

ITASCA PARK DISTRICT  
AUDITED FINANCIAL STATEMENTS  
YEAR ENDED APRIL 30, 2011



ITASCA PARK DISTRICT

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## INDEPENDENT AUDITORS' REPORT

To The President and The  
Members of the Board of Commissioners  
Itasca Park District  
Itasca, Illinois

We have audited the accompanying basic financial statements of the Itasca Park District as of and for the year ended April 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Park District's management. Our responsibility is to express an opinion 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Itasca Park District as of April 30, 2011 and the respective changes in financial position and net assets thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying management's discussion and analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Detterbeck Johnson & Monsen, Ltd.  
(An Illinois Professional  
Service Corporation)  
Palatine, Illinois  
July 25, 2011



**ITASCA PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED APRIL 30, 2011**

This discussion and analysis is intended to be an easily readable overview of the Itasca Park District's financial activities for the year ended April 30, 2011, based on currently known facts, decisions and conditions. This analysis focuses on current year activities and operations, which should be read in combination with the transmittal letter and the basic financial statements that follow.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

**Financial Highlights**

- The Park District's financial status continues to get stronger each year. Despite increased operational, energy costs and staff benefits, the Park District concluded with a positive balance. Overall, revenues for all funds this past year were \$3,716,045 and expenses were \$3,550,548 for a net increase of \$165,497.
- Assets exceeded liabilities by \$8,227,198 (net assets) at the close of the fiscal year. Of this amount, \$1,188,706 is unrestricted and available to meet ongoing and future obligations.
- The change in total net assets of the Park District is an increase of \$488,648 for governmental activities.
- Total governmental funds reported an end of the year fund balance of \$2,586,308; this represents an overall increase of \$165,497.
- Governmental funds reported a combined total of \$3,716,045 of revenues, and \$3,550,548 in expenditures. After offsetting transfers and debt proceeds, the resulting combined increase in the fund balance of all governmental funds on April 30, 2011, was \$165,497. The combined fund balance of all governmental funds on April 30, 2011, was \$2,586,308.
- The General Fund's total revenue of \$680,241 was below budgeted revenue by (\$5,535), mainly due to the decrease in projected interest revenue. The fund balance had a net decrease of (\$33,341). The expenses in the fund were (\$60,618) less than budgeted, which helped the fund perform better than planned. This activity resulted in an April 30, 2011 fund balance of \$454,893.
- The Recreation Fund's total revenue of \$1,627,049 was below budgeted revenue by (\$54,866). The fund balance had a net increase of \$167,171 compared to the budgeted net decrease of (\$104,697). This activity resulted in an April 30, 2011 fund balance of \$733,813.



## Using the Annual Report/Report Layout

The government-wide statements are highly condensed and present information about the Park District's finances and operations as a whole, with a longer-term view. The fund financial statements indicate how we financed our governmental activities in the short-term, as well as what remains for future spending. The fund financial statements also report the Park District's operations in more detail than the government-wide financial statements by providing information about the Park District's major funds.

### Reporting the Park District as a Whole

The accompanying government-wide financial statements include two statements that present financial data for the District as a whole. The Statement of Net Assets and the Statement of Activities report information about the District as a whole and its activities. The statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private – sector companies. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

- *Statement of Net Assets*

The Statement of Net Assets presents the assets, liabilities and resulting net assets of the Park District's governmental and business-type activities.

Net assets, the difference between assets and liabilities, provide a measure of the District's financial strength, or financial position. Over time, increases or decreases in net assets are an indicator of improving or deteriorating financial health. It is important to consider other non-financial factors such as changes in the District's property tax base, or the condition of parks to accurately assess the overall health of the District.

- *Statement of Activities*

The Statement of Activities presents expenses of major programs (functions) and matches direct program revenues with each. To the extent that direct charges and grants do not recover a program's cost, it is paid from general taxes and other resources. The statement simplifies the user's analysis to determine what extent programs are self-supporting and/or subsidized by general revenues.

### Reporting the Park District's Most Significant Funds

The analysis of the Park District's major funds statements reinforce information in the government-wide financial statements or provide additional information. The District's major funds are presented in a separate column in the fund financial statements, and the remaining funds are combined into a column titled "Nonmajor Governmental Funds." For each major fund, a Budgetary Comparison Statement is also presented.

All of the Park District's activities are reported in governmental funds, which focus on how money flows into and out of funds, and the remaining balances year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Park District's general government operations and the basic services it provides. Governmental activities include recreation and general government administration. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements of the governmental funds.



**The Park District as a Whole  
Government-Wide Financial Statements**

**Statement of Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. On April 30, 2011, net assets for the Park District were \$8,227,198.

A condensed version of the Statement of Net Assets at April 30, 2011, follows:

	<u>2011</u>	<u>2010</u>
<b>Assets:</b>		
Current and other assets	\$ 4,999,342	\$ 4,806,412
Capital assets	<u>11,193,209</u>	<u>11,365,247</u>
Total assets	<u>16,192,551</u>	<u>16,171,659</u>
<b>Liabilities:</b>		
Current and other liabilities	2,721,162	2,638,918
Long-term liabilities:		
Due within one year	801,651	550,000
Due in more than one year	<u>4,442,540</u>	<u>5,244,191</u>
Total liabilities	<u>7,965,353</u>	<u>8,433,109</u>
<b>Net Assets:</b>		
Invested in capital assets, net of debt	7,683,793	7,675,831
Restricted	(4,104,483)	(4,632,082)
Unrestricted	<u>4,647,888</u>	<u>4,694,801</u>
Total Net Assets	<u>\$ 8,227,198</u>	<u>\$ 7,738,550</u>

The governmental activities end-of-year total net assets of \$8,227,198 reflect an increase of \$488,648 from the beginning year's net asset balance.



## Changes in Net Assets

A summary of the government-wide statement of changes in net assets for the year ended April 30, 2011 follows:

	<u>2011</u>	<u>2010</u>
<b>Revenues</b>		
Program Revenues:		
Charges for services	\$ 1,176,511	\$ 1,128,279
General Revenues:		
Taxes	2,285,008	2,269,109
Interest	10,088	24,810
Grants	-	-
Miscellaneous	244,438	198,975
Total Revenues	<u>3,716,045</u>	<u>3,621,173</u>
<b>Expenses</b>		
Program Expenses:		
Culture and Recreation	2,991,944	2,823,646
Interest	235,453	217,405
Total Expenses	<u>3,227,397</u>	<u>3,041,051</u>
<b>Change in Net Assets</b>	<u>\$ 488,648</u>	<u>\$ 580,122</u>

For 2010/2011, changes in net assets decreased \$(91,474) to \$488,648.

**Governmental Activities** The cost of all governmental activities in 2010/11 was \$3,227,397. Revenues to fund these activities included \$1,176,511 from those who directly benefited from or contributed to the programs, and \$2,285,008 financed through taxes. Revenue included other governmental revenue, grants, interest and miscellaneous income, which totaled \$254,526.

In the table below, we presented the cost of each of the Park District's largest functions, as well as program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden placed on the Park District's taxpayers by each of these functions.

Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Culture and Recreation	\$ 2,991,944	\$ 2,823,646	\$ 1,815,433	\$ 1,695,367
Interest	235,453	217,405	235,453	217,405
Total Expenses	<u>\$ 3,227,397</u>	<u>\$ 3,041,051</u>	<u>\$ 2,050,886</u>	<u>\$ 1,912,772</u>



## The Park District's Funds

Governmental funds reported a combined total of \$3,716,045 of revenues, and \$3,550,548 in expenditures. After offsetting transfers and debt proceeds, the resulting combined increase in the fund balance of all governmental funds on April 30, 2011, was \$165,497. The combined fund balance of all governmental funds on April 30, 2011, was \$2,586,308.

### Capital Assets

As of April 30, 2011, the District has approximately \$11.19 million in capital assets (net of accumulated depreciation), as reflected in the following table. Additional capital asset information is found in Note 3 to the financial statements.

	<u>2011</u>	<u>2010</u>
Land, Right of Way and Easements	\$ 664,790	\$ 664,790
Construction	-	-
Land Improvements	624,948	698,194
Buildings	9,108,049	9,273,993
Equipment	763,606	684,312
Licensed Vehicles	<u>31,816</u>	<u>43,958</u>
Net Capital Assets	<u>\$ 11,193,209</u>	<u>\$ 11,365,247</u>

Capital highlights for 2010/2011 included the following:

- Recreation Center Gymnasium – curtains, basketball hoops, fitness equipment
- Dynamic Sign
- Benson Park Renovation
- Joint Parking Lot & Children's Garden Project
- Misc Park/Building Projects

### Debt Administration

As of year-end, governmental-type debt outstanding was \$5,244,191 compared to \$5,794,191 last year. Additional information on the District's long-term debt is found in Note 4 to the financial statements.

### Budgets and Rates for 2011/12

The 2011/12 fiscal year total budget is \$4,859,214, an approximate 7.55% increase over the fiscal year 2010/11.

The Park District's 2010 equalized assessed valuation (EAV) decreased 9.2% and is currently \$552,803,232. The 2011/12 budget reflects an approximate 1.3% increase in property taxes.



Included in the 2011/12 budget are capital expenditures of approximately \$1.1M. The basic capital budget includes projects such as:

- Restoration of the 138 year-old Train Depot Museum
- Completion of Pump House & Benson Park Project
- Waterpark Upgrades and VGB Compliance Project
- Computer System Upgrade/On-Line Registration
- Fitness Center Equipment & Preschool Room Upgrades
- Miscellaneous Parks and Building Projects

### **Decisions Expected To Have an Effect on Future Operations**

Many trends and economic factors can affect the future operations of the Park District, which are considered during budgeting and long range planning of these factors. Private sector development of competitive facilities and comparable services in the area, trends in facility usage, and the availability for acquisition of open space and facilities are constant considerations. There are several additional major factors that the Park District is dealing with and will address in the upcoming budget year as well:

- The continuing negative effects of the tax cap on the District's property tax revenue, along with the current CPI impact.
- The decrease in EAV.
- The current State of Illinois budget situation which has slowed grant funding.
- Current state of the general economy.
- Increased pricing of utilities, wages and benefits.

### **Financial Contact**

The Park District's financial statements are designed to present users (citizens, taxpayers, investors, customers and creditors) with a general overview of the Park District's finances and to demonstrate the Park District's accountability. If you have questions about the report or need additional financial information, please contact the Park District's Executive Director, Maryfran H. Leno, 350 East Irving Park Road, Itasca, IL 60143, 630-773-2257.



ITASCA PARK DISTRICT  
STATEMENT OF NET ASSETS

APRIL 30, 2011

	<u>Total Primary Government Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 2,719,394
Property Taxes Receivable, Net of Loss and Cost	2,279,948
Capital Assets, Net of Accumulated Depreciation	
Land and Improvements	1,289,739
Buildings/Facilities	9,108,049
Machinery, Equipment and Vehicles	<u>795,421</u>
Total Assets	<u>16,192,551</u>
<b>LIABILITIES</b>	
Deferred Revenue - Taxes	\$ 2,279,948
Deferred Program Revenue	129,142
Vouchers and Refunds Payable	3,944
Interest Payable	195,144
Compensated Absences Payable	50,234
Bond Premium	62,750
Bonds Payable - Current	801,651
Bonds Payable - Non-Current	<u>4,442,540</u>
Total Liabilities	<u>7,965,353</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	7,683,793
Restricted For:	
Debt Service Deficit	(5,468,426)
Special Services and Capital Outlay	1,363,943
Unrestricted	<u>4,647,888</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 8,227,198</u></u>

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED APRIL 30, 2011

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue</u>
PRIMARY GOVERNMENT			
Governmental Activities			
Culture and Recreation	\$ 2,991,944	\$ 1,176,511	\$ (1,815,433)
Interest on Bonds	<u>235,453</u>	<u>-</u>	<u>(235,453)</u>
Total Governmental Activities	<u>\$ 3,227,397</u>	<u>\$ 1,176,511</u>	<u>(2,050,886)</u>
GENERAL REVENUES			
Property Taxes, levied for general purposes			1,523,163
Property Taxes, levied for debt service			733,376
Personal Property Replacement Taxes			28,469
Interest			10,088
Miscellaneous			<u>244,438</u>
Total General Revenues			<u>2,539,534</u>
CHANGE IN NET ASSETS			488,648
NET ASSETS			
Beginning			<u>7,738,550</u>
Ending			<u>\$ 8,227,198</u>

See accompanying notes to the financial statements.



## ITASCA PARK DISTRICT

BALANCE SHEET  
GOVERNMENTAL FUNDS

APRIL 30, 2011

	<u>General</u>	<u>Recreation</u>	<u>Recreation For the Handicapped</u>	<u>Social Security and IMRF</u>
<b>ASSETS</b>				
Cash and Investments	\$ 456,252	\$ 865,540	\$ 273,462	\$ 43,083
Property Taxes Receivable, Net of Loss and Cost	<u>587,226</u>	<u>392,396</u>	<u>218,910</u>	<u>276,374</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,043,478</u>	<u>\$ 1,257,936</u>	<u>\$ 492,372</u>	<u>\$ 319,457</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Vouchers and Refunds Payable	\$ 1,359	\$ 2,585	\$ -	\$ -
Deferred Revenue - Taxes	587,226	392,396	218,910	276,374
Deferred Program Revenue	<u>-</u>	<u>129,142</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>588,585</u>	<u>524,123</u>	<u>218,910</u>	<u>276,374</u>
<b>FUND BALANCES</b>				
Reserved for:				
Debt Service	-	-	-	-
Special Revenue Funds	-	-	273,462	43,083
Capital Projects	-	-	-	-
Unreserved	<u>454,893</u>	<u>733,813</u>	<u>-</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>454,893</u>	<u>733,813</u>	<u>273,462</u>	<u>43,083</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,043,478</u>	<u>\$ 1,257,936</u>	<u>\$ 492,372</u>	<u>\$ 319,457</u>



Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 33,659	\$ 923,184	\$ 124,214	\$ 2,719,394
<u>743,747</u>	<u>-</u>	<u>61,295</u>	<u>2,279,948</u>
<u>\$ 777,406</u>	<u>\$ 923,184</u>	<u>\$ 185,509</u>	<u>\$ 4,999,342</u>
\$ -	\$ -	\$ -	3,944
743,747	-	61,295	2,279,948
<u>-</u>	<u>-</u>	<u>-</u>	<u>129,142</u>
<u>743,747</u>	<u>-</u>	<u>61,295</u>	<u>2,413,034</u>
33,659	-	-	33,659
-	-	124,214	440,759
-	923,184	-	923,184
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,188,706</u>
<u>33,659</u>	<u>923,184</u>	<u>124,214</u>	<u>2,586,308</u>
<u>\$ 777,406</u>	<u>\$ 923,184</u>	<u>\$ 185,509</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	11,193,209
Certain liabilities including compensated absences, interest and bonds payable are not reported on a modified accrual basis and therefore not reported in the funds	<u>(5,552,319)</u>

Net Assets of Governmental Activities \$ 8,227,198

See accompanying notes to the financial statements.



## ITASCA PARK DISTRICT

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

YEAR ENDED APRIL 30, 2011

	<u>General</u>	<u>Recreation</u>	<u>Recreation For The Handicapped</u>	<u>Social Security and IMRF</u>	<u>Debt Service</u>
<b>REVENUES</b>					
Property Taxes	\$ 597,532	\$ 396,925	\$ 241,901	\$ 241,675	\$ 733,376
Personal Property Replacement Taxes	28,469	-	-	-	-
Program and Event Fees	-	711,991	-	-	-
Developer Contributions	-	-	-	-	-
Fitness Center	-	199,386	-	-	-
Swimming Pool	-	173,029	-	-	-
Concessions	-	39,313	-	-	-
Rent	28,675	24,117	-	-	-
Interest	6,062	-	-	289	1,203
Miscellaneous and Reimbursements	19,503	82,288	-	-	-
Total Revenues	<u>680,241</u>	<u>1,627,049</u>	<u>241,901</u>	<u>241,964</u>	<u>734,579</u>
<b>EXPENDITURES</b>					
Current:					
Salaries and Wages	206,723	723,849	-	-	-
Services	193,635	205,942	111,752	287,378	1,338
Repairs and Maintenance	65,515	29,539	-	-	-
Program and Event Costs	-	377,689	-	-	-
Supplies	23,065	39,430	-	-	-
Miscellaneous	7,370	8,241	-	-	-
Capital Outlay	17,274	75,188	81,482	-	-
Debt Service:					
Principal	-	-	-	-	550,000
Interest	-	-	-	-	181,385
Total Expenditures	<u>513,582</u>	<u>1,459,878</u>	<u>193,234</u>	<u>287,378</u>	<u>732,723</u>
Excess of Revenues Over (Under) Expenditures	<u>166,659</u>	<u>167,171</u>	<u>48,667</u>	<u>(45,414)</u>	<u>1,856</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds and Bond Premiums Issued	-	-	-	-	-
Transfers	(200,000)	-	-	-	-
Total Other	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(33,341)	167,171	48,667	(45,414)	1,856
<b>FUND BALANCE</b>					
Beginning	<u>488,234</u>	<u>566,642</u>	<u>224,795</u>	<u>88,497</u>	<u>31,803</u>
Ending	<u>\$ 454,893</u>	<u>\$ 733,813</u>	<u>\$ 273,462</u>	<u>\$ 43,083</u>	<u>\$ 33,659</u>



Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 45,130	\$ 2,256,539
-	-	28,469
-	-	711,991
25,784	-	25,784
-	-	199,386
-	-	173,029
-	-	39,313
-	-	52,792
2,443	91	10,088
<u>86,770</u>	<u>30,093</u>	<u>218,654</u>
<u>114,997</u>	<u>75,314</u>	<u>3,716,045</u>
-	2,423	932,995
-	72,795	872,840
13,729	1,460	110,243
-	28,880	406,569
-	15	62,510
-	-	15,611
229,175	15,276	418,395
-	-	550,000
<u>-</u>	<u>-</u>	<u>181,385</u>
<u>242,904</u>	<u>120,849</u>	<u>3,550,548</u>
<u>(127,907)</u>	<u>(45,535)</u>	<u>165,497</u>
-	-	-
<u>200,000</u>	<u>-</u>	<u>-</u>
<u>200,000</u>	<u>-</u>	<u>-</u>
72,093	(45,535)	165,497
<u>851,091</u>	<u>169,749</u>	<u>2,420,811</u>
<u>\$ 923,184</u>	<u>\$ 124,214</u>	<u>\$ 2,586,308</u>

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT

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

YEAR ENDED APRIL 30, 2011

Net Change in Fund Balances - Total Governmental Funds \$ 165,497

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

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$261,776 were less than depreciation expense of \$422,924 and loss on disposal of \$10,890. (172,038)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bond proceeds of \$0 were less than \$550,000 of bond repayments. 550,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. An increase in the compensated absences payable of \$743 and increase in bond interest payable of \$54,068 are this amount. (54,811)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 488,648

See accompanying notes to the financial statements.



## ITASCA PARK DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED APRIL 30, 2011

	General		Recreation		Rec for the
	Budget Original/Final	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP	Budget Original/Final
REVENUES					
Property Taxes	\$ 602,185	\$ 597,532	\$ 400,036	\$ 396,925	\$ 243,553
Personal Property					
Replacement Taxes	20,000	28,469	-	-	-
Program and Event Fees	-	-	778,104	711,991	-
Developer Contributions	-	-	-	-	-
Fitness Center	-	-	196,975	199,386	-
Swimming Pool	-	-	165,500	173,029	-
Concessions	-	-	43,500	39,313	-
Rent	28,000	28,675	20,000	24,117	-
Interest	18,000	6,062	-	-	-
Miscellaneous/Reimbursements	17,591	19,503	77,800	82,288	-
Total Revenues	<u>685,776</u>	<u>680,241</u>	<u>1,681,915</u>	<u>1,627,049</u>	<u>243,553</u>
EXPENDITURES					
Current:					
Salaries and Wages	216,250	206,723	766,600	723,849	-
Services	230,150	193,635	230,925	205,942	140,000
Repairs and Maintenance	58,800	65,515	35,500	29,539	-
Program and Event Costs	-	-	454,461	377,689	-
Supplies	59,000	23,065	39,226	39,430	-
Miscellaneous	10,000	7,370	9,900	8,241	-
Capital Outlay	-	17,274	250,000	75,188	250,000
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>574,200</u>	<u>513,582</u>	<u>1,786,612</u>	<u>1,459,878</u>	<u>390,000</u>
Excess of Revenues Over (Under) Expenditures	<u>111,576</u>	<u>166,659</u>	<u>(104,697)</u>	<u>167,171</u>	<u>(146,447)</u>
OTHER FINANCING SOURCES (USES)					
Bonds Issued	-	-	-	-	-
Transfers	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(88,424)	(33,341)	(104,697)	167,171	(146,447)
FUND BALANCE					
Beginning	<u>488,234</u>	<u>488,234</u>	<u>566,642</u>	<u>566,642</u>	<u>224,795</u>
Ending	<u>\$ 399,810</u>	<u>\$ 454,893</u>	<u>\$ 461,945</u>	<u>\$ 733,813</u>	<u>\$ 78,348</u>



Handicapped	Social Security and IMRF		Debt Service		Capital Projects	
	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP	Budget Original/Final
\$ 241,901	\$ 243,553	\$ 241,675	\$ 739,184	\$ 733,376	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	5,000	25,784
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	289	-	1,203	5,000	2,443
-	-	-	-	-	100,000	86,770
<u>241,901</u>	<u>243,553</u>	<u>241,964</u>	<u>739,184</u>	<u>734,579</u>	<u>110,000</u>	<u>114,997</u>
-	-	-	-	-	-	-
111,752	300,000	287,378	7,798	1,338	-	-
-	-	-	-	-	-	13,729
-	-	-	-	-	-	-
-	-	-	-	-	-	-
81,482	-	-	-	-	681,012	229,175
-	-	-	550,000	550,000	-	-
-	-	-	181,386	181,385	-	-
<u>193,234</u>	<u>300,000</u>	<u>287,378</u>	<u>739,184</u>	<u>732,723</u>	<u>681,012</u>	<u>242,904</u>
<u>48,667</u>	<u>(56,447)</u>	<u>(45,414)</u>	<u>-</u>	<u>1,856</u>	<u>(571,012)</u>	<u>(127,907)</u>
-	-	-	-	-	-	-
-	-	-	-	-	200,000	200,000
-	-	-	-	-	200,000	200,000
48,667	(56,447)	(45,414)	-	1,856	(371,012)	72,093
<u>224,795</u>	<u>88,497</u>	<u>88,497</u>	<u>31,803</u>	<u>31,803</u>	<u>851,091</u>	<u>851,091</u>
<u>\$ 273,462</u>	<u>\$ 32,050</u>	<u>\$ 43,083</u>	<u>\$ 31,803</u>	<u>\$ 33,659</u>	<u>\$ 480,079</u>	<u>\$ 923,184</u>

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The financial statements of the Park District have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

A. Financial Reporting Entity

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. The Park District has no component units and is not a component unit of any other entity.

B. Basis of Presentation

Government-wide Statements – The government-wide statement of net assets and statement of activities report the overall financial activity of the Park District, excluding fiduciary activities (of which the Park District has none). Governmental activities generally are financed through taxes, contributions, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the Park District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipients of goods or services offered by the programs. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – The fund financial statements provide information about the Park District's funds, of which they only have governmental funds. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. The other remaining governmental funds are reported in total as non-major funds.

*General* – This is the primary operating fund of the Park District. It accounts for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* - Special Revenue Funds are used to account for the proceeds of specific revenue sources that may be legally restricted to expenditures for specified purposes. The majority of services administered by the Park District are accounted for in the recreation fund and include the operations of the swimming pool and the recreation center fitness facility. Other major funds are Recreation for the Handicapped and Social Security/IMRF. The non-major funds are the insurance, audit, museum, paving and lighting, Itasca Angels and Scher Trust.

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Bond Debt Service* – This fund accounts for the resources accumulated and payments made for principal, interest, and related issuance costs on general obligation long-term debt of the governmental funds.

*Capital Projects* - These funds account for financial resources to be used and amounts paid for the acquisition or construction of major capital facilities or improvements.

C. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the Park District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, personal property replacement taxes, grants, and contributions. On an accrual basis, revenues from personal property and personal property replacement taxes are recognized in the fiscal year in which the underlying exchange transaction occurs. Revenues from grants, contributions and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the Park District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year and are needed to fund liabilities of the current period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt and compensated absences are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Significant revenue sources, which are susceptible to accrual, include property taxes, personal property replacement taxes, rentals, concession income, charges for services, grants and interest.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in the government-wide fund financial statements to the extent that those standards do not conflict or contradict GASB.

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Cash and Investments

Cash and short-term investments are stated at cost, which approximate market.

E. Interfund Transfers

The Park District makes interfund transfers. These are flows of assets, namely cash, without equivalent flows of assets in return and without a requirement for repayment. In the governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving the transfers.

F. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

G. Compensated Absences

The liability for compensated absences reported in the government-wide statements of net assets consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated based on current salary costs and the amount that would be paid upon termination.

H. Property Taxes

The property taxes receivable are based on equalized assessed valuation and tax rates for the year 2010. The reserve for loss and costs on collections has been provided for 2010 at 1% of the tax extensions, which is approximately the loss and cost percentage in prior years. The Park District will begin to receive these 2010 levied funds in June of 2011. In the government-wide accrual basis and governmental fund modified accrual basis financial statements the Park District has deferred these revenues and the 2009 levy is recorded as revenue.

Property taxes for the Park District are assessed by and paid to the DuPage County Tax Collector who remits to the Park District monies collected following a calendar prescribed by law. The Park District's taxes are billed along with all other taxes due County taxing entities. The collector pays the Park District interest on monies held from day of collection to day of distribution. The Park District has no control over the investment program of the Tax Collector as those programs are governed by State Law.

(CONTINUED)



ITASCA PARK DISTRICT  
NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

I. Fund Balances

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 specific purpose. Designations of fund balances represent tentative Park District plans that are subject to change.

J. Net Assets

In the government-wide financial statements, equity is displayed in three components as follows:

*Invested in Capital Assets, Net of Related Debt* – This consists of capital assets, net of accumulated depreciation and the debt incurred to purchase the assets.

*Restricted* – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Park District's policy to use restricted resources first, and then unrestricted resources when they are needed.

*Unrestricted* – This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets".

K. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

L. Subsequent Events

The Park District evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through July 25, 2011, the day the financial statements were issued.

NOTE 2. CASH AND INVESTMENTS AND CUSTODIAL CREDIT RISK

At April 30, 2011, the carrying amount of the Park District's bank deposits were \$2,719,319 and the respective bank balances totaled \$2,708,889. Of the total bank balance, \$250,000 was insured through the Federal Depository Insurance Corporation (FDIC). The bank has pledged \$3,700,000 face amount as of April 30, 2011 of collateral with securities in the Park District's name that are held by a safekeeping agent on behalf of the bank. The Park District limits its investment activity to Certificates of Deposit, money market funds and U.S. Treasury Securities.



ITASCA PARK DISTRICT  
NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 3. CAPITAL ASSETS

A summary of capital assets activity for the year ended April 30, 2011 is as follows:

	Balance May 1, 2010	Additions	Deletions	Balance April 30, 2011
Land, Right of Way and Easements – not being depreciated	\$ 664,790	\$ -	\$ -	\$ 664,790
Construction in Progress - not being depreciated	-	-	-	-
Capital Assets being depreciated:				
Land Improvements	2,275,171	15,276	6,000	2,284,447
Buildings/Facilities	11,505,989	79,805	-	11,585,794
Equipment	1,384,021	166,695	42,021	1,508,695
Licensed Vehicles	208,642	-	-	208,642
Total Capital Assets Being Depreciated	15,373,823	261,776	48,021	15,587,578
Less Accumulated Depreciation:				
Land Improvements	1,576,977	87,847	5,325	1,659,499
Buildings/Facilities	2,231,996	245,749	-	2,477,745
Equipment	699,709	77,186	31,806	745,089
Licensed Vehicles	164,684	12,142	-	176,826
Total Accumulated Depreciation	4,673,366	422,924	37,131	5,059,159
Total Capital Assets Being Depreciated, Net	10,700,457	(161,148)	10,890	10,528,419
Governmental Activity Capital Assets, Net	<u>\$ 11,365,247</u>	<u>\$ (161,148)</u>	<u>\$ 10,890</u>	<u>\$ 11,193,209</u>

Depreciation expense for governmental activities for the year ended April 30, 2011 was included in culture and recreation on the statement of activities of \$422,924 and the loss on the disposal of assets of \$10,890.

The assets are being depreciated on a straight-line basis based on the following useful lives:

- Land Improvements – 20 years
- Buildings – 7 to 50 years
- Equipment – 5 to 20 years
- Licensed Vehicles – 8 years



ITASCA PARK DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 (CONTINUED)

NOTE 4. BONDS PAYABLE

The following is a summary of the General Obligation Bond transactions of the Park District for the year ended April 30, 2011:

	2002 Park Bonds	2002A Park Bonds	2006 Park Bonds	2006A Park Bonds	2006B Park Bonds	Total
Original Bond Amounts	\$ 1,265,031	\$ 734,852	\$ 3,650,000	\$ 1,735,000	\$ 379,416	\$ 7,764,299
Bonds Payable at May 1, 2010	\$ 614,923	\$ 734,852	\$ 3,310,000	\$ 755,000	\$ 379,416	\$ 5,794,191
Bonds Retired	-	-	180,000	370,000	-	550,000
Bonds Issued	-	-	-	-	-	-
Bonds Payable at April 30, 2011	\$ 614,923	\$ 734,852	\$ 3,130,000	\$ 385,000	\$ 379,416	\$ 5,244,191

The principal amount due in each of the years, in the amounts and bearing interest per annum, are as follows:

Year of Maturity	Principal					Interest				
	2002 Bonds	2002A Bonds	2006 Bonds	2006A Bonds	2006B Bonds	2002 Bonds	2002A Bonds	2006 Bonds	2006A Bonds	2006B Bonds
2011	216,651	-	200,000	385,000	-	4.60%	-	4.50%	4.55%	-
2012	204,886	-	215,000	-	-	4.70%	-	4.50%	-	-
2013	193,386	-	240,000	-	-	4.80%	-	4.75%	-	-
2014	-	179,952	260,000	-	-	-	5.00%	4.75%	-	-
2015	-	169,028	285,000	-	-	-	5.10%	4.75%	-	-
2016	-	158,455	310,000	-	-	-	5.20%	4.50%	-	-
2017	-	148,257	335,000	-	-	-	5.30%	4.50%	-	-
2018	-	79,160	370,000	-	-	-	5.35%	4.50%	-	-
2019	-	-	400,000	-	-	-	-	4.25%	-	-
2021	-	-	515,000	-	379,416	-	-	4.30%	-	4.85%
Totals	\$ 614,923	\$ 734,852	\$ 3,130,000	\$ 385,000	\$ 379,416					

The 2002 and 2002A bonds were issued to complete the recreation center renovation. The 2006 bonds were issued to rebuild and improve the pool, payoff/fund certain bond issues, fund bond issue costs and provide funds for other future park projects.



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 5. NORTHEAST DUPAGE SPECIAL RECREATION ASSOCIATION

The Itasca Park District is a charter member of the Northeast DuPage Special Recreation Association (NEDSRA). The purpose of NEDSRA is to provide comprehensive recreation programs and equipment for physically and/or mentally handicapped individuals.

In connection with the program, the Itasca Park District levied property taxes for 2010 at the rate of .0400 resulting in a tax extension of \$221,121. These taxes are reflected in a separate fund titled: Recreation For the Handicapped.

NOTE 6. PENSION PLAN

Plan Description

The Park District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), 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. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

Funding Policy

As set by statute, regular employees are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2010 was 15.18% and in 2011 is 13.52%. The employer 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.

Annual Pension Cost

The required contribution for calendar year 2010 was \$103,729 and an additional \$150,000 was paid in December 2010 by the Park District toward the unfunded amount.

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
12/31/10	\$103,729	100%	\$0
12/31/09	96,696	100%	0
12/31/08	96,522	100%	0

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 6. PENSION PLAN (Concluded)

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 .4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Park District's Regular 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's Regular plan's unfunded actuarial accrued liability at December 31, 2008 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 67.44% funded. The actuarial accrued liability for benefits was \$1,636,810 and the actuarial value of assets was \$1,103,848, resulting in an underfunded actuarial accrued liability (UAAL) of \$532,962. The covered payroll for calendar year 2010 (annual payroll of active employees covered by the plan) was \$683,326 and the ratio of the UAAL to the covered payroll was 78%.

The schedule of funding progress, shown below, 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.

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)
12/31/10	\$1,103,848	\$1,636,810	\$ 532,962	67.44%	\$683,326	78.00%
12/31/09	774,298	1,475,669	701,371	52.47%	676,672	103.65%
12/31/08	465,193	1,329,259	864,066	35.00%	638,371	135.35%

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$1,207,690. On a market basis, the funded ratio would be 73.78%.

NOTE 7. HEALTH INSURANCE RISK POOL

On February 1, 1990, the Itasca Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 7. HEALTH INSURANCE RISK POOL (Concluded)

covering single claims over \$225,000. Until January 1, 2001 The PDRMA health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network.

Members can choose to provide any combination of coverages available to their employees, and pay premiums accordingly.

As a member of the PDRMA Health Program, the Park District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the Park District and the PDRMA Health Program is governed by a contract and by-laws that have been adopted by resolution of the Board of Directors of the Park District. The Park District is contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's balance sheet at December 31, 2010 and the statement of revenues and expenses for the period then ended.

Assets	\$ 9,475,140
Liabilities	\$ 3,693,110
Member Balances	\$ 5,782,030
Revenues	\$19,191,466
Expenditures	\$21,027,975

A large percentage of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

NOTE 8. INSURANCE RISK POOL

The Park District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since June 1, 1992, the Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park and forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general and automobile liability, crime, boiler and machinery, public officials' and employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2011 through January 1, 2012:

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 8. INSURANCE RISK POOL (Continued)

<u>Coverage</u>	<u>Member Deductible</u>	<u>PDRMA Self-Insured Retention</u>	<u>Limits</u>	<u>Insurance Company</u>
<u>Property</u>				
Property/Bldg/Contents				PDRMA Reinsurers: Various through the Public Entity Property Reinsurance Program (PEPIP)
All losses/occurrence	\$ 1,000	\$1,000,000	\$1,000,000,000/ all members	
All losses annual agg		\$3,000,000	Declaration 11	
Flood/except Zones A&V	\$ 1,000	\$100,000	\$250,000,000/Occurrence/ annual aggregate	
Flood, Zones A & V	\$ 1,000	\$250,000	\$200,000,000/Occurrence/ annual aggregate	
Earthquake Shock	\$ 1,000	\$100,000	\$100,000,000/Occurrence/ annual aggregate	
<u>Auto Physical Damage</u>				
Comprehensive and Collision	\$ 1,000	\$1,000,000	Included	
Construction/Builders Risk	\$ 1,000	Included	\$25,000,000	
Business Interruption, Rental Income, Tax Income Combined	\$ 1,000		\$100,000,000/reported values \$500,000/ \$2,500,000/non-reported	
Service Interruption	24 hours	N/A	\$ 10,000,000	
<u>Boiler and Machinery</u>				
Property damage	\$ 1,000	\$ 9,000	\$100,000,000 Equip Breakdown	Travelers Indemnity Co of Illinois
Business Income	48 hours	N/A	Prop damage Included	
<u>Fidelity and Crime</u>				
Seasonal Employees	\$ 1,000	\$ 24,000	\$2,000,000	National Union Fire Insurance Co
Blanket Bond	\$ 1,000	\$ 9,000	\$1,000,000	
	\$ 1,000	\$ 24,000	\$2,000,000	
<u>Workers Compensation</u>				
Employers Liability	N/A	\$ 500,000	Statutory	PDRMA Government Entities Mutual, Safety National Casualty
		\$ 500,000	\$3,500,000 Employers Liability	
<u>Liability</u>				
General	None	\$ 500,000	\$21,500,000/Occurrence/ annual aggregate	PDRMA Reinsurers: Government Entities Mutual, Markel
Auto Liability	None	Included	Included	
Employment Practices	None	Included	\$21,500,000/Occurrence/ Annual Aggregate	Everest Reinsurance Co
Public Officials' Liability	None	Included	Included	
Law Enforcement Liability	None	Included	Included	
Uninsured/Underinsured Motorists	None	Included	\$1,000,000/Occurrence	
<u>Pollution Liability</u>				
Liability-third party	None	\$ 25,000	\$5,000,000/Occurrence	XL Environmental Insurance
Property-first party	\$1,000	\$ 24,000	\$10,000,000 general aggregate	
<u>Outbreak Expense</u>	24 hours	N/A	\$15,000 per day \$450,000 per location \$1 million aggregate policy	Markel

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONCLUDED)

NOTE 8. INSURANCE RISK POOL (Concluded)

<u>Coverage</u>	<u>Member Deductible</u>	<u>PDRMA Self-Insured Retention</u>	<u>Limits</u>	<u>Insurance Company</u>
<u>Volunteer Medical Accident</u>	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured
<u>Underground Storage Tank Liability</u>	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured
<u>Unemployment Compensation</u>	N/A	N/A	Statutory	Self-funded

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

As a member of PDRMA's Property/Casualty Program, the Park District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Board of Directors of the Park District. The Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's balance sheet at December 31, 2010 and the statement of revenues and expenses for the period then ended. The Park District's portion of the overall equity of the pool is .201% or \$61,092.

Assets	\$52,487,014
Liabilities	\$22,092,590
Member Balances	\$30,394,424
Revenues	\$20,242,941
Expenditures	\$19,455,018

Since 97% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

### INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our audit of the basic financial statements included in the preceding section of this report was made for the purpose of forming an opinion on those financial statements taken as a whole. The accompanying information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Detterbeck Johnson & Monsen, Ltd.  
(An Illinois Professional  
Service Corporation)  
Palatine, Illinois  
July 25, 2011



ITASCA PARK DISTRICT  
SUPPLEMENTARY INFORMATION  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

APRIL 30, 2011

	<u>Insurance</u>	<u>Audit</u>	<u>Museum</u>	<u>Paving and Lighting</u>
<b>ASSETS</b>				
Cash and Investments	\$ 40,674	\$ 4,120	\$ 5,290	\$ 7,153
Property Taxes Receivable, Net of Loss and Cost	<u>38,309</u>	<u>7,115</u>	<u>10,398</u>	<u>5,473</u>
<b>TOTAL ASSETS</b>	<u>\$ 78,983</u>	<u>\$ 11,235</u>	<u>\$ 15,688</u>	<u>\$ 12,626</u>
<b>LIABILITIES</b>				
Deferred Revenue - Taxes	\$ 38,309	\$ 7,115	\$ 10,398	\$ 5,473
<b>FUND BALANCES</b>				
Special Revenue Funds	<u>40,674</u>	<u>4,120</u>	<u>5,290</u>	<u>7,153</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 78,983</u>	<u>\$ 11,235</u>	<u>\$ 15,688</u>	<u>\$ 12,626</u>



<u>Itasca Angels</u>	<u>Scher Trust</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 17,672	\$ 49,305	\$ 124,214
<u>-</u>	<u>-</u>	<u>61,295</u>
<u>\$ 17,672</u>	<u>\$ 49,305</u>	<u>\$ 185,509</u>
\$ -	\$ -	\$ 61,295
<u>17,672</u>	<u>49,305</u>	<u>124,214</u>
<u>\$ 17,672</u>	<u>\$ 49,305</u>	<u>\$ 185,509</u>



## ITASCA PARK DISTRICT

## SUPPLEMENTARY INFORMATION

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

## NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED APRIL 30, 2011

REVENUES	<u>Insurance</u>	<u>Audit</u>	<u>Museum</u>	<u>Paving and Lighting</u>
Property Taxes	\$ 18,052	\$ 8,349	\$ 10,380	\$ 8,349
Interest	-	-	-	-
Miscellaneous and Reimbursements	<u>5,625</u>	<u>-</u>	<u>75</u>	<u>-</u>
Total Revenues	<u>23,677</u>	<u>8,349</u>	<u>10,455</u>	<u>8,349</u>
EXPENDITURES				
Current:				
Salaries and Wages	2,423	-	-	-
Services	52,432	7,860	12,503	-
Repairs and Maintenance	-	-	-	1,460
Program and Event Costs	-	-	-	-
Supplies	-	-	15	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,276</u>
Total Expenditures	<u>54,855</u>	<u>7,860</u>	<u>12,518</u>	<u>16,736</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(31,178)	489	(2,063)	(8,387)
FUND BALANCE				
Beginning	<u>71,852</u>	<u>3,631</u>	<u>7,353</u>	<u>15,540</u>
Ending	<u>\$ 40,674</u>	<u>\$ 4,120</u>	<u>\$ 5,290</u>	<u>\$ 7,153</u>



Itasca Angels	Scher Trust	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 45,130
-	91	91
<u>24,393</u>	<u>-</u>	<u>30,093</u>
<u>24,393</u>	<u>91</u>	<u>75,314</u>
-	-	2,423
-	-	72,795
-	-	1,460
28,880	-	28,880
-	-	15
<u>-</u>	<u>-</u>	<u>15,276</u>
<u>28,880</u>	<u>-</u>	<u>120,849</u>
(4,487)	91	(45,535)
<u>22,159</u>	<u>49,214</u>	<u>169,749</u>
<u>\$ 17,672</u>	<u>\$ 49,305</u>	<u>\$ 124,214</u>



## ITASCA PARK DISTRICT

## SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR FUNDS

YEAR ENDED APRIL 30, 2011

	Insurance		Audit	
	Budget Original/Final	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP
REVENUES				
Property Taxes	\$ 18,266	\$ 18,052	\$ 8,524	\$ 8,349
Interest	-	-	-	-
Miscellaneous/Reimbursements	3,500	5,625	-	-
Total Revenues	<u>21,766</u>	<u>23,677</u>	<u>8,524</u>	<u>8,349</u>
EXPENDITURES				
Current:				
Salaries and Wages	-	2,423	-	-
Services	65,000	52,432	8,500	7,860
Repairs and Maintenance	-	-	-	-
Program and Event Costs	-	-	-	-
Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>65,000</u>	<u>54,855</u>	<u>8,500</u>	<u>7,860</u>
Excess of Revenues Over (Under) Expenditures	<u>(43,234)</u>	<u>(31,178)</u>	<u>24</u>	<u>489</u>
OTHER FINANCING SOURCES (USES)				
Bonds Issued	-	-	-	-
Transfers	-	-	-	-
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(43,234)	(31,178)	24	489
FUND BALANCE				
Beginning	<u>71,852</u>	<u>71,852</u>	<u>3,631</u>	<u>3,631</u>
Ending	<u>\$ 28,618</u>	<u>\$ 40,674</u>	<u>\$ 3,655</u>	<u>\$ 4,120</u>



Museum		Paving and Lighting	
Budget Original/Final	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP
\$ 10,351	\$ 10,380	\$ 8,524	\$ 8,349
-	-	-	-
-	75	-	-
<u>10,351</u>	<u>10,455</u>	<u>8,524</u>	<u>8,349</u>
-	-	-	-
13,000	12,503	-	-
-	-	-	1,460
-	-	-	-
-	15	-	-
-	-	20,000	15,276
<u>13,000</u>	<u>12,518</u>	<u>20,000</u>	<u>16,736</u>
<u>(2,649)</u>	<u>(2,063)</u>	<u>(11,476)</u>	<u>(8,387)</u>
-	-	-	-
-	-	-	-
-	-	-	-
(2,649)	(2,063)	(11,476)	(8,387)
<u>7,353</u>	<u>7,353</u>	<u>15,540</u>	<u>15,540</u>
<u>\$ 4,704</u>	<u>\$ 5,290</u>	<u>\$ 4,064</u>	<u>\$ 7,153</u>



## ITASCA PARK DISTRICT

## SUPPLEMENTARY INFORMATION

## ASSESSED VALUATION, RATES AND EXTENSIONS

APRIL 30, 2011

	TAX YEARS		
	2010	2009	2008
ASSESSED VALUATION	<u>\$ 552,803,232</u>	<u>\$ 608,883,199</u>	<u>\$ 607,487,673</u>
TAX RATES			
Corporate Fund	0.1073	0.0989	0.0950
Recreation Fund	0.0717	0.0657	0.0623
Bond and Interest Fund	0.1359	0.1214	0.1196
Audit Fund	0.0013	0.0014	0.0015
Liability Insurance Fund	0.0070	0.0030	0.0091
Recreation For The Handicapped Fund	0.0400	0.0400	0.0400
I.M.R.F. Fund	0.0505	0.0400	0.0402
Museum Fund	0.0019	0.0017	0.0017
Paving and Lighting Fund	<u>0.0010</u>	<u>0.0014</u>	<u>0.0014</u>
	<u>0.4166</u>	<u>0.3735</u>	<u>0.3708</u>
TAX EXTENSIONS			
Corporate Fund	\$ 593,158	\$ 602,185	\$ 577,113
Recreation Fund	396,360	400,036	378,465
Bond and Interest Fund	751,260	739,184	726,555
Audit Fund	7,186	8,524	9,112
Liability Insurance Fund	38,696	18,266	55,281
Recreation For The Handicapped Fund	221,121	243,553	242,995
I.M.R.F. Fund	279,166	243,553	244,210
Museum Fund	10,503	10,351	10,327
Paving and Lighting Fund	<u>5,528</u>	<u>8,524</u>	<u>8,505</u>
	<u>\$ 2,302,978</u>	<u>\$ 2,274,179</u>	<u>\$ 2,252,564</u>