

Freeport Park District

Freeport, Illinois

Annual Financial Report

March 31, 2018

Freeport Park District

Board of Commissioners

Ken Collin, President, (Current term expires May 2023)
George Yartzak, Vice President, (Current term expires May 2019)
Tom Jungen, Commissioner, (Current term expires May 2021)
Dana Stewart, Commissioner, (Current term expires May 2021)
Debbie Schwartz, Commissioner, (Current term expires May 2023)

Treasurer

Vickie L. Witt, Interim

Executive Director

Jack Carey

Freeport Park District

March 31, 2018

Table of Contents

Independent Auditor's Report	1 - 3
Management Discussion and Analysis	4 - 10
Basic Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Balance Sheet - Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	16
Statement of Net Position - Proprietary Fund	17
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	18
Statement of Cash Flows - Proprietary Fund	19 - 20
Notes to Financial Statements	21 - 46
Required Supplementary Information	
Multiyear Schedule of Contributions	47
Schedule of Changes in Net Pension Liability and Related Ratios for IMRF	48

Freeport Park District

March 31, 2018

Table of Contents

Required Supplementary Information (Continued)

General Fund:	
Schedule of Revenues and Expenditures Compared with Budget	49 - 51
Recreation Fund:	
Schedule of Revenues and Expenditures Compared with Budget	52 - 53
Social Security/IMRF Fund:	
Schedule of Revenues and Expenditures Compared with Budget	54
Museum Fund:	
Schedule of Revenues and Expenditures Compared with Budget	55
Tort Liability Fund:	
Schedule of Revenues and Expenditures Compared with Budget	56
Notes to Required Supplementary Information	57 - 58

Supplementary Information

Nonmajor Governmental Funds:	
Combining Balance Sheet	59
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	60
Capital Projects Fund:	
Combining Balance Sheet	61
Combining Statement of Revenue and Expenditures	62 - 65
Schedule of Tax Rates, Extensions and Assessed Valuations	66



Independent Auditor's Report

Board of Commissioners
Freeport Park District
Freeport, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freeport Park District, Freeport, Illinois (the "Park District") as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Park 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; 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Freeport Park District, Freeport, Illinois as of March 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis, the schedule of contributions for Illinois municipal retirement fund, schedule of changes in net pension liability for the Illinois municipal retirement fund, and the schedules of revenues and expenditures compared with budget on pages 4 - 10 and 47 - 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Freeport Park District's financial statements as a whole. The schedules listed in the table of contents as "Supplementary Information" are presented for purposes of additional analysis and are not a required part of the financial statements. These 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Freeport, Illinois
August 24, 2018

Management Discussion and Analysis

Freeport Park District

Management Discussion and Analysis

As management of the Freeport Park District (the "Park District"), we offer the readers of the Park District's financial statements this narrative overview and analysis of the financial activities of the Freeport Park District for the year ended March 31, 2018.

The MD&A is provided at the beginning of the report to provide an overview of the Park District's financial position at March 31, 2018 and 2017, and the results of operations. This summary should not be taken as a replacement for the annual financial report, which consists of the financial statements, notes to the financial statements, required and supplementary information.

Using This Financial Report

The financial section of this annual report consists of four parts - Independent Auditor's Report, required supplementary information which includes the MD&A (this section), the basic financial statements, and other supplementary information.

Government-Wide Financial Statements

The first two statements are government-wide financial statements that provide both short term and long term information about the Park District's overall financial status, similar to a private sector business. In the government-wide financial statements the Park District's activities are shown in two categories - governmental and business type activities. The Park District's basic services are general government, parks, building, and programs. Current operations of these activities are largely financed with property taxes.

The statement of net position presents information on all of the Park District's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them 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 Park District is improving or deteriorating. To assess the overall health of the Park District you need to consider additional non-financial factors such as the condition of the Park District's buildings and facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. The government-wide financial statements are prepared under the accrual basis of accounting.

Fund Financial Statements

The fund financial statements provide more detailed information about the Park District's funds - not the Park District as a whole. Funds are accounting devices the Park District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the Park District is properly using certain revenues.

Freeport Park District

Management Discussion and Analysis

Fund Financial Statements (Continued)

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for each. By doing so, readers may better understand the long-term impact of the Park District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Park District maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for all these funds. Seven of these ten governmental funds are considered major funds of the Park District.

The Park District adopts annual budgets for all major governmental funds and certain other funds. A budgetary comparison statement has been provided for the major governmental funds only, which is in compliance with GASB Statement No. 34.

General (Corporate) Fund Budgetary Variances

Revenues - The most significant revenues for the General Fund during fiscal year 2018 continue to be property and replacement taxes. Total revenues were approximately \$672,000 which was approximately \$22,000 more than the budgeted revenues.

Expenditures - Actual expenditures were less than budgeted disbursements in the General Fund by approximately \$132,000. The primary budgetary differences were related to less costly personal services and medical insurance.

Recreation Fund Budgetary Variances

Revenues - The Recreation Fund receives most of its revenues from property taxes and user fees. The overall budgeted revenues for property tax and program fees were less than actual revenues by approximately \$56,000.

Expenditures - The overall expenditures were less than the budgeted disbursements by approximately \$151,000. The Park District attributes this variance to efficient operations as well as reduced variable expenses.

Social Security/IMRF Fund Budget Variances

Revenues - The Social Security/IMRF Fund receives most of its revenues from taxes. The overall budgeted revenues were close to actual revenues.

Expenditures - The overall expenditures were less than the budgeted disbursements by approximately \$13,000. This was primarily due to a decrease in payroll related to the reduction in services.

Freeport Park District

Management Discussion and Analysis

Fund Financial Statements (Continued)

Museum Budget Variances

Revenues - The Museum Fund receives most of its revenues from property taxes. The overall budgeted revenues were close to actual revenues.

Expenditures - The overall expenditures exceeded the budgeted disbursements by approximately \$16,000. This was primarily due to unexpected repairs.

Tort Liability Budget Variances

Revenues - The Tort Liability Fund receives most of its revenues from taxes. The overall budgeted revenues were less than actual revenues due to a clerical error during the budgeting process.

Expenditures - The overall budgeted expenditures were close to actual expenditures.

Freeport Park District

Management Discussion and Analysis

Condensed Financial Information

Net position is summarized in the table below.

Condensed Statement of Net Position as of March 31, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets:						
Current Assets	\$ 7,131,147	\$ 7,196,235	\$1,196,235	\$1,334,134	\$ 8,337,382	\$ 8,530,369
Non-current Assets	<u>12,268,924</u>	<u>11,961,863</u>	<u>1,221,324</u>	<u>1,283,326</u>	<u>13,490,248</u>	<u>13,245,189</u>
Total Assets	<u>19,400,071</u>	<u>19,158,098</u>	<u>2,417,559</u>	<u>2,617,460</u>	<u>21,817,630</u>	<u>21,775,558</u>
Deferred outflows of resources	<u>239,610</u>	<u>255,629</u>	<u>-</u>	<u>-</u>	<u>239,610</u>	<u>255,629</u>
Liabilities:						
Current Liabilities	686,532	880,387	201,383	217,893	887,915	1,098,280
Non-current Liabilities	<u>458,853</u>	<u>433,056</u>	<u>17,449</u>	<u>13,155</u>	<u>476,302</u>	<u>446,211</u>
Total liabilities	<u>1,145,385</u>	<u>1,313,443</u>	<u>218,832</u>	<u>231,048</u>	<u>1,364,217</u>	<u>1,544,491</u>
Deferred Inflows of Resources	<u>2,787,343</u>	<u>2,366,093</u>	<u>-</u>	<u>-</u>	<u>2,787,343</u>	<u>2,366,093</u>
Net Position:						
Net investment in capital assets	10,502,375	10,569,155	1,221,324	1,283,326	11,723,699	11,852,481
Restricted	2,620,525	2,439,693	-	-	2,620,525	2,439,693
Unrestricted	<u>2,584,053</u>	<u>2,725,343</u>	<u>977,403</u>	<u>1,103,086</u>	<u>3,561,456</u>	<u>3,828,429</u>
Total net position	<u>\$15,706,953</u>	<u>\$15,734,191</u>	<u>\$2,198,727</u>	<u>\$2,386,412</u>	<u>\$17,905,680</u>	<u>\$18,120,603</u>

The largest portion of the Park District's net position is reflected in its investments in capital assets (i.e., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Park District uses these assets to provide services. Therefore these assets are not available for future spending. Although the Park District's investments in its capital assets are reported net of available debt, it should be noted that the resources required to repay this type of debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

Freeport Park District

Management Discussion and Analysis

Condensed Financial Information (Continued)

The Park District's net position consists of net investment in capital assets, restricted net position, and unrestricted net position. Restricted net position represents assets which have restrictions determined by an outside party.

Unrestricted represents net position that has not been restricted by an outside party. This includes funds that the Park District has designated for specific uses as well as amounts that are contractually committed for goods and services.

Revenues, expenses, and changes in net position are summarized in the table below:

Condensed Statement of Activities For Fiscal Years Ending March 31, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues:						
Program:						
Charges for services	\$ 282,283	\$ 341,320	\$ 778,752	\$ 839,923	\$1,061,035	\$1,181,243
Operating grants & contributions	-	-	-	-	-	-
Capital grants & contributions	3,843	415,702	-	-	3,843	415,702
General:						
Property taxes	2,232,745	2,308,155	-	-	2,232,745	2,308,155
Replacement tax	166,293	179,026	-	-	166,293	179,026
Other:						
Investment earnings	48,323	39,782	2,160	6,026	50,483	45,808
Insurance proceeds	2,829	2,478	-	-	2,829	2,478
Miscellaneous	<u>103,274</u>	<u>111,877</u>	<u>14,345</u>	<u>3,707</u>	<u>117,619</u>	<u>115,584</u>
 Total revenues	 <u>2,839,590</u>	 <u>3,398,340</u>	 <u>795,257</u>	 <u>849,656</u>	 <u>3,634,847</u>	 <u>4,247,996</u>

Freeport Park District

Management Discussion and Analysis

Condensed Statement of Activities For Fiscal Years Ending March 31, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Expenses:						
General government	1,279,597	1,446,355	-	-	1,279,597	1,446,355
Public safety - police	39,687	30,893	-	-	39,687	30,893
Parks department	1,259,440	1,254,261	962,172	973,795	2,221,612	2,228,056
Development	279,854	167,812	-	-	279,854	167,812
Interest on debt	<u>29,020</u>	<u>35,015</u>	<u>-</u>	<u>-</u>	<u>29,020</u>	<u>35,015</u>
Total expenses	<u>2,887,598</u>	<u>2,934,336</u>	<u>962,172</u>	<u>973,795</u>	<u>3,849,770</u>	<u>3,908,131</u>
Transfers - internal activity	<u>20,770</u>	<u>24,538</u>	<u>(20,770)</u>	<u>(24,538)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ (27,238)</u>	<u>\$ 488,542</u>	<u>\$ (187,685)</u>	<u>\$ (148,677)</u>	<u>\$ (214,923)</u>	<u>\$ 339,865</u>

Major sources of operating revenues for the Park District's governmental funds include property taxes and membership fees.

Capital Asset and Long-Term Debt Activity

Capital Assets

The Park District's investment in capital assets at year-end totaled \$12,624,699 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, office furniture and equipment, and other equipment related to programs. There were \$414,596 of capital asset additions recorded during the year and \$777,378 of depreciation charges were expensed on the total capital assets. See Footnote (3) for details of capital assets.

Long-term debt activity

At March 31, 2018, the Park District had approximately \$901,000 in long-term debt which consists of general obligation bonds. See Footnote (4) for details of debt.

Freeport Park District

Management Discussion and Analysis

Management's Analysis of the District's Overall Financial Position and Results of Operations

The Statement of Net Position reflects an overall decrease in the Park District's total net position from the prior year of approximately \$215,000.

The Park District's General Fund balance increased approximately \$159,000 from the prior year. The General Fund is the primary operating fund of the Park District.

The Park District has created financial stability through careful planning and use of our fund balances. The Park District will continue to complete capital improvements and repairs in accordance with our Capital Improvement Plan as well as continue to assess and implement the programming needs of our community.

Factors or Conditions Impacting Future Periods

Future goals include the expansion of the Park Districts trail system and continue cooperation with the City of Freeport and the Freeport School District to provide additional community programming to include special events. The Park District hopes that the additional special events will enrich the lives of our constituents as well as improve the financial health of the community through tourism revenue.

Contacting the Park District's Financial Management

This financial report is designed to provide our citizens, taxpayers and customers with a general overview of the District's finances and to demonstrate the Park District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Freeport Park District, 1122 S. Burchard Ave., Freeport, IL 61032.

Basic Financial Statements

Freeport Park District

Statement of Net Position

March 31, 2018

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Current assets:			
Cash, cash equivalents, and investments	\$ 4,350,526	\$ 1,159,861	\$ 5,510,387
Investment in trust	67,579	-	67,579
Other receivables	503,471	-	503,471
Property taxes receivable	2,209,571	-	2,209,571
Inventory	-	36,374	36,374
Total current assets	7,131,147	1,196,235	8,327,382
Non-current assets:			
Net pension asset	865,549	-	865,549
Land (non-depreciable)	1,855,259	560,000	2,415,259
Land improvements	9,427,368	1,822,823	11,250,191
Buildings & equipment	11,390,422	2,487,510	13,877,932
Less allowance for depreciation	(11,269,674)	(3,649,009)	(14,918,683)
Total noncurrent assets	12,268,924	1,221,324	13,490,248
Total assets	19,400,071	2,417,559	21,817,630
Deferred Outflows of Resources			
Deferred outflows of pension resources	239,610	-	239,610
Liabilities			
Current liabilities:			
Accounts payable	137,814	23,496	161,310
Flex benefit plan payable	1,189	-	1,189
Accrued salaries	16,776	5,182	21,958
Accrued interest payable	6,124	-	6,124
Compensated absences - current	15,416	-	15,416
Unearned revenue - charges for services	1,749	154,874	156,623
Unearned revenue - unredeemed gift certificates	1,464	17,831	19,295
Bonds payable - current portion	506,000	-	506,000
Total current liabilities	686,532	201,383	887,915
Noncurrent:			
Compensated absences - noncurrent	63,853	17,449	81,302
Bonds payable - non-current portion	395,000	-	395,000
Total noncurrent liabilities	458,853	17,449	476,302
Total liabilities	1,145,385	218,832	1,364,217
Deferred Inflows of Resources			
Deferred inflows of pension resources	577,772	-	577,772
Property taxes	2,209,571	-	2,209,571
Total deferred inflows of resources	2,787,343	-	2,787,343
Net Position			
Net investment in capital assets	10,502,375	1,221,324	11,723,699
Restricted for:			
Debt service	118,903	-	118,903
Other purposes	2,501,622	-	2,501,622
Unrestricted	2,584,053	977,403	3,561,456
Total net position	\$ 15,706,953	\$ 2,198,727	\$ 17,905,680

Freeport Park District

Statement of Activities

Year ended March 31, 2018

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 1,279,597	\$ -	\$ -	\$ -
Public safety - police	39,687	3,890	-	-
Culture and recreation	1,259,440	278,393	-	3,843
Development	279,854	-	-	-
Interest on long-term debt	29,020	-	-	-
Total governmental activities	2,887,598	282,283	-	3,843
Business-type activities:				
Golf course	962,172	778,752	-	-
Total business-type activities	962,172	778,752	-	-
Total primary government	\$ 3,849,770	\$ 1,061,035	\$ -	\$ 3,843
General revenues:				
Taxes:				
Property taxes				
Corporate replacement tax				
Investment income				
Contributions				
Miscellaneous				
Insurance/claims proceeds				
Transfers - internal activity				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,279,597)	\$ -	\$ (1,279,597)
(35,797)	-	(35,797)
(977,204)	-	(977,204)
(279,854)	-	(279,854)
(29,020)	-	(29,020)
<hr/>		
(2,601,472)	-	(2,601,472)
<hr/>		
-	(183,420)	(183,420)
<hr/>		
-	(183,420)	(183,420)
<hr/>		
(2,601,472)	(183,420)	(2,784,892)
<hr/>		
2,232,745	-	2,232,745
166,293	-	166,293
48,323	2,160	50,483
10,395	12,345	22,740
92,879	2,000	94,879
2,829	-	2,829
20,770	(20,770)	-
<hr/>		
2,574,234	(4,265)	2,569,969
<hr/>		
(27,238)	(187,685)	(214,923)
<hr/>		
15,734,191	2,386,412	18,120,603
<hr/>		
\$ 15,706,953	\$ 2,198,727	\$ 17,905,680
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Freeport Park District

Balance Sheet Governmental Funds

March 31, 2018

	General Fund	Recreation Fund	Social Security/ Mun. Retire. Fund
Assets			
Cash, cash equivalents, and investments	\$ 698,696	\$ 298,743	\$ 386,463
Receivables	-	-	-
Investment in trust	-	67,579	-
Taxes receivable	805,118	425,013	163,611
Due from other funds	10,570	-	-
Prepaid advertising	-	-	-
Total assets	\$ 1,514,384	\$ 791,335	\$ 550,074
Liabilities			
Liabilities			
Accounts payable	\$ 25,731	\$ 23,689	\$ -
Flex benefit plan payable	1,189	-	-
Accrued salaries	5,453	5,106	-
Unearned revenue - charges for services	-	1,749	-
Unearned revenue - unredeemed gift certificates	-	1,464	-
Due to other funds	-	-	-
Total liabilities	32,373	32,008	-
Deferred Inflows of Resources			
Property taxes	805,118	425,013	163,611
Total deferred inflows of resources	805,118	425,013	163,611
Fund balances			
Fund balances:			
Nonspendable	-	-	-
Restricted for:			
Tort liability insurance	-	-	-
Recreation - Gelwicks donation	-	67,579	-
Payroll taxes/retirement contribution	-	-	386,463
Special Recreation	-	-	-
Museum	-	-	-
Police	-	-	-
Audit	-	-	-
Debt service	-	-	-
Committed	-	-	-
Unassigned	676,893	266,735	-
Total fund balances	676,893	334,314	386,463
Total liabilities, deferred inflows, and fund balances	\$ 1,514,384	\$ 791,335	\$ 550,074

Museum Fund	Tort Liability Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 191,497	\$ 1,089,709	\$ 118,903	\$ 1,306,006	\$ 260,509	\$ 4,350,526
-	-	-	503,471	-	503,471
-	-	-	-	-	67,579
143,088	-	529,652	-	143,089	2,209,571
-	-	-	-	-	10,570
-	-	-	-	-	-
<u>\$ 334,585</u>	<u>\$ 1,089,709</u>	<u>\$ 648,555</u>	<u>\$ 1,809,477</u>	<u>\$ 403,598</u>	<u>\$ 7,141,717</u>
\$ 801	\$ 3,258	\$ -	\$ 83,659	\$ 676	\$ 137,814
-	-	-	-	-	1,189
2,449	2,055	-	-	1,713	16,776
-	-	-	-	-	1,749
-	-	-	-	-	1,464
-	-	-	-	10,570	10,570
<u>3,250</u>	<u>5,313</u>	<u>-</u>	<u>83,659</u>	<u>12,959</u>	<u>169,562</u>
143,088	-	529,652	-	143,089	2,209,571
<u>143,088</u>	<u>-</u>	<u>529,652</u>	<u>-</u>	<u>143,089</u>	<u>2,209,571</u>
-	-	-	-	-	-
-	1,084,396	-	-	-	1,084,396
-	-	-	-	-	67,579
-	-	-	-	-	386,463
-	-	-	-	106,202	106,202
188,247	-	-	-	-	188,247
-	-	-	-	118,531	118,531
-	-	-	-	22,817	22,817
-	-	118,903	-	-	118,903
-	-	-	1,725,818	-	1,725,818
-	-	-	-	-	943,628
<u>188,247</u>	<u>1,084,396</u>	<u>118,903</u>	<u>1,725,818</u>	<u>247,550</u>	<u>4,762,584</u>
<u>\$ 334,585</u>	<u>\$ 1,089,709</u>	<u>\$ 648,555</u>	<u>\$ 1,809,477</u>	<u>\$ 403,598</u>	<u>\$ 7,141,717</u>

Freeport Park District

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

March 31, 2018

Total fund balances - governmental funds	\$ 4,762,584
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 as assets in governmental funds.	22,673,049
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Deferred outflows related to pensions	239,610
Net pension asset	865,549
Accumulated depreciation relative to capital assets has not been reported on the governmental fund balance sheet.	(11,269,674)
General obligation bonds payable debt has not been reported on the governmental funds balance sheet.	(901,000)
Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due.	(6,124)
Long-term liabilities, not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(79,269)
Deferred inflows related to pensions	<u>(577,772)</u>
Total net position - governmental activities	<u>\$ 15,706,953</u>

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Freeport Park District

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

Year ended March 31, 2018

	General Fund	Recreation Fund	Social Security/ Mun. Retire. Fund
Revenues			
Property taxes	\$ 537,482	\$ 398,197	\$ 174,259
Corporate replacement tax	79,147	79,146	8,000
Investment earnings (losses)	36,282	29,132	(2,945)
Labor reimbursement	-	-	-
Building rentals	10,585	-	-
Grants - state	-	-	-
Donations/Foundation reimbursement	-	-	-
J.A.T. Commission - reimbursements	-	14,230	-
Fines	-	-	-
Insurance reimbursement	2,829	-	-
Charges for services	-	263,601	-
Miscellaneous	5,535	2,319	-
Total revenues	671,860	786,625	179,314
Expenditures			
Current:			
General government	533,731	381,430	120,419
Public safety	-	-	-
Culture and recreation	-	297,990	40,140
Development	-	-	-
Total current expenditures	533,731	679,420	160,559
Debt service - interest	-	-	-
Debt service - principal	-	-	-
Capital outlay	-	-	-
Total expenditures	533,731	679,420	160,559
Excess (deficiency) of revenues over expenditures	138,129	107,205	18,755
Other Financing Sources (Uses)			
Transfer of administrative services	30,770	-	-
Other transfers in	-	-	-
Other transfers out	(10,000)	-	-
General obligation debt issued	-	-	-
Total other financing sources (uses)	20,770	-	-
Net change in fund balances	158,899	107,205	18,755
Fund balances - beginning	517,994	227,109	367,708
Fund balances - ending	\$ 676,893	\$ 334,314	\$ 386,463

Museum Fund	Tort Liability Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 143,666	\$ 248,891	\$ 586,046	\$ -	\$ 144,204	\$ 2,232,745
-	-	-	-	-	166,293
675	(3,850)	-	(11,837)	866	48,323
-	-	-	-	-	-
-	-	-	-	-	10,585
-	3,843	-	-	-	3,843
-	-	-	10,395	-	10,395
-	-	-	-	-	14,230
-	-	-	-	3,890	3,890
-	-	-	-	-	2,829
-	-	-	-	14,792	278,393
32,086	19,847	-	8,277	-	68,064
176,427	268,731	586,046	6,835	163,752	2,839,590
-	265,457	-	73,509	19,700	1,394,246
-	-	-	-	39,687	39,687
192,258	-	-	-	86,949	617,337
-	-	-	279,854	-	279,854
192,258	265,457	-	353,363	146,336	2,331,124
-	-	29,376	-	-	29,376
-	-	1,135,000	-	-	1,135,000
-	-	-	359,636	-	359,636
192,258	265,457	1,164,376	712,999	146,336	3,855,136
(15,831)	3,274	(578,330)	(706,164)	17,416	(1,015,546)
-	-	-	-	(10,000)	20,770
-	-	582,469	-	10,000	592,469
-	-	-	(582,469)	-	(592,469)
-	-	-	901,000	-	901,000
-	-	582,469	318,531	-	921,770
(15,831)	3,274	4,139	(387,633)	17,416	(93,776)
204,078	1,081,122	114,764	2,113,451	230,134	4,856,360
\$ 188,247	\$ 1,084,396	\$ 118,903	\$ 1,725,818	\$ 247,550	\$ 4,762,584

Freeport Park District

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

March 31, 2018

Net changes in fund balances - Governmental funds	\$ (93,776)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense reported in the current period exceeded capital outlays	(300,780)
Proceeds from the issuance of bonds during the current fiscal year are not reported as revenue in the statement of activities	(901,000)
Retirement of general obligation debt principal during the current fiscal year is not reported as expenditures in the statement of activities	1,135,000
Interest expense accrual in the government-wide statement of activities does not require the use of current financial resources, and therefore, is not reported as an expenditure in the governmental funds	356
Change in pension related assets/liabilities are not reported in the statement of activities	151,968
Change in the accrual for compensated absences is reported as a current fiscal year adjustment in the statement of activities	<u>(19,006)</u>
Change in net position of governmental activities	<u>\$ (27,238)</u>

Freeport Park District

Statement of Net Position Proprietary Fund

March 31, 2018

	Golf Course Enterprise Fund
Assets	
Current assets:	
Cash, cash equivalents, and investments	\$ 1,159,861
Inventory	36,374
Total current assets	1,196,235
Noncurrent assets:	
Land (nondepreciable)	560,000
Land improvements	1,822,823
Buildings and equipment	2,487,510
Less allowance for depreciation	(3,649,009)
Total noncurrent assets	1,221,324
Total assets	2,417,559
Liabilities	
Current liabilities:	
Accounts payable	23,496
Accrued salaries	5,182
Compensated absences	-
Unearned revenue - charges for services	154,874
Unearned revenue - unredeemed gift/golf certificates	17,831
Total current liabilities	201,383
Noncurrent liabilities:	
Compensated absences	17,449
Total liabilities	218,832
Net Position	
Net investment in capital assets	1,221,324
Unrestricted	977,403
Total net position	\$ 2,198,727

Freeport Park District

Statement of Revenues, Expenses and Changes in Net Position Proprietary Fund

Year ended March 31, 2018

	Golf Course Enterprise Fund
<hr/>	
Operating revenues:	
Charges for services	\$ 778,752
Total operating revenues	778,752
<hr/>	
Operating expenses:	
Salaries	387,508
Contractual services	25,641
Utilities	36,612
Repair and maintenance	54,949
Other supplies and expenses	340,500
Depreciation	116,962
Total operating expenses	962,172
Operating income (loss)	(183,420)
<hr/>	
Non-operating revenues (expenses):	
Investment income	2,160
Donations	12,345
Miscellaneous revenue	2,000
Total non-operating revenue (expenses)	16,505
Income (loss) before contributions and transfers	(166,915)
<hr/>	
Transfers in	-
Transfers out	(20,770)
Change in net position	(187,685)
<hr/>	
Net position, beginning	2,386,412
Net position, ending	\$ 2,198,727
<hr/>	

Freeport Park District

Statement of Cash Flows Proprietary Fund

Year ended March 31, 2018

	Golf Course Enterprise Fund
Cash Flows From Operating Activities	
Receipts from customers	\$ 767,400
Payments to suppliers	(459,546)
Payments to employees	(385,699)
<hr/>	
Net cash provided by (used in) operating activities	(77,845)
<hr/>	
Cash Flows From Non-Capital Financing Activities	
Miscellaneous	2,000
Donations	12,345
Transfer of management/user fees	-
Transfer of administrative services	(20,770)
Transfer to other funds	-
Transfer from other funds	-
<hr/>	
Net cash provided by (used in) non-capital financing activities	(6,425)
<hr/>	
Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	(54,960)
<hr/>	
Net cash provided by (used in) capital and related financing activities	(54,960)
<hr/>	
Cash Flows From Investing Activities	
Investment income	2,160
<hr/>	
Net cash provided by (used in) investing activities	2,160
<hr/>	
Net increase (decrease) in cash, cash equivalents, and investments	(137,070)
Beginning cash, cash equivalents, and investments	1,296,931
<hr/>	
Ending cash, cash equivalents, and investments	\$ 1,159,861

Freeport Park District

Statement of Cash Flows (Continued) Proprietary Fund

Year ended March 31, 2018

	Golf Course Enterprise Fund
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (183,420)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:	
Depreciation	116,962
Changes in assets and liabilities:	
Inventory	829
Accrued salaries/compensated absences	1,809
Accounts payable	(2,673)
Unredeemed gift/golf certificates	(331)
Unearned revenue	(11,021)
Net cash provided by (used in) operating activities	\$ (77,845)

Notes to Financial Statements

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

The Park District's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed below.

The Financial Reporting Entity

The Freeport Park District (Park District) is a municipal unit of local government authorized under Chapter 70 of the Illinois Compiled Statutes (ILCS), section 1205, governed by a five member elected Board of Park Commissioners. The District's major operations include public safety, golf course operations, recreation and general government services. The Park District is located primarily in Freeport, Illinois.

In evaluating how to define the government, for financial reporting purposes, the Park District has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The Park District's financial reporting entity comprises the following:

Primary Government - Freeport Park District

The Park District has determined that there are no component units required to be included in the financial statements.

Government Wide and Fund Financial Statements

The government wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government as a whole. For the most part any inter-fund activity has been eliminated from these two statements. The statements distinguish between governmental and business-type activities. Governmental-type activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in large part by fees charged to external parties for goods or services.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

The Statement of Activities demonstrates the degree to which the direct expense of a given function or identifiable activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity.

Program revenues include 1) charges for services which report fees, fines and forfeitures, and other charges to users of the Park District's services; 2) grants and contributions which finance annual operating activities including restricted investment income; and 3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. Taxes and other revenue sources not properly included with program revenues are reported as general revenue.

Separate fund financial statements are provided for governmental funds, proprietary funds and if applicable, fiduciary funds which are not included in the government-wide financial statements.

Funds of the Park District are organized into two major categories: governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Park District or meets the following criteria:

- 1) Total assets, liabilities, 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
- 2) Total assets, liabilities, 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.

Fund Financial Statements

The fund types of the reporting entity are described below:

Governmental Funds

General Fund - The general fund is the primary operating fund of the Park District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in all other funds. The Park District's general fund accounts for the operation of the Park District's administration.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources such as police fines, special recreational programs, and regular recreational programs including pool revenue that are legally restricted to expenditures for certain purposes.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide and Fund Financial Statements (Continued)

Capital Projects Fund - The Capital Projects Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items. Funding is provided both through annual capital improvement bond sale proceeds and, state and federal grants.

Debt Service Fund - The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the Park District other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the District's debt retirement requirements.

Proprietary Funds

Enterprise Fund - The Enterprise Fund is used to account for business-like activities to the general public. The activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Enterprise Fund includes the Golf Course Fund.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide and Fund Financial Statements (Continued)

Major and Non-major Funds

The Funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Description</u>
Major:	
General Fund	See above for description
Special Revenue Funds:	
Recreation Fund	Accounts for activities of promoting and maintaining recreational programs of the Park District.
Museum Fund	Accounts for operation of the Park District’s museum facility and functions. Funding is provided by property tax levy.
Tort Liability Fund	Accounts for the Park District’s insurance and risk management
Social Security/Municipal Retirement Fund	Accounts for activities resulting from participation in both the Illinois Municipal Retirement Program and the Federal government’s Social Security program.
Capital Projects Fund	See above for description
Debt Service Fund	See above for description
Enterprise Fund:	
Golf Course Funds	See above for description
Non-major:	
Special Revenue Funds:	
Special Recreation Fund	Accounts for the operation of the Park District’s special recreational programs. Funding is provided by property tax levy and program fees.
Police Fund	Accounts for the operation of a portion of the expense salary of the Police Dept. Funding is provided by property tax levy and assessed fines.
Audit Fund	Accounts for expenditures in connection with the Park District’s annual financial compliance audit as mandated by state statute. Funding is provided by property tax levy.

Under the GASB issued Statement 34, the District may report any governmental fund as a major fund if the government’s officials believe the fund is “particularly important to financial statement users”. The District has chosen to include the Social Security / Retirement funds and Museum Fund as major even though the fund calculations do not classify them as major funds. The District views these funds as particularly important to the financial statements users.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation

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

The government-wide financial statements and the proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of when the cash is received or paid.

The Governmental Funds Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are generally measurable and available. Revenues are considered to be available if they are received within the current reporting period or soon enough thereafter in order to pay the current liabilities of the current period. The Park District generally considers revenues to be available if received within 60 days after the end of the fiscal year. Expenditures are usually recorded when a liability is incurred under the modified accrual basis. Expenditures for debt service and compensated absences are recorded when they become due. The government-wide financial statements classify expenses by function for both governmental and business-type activities.

Governmental funds report expenditures relating to use of financial resources. Proprietary funds report expenses relating to use of economic resources.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By character:

Current (further classified by function), Capital Outlay, or Debt Service

In the propriety fund financial statements, expenses are classified as operating and non-operating.

Permanent re-allocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Cash and Investments

The Park District maintains and controls several major cash accounts in which the general, special revenue, capital projects funds and the golf course funds are pooled but accounted for separately by fund. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at year end. An individual fund's monies in pooled cash accounts are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with maturity of ninety days or less are also considered to be "cash equivalents".

Occasionally one or more of the funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Park District Board. Negative balances incurred in pooled cash and investments at year end are shown as due to/from balances in the financial statements. At year end, no funds had deficit balances in the cash or investment commingled accounts.

For purposes of the proprietary fund Statement of Cash Flows, "cash, cash equivalents, and investments" include all demand and savings accounts, and certificate of deposits or short-term investments with an original maturity of three months or less.

All investments are recorded at their fair value based on quoted market prices. Cash deposits are reported at carrying amount which reasonably estimates fair value. Additional cash and investment disclosures are presented in Note (2).

Investments of the District are limited by State law to the following:

1. Direct obligations of the U.S. Government or its agencies or instrumentalities to which the full faith and credit of the US Government is pledged, or obligations to the payment of which the full faith and credit of the State of Illinois is pledged.
2. Certificates of deposit or savings accounts which are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
3. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper, and repurchase agreements with certain limitations.
4. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous items 1, 2, and 3.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Prepaid Items

Prepaid balances are for payments made by the Park District in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures. The Park District did not have any prepaid balances at year end.

Inventories

The Park District owns and operates a municipal golf course. The course offers a Pro Shop with a varied full line of golfing merchandise. Merchandise inventory is stated at the lower of cost or market using the LIFO method to reflect the amount of items on hand at March 31, 2018.

Interfund Receivables and Payables

Any residual balances between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". There were no interfund balances that required elimination in the government-wide financial statements at March 31, 2018.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. The Park District considers the allowance for uncollectible accounts receivable and the allowance for uncollectible property taxes receivable as immaterial and therefore has chosen to not record an allowance for these items. Major receivables balances for the governmental activities include property taxes and police fines. Business-type activities have no reported receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are not capitalized. Estimated historical cost was used to value the majority of the assets acquired prior to April 1, 2004.

Assets capitalized, including infrastructure assets, have an original cost of \$10,000 or more and an estimated useful life in excess of three years. Depreciation has been calculated on each class of depreciable property using the straight-line method. Donated capital assets are recorded at their acquisition value at the date of donation.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Equipment	5 - 20 years
Vehicles	5 - 10 years
Infrastructure	25 - 40 years
Improvements	15 - 20 years

Infrastructure assets prior to April 1, 2004 have not been capitalized.

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide financial statements. The long-term debt consists primarily of bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for the proprietary fund is the same in the fund statements as it is in the government-wide statements.

The Illinois Park District Code limits the amount of outstanding general obligation bonded debt of the Park District to no more than 5.75% of net assessed valuation. For the year ended March 31, 2018, the Park District had outstanding general obligation debt of \$901,000.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Legal Debt Margin

Based on assessed valuation for fiscal year 2017 of \$204,412,027, the legal debt margin is:

Statutory Debt Limitation	\$204,412,027 x 5.75% =	\$11,753,692
Total Debt Outstanding		<u>901,000</u>
Legal Debt Margin		<u>\$10,852,692</u>

Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Park District. The liability for these compensated absences is recorded in the government-wide financial statements. Governmental funds report only the compensated absences liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

Equity Classifications

Fund Balance

Clearly defined fund balance categories are shown below to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- Assigned fund balances - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegate the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

Fund Balance (Continued)

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. Only the Board of Commissioners may modify or rescind this commitment. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund.

Assigned fund balance is established by the Board of Commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purpose).

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Park District's policy to use restricted amounts first and then unrestricted amounts as they are needed.

For unrestricted amounts of fund balance, it is the Park District's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Government-wide 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 (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

Unrestricted – net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Fund Statements

Proprietary fund equity is classified the same as in the government-wide statements.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Property Taxes

The Park District recognizes property tax revenue utilizing the “available” basis. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time period shall not exceed 60 days past the end of the current fiscal year.

For those funds on the modified accrual basis, the current year tax levy is recorded as Property Taxes Receivable with a corresponding entry to Property Tax Revenue to reflect those taxes received within 60 days after the end of the fiscal year. The remainder of the Receivable is recorded as Deferred Inflows of Resources.

The Park District’s property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The 2016 tax levy was passed by the Board on December 20, 2016. The 2017 tax levy was passed by the Board on December 5, 2017. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments, usually in June and September.

For the fiscal year ended March 31, 2018, the Park District had not received any of their 2017 tax levy.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Special Accounts/Restrictions

Park Hills Master Plan Account Restriction

The Board of Commissioners, at their March 17, 1992 meeting, approved the establishing of a separate “fund” or account within the Enterprise Fund to be named the Park Hills Master Plan. Annually, 50% of the net income, if any, from all Park Hills operations is to be transferred into the Master Plan account to be used for future renovations approved by the Board from the priority listing supplied to them by the architect.

During the fiscal year ended March 31, 2018, Park Hills yielded a net loss from operations, which therefore does not allow for a transfer allocation to be made in this fiscal year.

The Master Plan Account is restricted by its original establishment for future use. These are Board restrictions only and are subject to review and possible change by future Boards. As future projects arise, the Board reviews and approves the expenditures based on the merit to the Park District of each project.

Park Hills Irrigation Account

The Park District Board of Commissioners, during their October 5, 1999 meeting, voted to create a new Golf Irrigation “Fund”/account within the Enterprise Fund. Annually, an amount of money equal to the difference between the original bond payment schedule and the refunding bond payment schedule for the Series 1989 bond will be transferred to the new Golf Irrigation account. The purpose of the account is to begin accumulating funds for the purpose of paying future irrigation project expenditures. Final payment on the Series 1989 bond was made during a prior fiscal year, therefore no current year transfer was required to be made to the Golf Irrigation Fund.

For the year ending March 31, 2018, the accumulated Board internal designations within the Enterprise Fund’s unrestricted net position were \$452,359 for capital projects, \$101,887 for golf cart replacement, and \$417,008 for general course improvement.

Budget Basis of Accounting

The Park District budgets for all General, Special Revenue, Proprietary, Debt Service and Capital Project Fund types. The Park District’s budget is prepared on a basis consistent with generally accepted accounting principles, except the proprietary fund which adopts a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Budget Basis of Accounting (Continued)

The ordinance was passed on June 28, 2017, and was not amended. For each fund, total fund expenditures may not legally exceed the budgeted expenditures. The ordinance lapses at the end of each fiscal year.

The Park District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to July 1, the Park District prepares an annual appropriation ordinance for the fiscal year commencing April 1 of that year. The ordinance includes proposed expenditures and the means of financing them.
- b) Legal spending and management control for Park District monies is at the fund level. The Park District may amend the ordinance after the first half of the year by a two-thirds vote of all Park District board members. The board may make transfers between funds, but no appropriation may be reduced below an amount sufficient to cover such obligation.

Note 2 Deposits and Investments

Deposits

Separate bank accounts are not maintained for all Park District funds; instead, certain funds maintain their cash balances in a common checking account and a common investment account, with the accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally certain funds participating in the common bank account will incur overdrafts (deficit cash balances) in the account. A deficit in one fund restricts the cash available for use by other funds in the same common bank account.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Park District's deposits may not be returned, or the Park District will not be able to recover collateral securities in the possession of an outside party. The Park District's policy requires deposits in excess of the Federal Deposit Insurance Corporation limits to be secured by collateral valued at market or par, whichever is lower.

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligation or its agencies and instrumentalities or direct obligation of the State of Illinois or its agencies or instrumentalities that have a market value of not less than the principal amount of the deposits. The Park District's deposits, including certificates of deposits, were fully insured or collateralized as required by the state statutes at March 31, 2018.

At year end, the carrying amount of the Park District's deposits was \$5,509,168, which excludes several petty cash funds totaling \$1,219 held at the Park District. The bank balance was \$5,512,553.

Freeport Park District

Notes to Financial Statements

Note 2 Deposits and Investments (Continued)

Cash, cash equivalents, and investments as of March 31, 2018 are classified in the accompanying financial statements as follows:

Statement of Net Position

Cash, cash equivalents, and investments	\$5,510,387
Restricted:	
Investments in trust	<u>67,579</u>
Total cash, cash equivalents, and investments (including trust)	<u>\$5,577,966</u>

Cash, cash equivalents, and investments as of March 31, 2018 consist of the following:

Cash on hand	\$ 1,219
Deposits with financial institutions	2,803,018
Investments in trust	67,579
Certificates of deposit	<u>2,706,150</u>
Total cash, cash equivalents, and investments (including trust)	<u>\$5,577,966</u>

As of March 31, 2018, all of the Park District’s bank balances were covered by federal depository insurance or by collateral held by the Park District’s agent in the Park District’s name.

The Park District is allowed to invest in Securities as authorized by 85 ILCS 901 and 85 ILCS 906. The Park District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates and limits its investment choices to those allowed by Illinois law and in the amount the Park District may invest in any one issuer.

Custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g. broker-dealer) to a transaction, the Park District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to indirect investments in securities through use of mutual funds or governmental investment pools. The Park District’s exposure to this risk is \$-0- for marketable securities directly held by the investment corporation. The Park District does not have an investment policy for custodial credit risk.

The Park District’s investments (fair value quoted at market prices) as of March 31, 2018 are considered Level 1 (traded in active exchange markets) with no risk rating and are as follows:

	<u>Fair Value</u>	<u>Cost</u>
Gelwick’s Trust Account	<u>\$67,579</u>	<u>\$59,614</u>

Freeport Park District

Notes to Financial Statements

Note 3 Capital Assets

Capital asset activity for the year ended March 31, 2018, is as follows:

	<u>Balance at 04/01/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 03/31/2018</u>
Governmental Activities:				
Non-depreciable assets:				
Land	\$ 1,746,069	\$ 109,190	\$ -	\$ 1,855,259
Depreciable assets:				
Buildings	9,282,023	39,500	-	9,321,523
Land improvements	9,357,311	70,057	-	9,427,368
Vehicles	515,458	45,433	-	560,891
Software	51,024	15,620	-	66,644
Machinery & equipment	<u>1,361,528</u>	<u>79,836</u>	<u>-</u>	<u>1,441,364</u>
Total depreciable assets	<u>20,567,344</u>	<u>250,446</u>	<u>-</u>	<u>20,817,790</u>
Totals at historical cost	<u>22,313,413</u>	<u>359,636</u>	<u>-</u>	<u>22,673,049</u>
Less accumulated depreciation				
Buildings	3,321,969	187,577	-	3,509,546
Land improvements	5,838,912	356,291	-	6,195,203
Vehicles	393,511	42,394	-	435,905
Software	40,367	4,144	-	44,511
Machinery & equipment	<u>1,014,499</u>	<u>70,010</u>	<u>-</u>	<u>1,084,509</u>
Total accumulated depreciation	<u>10,609,258</u>	<u>660,416</u>	<u>-</u>	<u>11,269,674</u>
Governmental activities capital assets, net	<u>\$11,704,155</u>	<u>\$ (300,780)</u>	<u>\$ -</u>	<u>\$11,403,375</u>

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

Governmental activities:	
General government	\$ 18,313
Culture and recreation	<u>642,103</u>
Total depreciation expense, governmental activities	<u>\$660,416</u>

Freeport Park District

Notes to Financial Statements

Note 3 Capital Assets (Continued)

	<u>Balance at 04/01/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 03/31/2018</u>
Business-type activities:				
Land	\$ 560,000	\$ -	\$ -	\$ 560,000
Buildings	894,542	-	-	894,542
Land improvements	1,822,823	-	-	1,822,823
Machinery & equipment	<u>1,538,008</u>	<u>54,960</u>	<u>-</u>	<u>1,592,968</u>
Totals at historical cost	<u>4,815,373</u>	<u>54,960</u>	<u>-</u>	<u>4,870,333</u>
Less accumulated depreciation				
Buildings	532,315	14,518	-	546,833
Land improvements	1,719,355	33,832	-	1,753,187
Machinery & equipment	<u>1,280,377</u>	<u>68,612</u>	<u>-</u>	<u>1,348,989</u>
Total accumulated depreciation	<u>3,532,047</u>	<u>116,962</u>	<u>-</u>	<u>3,649,009</u>
Business-type activities capital assets, net	<u>\$1,283,326</u>	<u>\$(62,002)</u>	<u>\$ -</u>	<u>\$1,221,324</u>

Note 4 Long-Term Debt

The reporting entity's long-term debt listed below is to be repaid from governmental activities:

Limited Tax Park Bonds - Series of 2016

Series 2016

Issue:	\$575,000
Dated:	December 2, 2016
Rate:	1.25%
Principal & Interest:	November 1

The Series 2016 bonds were paid off during the fiscal year ending March 31, 2018.

General Obligation Limited Tax Park Bonds Series 2007

Series 2007

Issue:	\$2,000,000
Dated:	March 1, 2007
Rate:	3.95% - 4.00%
Principal & Interest:	December 15

The Series 2007 bonds were paid off early in the amount of \$560,000 in principal during the year ending March 31, 2018.

Freeport Park District

Notes to Financial Statements

Note 4 Long-Term Debt (Continued)

Limited Tax Park Bonds - Series of 2017

The Park District issued the Series 2017 bonds in the amount of \$318,531 for capital projects and \$582,469 for the refunding of the Series 2007 bonds. The Series 2007 bonds were called for redemption on December 21, 2017. The Park District had an economic gain of \$2,337 which management believes is immaterial to show as a deferred gain on the financial statements.

Series 2017

Issue:	\$901,000
Dated:	November 21, 2017
Rate:	1.73% - 2.33%
Principal & Interest:	November 1

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
November 1, 2018	\$ 506,000	\$ 20,998	\$ 526,998
November 1, 2019	195,000	6,737	201,737
November 1, 2020	<u>200,000</u>	<u>2,330</u>	<u>202,330</u>
	<u>\$ 901,000</u>	<u>\$ 30,065</u>	<u>\$ 931,065</u>

The following is a summary of changes in long-term debt for the year ended March 31, 2018:

	<u>Balance</u> <u>4/1/2017</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>3/31/2018</u>	<u>Due within</u> <u>One Year</u>
General Obligation bonds	<u>\$1,135,000</u>	<u>\$901,000</u>	<u>\$1,135,000</u>	<u>\$901,000</u>	<u>\$506,000</u>
		<u>Balance</u> <u>4/01/2017</u>	<u>Change</u> <u>in Accrual</u>	<u>Balance</u> <u>3/31/2018</u>	<u>Current</u> <u>Portion</u>
Governmental Activities:					
Compensated absences	\$ 60,263	\$ 19,006	\$ 79,269	\$15,416	
Business-Type Activities:					
Compensated absences	<u>15,164</u>	<u>2,285</u>	<u>17,449</u>	<u>-</u>	
Total	<u>\$ 75,427</u>	<u>\$ 21,291</u>	<u>\$ 96,718</u>	<u>\$15,416</u>	

Note 5 Employee Pension and Other Pension Benefit Plans

The Park District participates in two employee retirement/pension plan/systems as follows:

A Deferred Compensation Plan and the Illinois Municipal Retirement Fund (IMRF)

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

Deferred Compensation Plan

The Park District offers its employees a deferred compensation plan created in accordance with Internal Revenue code Section 457. The plan, available to all eligible Park District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan was approved to comply with IRC Section 457(g) which allows for the plan to hold its assets in trust. Under these requirements, the assets of the plan are not subject to the general creditors of the Park District, the Park District does not own the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

Benefit Pension Plan

Plan Description - The Park District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Park District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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).

All three IMRF benefit plans have two tiers. 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.

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

Benefit Pension Plan (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.

Employees Covered by the Benefit Terms - At the December 31, 2017 valuation date, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	19
<hr/>	
Total	40
<hr/>	

Contributions - As set by statute, the Park 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 Park District’s annual contribution rate for calendar year 2017 was 5.56%. For the fiscal year ended March 31, 2018, the Park District contributed \$54,434 to the plan. The Park District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (Asset) - The Park District’s Net Pension Liability (Asset) was measured as of December 31, 2017. The total pension liability (asset) used to calculate the Net Pension Liability (Asset) was determined by an annual actuarial valuation as of that date.

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

Benefit Pension Plan (Continued)

Actuarial assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The **Actuarial Cost Method** used was Aggregate Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- **Mortality** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The 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 table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2017:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternative Investments	7%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

Discount rate - A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance January 1, 2017	\$5,185,859	\$5,443,567	\$(257,708)
Service costs	103,612	-	103,612
Interest on total pension liability	387,477	-	387,477
Difference between expected and actual experience	83,035	-	83,035
Changes in assumptions	(159,834)	-	(159,834)
Employer contributions	-	55,858	(55,858)
Employee contributions	-	40,477	(40,477)
Net investment income	-	873,724	(873,724)
Benefit payments – net of refunds	(142,602)	(142,602)	-
Administrative expense	-	-	-
Other changes	-	52,072	(52,072)
Net changes	271,688	879,529	(607,841)
Balances as of December 31, 2017	\$5,457,547	\$6,323,096	\$(865,549)

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the Park District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Park District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	1% Lower (6.5%)	Current Rate (7.5%)	1% Higher (8.5%)
Park District's proportionate share of the net pension liability (asset)	\$(184,681)	\$(865,549)	\$(1,429,863)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report which is publicly available at <http://imrf.org>.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended March 31, 2018 the Park District had a pension expense (income) of (\$98,980). At March 31, 2018, the Park District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$ 63,640	\$83,080
Changes in assumptions	-	122,501
Net difference between projected and actual earnings on pension plan investments	162,520	372,191
<hr/>		
Total deferred amounts to be recognized in pension expense in future periods	226,160	577,772
<hr/>		
Pension contributions made subsequent to the measurement date	13,450	-
<hr/>		
Total deferred amounts related to pensions	\$239,610	\$577,772

Freeport Park District

Notes to Financial Statements

Note 5 Employee Pension and Other Pension Benefit Plans (Continued)

The Park District reported \$13,450 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended March 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Net Deferred Inflows of Resources
2018	\$ (87,600)
2019	(55,423)
2020	(110,495)
2021	(98,094)
2022	-
Thereafter	-
Total	<u><u>\$(351,612)</u></u>

Social Security

Employees not qualifying for coverage under the IMRF are considered as “non-participating employees” and are covered under Social Security.

Note 6 Risk Management

The Park District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Park District purchases insurance as a participant in the Illinois Parks Association Risk Services, a public entity risk pool, to provide the Park District with such insurance coverage. The deductibles in effect through these policies as of March 31, 2018 range from \$0 - \$5,000. During the year ended March 31, 2018, there were no significant reductions in insurance coverage. Also there have been no settlement amounts which have exceeded insurance coverage in each of the past three years. Potentially the Park District could be assessed additional premiums for its share of any losses of the pool. Historically, the Park District has not been assessed any additional premiums.

Note 7 Restricted Fund Balances and Net Position

Recreation Fund - Endowment Account

The Park District received a permanently restricted contribution during 1997 from Gelwicks Trust stipulating that the contribution is to be used solely for purposes of maintaining and updating the Oakdale Nature Preserve and Trails. The Park District invested these funds in a separate investment management account at State Bank - Freeport. All income and expenses relative to this activity have been recorded in the Recreation Fund and the cumulative remaining fund balance at March 31, 2018 of \$67,579 has been restricted within that fund.

Freeport Park District

Notes to Financial Statements

Note 7 Restricted Fund Balances and Net Position (Continued)

The following table shows the net position restricted for debt and other purposes as shown in the Statement of Net Position:

Governmental activities:		
Special Revenue Funds	Enabling Legislation	\$ 435,797
Special Revenue Fund	Donor Trust Restrictions	67,579
Debt Service	Enabling Legislation	118,903
General Fund Liability Ins.	Enabling Legislation	1,084,396
Municipal Retirement Fund	State and Federal Pension	<u>386,463</u>
		<u>\$2,093,138</u>

Note 8 Operating Budget

The Park District is required statutorily to adopt a combined annual budget and appropriation ordinance. Such ordinance presents cash on hand at the beginning of the fiscal year, an estimate of cash expected to be received in the fiscal year, an estimated amount of expenditures contemplated in the fiscal year, and a statement of estimated cash on hand at the end of the fiscal year. The budgeted revenues and expenditures contemplated and reported in the financial statements represent the budgeted figures from the Park District's combined annual budget and appropriation. The funds listed below are those funds that exceeded the combined annual budget and appropriation during the fiscal year ending March 31, 2018:

<u>Fund</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Variance</u>
Debt Service	\$784,126	\$1,164,376	\$380,250
Tort	\$259,719	\$265,457	\$5,738
Museum	\$176,639	\$192,258	\$15,619

Note 9 Interfund Receivables, Payables, and Transfers

The individual fund interfund receivables and payables as of March 31, 2018 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund - Corporate Fund	\$10,570	\$ -
Other Governmental Funds	-	<u>10,570</u>
	<u>\$10,570</u>	<u>\$10,570</u>

Freeport Park District

Notes to Financial Statements

Note 9 Interfund Receivables, Payables, and Transfers (Continued)

The purpose of the individual interfund receivables and payables is due to temporary borrowings in the commingled cash and investments accounts to cover short-term cash flow shortages.

The individual fund interfund transfers as of March 31, 2018 are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund – Corporate Fund	\$ 30,770	\$ 10,000
Debt Service Fund	582,469	-
Capital Projects Fund	-	582,469
Recreation Fund	-	-
Other Governmental Funds	10,000	10,000
Golf Course Fund	<u>-</u>	<u>20,770</u>
	<u>\$623,239</u>	<u>\$623,239</u>

The Interfund Transfers are approved during the budget approval process. An interfund transfer was made from bond proceeds within the Capital Projects Fund to the Debt Service Fund for making payments on the bonds. Additional transfers were made from the Golf Course Fund to the General Fund for reimbursement of administrative services.

Note 10 Pending Accounting Pronouncements

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* amends the required the presentation to include the covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2017.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations, and requires the current value of a government’s asset retirement obligations to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2018.

Freeport Park District

Notes to Financial Statements

Note 10 Pending Accounting Pronouncements (Continued)

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 85, Omnibus 2017, addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other post-employment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

GASB Statement No. 86, Certain Debt Extinguishment Issues, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

GASB Statement No. 87, Leases, improves accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

Management has not completed its assessment of these pending standards as to the effect, if any, they may have on the financial statements.

Required Supplementary Information

Freeport Park District

Required Supplementary Information

**Illinois Municipal Retirement Fund (IMRF)
Multiyear Schedule of Contributions
Last 10 Fiscal Years (prospective from 2015)**

Fiscal Year Ending March 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$65,501	\$65,501	\$ -	\$1,002,831	6.53%
2017	\$57,384	\$57,384	\$ -	\$957,579	5.99%
2018	\$54,434	\$54,434	\$ -	\$901,878	6.04%

Freeport Park District

Required Supplementary Information - Illinois Municipal Retirement (IMRF) Multiyear Schedule of Changes in Net Pension Liability and Related Ratios IMRF Regular Plan Last 10 Calendar Years

(Schedule to be built prospectively from 2015)

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Calendar year ending December 31,			
Total pension liability:			
Service cost	\$ 103,612	\$ 105,887	\$ 102,775
Interest on the total pension liability	387,477	365,352	350,254
Benefit changes	-	-	-
Difference between expected and actual experience	83,035	(64,151)	(168,801)
Assumption changes	(159,834)	-	-
Benefit payments and refunds	<u>(142,602)</u>	<u>(79,279)</u>	<u>(89,675)</u>
Net change in total pension liability	271,688	327,809	194,553
Total pension liability - beginning	5,185,859	4,858,050	4,663,497
Total pension liability - ending (a)	5,457,547	5,185,859	4,858,050
Plan fiduciary net position:			
Employer contributions	55,858	57,406	64,809
Employee contributions	40,477	43,636	42,889
Pension plan net investment income	873,724	348,956	26,741
Benefit payments and refunds	(142,602)	(79,279)	(89,675)
Other	<u>52,072</u>	<u>52,208</u>	<u>(363,389)</u>
Net change in plan fiduciary net position	879,529	422,927	(318,625)
Plan fiduciary net position - beginning	<u>5,443,567</u>	<u>5,020,640</u>	<u>5,339,265</u>
Plan fiduciary net position - ending (b)	<u>6,323,096</u>	<u>5,443,567</u>	<u>5,020,640</u>
Net pension liability(asset) - Ending (a) - (b)	<u>\$ (865,549)</u>	<u>\$ (257,708)</u>	<u>\$ (162,590)</u>
Plan fiduciary net position as a percentage of total pension liability	115.86%	104.97%	103.35%
Covered valuation payroll	\$ 899,488	\$ 969,682	\$ 953,082
Net pension liability as a percentage of covered valuation payroll	-96.23%	-26.58%	-17.06%

The District implemented GASB 68 for the year ending March 31, 2016

Freeport Park District

General Fund Schedule of Revenues Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Property taxes	\$ 536,383	\$ 537,482	\$ 1,099
Corporate replacement tax	72,500	79,147	6,647
Total taxes	608,883	616,629	7,746
Investment income	21,500	36,282	14,782
Miscellaneous:			
Building rentals	8,900	10,585	1,685
Insurance reimbursement	2,000	2,829	829
Miscellaneous	4,300	2,431	(1,869)
Total miscellaneous	15,200	15,845	645
Intergovernmental:			
State gasoline tax refund	4,700	3,104	(1,596)
Total revenues	\$ 650,283	\$ 671,860	\$ 21,577

Freeport Park District

General Fund Schedule of Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures			
General government:			
Personal services:			
Administrative	\$ 163,247	\$ 63,170	\$ (100,077)
Maintenance	258,415	259,143	728
Total personal services	421,662	322,313	(99,349)
Other services and charges:			
Medical insurance	50,000	20,626	(29,374)
Insurance:			
Self insurance pool	-	-	-
Workman's compensation	-	-	-
Unemployment compensation/services	-	-	-
Claims repairs	-	-	-
Utilities	57,875	50,598	(7,277)
Total other services and charges	107,875	71,224	(36,651)
Materials and supplies:			
Office materials and supplies	6,400	2,249	(4,151)
Publicity	500	-	(500)
Total materials and supplies	6,900	2,249	(4,651)

Freeport Park District

General Fund Schedule of Expenditures Compared with Budget (Continued) Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures (Continued)			
General government (continued):			
Other general government:			
Dues and subscriptions	5,800	5,202	(598)
Legal services	20,600	7,931	(12,669)
Professional fees	2,400	7,735	5,335
Staff training/first aid & testing	-	-	-
Miscellaneous	18,200	10,426	(7,774)
Computer service hardware/software	6,000	5,312	(688)
Pre-employment testing	1,500	1,008	(492)
Repair and maintenance:			
Grounds and facilities	57,100	85,296	28,196
Vehicles	6,550	2,834	(3,716)
Equipment	11,450	12,201	751
Total other general government	129,600	137,945	8,345
Total expenditures	\$ 666,037	\$ 533,731	\$ (132,306)
Other financing sources (uses)			
Transfer from other funds - administrative services	\$ 30,770	\$ 30,770	\$ -
Transfer out	(10,000)	(10,000)	-
Total other financing sources (uses)	\$ 20,770	\$ 20,770	\$ -

Freeport Park District

Recreation Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 397,381	\$ 398,197	\$ 816
Corporate replacement tax	72,500	79,146	6,646
Total taxes	469,881	477,343	7,462
Investment income	15,250	29,132	13,882
Miscellaneous	33,700	16,549	(17,151)
Recreation programs	323,342	263,601	(59,741)
Total revenues	\$ 842,173	\$ 786,625	\$ (55,548)
Expenditures			
General government and administration:			
Personal services:			
Administrative	\$ 159,334	\$ 126,932	\$ (32,402)
Maintenance	115,437	105,671	(9,766)
Total personal services	274,771	232,603	(42,168)
Other services and charges:			
Medical insurance	100,000	27,568	(72,432)
Charge card fee	3,000	3,546	546
Miscellaneous	25,400	22,820	(2,580)
Utilities	13,300	11,819	(1,481)
Total other services and charges	141,700	65,753	(75,947)
Materials and supplies:			
Office materials and supplies	4,700	3,193	(1,507)
Office equipment repairs	4,100	4,281	181
Publicity	15,400	12,015	(3,385)
Motor fuel	27,700	21,957	(5,743)
Brochure printing	26,300	19,869	(6,431)
Dues and subscriptions	4,500	4,201	(299)
Training and education	-	-	-
Custodial	16,700	17,558	858
Professional fees	1,500	-	(1,500)
Total material and supplies	100,900	83,074	(17,826)
Total general government	517,371	381,430	(135,941)

Freeport Park District

Recreation Fund Schedule of Expenditures Compared with Budget (Continued) Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures (Continued)			
Culture and recreation:			
Program expenses	282,903	275,752	(7,151)
Miscellaneous	5,500	3,083	(2,417)
Computer service hardware/software	6,100	6,874	774
Grounds and facilities repair	18,900	12,281	(6,619)
Total culture and recreation	313,403	297,990	(15,413)
Total expenditures	\$ 830,774	\$ 679,420	\$ (151,354)
Other financing sources (uses)			
Transfer from other funds - administrative services	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

Freeport Park District

Social Security/Municipal Retirement Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 173,902	\$ 174,259	\$ 357
Corporate replacement tax	-	8,000	8,000
Total taxes	173,902	182,259	8,357
Investment income (loss)	-	(2,945)	(2,945)
Miscellaneous:			
Building rentals	-	-	-
Surplus sales	-	-	-
Insurance reimbursement	-	-	-
Miscellaneous	-	-	-
Total miscellaneous	-	-	-
Intergovernmental:			
State gasoline tax refund	-	-	-
Total revenues	\$ 173,902	\$ 179,314	\$ 5,412
Expenditures			
General government, administration, and public safety:			
Other services and charges:			
Administrative - payroll taxes	\$ 173,988	\$ 160,559	\$ (13,429)
Total expenditures	\$ 173,988	\$ 160,559	\$ (13,429)
Other Financing Sources (uses)			
Transfer from other funds -			
administrative services	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

Freeport Park District

Museum Fund

Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 143,370	\$ 143,666	\$ 296
Total taxes	143,370	143,666	296
Investment income (loss)	400	675	275
Miscellaneous:			
Miscellaneous	33,120	32,086	(1,034)
Total revenues	\$ 176,890	\$ 176,427	\$ (463)
Expenditures			
Culture and recreation:			
Salaries - administration	\$ 78,212	\$ 75,696	\$ (2,516)
Salaries - maintenance	63,932	61,846	(2,086)
Contractual - medical insurance	15,540	17,924	2,384
Utilities	15,900	10,988	(4,912)
Alarm monitoring	340	507	167
Professional services	-	57	57
Materials and supplies	375	202	(173)
Equipment repair	400	373	(27)
Dues and subscriptions	200	196	(4)
Brochure printing/postage	-	-	-
Miscellaneous	150	-	(150)
Computer service hardware/software	-	700	700
Motor fuel - gasoline	-	1,700	1,700
Repairs - grounds and facilities	1,590	22,069	20,479
Utilities	-	-	-
Total expenditures	\$ 176,639	\$ 192,258	\$ 15,619

Freeport Park District

Tort Liability Fund Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2018

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 402,500	\$ 248,891	\$ (153,609)
Total taxes	402,500	248,891	(153,609)
Investment income (loss)	5,000	(3,850)	(8,850)
Miscellaneous:			
Miscellaneous	-	23,690	23,690
Total revenues	\$ 407,500	\$ 268,731	\$ (138,769)
Expenditures			
General government:			
Personal services:			
Administrative - risk management	\$ 58,170	\$ 53,326	\$ (4,844)
Other services and charges:			
Insurance:			
Self insurance pool	159,647	171,037	11,390
Workman's compensation	34,402	34,075	(327)
Miscellaneous	1,000	5,664	4,664
Unemployment compensation/services	6,500	1,355	(5,145)
Total other services and charges	201,549	212,131	10,582
Total expenditures	\$ 259,719	\$ 265,457	\$ 5,738
Other Financing Sources (uses)			
Transfer from other funds -			
administrative services	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

Freeport Park District

Notes to Required Supplementary Information

a. Budgets

The Park District prepares its annual budget on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service and Enterprise Funds. All annual appropriations lapse at fiscal year-end.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The treasurer is authorized to transfer amounts between departments within any fund; however, any revisions that alter total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. The final budget figures included in this report do not include any amendments increasing the originally adopted budget.

b. Excess of Actual Expenditures/Expenses Over Budget in Individual Funds

No funds presented as Required Supplementary Information exceeded their appropriated budget except for the Tort and Museum Funds.

c. Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate for IMRF*

Methods and Assumptions Used to Determine 2017 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%

Freeport Park District

Notes to Required Supplementary Information (Continued)

c. Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate for IMRF* (Continued)

Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The 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 table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other Information:	
Notes	There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2015 actuarial valuation

Supplementary Information

Freeport Park District

Nonmajor Governmental Funds Combining Balance Sheet

March 31, 2018

	Total			
	Nonmajor Governmental Funds	Special Recreation Fund	Police Fund	Audit Fund
		Special Revenue		
Assets				
Cash, cash equivalents, and investments	\$ 260,509	\$ 108,279	\$ 118,843	\$ 33,387
Accounts receivable	-	-	-	-
Taxes receivable	143,089	81,765	51,103	10,221
Total assets	\$ 403,598	\$ 190,044	\$ 169,946	\$ 43,608
Liabilities				
Due to other funds - cash	\$ 10,570	\$ -	\$ -	\$ 10,570
Accrued salaries	1,713	1,401	312	-
Accounts payable	676	676	-	-
Total liabilities	12,959	2,077	312	10,570
Deferred Inflows of Resources				
Property taxes	143,089	81,765	51,103	10,221
Fund Balances				
Fund equity:				
Restricted	247,550	106,202	118,531	22,817
Unassigned	-	-	-	-
Total fund balances	247,550	106,202	118,531	22,817
Total liabilities, deferred inflows, and fund equity	\$ 403,598	\$ 190,044	\$ 169,946	\$ 43,608

Freeport Park District

Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year ended March 31, 2018

	Total Nonmajor Governmental Funds	Special Revenue		
		Special Recreation Fund	Police Fund	Audit Fund
Revenues				
Taxes	\$ 144,204	\$ 82,627	\$ 51,311	\$ 10,266
Intergovernmental	-	-	-	-
Charges for services	14,792	14,792	-	-
Fines	3,890	-	3,890	-
Investment income	866	1,013	-	(147)
Miscellaneous	-	-	-	-
Total revenues	163,752	98,432	55,201	10,119
Expenditures				
General government	19,700	-	-	19,700
Public safety	39,687	-	39,687	-
Culture and recreation	86,949	86,949	-	-
Total expenditures	146,336	86,949	39,687	19,700
Excess of revenues over (under) expenditures	17,416	11,483	15,514	(9,581)
Other financing sources (uses)				
Operating transfers in	10,000	-	-	10,000
Operating transfers out	(10,000)	-	(10,000)	-
Total other financing sources (uses)	-	-	(10,000)	10,000
Net change in fund balances	17,416	11,483	5,514	419
Fund balances - beginning	230,134	94,719	113,017	22,398
Fund balances - ending	\$ 247,550	\$ 106,202	\$ 118,531	\$ 22,817

Freeport Park District

Capital Projects Fund Combining Balance Sheet

March 31, 2018

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Assests							
Cash and investments	\$ 1,306,006	\$ 182,777	\$ 6,299	\$ 110,914	\$ 452,444	\$ -	\$ 553,572
Receivables	503,471	503,471	-	-	-	-	-
Prepaid advertising	-	-	-	-	-	-	-
Total assets	\$ 1,809,477	\$ 686,248	\$ 6,299	\$ 110,914	\$ 452,444	\$ -	\$ 553,572
Liabilities							
Cash - deficit balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments - deficit balance	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Accounts payable	83,659	83,659	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-
Total liabilities	83,659	83,659	-	-	-	-	-
Fund balance - committed	1,725,818	602,589	6,299	110,914	452,444	-	553,572
Total liabilities and fund equity	\$ 1,809,477	\$ 686,248	\$ 6,299	\$ 110,914	\$ 452,444	\$ -	\$ 553,572

Freeport Park District

Capital Projects Fund Combining Statement of Revenue and Expenditures

Year ended March 31, 2018

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Revenue							
Pepsi sponsorship	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on investments	713	713	-	-	-	-	-
Unrealized gain/loss on investments	(12,550)	(7,461)	(27)	(488)	(2,133)	-	(2,441)
Surplus sales	-	-	-	-	-	-	-
Foundation reimbursement	8,395	8,395	-	-	-	-	-
Miscellaneous	8,277	8,277	-	-	-	-	-
Grants received	-	-	-	-	-	-	-
Total revenue	6,835	11,924	(27)	(488)	(2,133)	-	(2,441)

Freeport Park District

Capital Projects Funds (Continued) Combining Statement of Revenue and Expenditures

Year ended March 31, 2018

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures							
Per combining statement of expenditures	\$ 712,999	\$ 660,618	\$ -	\$ -	\$ 52,381	\$ -	\$ -
Excess of revenue over (under) expenditures	(706,164)	(648,694)	(27)	(488)	(54,514)	-	(2,441)
Other financing sources (uses):							
Proceeds on sale of bonds	901,000	901,000	-	-	-	-	-
Retire principal on debt certificates	-	-	-	-	-	-	-
Transfer portion of CI bond proceeds to bond and interest fund	(582,469)	(582,469)	-	-	-	-	-
Transfer management user fees	-	-	-	-	-	-	-
Other transfer	-	-	-	-	-	-	-
Excess of revenue and other financing sources over (under) expenditures and other financing sources	(387,633)	(330,163)	(27)	(488)	(54,514)	-	(2,441)
Fund balance, beginning	2,113,451	932,752	6,326	111,402	506,958	-	556,013
Fund balance, ending	\$ 1,725,818	\$ 602,589	\$ 6,299	\$ 110,914	\$ 452,444	\$ -	\$ 553,572

Freeport Park District

Capital Projects Funds (Continued) Combining Statement of Expenditures

Year ended March 31, 2018

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures							
Vehicle replacement	\$ 46,984	\$ 46,984	\$ -	\$ -	-	-	-
Oakdale	26,525	-	-	-	26,525	-	-
Painting	11,210	11,210	-	-	-	-	-
Krape Park Trail	3,936	3,936	-	-	-	-	-
Bond issuance expenses	9,608	9,608	-	-	-	-	-
Restroom	116,599	116,599	-	-	-	-	-
Little Cubs Field	899	899	-	-	-	-	-
Krape OSLAD Grant	2,053	2,053	-	-	-	-	-
Miscellaneous	52,348	26,492	-	-	25,856	-	-
Roof replacement	39,500	39,500	-	-	-	-	-
Forestry	7,742	7,742	-	-	-	-	-
IT upgrades	28,596	28,596	-	-	-	-	-
Property acquisition	137,836	137,836	-	-	-	-	-
Equipment maintenance	7,265	7,265	-	-	-	-	-

Freeport Park District

Capital Projects Funds (Continued) Combining Statement of Expenditures

Year ended March 31, 2018

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures, continued							
Krape Park general	4,568	4,568	-	-	-	-	-
Park Hills marketing	21,836	21,836	-	-	-	-	-
Aquatic center	52,971	52,971	-	-	-	-	-
Creek bank stabilization	40,593	40,593	-	-	-	-	-
Playground equipment	89,430	89,430	-	-	-	-	-
Training and education	12,500	12,500	-	-	-	-	-
Total expenditures	\$ 712,999	\$ 660,618	\$ -	\$ -	\$ 52,381	\$ -	\$ -

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Freeport Park District

Schedule of Tax Rates, Extensions and Assessed Valuations

Year ended March 31, 2018

Levy Year	Corporate	Recreation	Special Recreation	Museum	Social Security
Tax Rates					
2013	0.21155	0.15148	0.04000	0.07000	0.04844
2014	0.23178	0.17270	0.04000	0.07000	0.05454
2015	0.24985	0.18386	0.04000	0.07000	0.04715
2016	0.26196	0.19404	0.04000	0.07000	0.04851
2017	0.27641	0.20791	0.04000	0.07000	0.04941
Tax Extensions					
2013	454,720	348,450	92,488	161,855	110,061
2014	509,301	377,999	88,015	154,027	96,999
2015	547,169	402,674	88,607	155,062	103,271
2016	536,383	397,381	82,457	143,372	99,361
2017	665,116	425,013	81,765	143,088	101,000
Tax Collections					
	Extension	Collections	Collection Percent	Corporate Replacement	
2013	2,478,367	2,487,730	100.38%	172,222	
2014	2,380,627	2,383,446	100.12%	190,480	
2015	2,399,162	2,308,155	96.21%	179,026	
2016	2,228,175	2,232,745	100.21%	166,293	
2017	2,209,571	-	-	-	
	Assessed Valuation				
2013	231,221,230				
2014	220,038,271				
2015	212,128,174				
2016	206,142,637				
2017	204,412,027				

IMRF	Bond and Interest	Audit	Insurance	Police	Total
0.04369	0.39342	0.00500	0.10596	0.02500	1.09454
0.04772	0.35020	0.00500	0.11362	0.02500	1.11056
0.03536	0.31458	0.00500	0.11786	0.02500	1.08866
0.03639	0.28229	0.00500	0.12128	0.02500	1.08447
0.03699	0.25782	0.00500	0.12328	0.02500	1.09182
100,119	900,144	11,561	241,164	57,805	2,478,367
72,001	770,574	11,002	245,699	55,010	2,380,627
77,442	700,348	11,076	258,134	55,379	2,399,162
74,541	584,847	10,245	248,381	51,206	2,228,174
62,611	529,652	10,221	140,002	51,103	2,209,571