

Kingsbury Park District
Annual Financial Report
December 31, 2016

KINGSBURY PARK DISTRICT
TABLE OF CONTENTS

Independent Auditor’s Report 1-2

Basic Financial Statements

Government-wide Financial Statements

- Statement of Net Position – Modified Cash Basis 3
- Statement of Activities – Modified Cash Basis 4

Fund Financial Statements

- Balance Sheet – Modified Cash Basis – Governmental Funds..... 5
- Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position – Modified Cash Basis 6
- Statement of Revenues, Expenditures and Changes in Fund
Balances – Modified Cash Basis – Governmental Funds 7
- Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of
Activities – Modified Cash Basis 8

Notes to the Financial Statements 9-14

Other Information

- Schedule of Funding Progress – Illinois Municipal Retirement Fund – Unaudited..... 16
- Illinois Municipal Retirement Fund Information – Unaudited..... 17
- Schedule of Revenues, Expenditures and Changes in Fund Balance –
Modified Cash Basis – Budget and Actual – General Fund - Unaudited 18
- Schedule of Revenues, Expenditures and Changes in Fund Balance –
Modified Cash Basis – Budget and Actual – Recreation Fund – Unaudited 19
- Schedule of Revenues, Expenditures and Changes in Fund Balance –
Modified Cash Basis – Budget and Actual – Capital Projects Fund – Unaudited 20
- Schedule of Revenues, Expenditures and Changes in Fund Balance –
Modified Cash Basis – Budget and Actual – Debt Service Fund – Unaudited 21
- Notes to Other Information - Unaudited 22

INDEPENDENT AUDITOR'S REPORT

To The Members of the Board
Kingsbury Park District
Greenville, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the Kingsbury Park District (Park District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Park'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 the modified cash basis of accounting described in Note 1B; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 error or fraud.

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 Park District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Kingsbury Park District as of December 31, 2016, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1B.

Basis of Accounting

We draw attention to Note 1B of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Kingsbury Park District's financial statements. The other information on pages 16 through 22, which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Meier Associates, Inc.

Hillsboro, Illinois
October 20, 2017

KINGSBURY PARK DISTRICT
STATEMENT OF NET POSITION – MODIFIED CASH BASIS
December 31, 2016

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 1,074,999
Total current assets	<u>1,074,999</u>
Noncurrent assets	
Capital assets	
Land	46,172
Other capital assets, net of depreciation	<u>1,510,960</u>
Total noncurrent assets	<u>1,557,132</u>
Total assets	<u><u>\$ 2,632,131</u></u>
 Liabilities	
Current liabilities	
Bond payable	\$ 211,000
Total liabilities	<u>211,000</u>
 Net Position	
Net investment in capital assets	1,557,132
Restricted	644,978
Unrestricted	<u>219,021</u>
Total net position	<u><u>\$ 2,421,131</u></u>

See accompanying notes to financial statements.

KINGSBURY PARK DISTRICT
BALANCE SHEET – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
December 31, 2016

	Special Revenue				Total
	General	Recreation	Capital Projects	Debt Service	
Assets					
Cash and cash equivalents	\$ 219,021	\$ 74,381	\$ 210,781	\$ 570,816	\$ 1,074,999
Total assets	<u>\$ 219,021</u>	<u>\$ 74,381</u>	<u>\$ 210,781</u>	<u>\$ 570,816</u>	<u>\$ 1,074,999</u>
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances					
Restricted	-	74,381	210,781	570,816	855,978
Unassigned	219,021	-	-	-	219,021
Total fund balances	<u>219,021</u>	<u>74,381</u>	<u>210,781</u>	<u>570,816</u>	<u>1,074,999</u>
 Total liabilities and fund balances	 <u>\$ 219,021</u>	 <u>\$ 74,381</u>	 <u>\$ 210,781</u>	 <u>\$ 570,816</u>	 <u>\$ 1,074,999</u>

See accompanying notes to financial statements.

KINGSBURY PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
MODIFIED CASH BASIS
December 31, 2016

Fund balances - total governmental funds	\$ 1,074,999
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Amounts reported for the 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 on the balance sheet of the governmental funds.	1,557,132
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the finds.	(211,000)
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Net position of governmental activities	<u>\$2,421,131</u>
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See accompanying notes to financial statements.

KINGSBURY PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
Year Ended December 31, 2016

	Special Revenue			Total	
	General	Recreation	Capital Projects		Debt Service
Revenues					
Taxes					
Property tax	\$ 94,060	\$ 222,653	\$ -	\$ 213,919	\$ 530,632
Replacement tax	33,590	-	-	-	33,590
Recreational fees	4,732	76,419	-	-	81,151
Licenses and permits	1,120	-	-	-	1,120
Investment income	34	238	791	-	1,063
Miscellaneous	2,997	10,229	10,747	-	23,973
Total revenues	<u>136,533</u>	<u>309,539</u>	<u>11,538</u>	<u>213,919</u>	<u>671,529</u>
Expenditures					
Current					
General government	144,968	65,445	6,840	-	217,253
Culture and recreation	-	254,440	-	-	254,440
Capital outlay	-	28,752	-	-	28,752
Debt Service					
Principal and retirement	-	-	-	209,000	209,000
Interest and fiscal charges	-	-	-	5,935	5,935
Total expenditures	<u>144,968</u>	<u>348,637</u>	<u>6,840</u>	<u>214,935</u>	<u>715,380</u>
Excess of Expenditures Over Revenues					
Before Other Financing Resources	<u>(8,435)</u>	<u>(39,098)</u>	<u>4,698</u>	<u>(1,016)</u>	<u>(43,851)</u>
Other Financing Uses					
Transfers in/(out) - other funds	(11,000)	24,055	(14,055)	1,000	-
Grant Income	-	-	200,000	-	200,000
Bond Proceeds	-	-	282,000	-	282,000
Total other financing uses	<u>(11,000)</u>	<u>24,055</u>	<u>467,945</u>	<u>1,000</u>	<u>482,000</u>
Net Change in Fund Balances	(19,435)	(15,043)	472,643	(16)	438,149
Fund Balances, Beginning of Year	238,456	89,424	(261,862)	570,832	636,850
Fund Balances, End of Year	<u>\$ 219,021</u>	<u>\$ 74,381</u>	<u>\$ 210,781</u>	<u>\$ 570,816</u>	<u>\$1,074,999</u>

See accompanying notes to financial statements.

KINGSBURY PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN THE FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
Year Ended December 31, 2016

Net change in fund balances - total governmental funds \$ 438,149

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense and change in capital assets in the current year. (29,094)

The issuance of long-term debt (e.g. bond, leases) provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In the statement of activities, interest is accrued on outstanding bonds, whereas interest expenditures are reported when due in the governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items. (73,000)

Change in net position of governmental activities \$ 336,055

See accompanying notes to financial statements.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

Kingsbury Park District (Park District) is duly organized and existing under the provisions of the laws of the State of Illinois. The Park District provides a variety of recreational facilities, programs and services.

B) Basis of Accounting

The financial statements of the Kingsbury Park District have been prepared on a modified cash basis of accounting. The modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements and proprietary fund statements. As a result of the use of modified cash basis of accounting, certain assets and their related revenues and certain liabilities and their related expenses are not recorded in these financial statements.

If the Park District utilized the basis of accounting recognized as generally accepted, the government-wide financial statements would be prepared on the accrual basis of accounting while the fund financial statements for the governmental funds would use the modified accrual basis of accounting.

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

C) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the activities of the Park District. Governmental activities generally are financed through taxes, intergovernmental revenues and recreational fees.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

D) Measurement Focus

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

In the government-wide financial statements, the governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in Note 1B. In the fund financial statements, the current financial resources measurement focus of the economic resources measurement focus, as applied to the modified cash basis of accounting is used as appropriate.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

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

The Park District reports the following major governmental funds:

General Fund: This is the Park District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. General operating expenditures and improvements costs that are not paid through other funds are paid from the General Fund.

Recreation Fund: This is a special revenue fund used to account for the operations of the recreation programs offered to residents.

Capital Projects Fund: This is a special revenue fund used to account for financial resources to be used for the acquisition or construction of major capital facilities, equipment, and capital asset replacement.

Debt Service Fund: This is a special revenue fund used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt, as well as any related costs.

E) Interfund Transactions/Transfers

Interfund transactions, which constitute reimbursements of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as a reduction of expenditures or expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

F) Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. The Park District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Park District's investment policies are governed by Illinois State Statute.

G) Capital Assets

Property, plant, and equipment are reported in the government-wide financial statements. Capital assets are defined as assets that have an estimated useful life in excess of one year with an initial, individual cost of more than \$5,000. Capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of assets acquired prior to December 31, 2009. Additions, improvements and other capital outlays that significantly extend the useful life on an asset are capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during construction is included as part of the capitalized value of the asset constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Buildings	40-50 years
Improvements other than buildings	10-25 years
Machinery, furniture & equipment	3-20 years
Utility property and improvements	10-50 years
Infrastructure	25-50 years

Long-Term Debt

All long-term debt arising from cash basis transactions to be repaid from governmental resources is reported as a liability in the government-wide statements.

Long-term debt arising from cash basis transactions of governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Fund Equity

Fund balance classifications are comprised of a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Park District reports the following fund balance classifications in accordance with the provisions of the statement:

Non-spendable Fund Balance - The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - The restricted fund balance classification includes amounts that are restricted to specific purposes. Fund balances are reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

In accordance with Illinois State Statutes, the Park District reports restricted fund balances in the Recreation Fund, the Capital Projects fund, and the Debt Service Fund.

Committed Fund Balance - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Park District's highest level of decision-making authority. The Park District's highest level of authority is the majority vote of the Park District's board.

Assigned Fund Balance - The assigned fund balance classification includes amounts that are constrained by the Park District's intent to be used for specific purposes, but are neither restricted nor committed. Any assignment of fund balances is determined by the majority vote of the Park District's board.

Unassigned Fund Balance - The unassigned fund balance classification includes amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Spending Policy

Unless specifically identified, expenditures act to reduce the restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

The Park District's policy is that committed and assigned fund balances are considered to have been spent before unassigned fund balances have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used except for instances where a budget ordinance specifies the fund balance.

H) Use of Estimates

The preparation of financial statements in conformity with the modified basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND CASH INVESTMENTS

As of December 31, 2016, the Park District's deposits were held in accounts authorized by the Public Funds Deposit Act (30 ILCS 225). The Park District has not developed a written investment policy, as it holds no investments as of December 31, 2016.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Park District's deposits may not be returned to it. The composition of the Park District's bank recorded deposits fluctuates depending primarily on the timing of receipts and collections of revenues and the timing of clearing of outstanding checks. The Park District does not have a policy for custodial credit risk. As of December 31, 2016, the bank balances in excess of FDIC insurance were \$834, 421 and were not collateralized.

NOTE 3 – TAX LEVY

The Park District's property tax is levied and attached as an enforceable lien on the property as of January 1 of each year on property values assessed as of the same date. The 2015 tax levy is recorded as revenue in the year ended December 31, 2016. Taxes levied in one year become due and payable in two installments in the fall of the following fiscal year. The county bills and collects property taxes, then remits its respective share of the collections to the Park District.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 4 – PENSION PLAN

Illinois Municipal Retirement Fund

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 affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes and required supplementary information. That report may be obtained on-line at www.imrf.org.

The schedule of funding progress, presented as other information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 5 – LONG TERM DEBT

General Obligation Bond Series 2014 – Capital Projects Fund: Issued in the amount of \$401,000 at a variable interest rate of 0.95% to 1.85% with a maturity date of December 15, 2016, Bond Series 2014 was payable in annual installments in December. Interest was payable in two equal installments, in June and in December. During the fiscal year 2016, the Park District paid the final principal payment of \$138,000 as well as interest in the amount of \$2,208. Payments were made from the Debt Service fund.

General Obligation Bond Series 2016 – Capital Projects Fund: Issued in the amount of \$282,000 at an interest rate of 1.30% for 2016 and 1.85% for 2017, with a maturity date of December 15, 2017, Bond Series 2016 is payable in annual installments with the remaining \$211,000 due in 2017. Interest of \$3,904 is payable in two equal installments, in June and in December. Payments are made from the Debt Service fund.

NOTE 6 – RISK MANAGEMENT

The Park District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; error and omissions; injuries to employees; and natural disasters. The Park District manages these various risks of loss with liability, surety, casualty, and workmen's compensation policies. Management believes their coverages are sufficient to preclude any significant uninsured losses to the Park District. No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported.

NOTE 7 – SUBSEQUENT EVENTS

The Park District has evaluated subsequent events through the date of the auditor's report, which is the date on which the financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure in the financial statements.

KINGSBURY PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 8 – OPERATING TRANSFERS

The Park District recorded the following transfers during the year. These transfers were to offset expenses for the fiscal year end 2016. These amounts will not be repaid.

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 11,000
Recreation Fund	24,055	-
Capital Projects Fund	-	14,055
Debt Service Fund	1,000	-
Total Transfers	<u>\$ 25,055</u>	<u>\$ 25,055</u>

NOTE 9 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, was as follows:

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/16</u>
Governmental Activities				
Land	\$ 46,172	\$ -	\$ -	\$ 46,172
Capital assets, being depreciated				
Machinery & equipment	116,625	-	-	116,625
Buildings & improvements	2,529,562	28,752	-	2,558,314
Vehicles	97,185	-	-	97,185
Total capital assets being depreciated	<u>2,743,372</u>	<u>28,752</u>	<u>-</u>	<u>2,772,124</u>
Less accumulated depreciation for:				
Machinery & equipment	(92,721)	(9,379)	-	(102,100)
Buildings & improvements	(1,037,544)	(41,718)	-	(1,079,262)
Vehicles	(73,053)	(6,749)	-	(79,802)
Total accumulated depreciation	<u>(1,203,318)</u>	<u>(57,846)</u>	<u>-</u>	<u>(1,261,164)</u>
Total capital assets being depreciated, net	1,540,054	(29,094)	-	1,510,960
Governmental activities capital assets, net	<u>\$ 1,586,226</u>	<u>\$ (29,094)</u>	<u>\$ -</u>	<u>\$ 1,557,132</u>

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

General government	\$ 16,127
Culture and recreation	41,719
Total depreciation expense of governmental activities	<u>\$ 57,846</u>

OTHER INFORMATION

**KINGSBURY PARK DISTRICT
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
UNAUDITED
Year Ended December 31, 2016**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a÷b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)÷c)
12/31/2016	\$ 246,126	\$249,839	\$ 3,713	98.51%	\$116,008	3.20%
12/31/2015	\$ 225,737	\$237,591	\$ 11,854	95.01%	\$133,062	8.91%
12/31/2014	\$ 205,991	\$193,790	\$(12,201)	106.30%	\$136,380	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2016 is \$243,918. On a market basis, the funded ratio would be 97.63%.

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

KINGSBURY PARK DISTRICT
ILLINOIS MUNICIPAL RETIREMENT FUND INFORMATION
UNAUDITED
Year Ended December 31, 2016

Funding Policy: As set by statute, the Park District's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires the Park District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Park District's annual required contribution rate for calendar year 2016 was 5.88%. The Park District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: The Park District's required contribution for calendar year 2016 was \$13,643.

<u>Three-Year Trend Information for IMRF</u>			
<u>Actuarial</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>Valuation</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
<u>Date</u>	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
12/31/2016	\$ 13,643	100%	\$ -
12/31/2015	\$ 9,221	100%	\$ -
12/31/2014	\$ 10,406	100%	\$ -

Required Contribution: The required contribution for 2016 was determined as part of the December 31, 2014, actuarial valuation using the aggregate entry age normal cost method. The actuarial assumptions at December 31, 2014 (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.5% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actual value of the Park District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five year period with a 20% corridor between the actual and market value of assets. The Park District's Regular Plan's unfunded actuarial accrued liability at December 31, 2014 is being amortized as a level percentage of projected payroll on an open 27 year basis.

Funded Status and Funding Progress: As of December 31, 2016, the most recent valuation date, the IMRF plan was 98.51% funded. The actuarial accrued liability for benefits was \$249,839 and the actuarial value of assets was \$246,126, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,713. The covered payroll for calendar year 2016 (annual payroll of active employees covered by the plan) was \$116,008 and the ratio of the UAAL to the covered payroll was 3%.

KINGSBURY PARK DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE –BUDGET AND ACTUAL – GENERAL FUND – UNAUDITED
Year Ended December 31, 2016

	<u>Budget</u>		Actual 12/31/2016	Variance with Final Budget
	<u>Original 12/31/2016</u>	<u>Final 12/31/2016</u>		Positive (Negative)
Revenues				
Revenues	\$ 338,215	\$ 338,215	\$ 136,499	\$ (201,716)
Intvestment income	1,150	1,150	34	(1,116)
Total revenues	<u>339,365</u>	<u>339,365</u>	<u>136,533</u>	<u>(202,832)</u>
Expenditures				
General government	<u>393,645</u>	<u>393,645</u>	<u>144,968</u>	<u>248,677</u>
Deficiency of revenues under expenditures	(54,280)	(54,280)	(8,435)	45,845
Other Financing Sources				
Transfers out to other funds	<u>-</u>	<u>-</u>	<u>(11,000)</u>	<u>11,000</u>
Net Change in Fund Balances	<u>\$ (54,280)</u>	<u>\$ (54,280)</u>	(19,435)	<u>\$ 34,845</u>
Fund Balances, Beginning of Year			238,456	
Fund Balances, End of Year			<u>\$ 219,021</u>	

KINGSBURY PARK DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE –BUDGET AND ACTUAL – RECREATION FUND - UNAUDITED
Year Ended December 31, 2016

	Budget		Actual 12/31/2016	Variance with Final Budget
	Original 12/31/2016	Final 12/31/2016		Positive (Negative)
Revenues				
Revenues	\$ 522,235	\$ 522,235	\$ 309,301	\$ (212,934)
Investment income	2,600	2,600	238	(2,362)
Total revenues	<u>524,835</u>	<u>524,835</u>	<u>309,539</u>	<u>(215,296)</u>
Expenditures				
General government	78,000	78,000	65,445	12,555
Culture and recreation	421,775	421,775	254,440	167,335
Capital outlay	169,600	169,600	28,752	140,848
Total expenditures	<u>669,375</u>	<u>669,375</u>	<u>348,637</u>	<u>320,738</u>
Deficiency of revenues under expenditures	(144,540)	(144,540)	(39,098)	105,442
Other Financing Sources (Uses)				
Transfers in (out) from other funds	(69,000)	(69,000)	24,055	93,055
Net Change in Fund Balances	<u>\$ (213,540)</u>	<u>\$ (213,540)</u>	(15,043)	<u>\$ 198,497</u>
Fund Balances, Beginning of Year			89,424	
Fund Balances, End of Year			<u>\$ 74,381</u>	

KINGSBURY PARK DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE –BUDGET AND ACTUAL – CAPITAL PROJECTS FUND - UNAUDITED
Year Ended December 31, 2016

	Budget		Actual 12/31/2016	Variance with Final Budget
	Original 12/31/2016	Final 12/31/2016		Positive (Negative)
Revenues				
Miscellaneous	\$ 25,000	\$ 25,000	\$ 10,747	\$ (14,253)
Intvestment income	1,000	1,000	791	(209)
Total revenues	<u>26,000</u>	<u>26,000</u>	<u>11,538</u>	<u>(14,462)</u>
Expenditures				
General government	7,500	7,500	6,840	660
Capital outlay	994,756	994,756	14,055	980,701
Total expenditures	<u>1,002,256</u>	<u>1,002,256</u>	<u>20,895</u>	<u>981,361</u>
Deficiency of revenues under expenditures	(976,256)	(976,256)	(9,357)	966,899
Other Financing Sources				
Grant Income	400,000	400,000	200,000	(200,000)
Bond Proceeds	282,000	282,000	282,000	-
Total other financing sources	<u>682,000</u>	<u>682,000</u>	<u>482,000</u>	<u>(200,000)</u>
Net Change in Fund Balances	<u>\$ (294,256)</u>	<u>\$ (294,256)</u>	472,643	<u>\$ 766,899</u>
Fund Balances, Beginning of Year			(261,862)	
Fund Balances, End of Year			<u>\$ 210,781</u>	

KINGSBURY PARK DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE –BUDGET AND ACTUAL – DEBT SERVICE FUND - UNAUDITED
Year Ended December 31, 2016

	Budget			Variance with
	Original	Final	Actual	Final Budget
	12/31/2016	12/31/2016	12/31/2016	Positive
				(Negative)
Revenues				
Revenues	\$ 214,936	\$ 214,936	\$ 213,919	\$ (1,017)
Expenditures				
Principal and retirement	209,000	209,000	209,000	-
Interest and fiscal charges	5,936	5,936	5,935	1
Total expenditures	214,936	214,936	214,935	1
Deficiency of revenues under expenditures	-	-	(1,016)	(1,016)
Other Financing Sources (Uses)				
Transfers in (out) to other funds	(19,000)	(19,000)	1,000	(20,000)
Net Change in Fund Balances	\$ (19,000)	\$ (19,000)	(16)	\$ (21,016)
Fund Balances, Beginning of Year			570,832	
Fund Balances, End of Year			\$ 570,816	

KINGSBURY PARK DISTRICT NOTES TO OTHER INFORMATION

Note 1 – Budgets, Appropriations, Ordinance and Budgetary Accounting

The Park District adopts its budget in accordance with a basis of accounting utilized by that fund and utilizes the following procedures in establishing budgetary data, appropriations and tax Levy:

1. Park District officials discuss the expenditures.
2. Appropriations are prepared on the cash basis.
3. The appropriation ordinance is published to obtain taxpayers comments and requests.
4. The appropriations and levy are reviewed and legally enacted by a vote of the Board.
5. Supplemental appropriation ordinances may be passed by the Board should a new unanticipated source of revenue develop for a specific purpose.
6. All governmental and proprietary funds are budgeted.
7. The legal level of expenditures is the total fund expenditures.
8. All unexpended appropriations lapse at year end.

There were no amendments to the original budget.

The budget and appropriation ordinance was adopted March 14, 2016.

Note 2 – Excess of Expenditures Over Appropriations

None