

ITASCA PARK DISTRICT
AUDITED FINANCIAL STATEMENTS
YEAR ENDED APRIL 30, 2013



ITASCA PARK DISTRICT

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Itasca Park District as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise Itasca Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Itasca Park District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Itasca Park District as of April 30, 2013 and the respective changes in financial position thereof and the respective budgetary comparison for the General, Recreation, Rec for the Handicapped, Social Security, IMRF, Debt Service and Capital Projects Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.





The President and The
Members of the Board of Commissioners
Itasca Park District

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis on pages 2-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Itasca Park District's basic financial statements. The accompanying supplementary information, Combining Balance Sheet – Nonmajor Governmental Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Nonmajor Funds and Assessed Valuation, Rates and Extensions, on pages 28-31 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Detterbeck Johnson & Morsen, Ltd.
(An Illinois Professional
Service Corporation)
Palatine, Illinois
October 2, 2013



ITASCA PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED APRIL 30, 2013

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, 2013, 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.

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.
- Assets exceeded liabilities by \$8,954,483 (net assets) at the close of the fiscal year.
- The change in total net assets of the Park District is an increase of \$716,880 for governmental activities.
- Governmental funds reported a combined total of \$3,822,218 of revenues, and \$3,713,488 in expenditures. After offsetting transfers and debt proceeds, the resulting combined increase in the fund balance of all governmental funds on April 30, 2013, was \$108,730. The combined fund balance of all governmental funds on April 30, 2013, was \$3,082,079, this represents an overall increase of \$108,730.
- The General Fund's total revenue of \$695,541 was below budgeted revenue by \$2,487. The fund balance had a net increase of \$55,786. The expenses in the fund were \$60,595 less than budgeted, which helped the fund perform better than planned. This activity resulted in an April 30, 2013 fund balance of \$492,265.
- The Recreation Fund's total revenue of \$1,689,876 was below budgeted revenue by \$16,809. The fund balance had a net increase of \$168,781 compared to the budgeted net decrease of \$73,428. This activity resulted in an April 30, 2013 fund balance of \$850,812.

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 at 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, 2013, net assets for the Park District were \$8,954,483.

A condensed version of the Statement of Net Assets at April 30, 2013, follows:

	<u>2013</u>	<u>2012</u>
Assets:		
Current and other assets	\$ 5,703,937	\$ 5,546,098
Capital assets	<u>11,609,339</u>	<u>11,542,919</u>
Total assets	<u>17,313,276</u>	<u>17,089,017</u>
Liabilities:		
Current and other liabilities	2,999,377	2,966,999
Long-term liabilities:		
Due within one year	585,000	525,000
Due in more than one year	<u>4,774,416</u>	<u>5,359,416</u>
Total liabilities	<u>8,358,793</u>	<u>8,851,415</u>
Net Assets:		
Invested in capital assets, net of debt	8,514,923	8,233,503
Restricted	1,739,002	1,854,839
Unrestricted		
Deficit	<u>(1,299,442)</u>	<u>(1,850,740)</u>
Total Net Assets	<u>\$ 8,954,483</u>	<u>\$ 8,237,602</u>

The governmental activities end-of-year total net assets of \$8,954,483 reflect an increase of \$716,880 from the beginning year's net asset balance.

There are restrictions on \$1,739,002 of the Park District's net assets. These restrictions represent legal obligations on how the assets may be expended.



Changes in Net Assets

A summary of the government-wide statement of changes in net assets for the year ended April 30, 2013 follows:

	<u>2013</u>	<u>2012</u>
Revenues		
Program Revenues:		
Charges for services	\$ 1,246,293	\$ 1,197,682
General Revenues:		
Taxes	2,323,779	2,319,483
Interest	3,955	6,322
Grants	0	0
Miscellaneous	248,191	252,904
	<u>3,822,218</u>	<u>3,776,391</u>
Expenses		
Program Expenses:		
Culture and Recreation	2,896,883	2,861,341
Interest	208,455	969,403
	<u>3,105,338</u>	<u>3,830,744</u>
Change in Net Assets	<u>\$ 716,880</u>	<u>\$ (54,353)</u>

Governmental Activities The cost of all governmental activities in 2012/13 was \$3,105,338. Revenues to fund these activities included \$1,246,293 from those who directly benefited from or contributed to the programs, and \$2,323,779 financed through taxes. Revenue included other governmental revenue, interest and miscellaneous income, which totaled \$252,146.

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 was placed on the Park District's taxpayers by each of these functions. Providing this information allows 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>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Culture and Recreation	\$ 2,896,883	\$ 2,861,341	\$ (1,650,590)	\$ (1,663,659)
Interest	208,455	969,403	(208,845)	(969,403)
Total Expenses	<u>\$ 3,105,338</u>	<u>\$ 3,830,744</u>	<u>\$ (1,859,435)</u>	<u>\$ (2,633,062)</u>

The Park District's Funds

Governmental funds reported a combined total of \$3,822,218 of revenues, and \$3,713,488 in expenditures. After offsetting transfers and debt proceeds, the resulting combined increase in the fund balance of all governmental funds on April 30, 2013, was \$108,730. The combined fund balance of all governmental funds on April 30, 2013, was \$3,082,079.



Capital Assets

As of April 30, 2013, the District has approximately \$11.61 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>2013</u>	<u>2012</u>
Land, Right of Way and Easements	\$ 664,790	\$ 664,790
Construction in Progress	-	375,831
Land Improvements	484,328	540,693
Buildings	9,659,882	9,197,945
Equipment	781,077	738,121
Licensed Vehicles	<u>19,262</u>	<u>25,539</u>
Net Capital Assets	<u>\$ 11,609,339</u>	<u>\$ 11,542,919</u>

Capital highlights for 2012/2013 included the following:

- Completion of the restoration of the Itasca Train Depot
- Softball Complex Fencing, Netting, Parking and Field Upgrade Project
- Waterpark Upgrades
- Acquisition of 1939 Rib Side Caboose Artifact
- Fitness Equipment Replacement
- Misc Park/Building Projects

Debt Administration

As of year-end, governmental-type debt outstanding was \$5,359,416 compared to \$5,884,416 last year. Additional information on the District's long-term debt is found in Note 4 to the financial statements.

Budgets and Rates for 2013/14

The 2013/14 fiscal year total budget is \$5,251,463, an approximate \$401,670 increase from the fiscal year 2012/13.

The Park District's 2012 equalized assessed valuation decreased 8.5% and is currently \$454,962,797. The 2013/14 budget reflects an approximate 2.1% increase in property taxes.



Included in the 2013/14 budget are capital expenditures of approximately \$1.3M. The basic capital budget includes projects such as:

- Restoration of the 1939 Train Caboose Artifact
- Recreation & Fitness Center Renovation Project
- Lightning Detection Project
- Washington Park Drainage/Landscape Project
- Planning of the 2014 Peacock Park Renovation Project
- Computer System Upgrade/On-Line Registration
- Fitness Center Equipment & 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 continued decrease in EAV.
- Current state of the general economy.
- Increased pricing of 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, 2013

	<u>Total Primary Government Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 3,236,535
Property Taxes Receivable, Net of Loss and Cost	2,352,508
Deferred Charges	114,894
Capital Assets, Net of Accumulated Depreciation	<u>11,609,339</u>
Total Assets	<u>17,313,276</u>
LIABILITIES	
Deferred Revenue - Taxes	\$ 2,352,508
Deferred Program Revenue	153,165
Vouchers and Refunds Payable	1,291
Interest Payable	218,187
Compensated Absences Payable	52,859
Unamortized Bond Premiums	221,367
Bonds Payable - Current	585,000
Bonds Payable - Non-Current	<u>4,774,416</u>
Total Liabilities	<u>8,358,793</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	8,514,923
Restricted For:	
Special Recreation	162,747
Pension	19,885
Debt Service	35,367
Capital Projects	1,440,453
Tort Judgments/Liability	14,106
Audit	3,824
Museum	6,488
Paving/Lighting	4,835
External Party Funds	51,297
Unrestricted Deficit	<u>(1,299,442)</u>
TOTAL NET ASSETS	<u>\$ 8,954,483</u>

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2013

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net (Expense) Revenue</u>
PRIMARY GOVERNMENT			
Governmental Activities			
Culture and Recreation	\$ 2,896,883	\$ 1,246,293	\$ (1,650,590)
Interest on Bonds	<u>208,455</u>	<u>-</u>	<u>(208,455)</u>
Total Governmental Activities	<u>\$ 3,105,338</u>	<u>\$ 1,246,293</u>	<u>(1,859,045)</u>
 GENERAL REVENUES			
Property Taxes, levied for general purposes			1,535,276
Property Taxes, levied for debt service			763,040
Personal Property Replacement Taxes			25,463
Interest			3,955
Miscellaneous			<u>248,191</u>
Total General Revenues			<u>2,575,925</u>
 CHANGE IN NET ASSETS			 716,880
 NET ASSETS			
Beginning			<u>8,237,603</u>
Ending			<u>\$ 8,954,483</u>

See accompanying notes to the financial statements.

ITASCA PARK DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

APRIL 30, 2013

	<u>General</u>	<u>Recreation</u>	<u>Recreation For the Handicapped</u>	<u>Social Security</u>
ASSETS				
Cash and Investments	\$ 492,265	\$ 1,005,268	\$ 162,747	\$ 7,319
Property Taxes Receivable, Net of Loss and Cost	<u>649,045</u>	<u>405,372</u>	<u>180,165</u>	<u>93,236</u>
TOTAL ASSETS	<u>\$ 1,141,310</u>	<u>\$ 1,410,640</u>	<u>\$ 342,912</u>	<u>\$ 100,555</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Refunds Payable	\$ -	\$ 1,291	\$ -	\$ -
Deferred Revenue - Taxes	649,045	405,372	180,165	93,236
Deferred Program/Grant Revenue	<u>-</u>	<u>153,165</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>649,045</u>	<u>559,828</u>	<u>180,165</u>	<u>93,236</u>
FUND BALANCES				
Restricted				
Special Recreation	-	-	162,747	-
Pension	-	-	-	7,319
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Tort Judgments/Liability	-	-	-	-
Audit	-	-	-	-
Museum	-	-	-	-
Paving/Lighting	-	-	-	-
External Party Funds	-	-	-	-
Unassigned	<u>492,265</u>	<u>850,812</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>492,265</u>	<u>850,812</u>	<u>162,747</u>	<u>7,319</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,141,310</u>	<u>\$ 1,410,640</u>	<u>\$ 342,912</u>	<u>\$ 100,555</u>



<u>IMRF</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 12,566	\$ 35,367	\$ 1,440,453	\$ 80,550	\$ 3,236,535
<u>175,211</u>	<u>782,368</u>	<u>-</u>	<u>67,111</u>	<u>2,352,508</u>
<u>\$ 187,777</u>	<u>\$ 817,735</u>	<u>\$ 1,440,453</u>	<u>\$ 147,661</u>	<u>\$ 5,589,043</u>
\$ -	\$ -	\$ -	\$ -	1,291
175,211	782,368	-	67,111	2,352,508
-	-	-	-	153,165
<u>175,211</u>	<u>782,368</u>	<u>-</u>	<u>67,111</u>	<u>2,506,964</u>
-	-	-	-	162,747
12,566	-	-	-	19,885
-	35,367	-	-	35,367
-	-	1,440,453	-	1,440,453
-	-	-	14,106	14,106
-	-	-	3,824	3,824
-	-	-	6,488	6,488
-	-	-	4,835	4,835
-	-	-	51,297	51,297
-	-	-	-	1,343,077
<u>12,566</u>	<u>35,367</u>	<u>1,440,453</u>	<u>80,550</u>	<u>3,082,079</u>
<u>\$ 187,777</u>	<u>\$ 817,735</u>	<u>\$ 1,440,453</u>	<u>\$ 147,661</u>	<u>\$ 5,589,043</u>

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

YEAR ENDED APRIL 30, 2013

Fund Balances of Governmental Funds	\$ 3,082,079
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	11,609,339
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Interest payable	(218,187)
Compensated absences payable	(52,859)
Bonds payable	(5,359,416)
Bond premiums are other financing sources in governmental funds in the year of issuance but are capitalized and amortized on the statement of net assets	(221,367)
Issuance costs are expenditures in governmental funds but are capitalized and amortized on the statement of net assets	<u>114,894</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 8,954,483</u>

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, 2013

	General	Recreation	Recreation For The Handicapped	Social Security	IMRF
REVENUES					
Property Taxes	\$ 615,951	\$ 393,011	\$ 197,655	\$ 80,441	\$ 176,970
Personal Property Replacement Taxes	25,463	-	-	-	-
Program and Event Fees	-	741,599	-	-	-
Developer Contributions	-	-	-	-	-
Fundraising	-	-	-	-	-
Grant Proceeds	-	-	-	-	-
Fitness Center	-	210,125	-	-	-
Swimming Pool	-	192,967	-	-	-
Concessions	-	37,277	-	-	-
Rent	31,006	33,319	-	-	-
Interest	2,414	-	-	-	-
Miscellaneous and Reimbursements	20,707	81,578	-	-	-
Total Revenues	695,541	1,689,876	197,655	80,441	176,970
EXPENDITURES					
Current:					
Salaries and Wages	206,295	769,052	-	-	-
Services	172,544	223,724	141,021	90,618	186,600
Repairs and Maintenance	71,938	30,375	-	-	-
Program and Event Costs	-	372,174	-	-	-
Supplies	35,098	47,622	-	-	-
Miscellaneous	3,880	5,733	-	-	-
Capital Outlay	-	72,415	65,863	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	489,755	1,521,095	206,884	90,618	186,600
Excess of Revenues Over (Under) Expenditures	205,786	168,781	(9,229)	(10,177)	(9,630)
OTHER FINANCING SOURCES (USES)					
Bonds and Bond Premiums Issued	-	-	-	-	-
Transfers	(150,000)	-	-	-	-
Total Other	(150,000)	-	-	-	-
NET CHANGE IN FUND BALANCES	55,786	168,781	(9,229)	(10,177)	(9,630)
FUND BALANCE					
Beginning	436,479	682,031	171,976	17,496	22,196
Ending	\$ 492,265	\$ 850,812	\$ 162,747	\$ 7,319	\$ 12,566



Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 763,040	\$ -	\$ 71,248	\$ 2,298,316
-	-	-	25,463
-	-	-	741,599
-	13,155	-	13,155
-	36,250	-	36,250
-	56,250	-	56,250
-	-	-	210,125
-	-	-	192,967
-	-	-	37,277
-	-	-	64,325
-	1,502	39	3,955
-	-	40,251	142,536
<u>763,040</u>	<u>107,157</u>	<u>111,538</u>	<u>3,822,218</u>
-	-	4,453	979,800
1,177	-	59,231	874,915
-	9,162	-	111,475
-	-	31,765	403,939
-	-	4,201	86,921
-	-	-	9,613
-	312,284	32,193	482,755
525,000	-	-	525,000
<u>239,070</u>	<u>-</u>	<u>-</u>	<u>239,070</u>
<u>765,247</u>	<u>321,446</u>	<u>131,843</u>	<u>3,713,488</u>
<u>(2,207)</u>	<u>(214,289)</u>	<u>(20,305)</u>	<u>108,730</u>
-	-	-	-
-	150,000	-	-
-	150,000	-	-
<u>(2,207)</u>	<u>(64,289)</u>	<u>(20,305)</u>	<u>108,730</u>
<u>37,574</u>	<u>1,504,742</u>	<u>100,855</u>	<u>2,973,349</u>
<u>\$ 35,367</u>	<u>\$ 1,440,453</u>	<u>\$ 80,550</u>	<u>\$ 3,082,079</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, 2013

Net Change in Fund Balances - Total Governmental Funds	\$ 108,730
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 depreciated in the statement of activities	482,755
The repayment of bond principal is an expenditure when due in the governmental funds, but as a reduction of long-term liabilities in the statement of activities	525,000
The issuance of bonds is reported as another financing source in governmental funds, but as an increase of long-term debt in the statement of activities	
Bonds issued at par	-
Premium on bonds issued	-
Accretion of bonds and accrual of interest are reported as interest expense on the statement of activities	(187)
The bond issuance costs are an expenditure for governmental funds but are amortized on the statement of activities	-
The amortization of bond issuance costs is not reported as an expenditure in the governmental funds	(14,775)
The amortization of bond premium is not reported as an expenditure in the governmental funds	30,802
Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	
Depreciation	(414,834)
Loss on disposal of assets	(1,502)
The change in the compensated absences payable is shown as an expense on the statement of activities	<u>891</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 716,880</u>

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, 2013

	General		Recreation		Rec for the
	Budget	Actual	Budget	Actual	Budget
	Original/Final	Budget/GAAP	Original/Final	Budget/GAAP	Original/Final
REVENUES					
Property Taxes	\$ 624,119	\$ 615,951	\$ 397,845	\$ 393,011	\$ 198,923
Personal Property					
Replacement Taxes	20,000	25,463	-	-	-
Program and Event Fees	-	-	783,305	741,599	-
Developer Contributions	-	-	-	-	-
Grant Proceeds	-	-	-	-	-
Fundraising	-	-	-	-	-
Fitness Center	-	-	193,705	210,125	-
Swimming Pool	-	-	167,000	192,967	-
Concessions	-	-	40,500	37,277	-
Rent	28,000	31,006	28,000	33,319	-
Interest	4,000	2,414	-	-	-
Miscellaneous/Reimbursements	21,909	20,707	96,330	81,578	-
Total Revenues	698,028	695,541	1,706,685	1,689,876	198,923
EXPENDITURES					
Current:					
Salaries and Wages	221,200	206,295	790,183	769,052	-
Services	204,150	172,544	253,100	223,724	126,550
Repairs and Maintenance	59,500	71,938	31,000	30,375	-
Program and Event Costs	-	-	432,425	372,174	-
Supplies	59,000	35,098	55,305	47,622	-
Miscellaneous	6,500	3,880	3,100	5,733	-
Capital Outlay	-	-	215,000	72,415	200,000
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	550,350	489,755	1,780,113	1,521,095	326,550
Excess of Revenues Over (Under) Expenditures	147,678	205,786	(73,428)	168,781	(127,627)
OTHER FINANCING SOURCES (USES)					
Bonds and Bond Premiums Issued	-	-	-	-	-
Transfers	(200,000)	(150,000)	-	-	-
Total Other	(200,000)	(150,000)	-	-	-
NET CHANGE IN FUND BALANCES	(52,322)	55,786	(73,428)	168,781	(127,627)
FUND BALANCE					
Beginning	436,479	436,479	679,583	682,031	171,976
Ending	\$ 384,157	\$ 492,265	\$ 606,155	\$ 850,812	\$ 44,349



Handicapped		Social Security and IMRF		Debt Service		Capital Projects	
Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Budget/GAAP	Original/Final	Budget/GAAP	Original/Final	Budget/GAAP	Original/Final	Budget/GAAP	Original/Final
\$ 197,655	\$ 262,578	\$ 257,411	\$ 772,317	\$ 763,040	\$ -	\$ -	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	5,000	13,155	
-	-	-	-	-	36,350	36,250	
-	-	-	-	-	62,500	56,250	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	2,000	1,502	
-	-	-	-	-	100,000	-	
<u>197,655</u>	<u>262,578</u>	<u>257,411</u>	<u>772,317</u>	<u>763,040</u>	<u>205,850</u>	<u>107,157</u>	
-	-	-	-	-	-	-	-
141,021	295,000	277,218	8,246	1,177	-	-	-
-	-	-	-	-	-	9,162	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
65,863	-	-	-	-	868,095	312,284	
-	-	-	525,000	525,000	-	-	
-	-	-	239,071	239,070	-	-	
<u>206,884</u>	<u>295,000</u>	<u>277,218</u>	<u>772,317</u>	<u>765,247</u>	<u>868,095</u>	<u>321,446</u>	
<u>(9,229)</u>	<u>(32,422)</u>	<u>(19,807)</u>	<u>-</u>	<u>(2,207)</u>	<u>(662,245)</u>	<u>(214,289)</u>	
-	-	-	-	-	-	-	-
-	-	-	-	-	200,000	150,000	
-	-	-	-	-	200,000	150,000	
(9,229)	(32,422)	(19,807)	-	(2,207)	(462,245)	(64,289)	
<u>171,976</u>	<u>39,692</u>	<u>39,692</u>	<u>37,574</u>	<u>37,574</u>	<u>1,504,742</u>	<u>1,504,742</u>	
<u>\$ 162,747</u>	<u>\$ 7,270</u>	<u>\$ 19,885</u>	<u>\$ 37,574</u>	<u>\$ 35,367</u>	<u>\$ 1,042,497</u>	<u>\$ 1,440,453</u>	

See accompanying notes to the financial statements.



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 that are funded with specific annual property tax revenues of liability insurance/tort, audit, museum and paving/lighting.

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

Recreation - The majority of the programs and services administered by the Park District are accounted for in this fund and include the operations of the swimming pool and the recreation center fitness facility.

Recreation for the Handicapped – A specific annual property tax levy provides revenue and the expenditures of these monies to the Northeast DuPage Special Recreation Association to provide special recreation programs for the physically and mentally handicapped are accounted for in this fund as well as expenditures of other ADA related costs and projects.

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Social Security and IMRF - Social Security and IMRF are required to be shown as separate funds per an audit settlement agreement with IMRF. Specific property taxes are levied to fund the required employer portion of social security and contributions to the Illinois Municipal Retirement Fund (IMRF).

Debt Service – Property taxes are accumulated and payments made for principal, interest, and related issuance costs on general obligation bonds.

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. Property taxes are recognized as revenues in the year for which they are levied or intended to finance. 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 fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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. 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 from 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, and interest.

The Park District reports unearned revenue on its financial statements. These arise when resources are received by the Park District before it has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures or before recreation programs commence.

(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 equal fair value.

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. No other interfund transactions occurred during the year.

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. Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities/fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources along with premiums received on the debt issuances. Discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures.

I. Property Taxes

The property taxes receivable are based on equalized assessed valuation and tax rates for the year 2012. The reserve for loss and costs on collections has been

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Property Taxes (Concluded)

provided for 2012 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 2012 levied funds in June of 2013. In the government-wide accrual basis and governmental fund modified accrual basis financial statements the Park District has deferred these revenues and the 2011 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.

J. Fund Balances/ Net Assets

In the fund financial statements, governmental funds report nonspendable fund balances for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balances are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balances result from enabling legislation adopted by the Park District. Committed fund balance is constrained by formal actions of the Park District's Board of Commissioners, which is considered the Park District's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board of Commissioners. Assigned fund balances represent amounts constrained by the Park District's intent to use them for a specific purpose. Any residual fund balance in the General Fund is reported as unassigned.

The Park District has not formally established fund balance reserve policies for its governmental funds. The internal unwritten policy of the District is to maintain at least a minimum fund balance equal to approximately 20 percent of the prior year expenses in each major fund. Thus there are no assigned fund balances.

The restricted fund balances are based on the origin of the fund balance that are the unused portions of specific annual property tax levies, bond issues or funds provided by external parties that were provided for a specific use.

In the government-wide financial statements, net assets are displayed in three components as follows:

(CONTINUED)



ITASCA PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

J. Fund Balances/ Net Assets (Concluded)

Invested in Capital Assets, Net of Related Debt – This consists of capital assets, net of accumulated depreciation and any debt incurred to acquire 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 the restricted resources are used first, and then unrestricted resources as needed.

Unrestricted – This consists of net assets that do not meet the definition of “restricted” or “invested in capital assets” or are future resources needed for debt.

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 October 2, 2013, the day the financial statements were issued.

NOTE 2. CASH AND INVESTMENTS AND CUSTODIAL CREDIT RISK

At April 30, 2013, the carrying amount of the Park District’s bank deposits were \$3,236,460 and the respective bank balances totaled \$3,356,757. Of the total bank balance, \$250,000 was insured through the Federal Depository Insurance Corporation (FDIC). The bank has pledged \$4,305,000 face amount as of April 30, 2013 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, 2013 is as follows:

	Balance May 1, 2012	Additions	Deletions	Balance April 30, 2013
Land, Right of Way and Easements – not being depreciated	\$ 664,790	\$ -	\$ -	\$ 664,790
Construction in Progress - not being depreciated	375,831	-	375,831	-
Capital Assets being depreciated:				
Land Improvements	2,284,447	20,277	-	2,304,724
Buildings/Facilities	11,926,257	718,792	-	12,645,049
Equipment	1,517,387	119,518	13,934	1,622,971
Licensed Vehicles	208,642	-	-	208,642
Total Capital Assets Being Depreciated	15,936,733	858,587	13,934	16,781,386
Less Accumulated Depreciation:				
Land Improvements	1,743,754	76,642	-	1,820,396
Buildings/Facilities	2,728,312	256,855	-	2,985,167
Equipment	779,266	75,060	12,432	841,894
Licensed Vehicles	183,103	6,277	-	189,380
Total Accumulated Depreciation	5,434,435	414,834	12,432	5,836,837
Total Capital Assets Being Depreciated, Net	10,502,298	443,753	1,502	10,944,549
Governmental Activity Capital Assets, Net	\$ 11,542,919	\$ 443,753	\$ 377,333	\$ 11,609,339

Depreciation expense for governmental activities for the year ended April 30, 2013 was included in culture and recreation on the statement of activities of \$414,834 and the loss on the disposal of assets of \$1,502.

The assets are being depreciated on a straight-line basis 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, 2013:

	2006 Park Bonds	2006B Park Bonds	2011 Limited Park Bonds	Total
Original Bond Amounts	\$ 3,650,000	\$ 379,416	\$2,575,000	\$ 6,604,416
Bonds Payable at May 1, 2012	\$ 2,930,000	\$ 379,416	\$2,575,000	\$ 5,884,416
Bonds Retired	215,000	-	310,000	525,000
Bonds Issued	-	-	-	-
Bonds Payable at April 30, 2013	\$ 2,715,000	\$ 379,416	\$2,265,000	\$ 5,359,416

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

Year of Maturity	Principal				Interest		
	2006 Bonds	2006B Bonds	Interest Accretion	2011 Bonds	2006 Bonds	2006B Bonds	2011 Bonds
2013	240,000	-	-	-	4.75%	-	3.00%
2014	260,000	-	-	345,000	4.75%	-	3.00%
2015	285,000	-	-	360,000	4.75%	-	3.00%
2016	310,000	-	-	365,000	4.50%	-	3.00%
2017	335,000	-	-	360,000	4.50%	-	4.00%
2018	370,000	-	-	365,000	4.50%	-	4.00%
2019	400,000	-	-	370,000	4.25%	-	4.00%
2020	-	-	-	100,000	-	-	-
2021	515,000	379,416	420,584	-	4.30%	4.85%	-
Totals	\$2,715,000	\$ 379,416	\$ 420,584	\$2,265,000			

The total due on the 2006B bonds at maturity will be \$800,000 which is the principal plus the interest accretion. Interest payable is increased each year to accumulate to the balance due in 2021.

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. The 2011 bonds were issued to retire bonds, to fund the bond issue costs and for \$550,000 in future capital 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 2012 at the rate of .0400 resulting in a tax extension of \$181,985. 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.

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 2012 was 12.35% and in 2013 is 11.56%. 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 2012 was \$88,079 and an additional \$150,000 was paid in December 2012 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>
12/31/12	\$ 88,079	100%	\$0
12/31/11	\$ 95,513	100%	\$0
12/31/10	\$ 103,729	100%	\$0

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 6. PENSION PLAN (Concluded)

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from .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, 2010 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, 2012, the most recent actuarial valuation date, the Regular plan was 90.03% funded. The actuarial accrued liability for benefits was \$2,046,723 and the actuarial value of assets was \$1,842,681, resulting in an underfunded actuarial accrued liability (UAAL) of \$204,042. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$713,194 and the ratio of the UAAL to the covered payroll was 29%.

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)
12/31/12	\$1,842,681	\$2,046,723	\$ 204,042	90.03%	\$713,194	28.61%
12/31/11	\$1,442,288	\$1,842,208	\$ 399,920	78.29%	\$706,460	56.61%
12/31/10	\$1,103,848	\$1,636,810	\$ 532,962	67.44%	\$683,326	78.00%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$1,909,472. On a market basis, the funded ratio would be 93.29%.

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

NOTE 7. HEALTH INSURANCE RISK POOL

The Itasca Park District is 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

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 7. HEALTH INSURANCE RISK POOL (Concluded)

as a single insurable unit. The pool purchases excess insurance 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 (IPEHN).

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, 2012 and the statement of revenues and expenses for the period then ended.

Assets	\$12,097,161
Liabilities	\$ 5,303,695
Member Balances	\$ 6,793,466
Revenues	\$27,286,495
Expenditures	\$25,678,129

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 Itasca 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. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2013 through January 1, 2014:

(CONTINUED)



ITASCA PARK DISTRICT

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

NOTE 8. INSURANCE RISK POOL (Continued)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company
<u>Property</u>				
All losses/occurrence	\$ 1,000	\$1,000,000	\$1,000,000,000/ all members Declaration 11	PDRMA Reinsurers: Various through the Public Entity Property Reinsurance Program (PEPIP)
Flood/except Zones A&V	\$ 1,000	\$1,000,000	\$250,000,000/Occurrence/ annual aggregate	
Flood, Zones A & V	\$ 1,000	\$1,000,000	\$200,000,000/Occurrence/ annual aggregate	
Earthquake Shock	\$ 1,000	\$ 100,000	\$100,000,000/Occurrence/ annual aggregate	
Auto Physical Damage Comprehensive and Collision	\$ 1,000	\$1,000,000	Included	Travelers Indemnity Co. of Illinois
Course of Construction	\$ 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 values	
Service Interruption	24 hours	N/A	\$ 25,000,000 Other sub-limits apply	
Boiler and Machinery			\$100,000,000 Equip Breakdown	
Property damage	\$ 1,000	\$ 9,000	Property damage – included	
Business Income	48 hours	N/A	Included Other sub-limits apply	
Fidelity and Crime	\$ 1,000	\$ 24,000	\$2,000,000/occurrence	
Seasonal Employees	\$ 1,000	\$ 9,000	\$1,000,000/occurrence	
Blanket Bond	\$ 1,000	\$ 24,000	\$2,000,000/occurrence	
<u>Workers Compensation</u>				
Employers Liability	N/A	\$ 500,000	Statutory	PDRMA Government Entities Mutual (GEM)
		\$ 500,000	\$3,500,000 Employers Liability	
<u>Liability</u>				
General	None	\$ 500,000	\$21,500,000/Occurrence	PDRMA Reinsurers: GEM/Great American/Starr Indemnity and Liability Co.
Auto Liability	None	\$ 500,000	\$21,500,000/Occurrence	
Employment Practices	None	\$ 500,000	\$21,500,000/Occurrence	
Public Officials' Liability	None	\$ 500,000	\$21,500,000/Occurrence	
Law Enforcement Liability	None	\$ 500,000	\$21,500,000/Occurrence	
Uninsured/Underinsured Motorists	None	\$ 500,000	\$ 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	\$30,000,000 3 yr. aggregate	
<u>Outbreak Expense</u>				
	24 hours	N/A	\$15,000 per day \$1 million aggregate policy	Great American

(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>Information Security and Privacy Insurance with Electronic Media Liability Coverage</u>				
Information Security & Privacy Liability	None	\$ 100,000	\$2,000,000/occurrence/ annual aggregate	Beazley Lloyds Syndicate
Privacy Notification Costs	None	\$ 100,000	\$500,000/occurrence/annual aggregate	AFB 2623/623 through the PEP PIP program
Regulatory Defense & Penalties	None	\$ 100,000	\$2,000,000/occurrence/ annual aggregate	
Website Media Content Liability	None	\$ 100,000	\$2,000,000/occurrence/ annual aggregate	
Cyber Extortion	None	\$ 100,000	\$2,000,000/occurrence/ annual aggregate	
Data Protection & Business Interruption	\$1,000	\$ 100,000	\$2,000,000/occurrence/ annual aggregate	
First Party Business Interruption	8 hours	\$ 100,000	\$25,000 hourly sublimit/ \$25,000 forensic expense/ \$100,000 dependent business interruption	
<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	Member 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.

(CONTINUED)



ITASCA PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
(CONCLUDED)

NOTE 8. INSURANCE RISK POOL (Concluded)

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 Property/Casualty Program's balance sheet at December 31, 2012 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 .212% or \$77,880.

Assets	\$58,731,852
Liabilities	\$22,007,198
Member Balances	\$36,724,654
Revenues	\$21,144,568
Expenditures	\$17,586,080

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.

ITASCA PARK DISTRICT
 SUPPLEMENTARY INFORMATION
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2013

	<u>Insurance</u>	<u>Audit</u>	<u>Museum</u>	<u>Paving and Lighting</u>
ASSETS				
Cash and Investments	\$ 14,106	\$ 3,824	\$ 6,488	\$ 4,835
Property Taxes Receivable, Net of Loss and Cost	<u>45,041</u>	<u>5,405</u>	<u>11,260</u>	<u>5,405</u>
TOTAL ASSETS	<u>\$ 59,147</u>	<u>\$ 9,229</u>	<u>\$ 17,748</u>	<u>\$ 10,240</u>
 LIABILITIES				
Deferred Revenue - Taxes	\$ 45,041	\$ 5,405	\$ 11,260	\$ 5,405
 FUND BALANCES				
Restricted	<u>14,106</u>	<u>3,824</u>	<u>6,488</u>	<u>4,835</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 59,147</u>	<u>\$ 9,229</u>	<u>\$ 17,748</u>	<u>\$ 10,240</u>



<u>Itasca Angels</u>	<u>Scher Trust</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,889	\$ 49,408	\$ 80,550
<u>-</u>	<u>-</u>	<u>67,111</u>
<u>\$ 1,889</u>	<u>\$ 49,408</u>	<u>\$ 147,661</u>
\$ -	\$ -	\$ 67,111
<u>1,889</u>	<u>49,408</u>	<u>80,550</u>
<u>\$ 1,889</u>	<u>\$ 49,408</u>	<u>\$ 147,661</u>

ITASCA PARK DISTRICT

SUPPLEMENTARY INFORMATION

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

NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED APRIL 30, 2013

	<u>Insurance</u>	<u>Audit</u>	<u>Museum</u>	<u>Paving and Lighting</u>
REVENUES				
Property Taxes	\$ 45,967	\$ 9,193	\$ 11,492	\$ 4,596
Interest	-	-	-	-
Miscellaneous and Reimbursements	<u>3,515</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Total Revenues	<u>49,482</u>	<u>9,193</u>	<u>26,492</u>	<u>4,596</u>
EXPENDITURES				
Current:				
Salaries and Wages	4,453	-	-	-
Services	47,524	8,400	3,307	-
Repairs and Maintenance	-	-	-	-
Program and Event Costs	-	-	-	-
Supplies	4,201	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>20,545</u>	<u>11,648</u>
Total Expenditures	<u>56,178</u>	<u>8,400</u>	<u>23,852</u>	<u>11,648</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,696)	793	2,640	(7,052)
FUND BALANCE				
Beginning	<u>20,802</u>	<u>3,031</u>	<u>3,848</u>	<u>11,887</u>
Ending	<u>\$ 14,106</u>	<u>\$ 3,824</u>	<u>\$ 6,488</u>	<u>\$ 4,835</u>



Itasca Angels	Scher Trust	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 71,248
-	39	39
<u>21,736</u>	<u>-</u>	<u>40,251</u>
<u>21,736</u>	<u>39</u>	<u>111,538</u>
-	-	4,453
-	-	59,231
-	-	-
31,765	-	31,765
-	-	4,201
<u>-</u>	<u>-</u>	<u>32,193</u>
<u>31,765</u>	<u>-</u>	<u>131,843</u>
(10,029)	39	(20,305)
<u>11,918</u>	<u>49,369</u>	<u>100,855</u>
<u>\$ 1,889</u>	<u>\$ 49,408</u>	<u>\$ 80,550</u>

ITASCA PARK DISTRICT

SUPPLEMENTARY INFORMATION

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

YEAR ENDED APRIL 30, 2013

	<u>Insurance</u>		<u>Audit</u>	
	<u>Budget Original/Final</u>	<u>Actual Budget/GAAP</u>	<u>Budget Original/Final</u>	<u>Actual Budget/GAAP</u>
REVENUES				
Property Taxes	\$ 45,752	\$ 45,967	\$ 8,454	\$ 9,193
Interest	-	-	-	-
Miscellaneous/Reimbursements	<u>4,175</u>	<u>3,515</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>49,927</u>	<u>49,482</u>	<u>8,454</u>	<u>9,193</u>
EXPENDITURES				
Current:				
Salaries and Wages	-	4,453	-	-
Services	66,368	47,524	8,500	8,400
Repairs and Maintenance	-	-	-	-
Program and Event Costs	-	-	-	-
Supplies	-	4,201	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>66,368</u>	<u>56,178</u>	<u>8,500</u>	<u>8,400</u>
Excess of Revenues Over (Under) Expenditures	<u>(16,441)</u>	<u>(6,696)</u>	<u>(46)</u>	<u>793</u>
OTHER FINANCING SOURCES (USES)				
Bonds Issued	-	-	-	-
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(16,441)	(6,696)	(46)	793
FUND BALANCE				
Beginning	<u>20,802</u>	<u>20,802</u>	<u>3,030</u>	<u>3,031</u>
Ending	<u>\$ 4,361</u>	<u>\$ 14,106</u>	<u>\$ 2,984</u>	<u>\$ 3,824</u>



Museum		Paving and Lighting	
Budget Original/Final	Actual Budget/GAAP	Budget Original/Final	Actual Budget/GAAP
\$ 11,438	\$ 11,492	\$ 4,973	\$ 4,596
-	-	-	-
<u>17,500</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
<u>28,938</u>	<u>26,492</u>	<u>4,973</u>	<u>4,596</u>
20,000	-	-	-
10,000	3,307	-	-
-	-	-	-
2,500	-	-	-
-	-	-	-
<u>-</u>	<u>20,545</u>	<u>10,000</u>	<u>11,648</u>
<u>32,500</u>	<u>23,852</u>	<u>10,000</u>	<u>11,648</u>
<u>(3,562)</u>	<u>2,640</u>	<u>(5,027)</u>	<u>(7,052)</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(3,562)	2,640	(5,027)	(7,052)
<u>3,848</u>	<u>3,848</u>	<u>11,887</u>	<u>11,887</u>
<u>\$ 286</u>	<u>\$ 6,488</u>	<u>\$ 6,860</u>	<u>\$ 4,835</u>



ITASCA PARK DISTRICT
SUPPLEMENTARY INFORMATION
ASSESSED VALUATION, RATES AND EXTENSIONS

APRIL 30, 2013

	<u>TAX YEARS</u>		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
ASSESSED VALUATION	<u>\$ 454,962,797</u>	<u>\$ 497,306,285</u>	<u>\$ 552,803,232</u>
TAX RATES			
Corporate Fund	0.1441	0.1255	0.1073
Recreation Fund	0.0900	0.0800	0.0717
Bond and Interest Fund	0.1737	0.1553	0.1359
Audit Fund	0.0012	0.0017	0.0013
Liability Insurance Fund	0.0100	0.0092	0.0070
Recreation For The Handicapped Fund	0.0400	0.0400	0.0400
I.M.R.F. Fund	0.0389	0.0358	0.0505
Social Security Fund	0.0207	0.0170	N/A
Museum Fund	0.0025	0.0023	0.0019
Paving and Lighting Fund	<u>0.0012</u>	<u>0.0010</u>	<u>0.0010</u>
	<u>0.5223</u>	<u>0.4678</u>	<u>0.4166</u>
TAX EXTENSIONS			
Corporate Fund	\$ 655,601	\$ 624,119	\$ 593,158
Recreation Fund	409,467	397,845	396,360
Bond and Interest Fund	790,270	772,317	751,260
Audit Fund	5,460	8,454	7,186
Liability Insurance Fund	45,496	45,752	38,696
Recreation For The Handicapped Fund	181,985	198,923	221,121
I.M.R.F. Fund	176,981	178,036	279,166
Social Security Fund	94,177	84,542	N/A
Museum Fund	11,374	11,438	10,503
Paving and Lighting Fund	<u>5,460</u>	<u>4,973</u>	<u>5,528</u>
	<u>\$ 2,376,271</u>	<u>\$ 2,326,399</u>	<u>\$ 2,302,978</u>