



**GLENCOE PARK DISTRICT  
FINANCE COMMITTEE OF THE WHOLE MEETING  
Tuesday, June 20, 2017 - 6:15 p.m.  
Takiff Center**

Consistent with the requirements of the Illinois Compiled Statutes  
5 ILCS 120/1 through 120/6 (Open Meetings Act), notices of this meeting were posted.  
Location of the meeting is the Takiff Center, 999 Green Bay Rd, Glencoe, IL 60022

**A G E N D A**

- I. Call to Order
- II. Roll Call
- III. Matters from the Public
- IV. Discussion of FY 2016/2017 Annual Audit Report, Management Letter, Other
- V. Discussion to Reserve a Portion of Current Fund Balance for Future Capital
- VI. Discussion of Proposed/Revised Investment Policy
- VII. Discussion of Preliminary 2016 Final Tax Extension
- VIII. Other Business
- IX. Adjourn

The Glencoe Park District is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or facilities, are asked to contact the Park District at 847-835-3030. Executive Director E-mail address: [lsheppard@glencoeParkdistrict.com](mailto:lsheppard@glencoeParkdistrict.com)

# **IV. Discussion of FY2016/17 Annual Audit Report, Management Letter, Other**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting

# GLENCOE PARK DISTRICT, ILLINOIS

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
FEBRUARY 28, 2017

**GLENCOE PARK DISTRICT, ILLINOIS**

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**GLENCOE PARK DISTRICT, ILLINOIS**

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## **INTRODUCTORY SECTION**

**GLENCOE PARK DISTRICT, ILLINOIS**

**Principal Officials  
February 28, 2017**

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**BOARD OF COMMISSIONERS**

Steve Gaines, President

Dudley Onderdonk, Vice President

Lisa Brooks, Treasurer

Andre Lerman, Board Member

Seth Palatnik, Board Member

**PARK DISTRICT STAFF**

Lisa Sheppard, Executive Director

Carol Mensinger, Director of Finance and Human Resources

Chris Leiner, Director of Parks and Maintenance

Mike Lushniak, Director of Recreation and Facilities

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedules



## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the District's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

May 19, 2017

Members of the Board of Commissioners  
Glencoe Park District  
Glencoe, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Glencoe Park District, Illinois, as of and for the year ended February 28, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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 District'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 District'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 have 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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Glencoe Park District, Illinois, as of February 28, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glencoe Park District, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **GLENCOE PARK DISTRICT**

## **Management's Discussion and Analysis**

### **February 28, 2017**

The Glencoe Park District (the "District") discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the 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 issued June 1999. This is the District's thirteenth year of reporting under the guidelines.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Independent Auditor's Report (beginning on page 1) and the District's financial statements (beginning on page 3).

#### **Financial Highlights**

- The District's financial status continues to be strong. Overall revenues for all funds this past year were \$11,218,534. Overall, expenditures were \$11,502,325 which includes \$2,422,788 for capital projects and \$1,175,329 for debt service. As such, the District finished the year with a slight decrease in net fund balance.
- Total net position under the accrual basis of accounting increased \$1,454,747 over the course of the year.
- Property taxes collected were \$5,134,879 compared to the prior year of \$5,095,254 for a increase of \$39,625.
- Recreation program revenues decreased over the past year with total charges for services of \$4,075,571, representing a decrease of \$61,857 over the prior year. This decrease can be attributed to the offering of full-day kindergarten by the School District starting in September 2016, which negatively impacted the Park District's kindergarten program revenues. Total Recreation Fund revenues were \$5,313,683 and total Recreation Fund expenditures were \$4,505,653, thus adding \$808,030 to the fund balance. Of this surplus, a transfer of \$250,000 was made to the Capital Projects Fund for future master plan projects, so the net increase in fund balance was \$558,030.
- The District continues to have the ability to devote resources toward maintaining, improving and expanding its parks, playgrounds and facilities. In fiscal year 2016/17, an amount of \$2,422,788 was spent on capital outlay for the District's improvement and renovation of parks and facilities.
- The District's outstanding long-term debt as of February 28, 2017 decreased to \$8,430,000 compared to the prior year of \$9,290,000.

## Overview of the Financial Statements

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

### Government-wide Financial Statements

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

The first of these government-wide statements is the *Statement of Net Position*. This is the District-wide statement of position presenting information that includes all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the District's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish between governmental activities of the District that are principally supported by taxes and intergovernmental revenues such as grants and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges, where applicable. Governmental activities include general government and culture and recreation. The Park District does not have any activities currently classified as business type activities.

The government-wide financial statements are presented on pages 3-5 of this report.

## **Fund Financial Statements**

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

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison schedules are included in the required supplementary information on pages 41-42 for the General Fund and Recreation Fund. Budgetary comparison schedules for the other special revenue funds can be found on pages 58-65 of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 6-11 of this report.

## **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 12 and continue through page 38 of this report.

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees on pages 39-40. Required supplementary information includes budgetary comparison schedules for the general and major special revenue funds. Budgetary comparison schedules for major funds can be found on pages 43-53 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual fund statements and schedules for non-major funds are presented in a supplementary information section of this report beginning on page 54.

## Government-wide Financial Analysis

The District first implemented the new financial reporting model in fiscal year ending February 28, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position are observed and used to discuss the changing financial position of the District as whole.

The District's combined net position is \$24,672,563 as a result of operations in fiscal year 2016/17. The District's financial position remains strong and stable, despite declining property values in five of the last six years.

	Net Position		
	Fiscal Year Ended 02/28/2017	Fiscal Year Ended 02/29/2016	Fiscal Year Ended 02/28/2015
Current and Other Assets	\$ 15,676,648	\$ 15,688,783	\$ 13,420,001
Non-Current Assets	25,961,306	24,889,263	25,945,965
Total Assets	41,637,954	40,578,046	39,365,966
Deferred Outflows of Resources	1,416,552	902,945	-
Total Assets/Deferred Outflows	43,054,506	41,480,991	39,365,966
Current Liabilities	2,041,483	2,091,303	1,825,261
Non-Current Liabilities	10,912,814	11,745,344	9,383,248
Total Liabilities	12,954,297	13,836,647	11,208,509
Deferred Inflows of Resources	5,427,646	5,048,287	5,269,593
Total Liabilities and Deferred Inflows	18,381,943	18,884,934	16,478,102
Net Position			
Net Investment in Capital Assets	17,661,163	15,119,463	15,849,294
Restricted	921,732	1,798,933	754,958
Unrestricted	6,089,668	5,677,661	6,283,612
	<u>\$ 24,672,563</u>	<u>\$ 22,596,057</u>	<u>\$ 22,887,864</u>

Note: Beginning in the year ended 2/29/2016, deferred IMRF is considered "Deferred Outflows of Resources."

## Governmental Activities

Governmental activities increased the District's net position by \$1,454,747. Key elements of the entity-wide performance are as follows:

- Total revenues on the Statement of Activities were made up primarily of property taxes of \$5,134,879 as well as user charges for recreation programs, and beach/boating and ice rink operations of \$5,669,378.
- The District realized increased rates of return, and as such, investment income increased significantly by \$38,657 from \$21,358 in 2015/16 to \$60,015 in 2016/17. The District's strategy for investments did not change.
- Disbursements for capital outlay increased by \$1,687,938 to \$2,055,908 from \$367,970 in the prior year.



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

### **Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$9,212,722. Of this year-end fund balance total, \$36,919 is non-spendable, \$990,745 is restricted, \$4,526,499 is committed, \$1,774,074 is assigned [Medical Insurance Reserve (\$15,000) and Capital Projects (\$1,759,074)], and \$1,884,485 is unassigned.

The total ending fund balances of governmental funds decreased \$283,791 from the prior year. This decrease is due to the planned use of capital funds to complete several master plan projects in FY2016/17 per the District's master plan which was completed in 2015.

### **Major Governmental Funds**

The General Fund, Recreation Fund, Debt Service Fund and Capital Projects Fund are the primary operating funds of the District.

The General Fund surplus as of February 28, 2017 was \$2,499,485, an increase of \$404,897 from the prior year. Of this amount, \$1,884,485 is unassigned and available for future operations.

The Recreation Fund surplus increased from the prior year by \$558,030 to \$3,931,942, of this amount \$3,926,499 is committed and available for future recreation operations.

The Debt Service Fund's fund balance increased \$18,056 to \$255,932, which is restricted to future debt service costs.

The Capital Projects Fund's fund balance decreased \$1,162,394 from a fund balance in the prior year of \$2,961,468 to a balance of \$1,799,074. This is due to the completion of several large master plan projects including the Berlin Park (formerly Central Park) renovation, the Shelton Park playground renovation, the Kalk Park renovation and the partial replacement of the Takiff Center slate roof.

### **General Fund Budgetary Highlights**

The District did not need to amend the annual operating budget during the 2016/17 budget year.

The General Fund is reported as a major fund, and accounts for the administrative and park maintenance operations of the District, as well as the operation of the Watts Ice Rink and the Safran Beach House/Perlman Boat House.

Revenues in the General Fund were \$3,736,362, which was \$62,250, or 1.7% over budget. This can be attributed to an increase in beach/boating revenues during an exceptionally warm summer. Expenditures were \$2,681,465, which was \$334,255, or 11.1% under budget.

The General Fund's surplus of revenues and other financing sources over expenditures and other financing uses was \$404,897. The fund balance increased to \$2,499,485 at the end of the year from \$2,094,588 in the prior year.

## **Capital Asset and Debt Administration**

### **Capital Assets**

The District's investment in capital assets, net of accumulated depreciation for governmental activities as of February 28, 2017 was \$25,961,306, an increase of \$1,072,043 compared to the prior year's balance. The District increased the capitalization amount from \$1,000 to \$5,000 in fiscal year 2015-16. Total depreciation expense for the year was \$874,766. Please refer to Footnote 3 on page 22 for more detailed information.

In 2016/17, the largest capital items included the renovation of Berlin Park (formerly called Central Park), Shelton and Kalk parks, and the partial roof replacement at the Takiff Center. All other capital items completed by the District were considered routine repair and maintenance. Future capital monies will be devoted to other Park District facilities and parks identified in the master plan including the Astor Park playground renovation, West Park playground renovation, Lakefront Park improvements, a new Takiff Center fitness area and renovation of the Takiff Center parking lot.

### **Debt Administration**

As of February 28, 2017, the Park District has \$8,430,000 in outstanding general obligation debt. The fund balance of the Debt Service Fund increased \$18,056 from the prior year to \$255,932 as of February 28, 2017. Please refer to Footnote 3 on page 24 for more detailed information.

The increase in outstanding debt in recent years was due to the issuance of \$13.755 million in general obligation bonds in May 2006. Voters approved a referendum in March 2006 allowing up to \$14 million in debt to be issued for the purpose of expanding, renovating, and equipping the Community Center. These bonds were partially refunded in March 2015 and reduced the District's total debt by \$727,260.

The 2015 equalized assessed valuation of the Park District is \$748,964,150 (most recent available).

On July 18, 1991, the Illinois General Assembly approved the Property Tax Extension Limitation Act 87-17 (the Act). The Act limits the increase in property tax extensions to 5% or the percent increase in the National Consumers Price Index (CPI), whichever is less. The Act applies to the 1994 levy year for taxes payable in 1995 and all subsequent years. Increases above 5% or the CPI must be approved by the voters in a referendum. The Act contains significant limitations on the amount of property taxes that can be extended and on the ability of such taxing districts to issue non-referendum general obligation bonds. The Glencoe Park District was one such entity whose non-referendum bonding authority was impacted.

However, legislation was successfully passed in November, 2003 that addressed the unintended consequences of the property tax cap and authorized the issuance of non-referendum bonds by park districts annually for critical capital improvements, maintenance and repairs based on the 1991 extension for debt service. The District's debt service extension for principal and interest payments in 1991 was \$217,849. Due to the amending legislation passed subsequently, the non-referendum bonding authority which has been restored to the District is now approximately \$257,555 due to an annual CPI factor that is now included.

### **Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was not aware of any major circumstances which could affect its financial health in the near future.

### **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact Carol Mensinger, Director of Finance and Human Resources, Glencoe Park District, 999 Green Bay Road, Glencoe, IL 60022.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

### **Governmental Funds**

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Net Position  
February 28, 2017**

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**See Following Page**

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Net Position  
February 28, 2017**

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 11,078,996
Receivables - Net	4,560,733
Prepays	<u>36,919</u>
Total Current Assets	<u>15,676,648</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	2,748,654
Depreciable	32,456,559
Accumulated Depreciation	<u>(9,243,907)</u>
Total Noncurrent Assets	<u>25,961,306</u>
Total Assets	<u>41,637,954</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	856,969
Loss on Refunding	<u>559,583</u>
Total Deferred Outflows of Resources	<u>1,416,552</u>
Total Assets and Deferred Outflows of Resources	<u>43,054,506</u>

The notes to the financial statements are an integral part of this statement.

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**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 122,048
Retainage Payable	60,528
Accrued Payroll	99,032
Accrued Interest Payable	69,013
Other Payables	789,268
Current Portion of Long-Term Debt	901,594
Total Current Liabilities	<u>2,041,483</u>
Noncurrent Liabilities	
Compensated Absences Payable	46,374
Net Pension Liability - IMRF	2,896,714
General Obligation Bonds Payable - Net	7,969,726
Total Noncurrent Liabilities	<u>10,912,814</u>
Total Liabilities	<u>12,954,297</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	5,393,050
Deferred Items - IMRF	34,596
Total Liabilities and Deferred Inflows of Resources	<u>5,427,646</u>
Total Deferred Inflows of Resources	<u>18,381,943</u>

**NET POSITION**

Net Investment in Capital Assets	17,661,163
Restricted	
Property Tax Levies	
Audit	7,321
Liability Insurance	113,060
Municipal Retirement	246,903
Social Security	59,889
Workers' Compensation	32,944
Special Recreation	124,783
Donations	73,600
Impact Fees	36,313
Debt Service	186,919
Unspent Donation Revenue	40,000
Unrestricted	<u>6,089,668</u>
Total Net Position	<u>24,672,563</u>

The notes to the financial statements are an integral part of this statement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended February 28, 2017**

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
Recreation	\$ 9,445,687	5,669,378	22,098	10,100	(3,744,111)
Interest on Long-Term Debt	318,100	-	-	-	(318,100)
<b>Total Governmental Activities</b>	<b>9,763,787</b>	<b>5,669,378</b>	<b>22,098</b>	<b>10,100</b>	<b>(4,062,211)</b>

General Revenues

Taxes

Property	5,134,879
Personal Property Replacement	25,222
Interest Income	60,015
Miscellaneous	296,842
	<u>5,516,958</u>

Change in Net Position 1,454,747

Net Position - Beginning as Restated 23,217,816

Net Position - Ending 24,672,563

The notes to the financial statements are an integral part of this statement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds**  
**February 28, 2017**

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**See Following Page**



**GLENCOE PARK DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds  
February 28, 2017**

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	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 2,914,415
Receivables - Net of Allowances	
Taxes	1,813,961
Accounts	-
Other	6,767
Prepays	<u>-</u>
 Total Assets	 <u><u>4,735,143</u></u>
<b>LIABILITIES</b>	
Accounts Payable	33,989
Retainage Payable	-
Accrued Payroll	36,869
Other Payables	4,800
Total Liabilities	<u>75,658</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>2,160,000</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>2,235,658</u></u>
<b>FUND BALANCES</b>	
Nonspendable	-
Restricted	-
Committed	600,000
Assigned	15,000
Unassigned	1,884,485
Total Fund Balances	<u><u>2,499,485</u></u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>4,735,143</u></u>

The notes to the financial statements are an integral part of this statement.

<u>Special Revenue Recreation</u>	Debt Service	Capital Projects	Nonmajor	Totals
4,978,324	442,737	1,860,102	883,418	11,078,996
860,792	979,245	-	875,069	4,529,067
18,132	-	-	-	18,132
6,767	-	-	-	13,534
5,443	-	-	31,476	36,919
<u>5,869,458</u>	<u>1,421,982</u>	<u>1,860,102</u>	<u>1,789,963</u>	<u>15,676,648</u>
66,510	-	500	21,049	122,048
-	-	60,528	-	60,528
61,538	-	-	625	99,032
784,468	-	-	-	789,268
912,516	-	61,028	21,674	1,070,876
1,025,000	1,166,050	-	1,042,000	5,393,050
1,937,516	1,166,050	61,028	1,063,674	6,463,926
5,443	-	-	31,476	36,919
-	255,932	40,000	694,813	990,745
3,926,499	-	-	-	4,526,499
-	-	1,759,074	-	1,774,074
-	-	-	-	1,884,485
3,931,942	255,932	1,799,074	726,289	9,212,722
<u>5,869,458</u>	<u>1,421,982</u>	<u>1,860,102</u>	<u>1,789,963</u>	<u>15,676,648</u>

The notes to the financial statements are an integral part of this statement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to the  
Statement of Net Position - Governmental Activities**

**February 28, 2017**

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**Total Governmental Fund Balances** \$ 9,212,722

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial  
resources and therefore, are not reported in the funds. 25,961,306

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.  
Deferred Items - IMRF 822,373

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

Compensated Absences Payable	(57,968)
Net Pension Liability - IMRF	(2,896,714)
General Obligation Bonds Payable - Net	(8,859,726)
Unamortized Loss on Refunding	559,583
Accrued Interest Payable	<u>(69,013)</u>

**Net Position of Governmental Activities** 24,672,563

The notes to the financial statements are an integral part of this statement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended February 28, 2017**

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**See Following Page**

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended February 28, 2017**

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	<u>General</u>
Revenues	
Taxes	\$ 2,032,818
Charges for Services	1,593,807
Grants and Donations	11,600
Interest	24,805
Miscellaneous	73,332
Total Revenues	<u>3,736,362</u>
Expenditures	
Recreation	2,552,161
Capital Outlay	129,304
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>2,681,465</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,054,897</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	(650,000)
	<u>(650,000)</u>
Net Change in Fund Balances	404,897
Fund Balances - Beginning	<u>2,094,588</u>
Fund Balances - Ending	<u><u>2,499,485</u></u>

The notes to the financial statements are an integral part of this statement.

<u>Special Revenue Recreation</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Totals</u>
988,803	1,190,027	-	948,453	5,160,101
4,075,571	-	-	-	5,669,378
2,498	-	10,100	8,000	32,198
24,801	3,358	3,625	3,426	60,015
222,010	-	-	1,500	296,842
<u>5,313,683</u>	<u>1,193,385</u>	<u>13,725</u>	<u>961,379</u>	<u>11,218,534</u>
4,486,765	-	-	865,282	7,904,208
18,888	-	2,100,159	174,437	2,422,788
-	860,000	-	-	860,000
-	315,329	-	-	315,329
<u>4,505,653</u>	<u>1,175,329</u>	<u>2,100,159</u>	<u>1,039,719</u>	<u>11,502,325</u>
808,030	18,056	(2,086,434)	(78,340)	(283,791)
-	-	924,040	-	924,040
(250,000)	-	-	(24,040)	(924,040)
<u>(250,000)</u>	<u>-</u>	<u>924,040</u>	<u>(24,040)</u>	<u>-</u>
558,030	18,056	(1,162,394)	(102,380)	(283,791)
3,373,912	237,876	2,961,468	828,669	9,496,513
<u>3,931,942</u>	<u>255,932</u>	<u>1,799,074</u>	<u>726,289</u>	<u>9,212,722</u>

The notes to the financial statements are an integral part of this statement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities**

**For the Fiscal Year Ended February 28, 2017**

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**Net Change in Fund Balances - Total Governmental Funds** **\$ (283,791)**

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

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	2,055,908
Depreciation Expense	(874,766)
Disposal of Capital Assets - Cost	(322,722)
Disposal of Capital Assets - Accumulated Depreciation	213,623

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(80,572)
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The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Additions to Compensated Absences Payable	(13,089)
Additions to Net Pension Liability - IMRF	(97,073)
Retirement of Debt	860,000
Amortization of Bond Premium	50,074
Amortization of Loss on Refunding	(62,176)

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

9,331

**Changes in Net Position of Governmental Activities**

1,454,747

The notes to the financial statements are an integral part of this statement.

## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Glencoe Park District (the District) of Illinois was established in 1912, and is located in Glencoe, Illinois. The purpose of the District is to provide recreational facilities, activities and programs to its residents, as well as non-residents.

#### **REPORTING ENTITY**

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as governmental. The District’s preservation of open space, recreational program activities, development and maintenance of the District’s various parks and facilities (including the beach/boating operation and the Watts Ice Center), and general administration are all classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District’s net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions (general government, recreation, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).



## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **BASIS OF PRESENTATION – Continued**

##### **Government-Wide Statements – Continued**

The District does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

##### **Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

##### **Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

# GLENCOE PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements February 28, 2017

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Governmental Funds – Continued

**General fund** is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains nine special revenue funds. The Recreation Fund, a major fund, is used to account for the operations of the recreation programs offered to residents. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund, a major fund, is used to account for the financial resources acquired through a bond issue and/or an interfunds transfer received from the Corporate (General) Fund which are to be used for capital improvements to existing park facilities and for new and replacement maintenance equipment for the general upkeep of all parks within the District.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental funds are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus is utilized.

## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

###### **Measurement Focus – Continued**

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

###### **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

##### **Cash and Investments**

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value.

For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### **Prepays**

Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

##### **Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of more than \$5,000 are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

**Capital Assets – Continued**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Building and Improvements	30 Years
Furniture and Equipment	5 Years

**Compensated Absences**

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

##### **Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

##### **Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

#### **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **BUDGETARY INFORMATION**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue and debt service funds. Project-length financial plans are adopted for all capital project funds.

By December, all departments of the District submit their budget requests to the Director of Finance/Human Resources so that a comprehensive budget may be prepared. Both the budget and appropriation are prepared by fund, function and activity, and include information on the past year, current year estimates and budget request for the new fiscal year.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued**

**BUDGETARY INFORMATION – Continued**

By early February or March, the First Budget Draft is presented to the Finance Committee of the Whole for review. The Approval Draft of the budget is adopted at the March or April board meeting. Thirty days prior to the scheduled meeting date, a notice is published disclosing the availability of the tentative Budget and Appropriation Ordinance and the date of the public hearing. The Budget and Appropriation Ordinance is approved after the April or May board meeting.

The budget is an estimate of actual expenditures and the appropriation represents the legal spending limit. All appropriated amounts lapse at the end of the fiscal year. Spending control for funds is established by the amount of the total appropriation for the fund, but management control is exercised at appropriation line item levels. Budget figures do not include transfers to other funds.

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Debt Service	\$ 539
Workers' Compensation	32

**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

Permitted Deposits and Investments – Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Park District Liquid Asset Fund.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

## GLENCOE PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements February 28, 2017

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

The Illinois Park District Liquid Asset Fund allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. The Illinois Park District Liquid Asset Fund is composed of finance officials and treasurers all of whom are employees of the Illinois public agencies, which are investors in the Illinois Park District Liquid Asset Fund. Although not registered with the SEC, the Illinois Park District Liquid Asset Fund does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

##### **Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk**

At year-end, the carrying amount of the District's deposits totaled \$4,537,343 and the bank balances totaled \$4,567,987. Additionally, at year-end, the District has \$2,937,035 invested in the Illinois Funds and \$3,604,618 invested in the Illinois Park District Liquid Asset Fund, which have an average maturity of less than one year.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the District's investments in the Illinois Funds and the Illinois Park District Liquid Asset Fund were rated AAAM by Standard & Poor's.

**Concentration Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not mitigate concentration risk. At year-end, the District does not have any investments over 5 percent (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).



**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk – Continued**

**Custodial Credit Risk.** In the case of deposits, this is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District’s name. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District’s investment policy does not mitigate custodial credit risk for investments. At year-end, the District’s investments in the Illinois Funds and the Illinois Park District Liquid Asset Fund are not subject to custodial credit risk.

**PROPERTY TAXES**

Property taxes for 2015 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, and September 1. The County collects such taxes and remits them periodically.

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Capital Projects	General	\$ 650,000
Capital Projects	Recreation	250,000
Capital Projects	Nonmajor	<u>24,040</u>
		<u><u>924,040</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,732,549	-	-	2,732,549
Construction in Progress	199,661	16,105	199,661	16,105
	<u>2,932,210</u>	<u>16,105</u>	<u>199,661</u>	<u>2,748,654</u>
Depreciable Capital Assets				
Building	24,189,949	732,137	53,759	24,868,327
Improvements	3,094,771	1,272,368	93,229	4,273,910
Furniture and Equipment	3,255,097	234,959	175,734	3,314,322
	<u>30,539,817</u>	<u>2,239,464</u>	<u>322,722</u>	<u>32,456,559</u>
Less Accumulated Depreciation				
Building	4,888,094	505,110	28,314	5,364,890
Improvements	2,152,280	163,282	80,368	2,235,194
Furniture and Equipment	1,542,390	206,374	104,941	1,643,823
	<u>8,582,764</u>	<u>874,766</u>	<u>213,623</u>	<u>9,243,907</u>
Total Net Depreciable Capital Assets	<u>21,957,053</u>	<u>1,364,698</u>	<u>109,099</u>	<u>23,212,652</u>
Total Net Capital Assets	<u>24,889,263</u>	<u>1,380,803</u>	<u>308,760</u>	<u>25,961,306</u>

Depreciation expense of \$874,766 was charged to the recreation function.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<u>Issue</u>	<u>Beginning Balances</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balances</u>
General Obligation Bonds of 2006 - Due in annual installments of \$475,000 to \$1,060,000 plus interest at 4.00% to 5.00% through December 1, 2025.	\$ 695,000	-	695,000	-
General Obligation Park Refunding Bonds of 2010 - Due in annual installments of \$15,000 to \$125,000 plus interest at 2.00% to 4.00% through December 1, 2020.	580,000	-	110,000	470,000
General Obligation Park Refunding Bonds of 2015 - Due in annual installments of \$55,000 to \$1,005,000 plus interest at 3.00% to 4.00% through December 1, 2025.	8,015,000	-	55,000	7,960,000
	<u>9,290,000</u>	<u>-</u>	<u>860,000</u>	<u>8,430,000</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 44,879	26,178	13,089	57,968	11,594
Net Pension Liability - IMRF	2,799,641	97,073	-	2,896,714	-
General Obligation Bonds	9,290,000	-	860,000	8,430,000	890,000
Add: Unamortized Bond Premium	479,800	-	50,074	429,726	-
	<u>12,614,320</u>	<u>123,251</u>	<u>923,163</u>	<u>11,814,408</u>	<u>901,594</u>

For the governmental activities, the compensated absences and the net pension liability are generally liquidated by the General Fund and Recreation Fund. Payments on the general obligation bonds are made by the Debt Service Fund.

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2017	\$ 890,000	276,050
2018	920,000	248,250
2019	945,000	219,500
2020	975,000	189,950
2021	875,000	159,450
2022	905,000	133,200
2023	940,000	97,000
2024	975,000	59,400
2025	<u>1,005,000</u>	<u>30,150</u>
Totals	<u>8,430,000</u>	<u>1,412,950</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin**

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides “...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more that .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question.”

Assessed Valuation - 2015	<u>\$ 748,964,150</u>
Legal Debt Limit - 2.875% of Assessed Value	21,532,719
Amount of Debt Applicable to Limit	<u>8,430,000</u>
Legal Debt Margin	<u><u>13,102,719</u></u>
Non-referendum legal debt limit - .575% of assessed value	4,306,544
Amount of Debt Applicable to Limit	<u>-</u>
Non-referendum Legal Debt Margin	<u><u>4,306,544</u></u>

**NET POSITION/FUND BALANCES**

**Net Position Restatement**

<u>Net Position</u>	<u>As Reported</u>	<u>As Restated</u>	<u>Increase</u>
Governmental Activities	\$ 22,596,057	23,217,816	621,759

Beginning net position was restated due to an error in recognizing the unamortized loss on refunding in the prior year.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION/FUND BALANCES – Continued**

**Net Position – Net Investment in Capital Assets**

Net investment in capital assets was comprised of the following as of February 28, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 25,961,306
Plus: Unamortized Loss on Refunding	559,583
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2010	(470,000)
General Obligation Refunding Bonds of 2015	(7,960,000)
Unamortized Premium	<u>(429,726)</u>
Net Investment in Capital Assets	<u>17,661,163</u>

**Fund Balance Classifications**

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

**Committed Fund Balance.** The District reports committed fund balance in the General Fund and Recreation Fund, both major funds. Formal Board action is required to establish, modify, or rescind a fund balance commitment. The District’s Board of Commissioners, through formal board action, has committed these funds to future recreation programs, facilities and capital improvements.

**Assigned Fund Balance.** The District reports assigned fund balance in the General Fund and Capital Projects Fund, both major funds. The District’s management has assigned the funds in the General Fund to the “Medical Insurance Reserve” to be used, as needed, toward future medical insurance premium increases. The District’s management has assigned the funds in the Capital Projects Fund to future park improvement projects and equipment and vehicle purchases based on approved management expenditures as determined through the annual budget process.

**Minimum Fund Balance Policy.** The District’s fund balance policy states that the General Fund should maintain a minimum unrestricted fund balance equal to six months of budgeted operating expenditures. Fund balances in excess of the six month operating reserve level may be transferred to the Capital Projects Fund at the discretion of the Board. The Districts policy states that the special revenue funds should maintain a minimum restricted fund balance equal to six months of budgeted operating expenditures.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION/FUND BALANCES – Continued**

**Fund Balance Classifications – Continued**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Recreation	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances						
Nonspendable						
Prepays	\$ -	5,443	-	-	31,476	36,919
Restricted						
Property Tax Levies						
Special Recreation	-	-	-	-	124,783	124,783
Municipal Retirement	-	-	-	-	246,903	246,903
Social Security	-	-	-	-	59,889	59,889
Liability Insurance	-	-	-	-	113,060	113,060
Workers' Compensation	-	-	-	-	32,944	32,944
Audit	-	-	-	-	7,321	7,321
Donations	-	-	-	-	73,600	73,600
Impact Fees	-	-	-	-	36,313	36,313
Debt Service	-	-	255,932	-	-	255,932
Unspent Donation Revenue	-	-	-	40,000	-	40,000
	-	-	255,932	40,000	694,813	990,745
Committed						
Future Capital	600,000	1,100,000	-	-	-	1,700,000
Recreation	-	2,826,499	-	-	-	2,826,499
	600,000	3,926,499	-	-	-	4,526,499
Assigned						
Medical Insurance Reserve	15,000	-	-	-	-	15,000
Capital Projects	-	-	-	1,759,074	-	1,759,074
	15,000	-	-	1,759,074	-	1,774,074
Unassigned	1,884,485	-	-	-	-	1,884,485
Total Fund Balances	2,499,485	3,931,942	255,932	1,799,074	726,289	9,212,722

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 4 – OTHER INFORMATION**

**RISK MANAGEMENT**

**Park District Risk Management Agency (PDRMA)**

The 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 1985, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation 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 coverage in effect for the period January 1, 2016 through January 1, 2017:

<b>Coverage</b>	<b>Member Deductible</b>	<b>PDRMA Self-Insured Retention</b>	<b>Limits</b>
<b>PROPERTY</b>			
Property/Bldg/Contents			
All Losses Per Occurrence	\$1,000	\$1,000,000	\$1,000,000,000/All Members
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
Course of 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 Values
Service Interruption	24 Hours	N/A	\$25,000,000
Boiler and Machinery			\$100,000,000 Equipment Breakdown
Property Damage	\$1,000	\$9,000	Property Damage - Included
Business Income	48 Hours	N/A	Included
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
<b>WORKERS COMPENSATION</b>			
Employers Liability	N/A	\$500,000	Statutory
		\$500,000	\$3,500,000 Employers Liability
<b>LIABILITY</b>			
General	None	\$500,000	\$21,500,000/Occurrence
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



**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 4 – OTHER INFORMATION – Continued**

**RISK MANAGEMENT – Continued**

**Park District Risk Management Agency (PDRMA) – Continued**

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
<b>POLLUTION LIABILITY</b>			
Liability - Third Party	None	\$25,000	\$5,000,000/Occurrence
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 Year Aggregate
<b>OUTBREAK EXPENSE</b>			
Outbreak Expense	24 Hours	N/A	\$15,000 per Day
			\$1,000,000 Aggregate Policy Limit
<b>INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA</b>			
<b>LIABILITY COVERAGE</b>			
Information Security & Privacy			
Liability	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Privacy Notification, Costs	None	\$100,000	\$500,000/Occurrence/Annual Aggregate
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	\$50,000 Hourly Sublimit/\$50,000 Forensic
			Exp./\$150,000 Dependent Bus. Interruption
<b>VOLUNTEER MEDICAL ACCIDENT</b>			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense and AD&D
			Excess of any other Collectible Insurance
<b>UNDERGROUND STORAGE TANK LIABILITY</b>			
Underground Storage Tank Liability	None	N/A	\$10,000, Follows Illinois Leaking
			Underground Tank Fund
<b>UNEMPLOYMENT COMPENSATION</b>			
Unemployment Compensation	N/A	N/A	Statutory

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

As a member of PDRMA’s Property/Casualty Program, the 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 District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District’s governing body.

## GLENCOE PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements February 28, 2017

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#### NOTE 4 – OTHER INFORMATION – Continued

##### RISK MANAGEMENT – Continued

##### Park District Risk Management Agency (PDRMA) – Continued

The 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 investigations 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 Property/Casualty Program balance sheet at December 31, 2015 and the statement of revenues and expenses for the period ending December 31, 2015.

Assets	\$63,181,823
Liabilities	23,063,014
Member Balances	40,708,211
Revenues	18,585,098
Expenditures	19,500,046

The District's portion of the overall equity in the pool is 0.995% or \$405,101.

Since 95.90% 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.

##### Park District Risk Management Agency (PDRMA) Health Program

Since January 1, 2006, the District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance 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 covering single claims over \$250,000. 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.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 4 – OTHER INFORMATION – Continued**

**RISK MANAGEMENT – Continued**

**Park District Risk Management Agency (PDRMA) Health Program – Continued**

As a member of the PDRMA Health Program, the 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 member agency and PDRMA Health Program is governed by a contract and by-laws that have been adopted by a resolution of each member’s governing body. Members are 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 Health Program balance sheet at December 31, 2015 and the statement of revenues and expenses for the period ending December 31, 2015.

Assets	\$17,141,280
Liabilities	5,510,343
Member Balances	11,883,538
Revenues	36,926,788
Expenditures	34,071,062

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.

**CONTINGENT LIABILITIES**

**Litigation**

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Grants**

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

## **GLENCOE PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements February 28, 2017**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN**

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

##### **Illinois Municipal Retirement Fund (IMRF)**

###### **Plan Descriptions**

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Benefits Provided – Continued.* Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Plan Membership.* As of December 31, 2016, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	45
Inactive Plan Members Entitled to but not yet Receiving Benefits	66
Active Plan Members	<u>51</u>
Total	<u><u>162</u></u>

*Contributions.* As set by statute, the District’s Regular Plan Members are required to contribute 4.5% 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 District’s annual contribution rate for calendar year 2016 was 13.46% of covered payroll.

*Net Pension Liability.* The District’s net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**  
**February 28, 2017**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2016, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality tables was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50% and discount rate in prior valuation was 7.47%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 4,677,485	2,896,714	1,470,581

**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 13,557,624	10,757,983	2,799,641
Changes for the Year:			
Service Cost	232,150	-	232,150
Interest on the Total Pension Liability	997,065	-	997,065
Difference Between Expected and Actual Experience of the Total Pension Liability	192,283	-	192,283
Changes of Assumptions	(48,261)	-	(48,261)
Contributions - Employer	-	298,076	(298,076)
Contributions - Employees	-	99,655	(99,655)
Net Investment Income	-	724,606	(724,606)
Benefit Payments, including Refunds of Employee Contributions	(652,212)	(652,212)	-
Other (Net Transfer)	-	153,827	(153,827)
Net Changes	721,025	623,952	97,073
Balances at December 31, 2016	14,278,649	11,381,935	2,896,714



**GLENCOE PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
February 28, 2017**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended February 28, 2017, the District recognized pension expense of \$477,450. At February 28, 2017, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 285,205	-	285,205
Change in Assumptions	6,796	(34,596)	(27,800)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	516,734	-	516,734
	<u>808,735</u>	<u>(34,596)</u>	<u>774,139</u>
Pension Contributions Made Subsequent to the Measurement Date	48,234	-	48,234
Total Deferred Amounts Related to IMRF	<u>856,969</u>	<u>(34,596)</u>	<u>822,373</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
2018	\$ 305,816	-
2019	263,929	-
2020	188,702	-
2021	15,692	-
2022	-	-
Thereafter	-	-
Total	<u>774,139</u>	<u>-</u>

## GLENCOE PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements February 28, 2017

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#### NOTE 4 – OTHER INFORMATION – Continued

##### POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits, the District provides certain health care insurance benefits for retired employees. In accordance with the personnel policy substantially all of the District's employees may become eligible for those benefits if they reach normal retirement age while working for the District. The retirees pay 100 percent of the annual premium for the health insurance. The District's health insurance provider, PDRMA utilizes community based rates, which adjust for the demographics of the District's pool of participants, including age, etc. Therefore, there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Additionally, the District does not provide an explicit benefit to employees. Therefore, the District has not recorded a liability as of February 28, 2017.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule  
General Fund  
Recreation – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
February 28, 2017**

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 307,220	\$ 307,220	\$ -	\$ 2,223,011	13.82%
2016	298,076	298,076	-	2,214,536	13.46%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	27 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	MP-2014 (base year 2012).

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

**GLENCOE PARK DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
February 28, 2017**

	12/31/2015	12/31/2016
Total Pension Liability		
Service Cost	\$ 235,724	232,150
Interest	929,046	997,065
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	334,769	192,283
Change of Assumptions	15,440	(48,261)
Benefit Payments, Including Refunds of Member Contributions	(519,793)	(652,212)
Net Change in Total Pension Liability	995,186	721,025
Total Pension Liability - Beginning	12,562,438	13,557,624
Total Pension Liability - Ending	13,557,624	14,278,649
Plan Fiduciary Net Position		
Contributions - Employer	\$ 307,220	298,076
Contributions - Members	100,036	99,655
Net Investment Income	54,324	724,606
Benefit Payments, Including Refunds of Member Contributions	(519,793)	(652,212)
Administrative Expense	(104,782)	153,827
Net Change in Plan Fiduciary Net Position	(162,995)	623,952
Plan Net Position - Beginning	10,920,978	10,757,983
Plan Net Position - Ending	10,757,983	11,381,935
Employer's Net Pension Liability	\$ 2,799,641	2,896,714
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.35%	79.71%
Covered-Employee Payroll	\$ 2,223,011	2,214,536
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	125.94%	130.80%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,980,000	1,980,000	2,032,818
Charges for Services			
General and Administrative	1,189,196	1,189,196	1,044,019
Watts Ice Center	133,216	133,216	124,129
Beach/Boating	319,320	319,320	425,659
Grants and Donations	6,350	6,350	11,600
Interest	12,000	12,000	24,805
Miscellaneous	34,030	34,030	73,332
Total Revenues	<u>3,674,112</u>	<u>3,674,112</u>	<u>3,736,362</u>
Expenditures			
Recreation			
General and Administrative	1,220,876	1,220,876	1,044,019
Park Maintenance	1,039,572	1,039,572	936,502
Watts Ice Center	244,440	244,440	217,326
Beach/Boating Beach	373,332	373,332	354,314
Capital Outlay	137,500	137,500	129,304
Total Expenditures	<u>3,015,720</u>	<u>3,015,720</u>	<u>2,681,465</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	658,392	658,392	1,054,897
Other Financing (Uses)			
Transfers Out	<u>(650,000)</u>	<u>(650,000)</u>	<u>(650,000)</u>
Net Change in Fund Balance	<u>8,392</u>	<u>8,392</u>	404,897
Fund Balance - Beginning			<u>2,094,588</u>
Fund Balance - Ending			<u><u>2,499,485</u></u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 959,000	959,000	965,769
Replacement Taxes	25,525	25,525	23,034
Charges for Services			
Program Fees	3,938,578	3,938,578	4,075,571
Grants and Donations	650	650	2,498
Interest	12,000	12,000	24,801
Miscellaneous	227,803	227,803	222,010
Total Revenues	<u>5,163,556</u>	<u>5,163,556</u>	<u>5,313,683</u>
Expenditures			
Recreation			
Recreation Department	4,005,685	4,005,685	3,782,008
Day Care Department	712,446	712,446	704,757
Capital Outlay	24,000	24,000	18,888
Total Expenditures	<u>4,742,131</u>	<u>4,742,131</u>	<u>4,505,653</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	421,425	421,425	808,030
Other Financing (Uses)			
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>
Net Change in Fund Balance	<u>171,425</u>	<u>171,425</u>	558,030
Fund Balance - Beginning			<u>3,373,912</u>
Fund Balance - Ending			<u><u>3,931,942</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental – Special Revenue Funds
- Budgetary Comparison Schedules – Nonmajor Governmental – Special Revenue Funds



# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

### **Recreation Fund**

The Recreation Fund is used to account for the operations of the recreation programs offered to residents including the operation of the Takiff Center. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.

### **Special Recreation Fund**

The Special Recreation Fund is used to account for the Special Recreation operations (NSSRA) of the District. Financing is provided by a specific annual tax levy.

### **Retirement Fund**

The Retirement Fund is used to account for the specific levy of taxes to fund payments to Illinois Municipal Retirement Fund, the state controlled pension fund.

### **Social Security Fund**

The Security Fund is used to account for the specific levy of taxes to fund payments to the federally administered social security program.

### **Liability Insurance Fund**

The Liability Insurance Fund is used to account for the operations of the District's insurance and risk management activities. Financing is provided by a specific annual levy.

### **Workers' Compensation Fund**

The Workers' Compensation Fund is used to account for the revenue and expenditures of an annual property tax levy for the payment of premiums of workers' compensation insurance by the District.

# **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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## **SPECIAL REVENUE FUNDS – Continued**

### **Audit Fund**

The Audit Fund is used to account for the expenditures related to the District's annual audit. Financing is provided by a specific annual tax levy.

### **Restricted Donations Fund**

The Restricted Donations Fund is used to account for the financing provided by outside donations with specific restrictions on the use of the funds.

### **Impact Fee Fund**

The Impact Fee Fund is used to account for revenues from developer impact fees that are to be used for capital improvements in the future.

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## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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## **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for the financial resources acquired through a bond issue, donations, and/or an interfunds transfer received from the Corporate (General) Fund and Recreation Fund which are to be used for capital improvements to existing park facilities and for new and replacement maintenance equipment for the general upkeep of all parks within the District.

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**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation			
General and Administrative			
Personnel Services			
Salaries	\$ 494,321	494,321	476,765
Wages - Part-Time Operations	44,290	44,290	30,603
	<u>538,611</u>	<u>538,611</u>	<u>507,368</u>
Contractual Services			
Telephone	25,000	25,000	18,090
Postage	3,000	3,000	1,936
Legal Services	60,000	60,000	23,060
Legal Notices	1,125	1,125	662
Computer Consulting Services	1,000	1,000	-
Conferences/Training/Officials Expenditures	19,450	19,450	16,240
Mileage Reimbursement	6,850	6,850	6,534
Repairs to Equipment	1,500	1,500	-
Maintenance Service	65,205	65,205	55,327
Printing and Advertising	1,000	1,000	210
Equipment Rental	750	750	547
Building Overhead Contribution	9,935	9,935	9,935
	<u>194,815</u>	<u>194,815</u>	<u>132,541</u>
Commodities			
Office Supplies	8,000	8,000	8,378
Books and Subscriptions	735	735	1,139
Computer Programs	1,725	1,725	764
General Supplies	5,500	5,500	2,508
	<u>15,960</u>	<u>15,960</u>	<u>12,789</u>
Fixed Charges and Obligations			
Health Insurance	460,150	460,150	381,977
Dues and Memberships	10,340	10,340	9,344
	<u>470,490</u>	<u>470,490</u>	<u>391,321</u>
Contingency	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total General and Administrative	<u>1,220,876</u>	<u>1,220,876</u>	<u>1,044,019</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Park Maintenance			
Personnel Services			
Salaries - Park Maintenance	\$ 344,556	344,556	321,882
Wages - Part-Time Seasonal/Operations	27,500	27,500	25,991
	<u>372,056</u>	<u>372,056</u>	<u>347,873</u>
Contractual Services			
Telephone	3,200	3,200	2,564
Gas/Fuel	7,000	7,000	5,534
Electricity	8,750	8,750	8,286
Water	10,675	10,675	3,225
Legal Notices	250	250	-
Conferences/Training	20,205	20,205	5,214
Mileage Reimbursement	75	75	-
Licenses	650	650	300
Shared Services - Contractual	21,505	21,505	49,885
Horticulture/Landscaping	91,776	91,776	84,000
Maintenance Service	18,950	18,950	14,094
Repairs to Equipment	4,000	4,000	216
Repairs to Building	5,000	5,000	1,741
Disposal Charges	16,000	16,000	16,112
Printing and Advertising	400	400	290
Equipment Rental	750	750	1,312
	<u>209,186</u>	<u>209,186</u>	<u>192,773</u>
Commodities			
Office Supplies	700	700	387
Books and Subscriptions	250	250	752
Supplies - Maintenance/Custodial	81,800	81,800	71,367
General Supplies	5,600	5,600	4,949
Repair - Equipment Parts	7,500	7,500	4,711
Shared Services - Fleet Supplies	10,550	10,550	5,476
Gasoline and Lubricants	15,000	15,000	11,825
	<u>121,400</u>	<u>121,400</u>	<u>99,467</u>
Fixed Charges and Obligations			
Dues and Memberships	1,455	1,455	254
	<u>1,455</u>	<u>1,455</u>	<u>254</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Park Maintenance - Continued			
Contingency	\$ 2,500	2,500	3,814
General and Administrative	332,975	332,975	292,321
Total Park Maintenance	1,039,572	1,039,572	936,502
Watts Ice Center			
Personnel Services			
Salaries - Management	38,885	38,885	38,437
Salaries - Park Maintenance	11,468	11,468	11,468
Salaries - Custodial	9,580	9,580	9,580
Wages - Part-Time Operations	43,593	43,593	32,372
	103,526	103,526	91,857
Contractual Services			
Telephone	1,860	1,860	2,322
Gas/Fuel	6,000	6,000	4,082
Electricity	34,200	34,200	37,856
Water	6,000	6,000	4,252
Postage	500	500	400
Special Event/Passholder	1,050	1,050	1,175
Conferences/Training	400	400	-
Maintenance Services	7,034	7,034	5,541
Repairs - Equipment	2,000	2,000	750
Repairs - Building	3,000	3,000	2,507
Disposal Charges	1,500	1,500	1,226
Printing	1,600	1,600	1,053
Equipment Rental	750	750	-
	65,894	65,894	61,164
Commodities			
Office Supplies	800	800	710
Supplies - Maintenance/Custodial	8,400	8,400	6,422
Supplies - Refrigeration	3,700	3,700	114
General Supplies	7,350	7,350	6,134
Repair - Equipment Parts	1,000	1,000	856
Repair - Building Parts	1,000	1,000	873
Resale - Concession/Merchandise	450	450	508

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Watts Ice Center - Continued			
Commodities - Continued			
Gasoline and Lubricants	\$ 3,250	3,250	1,395
	25,950	25,950	17,012
Fixed Charges and Obligations			
Dues and Memberships	500	500	108
Contingency	1,000	1,000	5,426
General and Administrative	47,570	47,570	41,759
Total Watts Ice Center	244,440	244,440	217,326
Beach/Boating Beach			
Personnel Services			
Salaries - Management	43,260	43,260	44,733
Salaries - Park Maintenance	19,160	19,160	19,160
Salaries - Custodial	14,500	14,500	19,160
Wages - Part-Time Office/Clerical	8,432	8,432	12,647
Wages - Part-Time Seasonal Maintenance	7,095	7,095	1,719
Wages - Part-First Aid Training	600	600	-
Wages - Part-Time Beach Operations	8,192	8,192	10,270
Wages - Part-Time Manager	17,160	17,160	22,268
Wages - Part-Time Lifeguards	39,000	39,000	32,831
Wages - Part-Time Attendants	14,000	14,000	12,385
Wages - Part-Time Cart Driver	6,996	6,996	7,077
Wages - Part-Time Harbor Master	32,480	32,480	29,683
	210,875	210,875	211,933
Contractual Services			
Telephone	2,040	2,040	1,788
Gas/Fuel	1,000	1,000	483
Electricity	6,500	6,500	8,074
Water	6,250	6,250	4,856

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Beach/Boating Beach - Continued			
Contractual Services - Continued			
Postage	\$ 500	500	700
Party Rental Entertainment	1,050	1,050	1,750
Consulting Services	-	-	210
Conferences/Training	4,800	4,800	1,238
Maintenance Service	3,200	3,200	505
Repairs - Equipment	1,500	1,500	278
Repairs - Building	3,000	3,000	935
Disposal Charges	5,800	5,800	3,069
Daily Water Testing Services	1,600	1,600	1,610
Printing and Advertising	3,200	3,200	2,716
Special Event/Passholder	900	900	-
Repairs - Concession Equipment	1,000	1,000	-
Equipment Rental	3,250	3,250	2,945
	<u>45,590</u>	<u>45,590</u>	<u>31,157</u>
Commodities			
Office Supplies	1,325	1,325	1,419
Supplies - Maintenance/Custodial	9,025	9,025	8,797
General Supplies	12,922	12,922	12,031
Repair - Equipment Parts	4,100	4,100	3,729
Repair - Building Parts	1,500	1,500	1,190
Shared Services - Fleet Supplies	400	400	-
Resale - Concession/Merchandise	-	-	145
Gasoline and Lubricants	2,850	2,850	440
	<u>32,122</u>	<u>32,122</u>	<u>27,751</u>
Contingency	1,500	1,500	10,392
General and Administrative	83,245	83,245	73,081
Total Beach/Boating Beach	<u>373,332</u>	<u>373,332</u>	<u>354,314</u>
Total Recreation	<u>2,878,220</u>	<u>2,878,220</u>	<u>2,552,161</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Capital Outlay			
Parks Maintenance			
Building Improvements	\$ 2,000	2,000	2,059
Equipment - Building	2,000	2,000	2,037
Equipment - Maintenance	5,000	5,000	4,888
Equipment - Office	7,500	7,500	2,797
Pavement and Site Development	13,500	13,500	5,891
Landscaping and Grading	-	-	71
Shared Services - Tree Trim/Work	45,000	45,000	53,006
Watts Ice Center			
Equipment - General	1,000	1,000	1,406
Equipment - Building	26,000	26,000	25,527
Equipment - Recreation	1,500	1,500	1,506
Building Improvements	3,500	3,500	2,863
Beach/Boating Beach			
Equipment - Recreation	-	-	7,200
Building Improvements	10,500	10,500	8,682
Landscaping and Grading	20,000	20,000	11,371
Total Capital Outlay	137,500	137,500	129,304
Total Expenditures	3,015,720	3,015,720	2,681,465



**GLENCOE PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation			
Recreation Department			
Personnel Services			
Salaries - Management/Recreations	\$ 356,498	356,498	358,124
Salaries - Park Maintenance	3,823	3,823	3,823
Salaries - Custodial	151,078	151,078	152,372
Wages - Part-Time Recreation Programs	704,296	704,296	619,625
Wages - Part-Time Custodial	86,365	86,365	72,093
Wages - Part-Time Office/Attendants	60,441	60,441	54,978
	<u>1,362,501</u>	<u>1,362,501</u>	<u>1,261,015</u>
Contractual Services			
Telephone	48,880	48,880	31,077
Gas/Fuel	55,000	55,000	38,724
Electricity	120,000	120,000	121,795
Water	3,500	3,500	3,289
Postage	6,000	6,000	2,440
Rental of Equipment	14,975	14,975	17,255
Credit Card fees	92,000	92,000	87,281
Consulting	10,612	10,612	9,032
Conferences/Training/Officials Expenditures	17,660	17,660	12,291
Mileage Reimbursement	1,800	1,800	1,307
Maintenance Service	48,968	48,968	48,561
Repairs to Equipment	12,000	12,000	6,634
Repairs to Building	24,500	24,500	24,033
Disposal	5,000	5,000	5,152
Printing and Advertising	41,440	41,440	43,286
Photography	2,000	2,000	1,541
Publicist Fees	3,000	3,000	-
Services - Recreation Programs	1,182,269	1,182,269	1,214,365
	<u>1,689,604</u>	<u>1,689,604</u>	<u>1,668,063</u>
Commodities			
Office Supplies	10,000	10,000	9,618
Supplies - Recreation Programs	124,534	124,534	116,652
Supplies - Custodial	20,000	20,000	19,358
General Supplies	10,980	10,980	7,794
Repair - Equipment Parts	19,500	19,500	18,587

**GLENCOE PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Recreation Department - Continued			
Commodities - Continued			
Repair - Building Parts	\$ -	-	133
Contingency	47,500	47,500	48,679
	<u>232,514</u>	<u>232,514</u>	<u>220,821</u>
Fixed Charges and Obligations			
Dues and Memberships	3,340	3,340	2,931
Community Contributions	24,200	24,200	24,200
General and Administration	693,526	693,526	604,978
	<u>721,066</u>	<u>721,066</u>	<u>632,109</u>
Total Recreation Department	<u>4,005,685</u>	<u>4,005,685</u>	<u>3,782,008</u>
Day Care Department			
Personnel Services			
Salaries - Management/Full-Time Teachers	230,898	230,898	259,283
Wages - Part-Time Teachers/Subs	14,276	14,276	12,083
Wages - Part-Time Assistant Teachers	141,417	141,417	137,765
Wages - Part-Time Nursing Services	460	460	-
Wages - Food Handling	-	-	4,066
Wages - Overtime	-	-	941
	<u>387,051</u>	<u>387,051</u>	<u>414,138</u>
Contractual Services			
Telephone	1,200	1,200	1,200
Postage	1,000	1,000	750
Conferences/Training	1,615	1,615	2,304
Services - Day Care Programs	5,645	5,645	7,253
Mileage Reimbursement	350	350	635
Officials/Meetings Expenses	800	800	795
Repairs to Equipment	500	500	-
Printing and Advertising	6,650	6,650	5,011
Building Overhead Contribution	44,315	44,315	44,315
Food Service	29,500	29,500	15,363
Nurse Services	-	-	772
Dietician Services	-	-	1,050
	<u>91,575</u>	<u>91,575</u>	<u>79,448</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Recreation - Continued			
Day Care Department - Continued			
Commodities			
Office Supplies	\$ 900	900	1,833
Books and Subscriptions	85	85	-
Supplies - Day Care Program	9,280	9,280	9,215
International Food Service	-	-	15,339
Supplies - Custodial	1,500	1,500	628
General Supplies	875	875	1,904
Food/Snacks - Day Care Program	4,700	4,700	2,410
Contingency	1,000	1,000	-
	<u>18,340</u>	<u>18,340</u>	<u>31,329</u>
Fixed Charges and Obligations			
Health Insurance	182,980	182,980	147,454
Dues and Memberships	620	620	508
General and Administration	31,880	31,880	31,880
	<u>215,480</u>	<u>215,480</u>	<u>179,842</u>
Total Day Care Department	<u>712,446</u>	<u>712,446</u>	<u>704,757</u>
Capital Outlay			
Recreation Department			
Equipment - General	2,000	2,000	750
Equipment - Building	-	-	84
Equipment - Maintenance	2,000	2,000	2,111
Equipment - Recreation	1,500	1,500	3,394
Landscaping and Grading	-	-	1,233
Building Improvements	16,500	16,500	11,316
	<u>22,000</u>	<u>22,000</u>	<u>18,888</u>
Day Care Department			
Equipment - General	<u>2,000</u>	<u>2,000</u>	-
Total Capital Outlay	<u>24,000</u>	<u>24,000</u>	<u>18,888</u>
Total Expenditures	<u>4,742,131</u>	<u>4,742,131</u>	<u>4,505,653</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,213,560	1,213,560	1,190,027
Interest	1,000	1,000	3,358
Total Revenues	<u>1,214,560</u>	<u>1,214,560</u>	<u>1,193,385</u>
Expenditures			
Debt Service			
Principal Retirement	860,000	860,000	860,000
Interest and Fiscal Charges	314,790	314,790	315,329
Total Expenditures	<u>1,174,790</u>	<u>1,174,790</u>	<u>1,175,329</u>
Net Change in Fund Balance	<u>39,770</u>	<u>39,770</u>	18,056
Fund Balance - Beginning			<u>237,876</u>
Fund Balance - Ending			<u>255,932</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Grants and Donations	\$ -	-	10,100
Interest	1,000	1,000	3,625
Total Revenues	1,000	1,000	13,725
Expenditures			
Capital Outlay	2,542,560	2,542,560	2,100,159
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,541,560)	(2,541,560)	(2,086,434)
Other Financing Sources			
Transfers In	699,040	699,040	924,040
Net Change in Fund Balance	<u>(1,842,520)</u>	<u>(1,842,520)</u>	(1,162,394)
Fund Balance - Beginning			<u>2,961,468</u>
Fund Balance - Ending			<u>1,799,074</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Statement of Net Position  
February 28, 2017**

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**See Following Page**

**GLENCOE PARK DISTRICT, ILLINOIS**

**Combining Balance Sheet**

**Nonmajor Governmental - Special Revenue Funds  
February 28, 2017**

	Special Recreation	Retirement	Social Security
<b>ASSETS</b>			
Cash and Investments	\$ 161,630	304,576	99,139
Receivables - Net of Allowances			
Taxes	193,153	302,327	205,750
Prepays	31,476	-	-
	<hr/>		
Total Assets	386,259	606,903	304,889
<b>LIABILITIES</b>			
Accounts Payable	-	-	-
Accrued Payroll	-	-	-
Total Liabilities	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	230,000	360,000	245,000
Total Liabilities and Deferred Inflows of Resources	230,000	360,000	245,000
<b>FUND BALANCES</b>			
Nonspendable	31,476	-	-
Restricted	124,783	246,903	59,889
Total Fund Balances	156,259	246,903	59,889
	<hr/>		
Total Liabilities, Deferred Inflows of Resources and Fund Balances	386,259	606,903	304,889

Liability Insurance	Workers' Compensation	Audit	Restricted Donations	Impact Fees	Totals
152,975	45,942	9,243	73,600	36,313	883,418
130,169	33,592	10,078	-	-	875,069
-	-	-	-	-	31,476
283,144	79,534	19,321	73,600	36,313	1,789,963
14,459	6,590	-	-	-	21,049
625	-	-	-	-	625
15,084	6,590	-	-	-	21,674
155,000	40,000	12,000	-	-	1,042,000
170,084	46,590	12,000	-	-	1,063,674
-	-	-	-	-	31,476
113,060	32,944	7,321	73,600	36,313	694,813
113,060	32,944	7,321	73,600	36,313	726,289
283,144	79,534	19,321	73,600	36,313	1,789,963



**GLENCOE PARK DISTRICT, ILLINOIS**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Nonmajor Governmental - Special Revenue Funds  
For the Fiscal Year Ended February 28, 2017**

	Special Recreation	Retirement	Social Security
Revenues			
Taxes	\$ 198,974	317,599	224,983
Grants and Donations	-	-	-
Interest	-	1,501	520
Miscellaneous	-	-	-
Total Revenues	<u>198,974</u>	<u>319,100</u>	<u>225,503</u>
Expenditures			
Recreation	164,846	299,805	213,223
Capital Outlay	150,000	-	-
Total Expenditures	<u>314,846</u>	<u>299,805</u>	<u>213,223</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(115,872)	19,295	12,280
Other Financing (Uses)			
Transfers Out	-	-	-
Net Change in Fund Balances	(115,872)	19,295	12,280
Fund Balances - Beginning	<u>272,131</u>	<u>227,608</u>	<u>47,609</u>
Fund Balances - Ending	<u>156,259</u>	<u>246,903</u>	<u>59,889</u>

Liability Insurance	Workers' Compensation	Audit	Restricted Donations	Impact Fees	Totals
155,536	39,065	12,296	-	-	948,453
-	-	-	-	8,000	8,000
820	250	-	335	-	3,426
1,500	-	-	-	-	1,500
157,856	39,315	12,296	335	8,000	961,379
139,176	36,632	11,600	-	-	865,282
-	-	-	24,437	-	174,437
139,176	36,632	11,600	24,437	-	1,039,719
18,680	2,683	696	(24,102)	8,000	(78,340)
-	-	-	-	(24,040)	(24,040)
18,680	2,683	696	(24,102)	(16,040)	(102,380)
94,380	30,261	6,625	97,702	52,353	828,669
113,060	32,944	7,321	73,600	36,313	726,289

**GLENCOE PARK DISTRICT, ILLINOIS**

**Special Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 201,880	201,880	198,974
Expenditures			
Recreation			
Contractual Services	18,000	18,000	16,340
NSSRA Contribution	152,615	152,615	148,506
Capital Outlay			
ADA - Related Capital	175,000	175,000	150,000
Total Expenditures	345,615	345,615	314,846
Net Change in Fund Balance	<u>(143,735)</u>	<u>(143,735)</u>	(115,872)
Fund Balance - Beginning			<u>272,131</u>
Fund Balance - Ending			<u><u>156,259</u></u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Retirement - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Taxes	\$ 313,250	313,250	315,411
Replacement Taxes	2,425	2,425	2,188
Interest	500	500	1,501
Total Revenues	<u>316,175</u>	<u>316,175</u>	319,100
Expenditures			
Recreation			
IMRF Contributions	<u>330,000</u>	<u>330,000</u>	299,805
Net Change in Fund Balance	<u>(13,825)</u>	<u>(13,825)</u>	19,295
Fund Balance - Beginning			<u>227,608</u>
Fund Balance - Ending			<u>246,903</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Social Security - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 223,605	223,605	224,983
Interest	200	200	520
Total Revenues	<u>223,805</u>	<u>223,805</u>	<u>225,503</u>
Expenditures			
Recreation			
Social Security Contributions	<u>226,000</u>	<u>226,000</u>	<u>213,223</u>
Net Change in Fund Balance	<u>(2,195)</u>	<u>(2,195)</u>	12,280
Fund Balance - Beginning			<u>47,609</u>
Fund Balance - Ending			<u><u>59,889</u></u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Liability Insurance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 154,200	154,200	155,536
Interest	300	300	820
Miscellaneous	1,500	1,500	1,500
Total Revenues	<u>156,000</u>	<u>156,000</u>	<u>157,856</u>
Expenditures			
Recreation			
Salaries	31,000	31,000	28,629
Contractual Services	4,375	4,375	4,317
Supplies	-	-	513
Comprehensive Liability, Property Insurance and Employment Practices	84,145	84,145	81,744
Unemployment	20,000	20,000	18,784
Safety Equipment	1,000	1,000	1,497
Safety Incentive Awards	3,000	3,000	1,958
Contingency	1,000	1,000	1,734
Total Expenditures	<u>144,520</u>	<u>144,520</u>	<u>139,176</u>
Net Change in Fund Balance	<u>11,480</u>	<u>11,480</u>	18,680
Fund Balance - Beginning			<u>94,380</u>
Fund Balance - Ending			<u>113,060</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Workers' Compensation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 38,550	38,550	39,065
Interest	100	100	250
Total Revenues	<u>38,650</u>	<u>38,650</u>	<u>39,315</u>
Expenditures			
Recreation			
Workers' Compensation Insurance	<u>36,600</u>	<u>36,600</u>	<u>36,632</u>
Net Change in Fund Balance	<u>2,050</u>	<u>2,050</u>	2,683
Fund Balance - Beginning			<u>30,261</u>
Fund Balance - Ending			<u>32,944</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Audit - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 11,500	11,500	12,296
Expenditures			
Recreation			
Audit Services	11,600	11,600	11,600
Net Change in Fund Balance	<u>(100)</u>	<u>(100)</u>	696
Fund Balance - Beginning			<u>6,625</u>
Fund Balance - Ending			<u>7,321</u>



**GLENCOE PARK DISTRICT, ILLINOIS**

**Restricted Donations - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 100	100	335
Expenditures			
Capital Outlay			
Specific Projects per Restrictions	24,500	24,500	24,437
Net Change in Fund Balance	<u>(24,400)</u>	<u>(24,400)</u>	(24,102)
Fund Balance - Beginning			<u>97,702</u>
Fund Balance - Ending			<u>73,600</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Impact Fees - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended February 28, 2017**

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	Budget		
	Original	Final	Actual
Revenues			
Grants and Donations	\$ -	-	8,000
Expenditures			
Recreation			
Contractual Services	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	8,000
Other Financing (Uses)			
Transfers Out	(24,040)	(24,040)	(24,040)
Net Change in Fund Balance	<u>(24,040)</u>	<u>(24,040)</u>	(16,040)
Fund Balance - Beginning			<u>52,353</u>
Fund Balance - Ending			<u><u>36,313</u></u>

## **SUPPLEMENTAL SCHEDULES**

**GLENCOE PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Park Refunding Bonds of 2010  
February 28, 2017**

Date of Issue	July 14, 2010
Date of Maturity	December 1, 2020
Authorized Issue	\$1,200,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago, Chicago IL

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2018	\$ 110,000	18,800	128,800	2017	9,400	2017	9,400
2019	115,000	14,400	129,400	2018	7,200	2018	7,200
2020	120,000	9,800	129,800	2019	4,900	2019	4,900
2021	125,000	5,000	130,000	2020	2,500	2020	2,500
	<u>470,000</u>	<u>48,000</u>	<u>518,000</u>		<u>24,000</u>		<u>24,000</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Park Refunding Bonds of 2015  
February 28, 2017**

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Date of Issue	March 3, 2015
Date of Maturity	December 1, 2025
Authorized Issue	\$8,220,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	UMB Bank

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2018	\$ 780,000	257,250	1,037,250	2017	128,625	2017	128,625
2019	805,000	233,850	1,038,850	2018	116,925	2018	116,925
2020	825,000	209,700	1,034,700	2019	104,850	2019	104,850
2021	850,000	184,950	1,034,950	2020	92,475	2020	92,475
2022	875,000	159,450	1,034,450	2021	79,725	2021	79,725
2023	905,000	133,200	1,038,200	2022	66,600	2022	66,600
2024	940,000	97,000	1,037,000	2023	48,500	2023	48,500
2025	975,000	59,400	1,034,400	2024	29,700	2024	29,700
2026	1,005,000	30,150	1,035,150	2025	15,075	2025	15,075
	<u>7,960,000</u>	<u>1,364,950</u>	<u>9,324,950</u>		<u>682,475</u>		<u>682,475</u>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Schedule of Cash  
February 28, 2017**

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Cash by Fund	
General	\$ 2,914,415
Recreation	4,978,324
Debt Service	442,737
Capital Projects	1,860,102
Special Recreation	161,630
Retirement	304,576
Social Security	99,139
Liability Insurance	152,975
Workers' Compensation	45,942
Audit	9,243
Restricted Donations	73,600
Impact Fee	36,313
	<hr/>
Total	11,078,996
	<hr/> <hr/>
Location of Cash (All Types)	
Illinois Funds	2,937,035
Illinois Park District Liquid Asset Fund Plus	4,840,618
PMA Financial Network	2,831,003
Harris Bank	469,690
Cash on Hand - Petty Cash	650
	<hr/>
Total	11,078,996
	<hr/> <hr/>

**GLENCOE PARK DISTRICT, ILLINOIS**

**Legal Debt Margin - Last Ten Fiscal Years  
February 28, 2017**

	2008	2009	2010	2011
Equalized Assessed Valuation	\$ 772,216,932	1,066,993,750	1,124,955,298	1,206,157,997
Bonded Debt Limit - 2.875% of Assessed Value	22,201,237	30,676,070	32,342,465	34,677,042
Amount of Debt Applicable to Limit	14,550,000	13,990,000	13,425,000	12,800,000
Legal Debt Margin	7,651,237	16,686,070	18,917,465	21,877,042
Percentage of Legal Debt Margin to Bonded Debt Limit	34.46%	54.39%	58.49%	63.09%
Non-referendum legal debt limit - .575% of assessed value	4,440,247	6,135,214	6,468,493	6,935,408
Total Debt Applicable to Limit	-	-	-	-
Legal Debt Margin	4,440,247	6,135,214	6,468,493	6,935,408
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%

Data Source: Business Department, Glencoe Park District

2012	2013	2014	2015	2016	2017
1,017,009,365	910,785,084	850,700,725	766,177,988	774,376,000	748,964,150
29,239,019	26,185,071	24,457,646	22,027,617	22,263,310	21,532,719
12,145,000	11,460,000	10,755,000	10,015,000	9,290,000	8,430,000
17,094,019	14,725,071	13,702,646	12,012,617	12,973,310	13,102,719
58.46%	56.23%	56.03%	54.53%	58.27%	60.85%
5,847,804	5,237,014	4,891,529	4,405,523	4,452,662	4,306,544
-	-	-	-	-	-
5,847,804	5,237,014	4,891,529	4,405,523	4,452,662	4,306,544
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



**GLENCOE PARK DISTRICT, ILLINOIS**

**Assessed Valuations, Tax Rates, Allocations, Extensions and Collections - Last Ten Tax Levy Years  
February 28, 2017**

	2006	2007	2008	2009
Assessed Valuations	\$ 772,216,932	1,066,993,750	1,124,955,298	1,206,157,997
<b>Tax Rates</b>				
Corporate	0.2060	0.1580	0.1585	0.1516
Bond and Interest	0.1703	0.1230	0.1168	0.1089
IMRF/FICA	0.0595	0.0395	0.0400	0.0380
Recreation	0.0920	0.0738	0.0740	0.0709
Liability Insurance	0.0123	0.0093	0.0101	0.0092
Audit	0.0007	0.0005	0.0009	0.0007
Special Recreation	0.0153	0.0130	0.0137	0.0167
Workers' Compensation	0.0028	0.0020	0.0022	0.0018
	0.5589	0.4191	0.4162	0.3978
<b>Percentage of Taxes Extended for Use in Allocation of Collections</b>				
Corporate	36.85%	37.70%	38.08%	38.11%
Bond and Interest	30.47%	29.35%	28.06%	27.38%
IMRF/FICA	10.65%	9.42%	9.61%	9.55%
Recreation	16.46%	17.61%	17.78%	17.82%
Liability Insurance	2.20%	2.22%	2.43%	2.31%
Audit	0.13%	0.12%	0.22%	0.18%
Special Recreation	2.74%	3.10%	3.29%	4.20%
Workers' Compensation	0.50%	0.48%	0.53%	0.45%
	100.00%	100.00%	100.00%	100.00%
<b>Extended Levies</b>				
Corporate	\$ 1,590,767	1,685,850	1,783,054	1,828,536
Bond and Interest	1,315,085	1,312,402	1,313,948	1,313,506
IMRF/FICA	459,469	421,463	449,982	458,340
Recreation	710,440	787,441	832,467	855,166
Liability Insurance	94,983	99,230	113,620	110,967
Audit	5,406	5,335	10,125	8,443
Special Recreation	118,149	138,709	154,119	201,428
Workers' Compensation	21,622	21,340	24,749	21,711
	4,315,920	4,471,771	4,682,064	4,798,097
Total Tax Collections	\$ 4,260,219	4,332,871	4,546,262	4,603,530
<b>Percentage of Total Tax Collection to Extended Levies</b>				
	98.71%	96.89%	97.10%	95.94%

2010	2011	2012	2013	2014	2015
1,017,009,365	910,785,084	850,700,725	766,177,988	774,376,000	748,964,150
0.1851	0.2118	0.2335	0.2626	0.2611	0.2810
0.1281	0.1430	0.1276	0.1700	0.1672	0.1645
0.0465	0.0535	0.0583	0.0704	0.0787	0.0747
0.0882	0.1010	0.1108	0.1243	0.1239	0.1335
0.0112	0.0130	0.0164	0.0191	0.0202	0.0215
0.0011	0.0017	0.0014	0.0012	0.0011	0.0017
0.0208	0.0226	0.0236	0.0255	0.0186	0.0275
0.0022	0.0026	0.0059	0.0066	0.0053	0.0054
0.4832	0.5492	0.5775	0.6797	0.6761	0.7098
38.31%	38.57%	40.43%	38.63%	38.62%	39.59%
26.51%	26.04%	22.10%	25.01%	24.73%	23.18%
9.62%	9.74%	10.10%	10.36%	11.64%	10.52%
18.25%	18.39%	19.19%	18.29%	18.33%	18.81%
2.32%	2.37%	2.84%	2.81%	2.99%	3.03%
0.23%	0.31%	0.24%	0.18%	0.16%	0.24%
4.30%	4.12%	4.09%	3.75%	2.75%	3.87%
0.46%	0.47%	1.02%	0.97%	0.78%	0.76%
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
1,882,484	1,929,043	1,986,386	2,011,983	2,021,896	2,104,589
1,302,789	1,302,423	1,085,494	1,302,503	1,294,757	1,232,046
472,909	487,270	495,959	539,389	609,434	559,476
897,002	919,893	942,576	952,359	959,452	999,867
113,905	118,402	139,515	146,340	156,424	161,027
11,187	15,483	11,910	9,194	8,518	12,732
211,538	205,837	200,765	195,375	144,034	206,000
22,374	23,680	50,191	50,568	41,042	40,444
4,914,189	5,002,032	4,912,797	5,207,712	5,235,556	5,316,182
4,800,860	4,918,890	4,865,959	5,169,455	5,220,099	5,134,879
97.69%	98.34%	99.05%	99.27%	99.70%	96.59%

**GLENCOE PARK DISTRICT, ILLINOIS**

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago  
February 28, 2017**

Taxpayer	2015			2007		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Skokie Country Club	\$ 988,126	1	0.13%	N/A	N/A	N/A
Private Resident Taxpayer	839,790	2	0.11%	N/A	N/A	N/A
United Investors Inc	745,867	3	0.10%	N/A	N/A	N/A
Private Resident Taxpayer	712,407	4	0.10%	N/A	N/A	N/A
Private Resident Taxpayer	630,119	5	0.08%	N/A	N/A	N/A
Private Resident Taxpayer	608,350	6	0.08%	N/A	N/A	N/A
Private Resident Taxpayer	596,610	7	0.08%	N/A	N/A	N/A
Private Resident Taxpayer	576,037	8	0.08%	N/A	N/A	N/A
Private Resident Taxpayer	525,399	9	0.07%	N/A	N/A	N/A
Private Resident Taxpayer	507,563	10	0.07%	N/A	N/A	N/A
	<u>6,730,268</u>		<u>0.90%</u>	<u>N/A</u>		<u>N/A</u>

N/A - Information is not available.

Data Source: Office of the County Treasurer

# **V. Discussion to Reserve a Portion of Current Fund Balance for Future Capital**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting

# **VI. Discussion of Proposed/Revised Investment Policy**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting

# **VII. Discussion of Preliminary 2016 Final Tax Extension**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting



To: Board of Park Commissioners  
From: Carol Mensinger  
cc: Lisa Sheppard, Executive Director

Date: June 15, 2017

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**SUBJECT: Reserving Portion of Fund Balance for Future Capital**

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During the FY2017/18 budget discussions earlier this year, staff proposed that a portion of the current Corporate Fund and Recreation Fund fund balance reserves be earmarked for future capital (to be identified in the master planning process). As was done in the previous five years, staff also suggested that we await final audited fund balances to make a determination on the exact amount to be committed for this purpose.

Per the District's current Fund Balance Policy, guidelines for the Corporate Fund and Recreation Fund minimum fund balance levels are as follows:

- A. **General Fund** - The General Fund is a major fund and the general operating fund of the Park District. It is used to account for administrative, maintenance, parks, and greenhouse, Watts Ice Center, and Beach operations, and all financial resources except those that are accounted for in another fund.
1. Each year a portion of the spendable fund balance will be determined as follows:
    - a. Committed – A portion of the fund balance may be committed through formal action of the Board of Commissioners either through a resolution or ordinance.
    - b. Assigned – Fiscal Sustainability. This assigned fund balance will be maintained at a minimum level of 50% of annual budgeted expenditures. This will be adjusted annually with the adoption of the annual budget and is calculated at a minimum of six months (50%) of expenditures not including capital, debt service and interfund transfers.
    - c. Unassigned – The unassigned fund balance will be reviewed annually during the budget process. Balances in excess of six months (50%) of annual budgeted expenditures may be transferred to the Capital Projects Fund to support future capital projects.

**B. Special Revenue Funds** - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes other than debt service or capital projects. Financing for most special revenue funds is provided by a specific annual property tax levy. In some cases, financing is received from admissions, fees and charges for programs and activities. These proceeds are devoted exclusively to the purposes of which the special tax was authorized. Fund balances in special revenue funds (other than the Recreation Fund) are derived from property taxes and are therefore legally restricted to the purpose of the fund.

1. Recreation - This fund is a major fund and is used exclusively for planning, establishing, and maintaining recreational programs carried out by the Park District. Financing is provided from fees and charges for programs and activities and an annual property tax levy.

Each year a portion of the spendable fund balance will be determined as follows:

- a. The restricted fund balance for this fund will be targeted at a minimum level of 50% of annual budgeted expenditures. This will be adjusted annually with the adoption of the annual budget and is calculated at a minimum of six months (50%) of expenditures not including capital, debt service and interfund transfers.
- b. Committed – A portion of the fund balance may be committed through formal action of the Board of Commissioners either through a resolution or ordinance.

As of February 28, 2017, the audited *unassigned* fund balance reserve in the Corporate Fund was \$1,884,485, which represents approximately 70% of current budgeted FY2017/18 annual expenditures in the fund. With a proposed \$500,000 commitment to future capital, the remaining fund balance reserve would remain at just over 50% of annual budgeted expenditures (\$2,701,962).

As of February 28, 2017, the audited fund balance reserve committed for recreation purposes in the Recreation Fund was \$2,826,499 which represents approximately 66% of current budgeted FY2017/18 annual expenditures in the fund. With a proposed \$500,000 commitment to future capital, the remaining fund balance would remain at 55% of annual budgeted expenditures (\$4,254,770).

### **Staff Recommendation**

Based on the District's current Fund Balance Policy, staff recommends that an amount of \$500,000 be committed in the Corporate Fund to "Future Capital Projects" AND that an amount of \$500,000 be committed in the Recreation Fund to "Future Capital Projects". These amounts keep the Corporate and Recreation Funds minimum requirements within the policy to hedge against emergencies/unforeseen expenditures, and yet still allow the District to plan for the future. With these new committed amounts, the District will have committed a total of \$4.8 million for future capital projects from the master plan. (This is *in addition* to the \$1 million donation for Berlin Park.) Please see attached for the sample resolution that will be on the agenda for the July regular board meeting.



**GLENCOE PARK DISTRICT  
RESOLUTION No. XXX**

**A RESOLUTION FOR THE COMMITMENT OF \$500,000 OF THE CORPORATE  
FUND BALANCE AND \$500,000 OF THE RECREATION FUND BALANCE  
FOR FUTURE CAPITAL PROJECTS OF THE GLENCOE PARK DISTRICT**

**WHEREAS**, the Board of Park Commissioners (the “Board”) of the Glencoe Park District, has a Fund Balance Policy which was adopted by the Board in December 2011 and amended in August 2012 and again in February 2017;

**WHEREAS**, the District has more than the 50% required fund balance reserve in the Corporate Fund of the District and more than 50% required fund balance reserve in the Recreation Fund; and

**WHEREAS**, as the District has completed its master plan process which identifies future capital needs of the District;

**NOW THEREFORE**, Be It and It is Hereby Ordained by the Board of Park Commissioners of the Glencoe Park District, Cook County, Illinois that

**Section 1:** In the current Fiscal Year 2017/2018, the Park District will designate an amount of \$500,000 in the Corporate Fund and an additional \$500,000 in the Recreation Fund as “committed fund balance” to be used specifically for “Future Capital Projects of the District” as specifically outlined in the Master Plan.

**Section 2:** The Resolution shall be in full force and effect from after its adoption as provided by law.

Adopted by roll call vote on July 18, 2017:

AYES:  
NAYS:  
ABSENT:  
ABSTAIN:

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Josh Lutton, Treasurer  
Board of Park Commissioners

ATTEST:

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Lisa M. Sheppard, Secretary  
Board of Park Commissioners

[SEAL]

STATE OF ILLINOIS     )  
                                          ) SS  
COUNTY OF COOK     )

**SECRETARY'S CERTIFICATE**

I, Lisa M. Sheppard, do hereby certify that I am Secretary of the Board of Park Commissioners of the Glencoe Park District, Cook County, Illinois, and as such official, I am keeper of the records, ordinances, files and seal of said Park District; and,

**I HEREBY CERTIFY** that the foregoing instrument is a true and correct copy of Resolution No. **XXX**:

**A RESOLUTION FOR THE COMMITMENT OF \$500,000 OF THE CORPORATE FUND BALANCE AND \$500,000 OF THE RECREATION FUND BALANCE FOR FUTURE CAPITAL PROJECTS OF THE GLENCOE PARK DISTRICT**

adopted at a duly called Regular Meeting of the Board of Park Commissioners of the Glencoe Park District, held at Glencoe, Illinois, in said District at 7:00 p.m. on the 18<sup>th</sup> day of July 2017.

**I DO FURTHER CERTIFY** that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Park District Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of the Glencoe Park District at Glencoe, Illinois this 18<sup>th</sup> day of July 2017.

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Lisa M. Sheppard, Secretary  
Board of Park Commissioners  
Glencoe Park District

[SEAL]

# **VI. Discussion of Proposed/Revised Investment Policy**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting



To: Board of Park Commissioners

Date: June 15, 2017

From: Carol Mensinger, Director of Finance/HR

cc: Lisa Sheppard, Executive Director

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**SUBJECT:** Proposed/Revised Investment Policy

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The District's current Investment Policy was approved by the Board in 1999. Given the Distinguished Agency process, staff felt that a review and revision of this policy be undertaken. Please see attached for the new proposed policy which has been reviewed by Lauterbach & Amen.

# Glencoe Park District Investment Policy

*Approved by the Board of Park Commissioners: December 21, 1999  
Revisions Proposed to the Board of Park Commissioners (not approved): June 20, 2017*

## **Introduction**

The purpose of the Investment Policy of the Glencoe Park District is to define the parameters within which funds of the District are to be managed. In methods, procedures and practices, the policy formalizes the framework for the District's investment activities that must be exercised to ensure effective and judicious fiscal and investment management of those funds. The guidelines are intended to be broad enough to allow staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment of District's funds in accordance with the Public Funds Investment Act [30 ILCS 235].

## **Objectives**

The primary objectives, in priority of order, of the investment activities shall be:

- 1) Legality – The investment activities will conform to federal, state and local legal requirements.
- 2) Safety – The preservation of capital and protection of investment principal shall be the primary concern in the selection of investments, investment strategies and depositories. Investments shall be undertaken in a manner that seeks to ensure preservation of capital.
- 3) Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated. This can be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.
- 4) Yield – Investment activity shall seek to obtain a competitive investment return that is consistent with the objective of preservation of capital while maintaining a reasonable level of portfolio risk. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. Securities shall not be sold prior to maturity with the following exceptions:
  - Security with declining credit may be sold early to minimize loss of principal.
  - Liquidity needs of the portfolio require that the security be sold.

## **Standards of Care**

The standard of prudence to be used by the Glencoe Park District shall be the “prudent person” standard and shall be applied in the context of managing the District's overall portfolio. Investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital, as well as the probable income to be derived.

The above standards are established as standards for professional responsibility and shall be applied in the context of managing the portfolio. Individuals acting on behalf of the Glencoe Park District in the investment of funds who are acting within in accordance of governing statutes, the Policy and any written procedures developed to carry out this Policy, and who are exercising appropriate due diligence, shall be relieved of personal responsibility in carrying out delegated responsibilities and personal liability for individual security's credit risk or market changes.

### **Delegation of Authority**

The establishment of the investment policy is the responsibility of the Board of Park Commissioners. The management and administrative responsibility is delegated to the Director of Finance/HR as it relates to the following duties:

- Selection of investment securities
- Selection of investment advisors, depositories or other investment service providers
- Reinvestment of investment income whether through interest, dividends or maturity of principal
- Establishment of appropriate procedures to carry out the intent of this Policy

The Board of Commissioners shall exercise continuing oversight of the investments of the District through the Finance Committee of the Whole. The Director of Finance/HR shall report periodically to the Park Board via regular board meetings on the holdings, performance and any failures to meet expectations on the part of investments, investment advisors, depositories, or other investment service providers.

### **Authorized Investment Advisors, Broker/Dealers & Financial Institutions**

The policy of the Glencoe Park District shall be to select financial institutions for individual investment, to act as a depository, or to provide other financial services based upon, but not limited to, the following considerations:

- Security – The organizations shall not keep or invest funds that are not covered by the Federal Deposit Insurance Corporation (FDIC). In addition, no funds will be kept or invested in institutions not willing or capable of posting required collateral for funds in excess of the FDIC limits.
- Services and Fees – Fees for banking services shall be mutually agreed upon by the depository bank and the Director of Finance/HR. Whenever possible, the organizations shall cover fees for services by means of compensated balances.

Investment advisor and broker/dealers shall be selected based upon overall experience with Illinois governmental agencies and the ILCS as it relates to the Investment of Public Funds Act [30 ILCS 235]. Any institution or individual acting as an investment advisor shall be legally registered, have appropriate insurance or bonding, and accept fiduciary responsibility for the funds they so advise. In addition, broker/dealers shall be selected on the basis of credit worthiness as well as their ability to obtain competitive prices on securities purchased or sold on behalf of the Glencoe Park District. Additional criteria for the selection or evaluation of an investment, a depository, an advisor or other provider of investment services shall be determined by the Director of Finance/HR based upon the specific purpose required. The Glencoe Park District will take into consideration security, size, location, financial condition, service, fees, competitiveness and local community relations involvement of the financial institution when considering depositories.

All approved depositories must provide the District with their audited financial statements.

### **Authorized Investments**

Any type of security that is allowed for in the Public Funds Act [30 ILCS 235] as summarized below:

- a) Notes, bonds, certificates of indebtedness, treasury bills, or other securities, which are guaranteed by the full faith and credit of the United States of America
- b) Bonds, notes, debentures, or other similar obligation of the United States of America or its agencies
- c) Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits constituting direct obligations of the bank as defined by the Illinois Bank Act [205 ILCS 5].

- d) Interest bearing bonds of a park district or any county, township, city, village, incorporated town, municipal corporation or school district. The bonds must be registered in the name of the District or held under custodial agreement at a bank. The bonds shall be rated at the time of purchase within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and political subdivisions.
- e) Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraphs (a) and (b) of this section
- f) Repurchase agreements, subject to the requirements and limitations set forth in 30 ILCS 235/2
- g) Illinois Park District Liquid Asset Fund Plus (IPDLAF), the investment pool sponsored by the Illinois Association of Park Districts and Illinois Park and Recreation Association
- h) Illinois Funds, the Local Government Investment Pool (LGIP) operated by the Illinois State Treasurer's Office
- i) Additional investments may be added to this list as changes to the statutes occur.
- j) Investment in derivative securities is not permitted.

### **Collateralization**

Funds on deposit in checking accounts and certificates of deposit in excess of FDIC insurance limits must be secured by some form of collateral, witnessed by a written agreement and held in the name of the Glencoe Park District at an independent/third party institution. The Glencoe Park District will accept any of the following assets as collateral:

- U.S. Government Securities
- Obligations of Agencies of the U.S. Government
- Obligations of the State of Illinois
- Any other collateral acceptable for use by the Treasurer of the State of Illinois

The amount of collateralization will not be less than 102% of the fair market value of the net amount of the public funds being secured. A review of the fair value will be secured at least quarterly. Additional collateral will be requested when the ratio declines below the level requested.

### **Diversification**

To the best of its abilities, the Glencoe Park District shall diversify the investments based upon the type of funds invested as well as the individual securities and organizations selected and the cash flow needs of the entities.

To avoid unreasonable risks, diversification of the investment portfolio shall be consistent with the objectives in this Policy.

- Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- Limiting investment in securities that have higher credit risks,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government pools and money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

### **Maturity Scheduling**

Maturity scheduling of the organizations' investments shall be timed according to anticipated need. Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account operational expenditures, approaching capital projects, timely payments of principal and interest payments, as well as sizable allotments of anticipated revenue. Maturities shall not exceed one (1) year.

### **Application of Investment Income**

Except for cash in certain restricted funds, the District will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds on a monthly basis on the basis of their respective balances and in accordance with generally accepted accounting principles.

### **Reporting Requirements**

The Director of Finance shall provide a written report to the Board of Park Commissioners monthly at its regular board meeting detailing all District investments by type, issuer, interest rate, maturity and cost.

### **Internal Controls**

The Director of Finance shall be responsible for establishing and maintaining an internal control structure designed to insure that the assets of the Park District are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following:

- Control of collusion
- Separation of transaction authority
- Custodial safekeeping
- Written confirmations of transactions for investments and wire transfers
- Authorizations of wire transfers

### **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Board of Park Commissioners any material interest in financial institutions with which they conduct business. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Park District.



# **VII. Discussion of Preliminary 2016 Final Tax Extension**

Glencoe Park District

June 20, 2017

Finance Committee of the Whole Meeting

To: Board of Park Commissioners cc: Lisa Sheppard, Executive Director  
 From: Carol Mensinger, Director of Finance/HR  
 Date: June 15, 2017

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**Subject: Summary – DRAFT 2016 Final Tax Extension**

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Please see below for a summary of the draft copy of the 2016 final tax year information (FY2017/18 budget year), as well as a comparison to previous tax year 2015. Final 2016 tax year information is typically finalized and published by the County by late June.

For only the second time in the last seven years, the District has experienced an **increase** in equalized assessed valuation (EAV).

The *total* EAV increased \$171,590,705 or approximately 22.91%. The District's *new* property EAV totaled \$5,309,461, which equates to an approximate increase in new growth of 0.71%, and therefore, the District's *old* property EAV actually increased \$166,281,244, or 22.20%.

Because EAV and tax rates are **inversely related**, the total tax rate decreased from .7098 to .5849. The total rate consists of a "capped" operating rate of .427 and a "non capped" rate (for Bond & Interest and Special Recreation) of .1587. Until actual tax bills are received this summer, the true impact (i.e., the total tax increase/decrease) to individual taxpayers cannot be determined.

*If* the collection rate is 100% of extended taxes, the District could receive approximately \$104,764 more in tax revenues than what was included in the current FY2017/18 budget. This is due to the fact that the budget amount is based on an anticipated collection rate of only 98.5% (based on past history).

	<b>New Current Yr</b>	<b>Prior Yr</b>	
	<u><b>Tax Yr 2016</b></u>	<u><b>Tax Yr 2015</b></u>	<u><b>Difference</b></u>
Total EAV	920,554,855	748,964,150	(171,590,705)
Extended Tax Dollars:			
Operating Funds	4,160,301	4,084,134	76,167
Bond & Interest Fund	1,224,353	1,232,044	(7,691)
Total	5,384,654	5,316,178	68,476

	<b>New Current Yr</b>	<b>Prior Yr</b>	
	<u><b>Tax Yr 2016</b></u>	<u><b>Tax Yr 2015</b></u>	<u><b>Difference</b></u>
Total Budgeted Taxes	5,279,890	5,095,545	184,345
Total Taxes Actually Rec'd	not yet known	5,134,879	
Tax Rate:			
Operating Funds	.4519	.5453	.0364
Bond & Interest Rate	.1330	.1645	(.0315)
Total	.5849	.7098	.0337