleaning	34,300	41,150	(6,850)
Maintenance, repairs, and insurance	58,000	42,611	15,389
Communications	6,420	2,974	3,446
Total contractual services	104,720	86,735	17,985

(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, 2011

	Original and Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Golf course maintenance expenses paid (continued)			
Commodities	<u>127,300</u>	<u>141,779</u>	<u>(14,479)</u>
Total golf course maintenance expenses paid, before capital outlay	<u>486,972</u>	<u>439,443</u>	<u>47,529</u>
Capital outlay	<u>18,000</u>	<u>-</u>	<u>18,000</u>
Total golf course maintenance expenses	<u>504,972</u>	<u>439,443</u>	<u>65,529</u>
Depreciation	<u>-</u>	<u>87,459</u>	<u>(87,459)</u>
Total operating expenses paid	<u>\$ 868,872</u>	<u>\$ 927,283</u>	<u>\$ (58,411)</u>

(Concluded)

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS

Foss Park District, Illinois

Capital Assets Used in the Operations of Governmental Funds

Schedule by Source

April 30, 2011

Governmental funds capital assets

Capital assets not being depreciated

Land	\$ 506,254
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Construction in progress	<u>57,552</u>
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Total capital assets not being depreciated	<u>563,806</u>
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Other capital assets

Machinery and equipment	1,174,696
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Buildings and improvements	1,340,256
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Land improvements	<u>910,397</u>
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Total other capital assets	<u>3,425,349</u>
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Total governmental funds capital assets	<u><u>\$ 3,989,155</u></u>
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Investments in governmental funds capital assets by source

General revenues	\$ 959,362
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Debt issuance	1,627,681
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Grants and donations	<u>1,402,112</u>
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Total governmental funds capital assets	<u><u>\$ 3,989,155</u></u>
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Foss Park District, Illinois

Capital Assets Used in the Operations of Governmental Funds
Schedule by Function and Activity
April 30, 2011

	Function and Activity			Total Capital Assets
	General	Park Maintenance	Recreational Programs	
Governmental funds capital assets				
Land	\$ 287,108	\$ -	\$ 219,146	\$ 506,254
Construction in progress	-	-	57,552	57,552
Machinery and equipment	367,561	289,025	518,110	1,174,696
Buildings and improvements	100,396	49,528	1,190,332	1,340,256
Land improvements	<u>149,407</u>	<u>-</u>	<u>760,990</u>	<u>910,397</u>
Total governmental funds capital assets	\$ <u>904,472</u>	\$ <u>338,553</u>	\$ <u>2,746,130</u>	\$ <u>3,989,155</u>

Foss Park District, Illinois

Capital Assets Used in the Operations of Governmental Funds
Schedule of Changes by Function and Activity
For the Fiscal Year Ended April 30, 2011

<u>Function and Activity</u>	<u>Capital Assets May 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets April 30, 2011</u>
General government	\$ 808,699	\$ 116,773	\$ 21,000	\$ 904,472
Park maintenance	378,582	24,971	65,000	338,553
Recreational programs	<u>2,929,452</u>	<u>65,514</u>	<u>248,836</u>	<u>2,746,130</u>
 Total governmental funds capital assets	 \$ <u>4,116,733</u>	 \$ <u>207,258</u>	 \$ <u>334,836</u>	 \$ <u>3,989,155</u>

OTHER INFORMATION

Foss Park District, Illinois

General Obligation Limited Tax Park Bonds - Series 2011

Schedule of Annual Debt Service Requirements

April 30, 2011

Date of Contract	March 9, 2011
Date of Maturity	December 15, 2013
Amount of Contract	\$921,775
Interest Rates	4.35-5.35%
Payable to	First Midwest Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2012	\$ 297,310	\$ 34,594	\$ 331,904
2013	304,690	32,190	336,880
2014	<u>319,775</u>	<u>17,108</u>	<u>336,883</u>
	\$ <u><u>921,775</u></u>	\$ <u><u>83,892</u></u>	\$ <u><u>1,005,667</u></u>

Foss Park District, Illinois

Legal Debt Margin

April 30, 2011

Assessed valuation - 2010	\$ <u>326,153,644</u>
Legal debt limit - 2.875% of assessed valuation	\$ 9,376,917
Amount of debt applicable to debt limit	<u>921,775</u>
Legal debt margin	\$ <u>8,455,142</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."