



# WESTCHESTER PARK DISTRICT

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED APRIL 30, 2023**

# WESTCHESTER PARK DISTRICT WESTCHESTER, ILLINOIS

## **Annual Financial Report**

For the Year Ended April 30, 2023

### **Administrative Offices**

10201 Bond Street  
Westchester, Illinois 60154

(708) 865-8200

Steve Busa – President  
Joe Christopher – Commissioner  
Derek Gordon – Commissioner  
Daniel Maldonado – Commissioner  
Marianne Nagl - Commissioner  
Lianne Robinette – Executive Director  
Michael Pieczonka – Board Treasurer  
David Brink – Finance Director

**Westchester Park District  
Annual Financial Report  
For the Year Ended April 30, 2023**

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## **INDEPENDENT AUDITOR'S REPORT**

# Selden Fox

Accounting for your future

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Westchester Park District  
Westchester, Illinois

### Opinion

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the **Westchester Park District, Westchester, Illinois**, (Park District) as of and for the year ended April 30, 2023, and the related statements of revenues, expenditures and changes in fund balance – budget and actual for the General Fund and the Recreation and Special Recreation (major Special Revenue) Funds for the year then ended, 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.

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, and each major fund of the Westchester Park District, Westchester, Illinois, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, and the Recreation and Special Recreation (major Special Revenue) Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Westchester Park District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 fraud or error.

## **Responsibilities of Management for the Financial Statements (cont'd)**

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Park District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Park District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Park District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on (pages 4 – 12), the multiyear schedule of changes in net pension liability and related ratios (pages 53 – 54), the multiyear schedule of contributions (page 55) and the schedule of changes in the employer's net OPEB liability and related ratios (page 56) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprises the Park District's basic financial statements. The accompanying financial information listed as supplementary information in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information on pages 57 – 61 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Seiden Fox, Ltd.*

October 6, 2023



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

# **WESTCHESTER PARK DISTRICT**

## **Management's Discussion and Analysis April 30, 2023**

Our discussion and analysis of the Westchester Park District's (the Park District) financial performance is designed to assist the reader in focusing on significant financial issues and provide an overview of the Park District's financial activities for the fiscal year ended April 30, 2023.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Park District's financial statements, which begin on page 13.

### **FINANCIAL HIGHLIGHTS**

The Park District's net position decreased by \$433,810, or 8.0 percent, from current year operations.

During the year, the Park District's governmental activities had revenues of \$3,324,825 as compared to revenues of \$3,037,638 in the prior year. The Park District's governmental activities had expenses of \$3,761,003 as compared to expenses of \$3,597,645 in the prior year. For the year ended April 30, 2022, the Park District presented the Swimming Pool Fund as a business-type activity which had revenues of \$186,376 and expenditures of \$218,757. The Swimming Pool Fund was closed to the Recreation Fund effective April 30, 2022. With that consideration, total revenues for the year ended April 30, 2023, represented an increase of \$100,811 or 3.1%. Total expenditures decreased \$55,399 or 1.5%.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position (on page 13) and the Statement of Activities (pages 14-15) provide information about the activities of the Park District as a whole and present a long-term view of the Park District's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Park District's operations in more detail than the government-wide statements by providing information about the Park District's most significant funds.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## USING THIS ANNUAL REPORT (cont'd)

### **The Statement of Net Position and the Statement of Activities**

Our analysis of the Park District as a whole begins below. The Statement of Net Position and the Statement of Activities report information about the Park District as a whole and about its activities in a way that describes overall improvement or deterioration in the Park District's financial position during the current year. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Park District's net position and changes in net position. The Park District's net position (the difference between assets and deferred outflows, and liabilities and deferred inflows) is one way to measure the Park District's financial health, or financial position. Over time, increases or decreases in the Park District's net position are one indicator of whether its financial health is improving or deteriorating. You need to consider other non-financial factors, however, such as changes in the Park District's property tax base and the condition of the Park District's buildings and equipment, to assess the overall health of the Park District.

In the Statement of Activities, we divide the Park District's Governmental Activities by the most basic services, including general government, culture and recreation, and debt service. Property taxes, recreation fees, and capital and operating grants and contributions finance most of these activities.

### **Reporting The Park District's Most Significant Funds**

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

Our analysis of the Park District's major funds begins on page 10. The fund financial statements begin on page 16 and provide detailed information about the most significant funds – not the Park District as a whole. Some funds are required to be established by state law and by bond covenants. However, the Park District's Board of Commissioners have established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Park District's two types of funds – *governmental* and *proprietary* – use different accounting approaches.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## USING THIS ANNUAL REPORT (cont'd)

### Reporting The Park District's Most Significant Funds (cont'd)

#### *Fund Financial Statements* (cont'd)

**Governmental Funds** – All of the Park District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Park District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Park District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations that follow the Combined Balance Sheet – Governmental Funds and the Combined Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.

## THE PARK DISTRICT AS A WHOLE

The Park District's total assets decreased by 2.8 percent, decreasing from \$12,018,874 to \$11,683,232. Our analysis on the following page focuses on the net position and changes in net position of the Park District's governmental activities.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## THE PARK DISTRICT AS A WHOLE (cont'd)

### Condensed Statement of Net Position

	Governmental Activities	
	2023	2022
Assets:		
Current and other assets	\$ 5,590,047	\$ 6,170,958
Capital assets	<u>6,093,185</u>	<u>5,847,916</u>
Total assets	<u>11,683,232</u>	<u>12,018,874</u>
Deferred outflows	<u>397,594</u>	<u>72,479</u>
Liabilities:		
Current liabilities	396,813	437,190
Net pension liability	961,384	-
Net OPEB liability	63,925	85,652
Total debt outstanding	<u>3,933,254</u>	<u>4,239,306</u>
Total liabilities	<u>5,355,376</u>	<u>4,762,148</u>
Deferred inflows	<u>1,727,016</u>	<u>1,896,961</u>
Net position:		
Invested In capital assets, net of related debt	2,761,551	2,197,850
Restricted	619,356	603,393
Unrestricted	<u>1,617,527</u>	<u>2,631,001</u>
Total net position	<u>\$ 4,998,434</u>	<u>\$ 5,432,244</u>

The net position of the Park District's governmental activities decreased by \$433,810. Unrestricted net position (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) decreased by \$1,013,474.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## THE PARK DISTRICT AS A WHOLE (cont'd)

### Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues						
charges for services	\$ 1,184,567	\$ 942,330	\$ -	\$ 186,376	\$ 1,184,567	\$ 1,128,706
Operating grants and contributions	2,368	6,205	-	-	2,368	6,205
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	1,995,969	2,018,830	-	-	1,995,969	2,018,830
Replacement taxes	72,441	55,263	-	-	72,441	55,263
Interest earnings	43,784	4,996	-	337	43,784	5,333
Other	28,064	10,014	-	-	28,064	10,014
Total revenues	<u>3,327,193</u>	<u>3,037,638</u>	<u>-</u>	<u>186,713</u>	<u>3,327,193</u>	<u>3,224,351</u>
Program expenses:						
General government	1,750,492	1,016,124	-	-	1,750,492	1,016,124
Recreation	1,892,765	1,546,989	-	-	1,892,765	1,546,989
Debt service	117,746	87,901	-	-	117,746	87,901
Swimming pool	-	-	-	218,757	-	218,757
Total expenses	<u>3,761,003</u>	<u>2,651,014</u>	<u>-</u>	<u>218,757</u>	<u>3,761,003</u>	<u>2,869,771</u>
Change In net position	<u>(433,810)</u>	386,624	-	(32,044)	<u>(433,810)</u>	354,580
Net position, beginning as previously reported	4,998,434	4,940,731	-	204,519	4,998,434	5,145,250
Prior period restatement	-	(55,204)	-	(12,382)	-	(67,586)
Net position, beginning as adjusted	<u>4,998,434</u>	<u>4,885,527</u>	<u>-</u>	<u>192,137</u>	<u>4,998,434</u>	<u>5,077,664</u>

The Park District's total revenues increased by \$102,842 or 3.2 percent. The total costs of all programs and services increased by \$891,232 or 31.1 percent. Our analysis that follows separately considers the operations of governmental activities.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## THE PARK DISTRICT AS A WHOLE (cont'd)

### Governmental Activities

Revenues for the Park District's governmental activities increased by \$102,842 or 3.2 percent while total expenses increased by \$891,232. The increase in expenditures was due to increases in general government, recreation and administrative costs.

The table below presents the cost of each of the Park District's governmental activity categories – general government, recreation and debt service – as well as each category's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Park District's taxpayers by each of these functions.

	Total Cost of Services		Net Cost of (Surplus From Services)	
	2023	2022	2023	2022
General government	\$ 1,750,492	\$ 1,016,124	\$ 1,665,703	\$ 937,587
Recreation	1,892,765	1,546,989	790,619	676,991
Debt service	117,746	87,901	117,746	87,901
Total	\$ 3,761,003	\$ 2,651,014	\$ 2,574,068	\$ 1,702,479

# **WESTCHESTER PARK DISTRICT**

Management's Discussion and Analysis  
April 30, 2023

## **THE PARK DISTRICT'S FUNDS**

As the Park District completed the year, its General Fund (as presented in the balance sheet on page 16) reported a fund balance of \$725,431, which is a decrease of \$56,687 or 7.3 percent from last year's total of \$782,118. The Recreation Fund reported a fund balance of \$775,283, which included an increase of \$140,634 from the current year operations, due to increased program fee income.

The Park District's Special Recreation Fund experienced an increase of \$15,963 in fund balance. The Park District's Debt Service Fund experienced a decrease in fund balance of \$30,629. The Park District's Capital Projects Fund experienced a decrease of \$436,844 in fund balance due to planned capital outlay expenditures.

### **General Fund Budgetary Highlights**

The actual expenditures for the General Fund were \$37,145 over the final budget amount.

The actual revenues were \$3,104 more than the budgeted amount for the General Fund.



# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At April 30, 2023, the Park District had \$6,093,185 invested in a broad range of capital assets, including land, land improvements, buildings, machinery and equipment, and vehicles (see the following table). This amount represents a net increase (including additions and deductions) of \$245,269 as compared to the prior year.

### Capital Assets at Year End (Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Land	\$ 192,800	\$ 192,800
Construction In progress	12,600	40,137
Buildings	3,397,340	3,510,685
Land improvements	1,571,473	1,102,427
Equipment	<u>918,972</u>	<u>1,001,867</u>
Total	<u>\$ 6,093,185</u>	<u>\$ 5,847,916</u>

This year's major additions included the following:

Mayfair parking lot	\$ 540,937
Water service and pumping	47,118

More detailed information about the Park District's capital assets is presented in Note IV.C. to the financial statements.

### Debt

At the end of the fiscal year, the Park District had general obligation bonded debt outstanding of \$3,601,620. All of the bonds outstanding are general obligation bonds backed by the full faith and credit of the Park District, as shown in the following table.

# WESTCHESTER PARK DISTRICT

Management's Discussion and Analysis  
April 30, 2023

## CAPITAL ASSETS AND DEBT ADMINISTRATION (cont'd)

### Debt (cont'd)

#### Outstanding Debt, At Fiscal Year End

	Governmental Activities	
	2023	2022
General Obligation Bonds	\$ 3,601,620	\$ 3,844,240

More detailed information about the Park District's long-term debt is presented in Note IV.E. to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Park District's elected and appointed officials considered many factors when setting the fiscal year ended April 30, 2023, budget, tax rates, and fees that will be charged for the governmental-type activities. Economic factors include population growth and the unemployment rate. Based on the most recent census (2020), the Park District's population was 16,892. As of April 30, 2023, the regional unemployment rate was approximately 8.4 percent.

These indicators were taken into account when adopting the budget for the fiscal year ending April 30, 2024.

## CONTACTING THE PARK DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Park District's finances and to show the Park District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Park District Office at 10201 Bond Street, Westchester, Illinois 60154-4359.

## **BASIC FINANCIAL STATEMENTS**

**Westchester Park District  
Statement of Net Position  
April 30, 2023**

	Governmental Activities
<b>Assets</b>	
Cash	\$ 4,396,753
Receivables	1,142,667
Prepaid items	4,477
Investment in District bonds	46,150
Capital assets not being depreciated	205,400
Capital assets being depreciated, net of accumulated depreciation	5,887,785
<b>Total assets</b>	<b>11,683,232</b>
<b>Deferred Outflows of Resources</b>	
Deferred pension amounts (Note V.C.)	379,512
Deferred OPEB amounts (Noted V.D.)	18,082
<b>Total deferred outflows of resources</b>	<b>397,594</b>
<b>Liabilities</b>	
Accounts payable	111,956
Accrued payroll	29,609
Accrued interest	41,985
Unearned revenue	213,263
General obligation bonds payable	601,620
Net OPEB liability	63,925
Net pension liability	961,384
Noncurrent liabilities:	
Due within one year	324,812
Due in more than one year	3,006,822
<b>Total liabilities</b>	<b>5,355,376</b>
<b>Deferred Inflows of Resources</b>	
Property taxes	1,142,667
Deferred pension amounts (Note V.C.)	539,992
Deferred OPEB amounts (Noted V.D.)	44,357
<b>Total deferred inflows of resources</b>	<b>1,727,016</b>
<b>Net Position</b>	
Net investment in capital assets	2,761,551
Restricted for:	
Special Recreation	419,356
Working cash	200,000
Unrestricted	1,617,527
<b>Total net position</b>	<b>\$ 4,998,434</b>

See accompanying notes.

**Westchester Park District  
Statement of Activities  
For the Year Ended April 30, 2023**

Functions/Programs	Expenses	Charges for Services
Governmental activities:		
General government	\$ 1,750,492	\$ 82,421
Culture and recreation	1,892,765	1,102,146
Interest on long-term debt	117,746	-
<b>Total governmental activities</b>	<b>\$ 3,761,003</b>	<b>\$ 1,184,567</b>

See accompanying notes.

Program Revenues		Net (Expense) Revenue and Changes in Net Position - Governmental Activities
Operating Grants and Contributions	Capital Grants and Contributions	
\$ 2,368	\$ -	\$ (1,665,703)
-	-	(790,619)
-	-	(117,746)
<u>\$ 2,368</u>	<u>\$ -</u>	<u>(2,574,068)</u>

General revenues:

Taxes:

Property	1,995,969
Intergovernmental - State replacement taxes	72,441
Unrestricted investment earnings	43,784
Miscellaneous	28,064

**Total general revenues** 2,140,258

**Changes in net position** (433,810)

Net position, beginning of the year 5,432,244

Net position, end of the year \$ 4,998,434

**Westchester Park District  
Balance Sheet - Governmental Funds  
April 30, 2023**

<b>Assets</b>	<b>General</b>	<b>Special Revenue Funds</b>	
		<b>Recreation</b>	<b>Special Recreation</b>
Equity in pooled cash	\$ 733,803	\$ 1,032,050	\$ 419,697
Receivables:			
Property taxes	354,959	376,281	72,875
Prepaid items	-	4,477	-
Investment in District bonds	46,150	-	-
<b>Total assets</b>	<b>\$ 1,134,912</b>	<b>\$ 1,412,808</b>	<b>\$ 492,572</b>
<b>Liabilities</b>			
Accounts payable	\$ 43,309	\$ 29,926	\$ -
Accrued salaries and wages	11,213	18,055	341
Unearned revenue	-	213,263	-
General obligation bond payable (short-term)	-	-	-
<b>Total liabilities</b>	<b>54,522</b>	<b>261,244</b>	<b>341</b>
<b>Deferred Inflows of Resources</b>			
Property taxes	354,959	376,281	72,875
<b>Fund Balances</b>			
Nonspendable	-	4,477	-
Restricted for:			
Special Recreation	-	-	419,356
Committed, reported in:			
Capital Projects Fund	-	-	-
Assigned, reported in:			
Capital Projects Fund	-	-	-
Recreation Fund	-	770,806	-
Unassigned, reported in:			
Debt service	-	-	-
General Fund	725,431	-	-
<b>Total fund balances (deficit)</b>	<b>725,431</b>	<b>775,283</b>	<b>419,356</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,134,912</b>	<b>\$ 1,412,808</b>	<b>\$ 492,572</b>

See accompanying notes.

Debt Service	Capital Projects	Permanent Working Cash	Total Governmental Funds
\$ 406,852	\$ 1,604,351	\$ 200,000	\$ 4,396,753
338,552	-	-	1,142,667
-	-	-	4,477
-	-	-	46,150
<b>\$ 745,404</b>	<b>\$ 1,604,351</b>	<b>\$ 200,000</b>	<b>\$ 5,590,047</b>
\$ -	\$ 38,721	\$ -	\$ 111,956
-	-	-	29,609
-	-	-	213,263
601,620	-	-	601,620
601,620	38,721	-	956,448
338,552	-	-	1,142,667
-	-	200,000	204,477
-	-	-	419,356
-	681,494	-	681,494
-	884,136	-	884,136
-	-	-	770,806
(194,768)	-	-	(194,768)
-	-	-	725,431
(194,768)	1,565,630	200,000	3,490,932
<b>\$ 745,404</b>	<b>\$ 1,604,351</b>	<b>\$ 200,000</b>	<b>\$ 5,590,047</b>



**Westchester Park District**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**April 30, 2023**

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Total fund balances - governmental funds (page 17)	\$ 3,490,932
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,093,185
Interest expense is not subject to accrual in governmental funds.	(41,985)
Deferred outflows and inflows of resources related to the net pension liability are not deferred in governmental funds. These outflows and inflows are as follows:	
Difference in expected and actual experience on pension investments	(538,962)
Difference in projected and actual earnings on pension investments	343,188
Change in actuarial assumptions	(1,030)
Deferred pension contribution	36,324
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(961,384)
The net OPEB liability is not due and payable in the current period and, therefore, is not reported in the funds.	(63,925)
Deferred outflows and inflows of resources related to the OPEB liability are not deferred in governmental funds.	(26,275)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(3,331,634)</u>
Net position of governmental activities (page 13)	<u>\$ 4,998,434</u>

See accompanying notes.

**Westchester Park District**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balances (Deficit) - Governmental Funds**  
**For the Year Ended April 30, 2023**

	Special Revenue Funds		
	General	Recreation	Special Recreation
Revenues:			
Property taxes	\$ 613,686	\$ 656,431	\$ 127,156
Intergovernmental - State replacement taxes	72,441	-	-
Grants and donations	340	-	-
Charges for services	-	861,052	-
Fitness center	-	69,819	-
Pool	-	169,340	-
Rentals	65,954	12,568	-
Interest	6,584	6,586	4,396
Miscellaneous	22,846	11,577	-
<b>Total revenues</b>	<b>781,851</b>	<b>1,787,373</b>	<b>131,552</b>
Expenditures:			
Current:			
Administration	344,249	389,257	-
Recreational programs	-	759,120	105,138
Maintenance	375,603	113,429	-
Utilities	-	88,315	-
Pool operations	-	144,984	-
Audit	10,000	-	-
Liability insurance	58,006	-	-
Illinois Municipal Retirement Fund	25,727	80,610	1,994
Social Security	24,260	71,024	1,442
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	3,352	-	7,015
<b>Total expenditures</b>	<b>841,197</b>	<b>1,646,739</b>	<b>115,589</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>(59,346)</b>	<b>140,634</b>	<b>15,963</b>

(cont'd)

Debt Service	Capital Projects	Permanent Working Cash	Total Governmental Funds
\$ 598,696	\$ -	\$ -	\$ 1,995,969
-	-	-	72,441
-	-	-	340
-	-	-	861,052
-	-	-	69,819
-	-	-	169,340
-	1,500	-	80,022
2,022	21,538	2,659	43,785
-	-	-	34,423
<u>600,718</u>	<u>23,038</u>	<u>2,659</u>	<u>3,327,191</u>
-	-	-	733,506
-	-	-	864,258
-	-	-	489,032
-	-	-	88,315
-	-	-	144,984
-	-	-	10,000
-	-	-	58,006
-	-	-	108,331
-	-	-	96,726
255,000	-	-	255,000
135,102	-	-	135,102
-	701,127	-	711,494
<u>390,102</u>	<u>701,127</u>	<u>-</u>	<u>3,694,754</u>
<u>210,616</u>	<u>(678,089)</u>	<u>2,659</u>	<u>(367,563)</u>

**Westchester Park District**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balances (Deficit) - Governmental Funds (cont'd)**  
**For the Year Ended April 30, 2023**

	Special Revenue Funds		
	General	Recreation	Special Recreation
Other financing sources (uses):			
Transfers in	\$ 2,659	\$ -	\$ -
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,659</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>(56,687)</b>	<b>140,634</b>	<b>15,963</b>
Fund balances (deficit), beginning of the year	782,118	634,649	403,393
Fund balances (deficit), end of the year	<b>\$ 725,431</b>	<b>\$ 775,283</b>	<b>\$ 419,356</b>

See accompanying notes.

Debt Service	Capital Projects	Permanent Working Cash	Total Governmental Funds
\$ -	\$ 241,245	\$ -	\$ 243,904
(241,245)	-	(2,659)	(243,904)
(241,245)	241,245	(2,659)	-
(30,629)	(436,844)	-	(367,563)
(164,139)	2,002,474	200,000	3,858,495
\$ (194,768)	\$ 1,565,630	\$ 200,000	\$ 3,490,932

**Westchester Park District  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances (Deficit)  
of Governmental Funds to the Statement of Activities  
For the Year Ended April 30, 2023**

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Amounts reported for governmental activities in the statement of activities (pages 14 and 15) are different because:

Net changes in fund balances - total governmental funds (page 22)	\$ (367,563)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.</p>	
Capital outlay	686,895
Depreciation expense	(441,626)
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>	
Principal repayments - general obligation debt	255,000
<p>Governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities</p>	
	63,432
<p>Outflows and inflows related to the net pension liability, as well as the change in the net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds.</p>	
	(627,178)
<p>Outflows and inflows related to the net OPEB liability, as well as the change in the net OPEB liability, are not due and payable in the current period and, therefore, are not reported in the funds.</p>	
	(6,362)
<p>Interest expense is accrued in the statement of activities, but recorded as an expenditure when due in the governmental funds.</p>	
	3,592
Changes in net position of governmental activities (page 15)	\$ (433,810)

See accompanying notes.

**Westchester Park District  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended April 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes:			
Property	\$ 662,756	\$ 613,686	\$ (49,070)
Intergovernmental - State replacement taxes	33,000	72,441	39,441
Grants and donations	-	340	340
Rentals	59,616	65,954	6,338
Interest	1,000	6,584	5,584
Other	22,375	22,846	471
<b>Total revenues</b>	<b>778,747</b>	<b>781,851</b>	<b>3,104</b>
Expenditures:			
Current:			
Administration	361,815	344,249	17,566
Maintenance	326,894	375,603	(48,709)
Audit	10,500	10,000	500
Liability insurance	54,161	58,006	(3,845)
Illinois Municipal Retirement Fund	27,500	25,727	1,773
Social Security	21,782	24,260	(2,478)
Capital outlay	1,400	3,352	(1,952)
<b>Total expenditures</b>	<b>804,052</b>	<b>841,197</b>	<b>(37,145)</b>
<b>Revenues under expenditures     before other financing sources</b>	<b>(25,305)</b>	<b>(59,346)</b>	<b>(34,041)</b>
Other financing sources - transfer in from Working Cash Fund	400	2,659	2,259
<b>Net changes in fund balance</b>	<b>\$ (24,905)</b>	<b>(56,687)</b>	<b>\$ (31,782)</b>
Fund balance, beginning of the year		<b>782,118</b>	
Fund balance, end of the year		<b>\$ 725,431</b>	

See accompanying notes.

**Westchester Park District  
Recreation Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended April 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Taxes - property	\$ 637,508	\$ 656,431	\$ 18,923
Grants and donations	1,250	-	(1,250)
Recreation programs	921,720	861,052	(60,668)
Fitness Center	60,000	69,819	9,819
Pool	186,500	169,340	(17,160)
Rentals	12,500	12,568	68
Interest	500	6,586	6,086
Other	150	11,577	11,427
<b>Total revenues</b>	<b>1,820,128</b>	<b>1,787,373</b>	<b>(32,755)</b>
<b>Expenditures</b>			
<b>Current:</b>			
Administration	453,609	389,257	64,352
Recreational programs	788,251	759,120	29,131
Maintenance	120,165	113,429	6,736
Utilities	111,000	88,315	22,685
Pool operations	182,573	144,984	37,589
Illinois Municipal Retirement Fund	82,000	80,610	1,390
Social Security	81,453	71,024	10,429
<b>Total expenditures</b>	<b>1,819,051</b>	<b>1,646,739</b>	<b>172,312</b>
<b>Net changes in fund balance</b>	<b>\$ 1,077</b>	<b>140,634</b>	<b>\$ 139,557</b>
Fund balance, beginning of the year		<b>634,649</b>	
Fund balance, end of the year		<b>\$ 775,283</b>	

See accompanying notes.



**Westchester Park District  
Special Recreation Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended April 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes - property	\$ 119,716	\$ 127,156	\$ 7,440
Interest	750	4,396	3,646
<b>Total revenues</b>	<b>120,466</b>	<b>131,552</b>	<b>11,086</b>
Expenditures:			
Current - recreational programs	108,591	105,138	3,453
Capital outlay	150,000	7,015	142,985
Illinois Municipal Retirement	2,000	1,994	6
Social Security	2,065	1,442	623
<b>Total expenditures</b>	<b>262,656</b>	<b>115,589</b>	<b>147,067</b>
<b>Net changes in fund balance</b>	<b>\$ (142,190)</b>	<b>15,963</b>	<b>\$ 158,153</b>
Fund balance, beginning of the year		<b>403,393</b>	
Fund balance, end of the year		<b>\$ 419,356</b>	

See accompanying notes.

## **Westchester Park District Notes to the Financial Statements**

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### **I. Summary of Significant Accounting Policies**

#### **A. The Reporting Entity**

The Westchester Park District, Cook County, Illinois, (the Park District) is duly organized and existing under the provisions of the laws of the state of Illinois, and is operating under the provisions of the Park District Code of the state of Illinois, approved July 8, 1947, and all laws amendatory thereto. The Park District operates under the commissioner-director form of government (an elected Board of five Park District commissioners), and provides a variety of recreational facilities, programs and services. The Park District (primary government) includes all funds of its governmental operations and its component units based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Park District, as there are no other organizations for which it has financial accountability.

The accounting policies and financial statements of the Westchester Park District conform to accounting principles generally accepted in the United States of America, as applicable to governments. Following is a summary of the more significant policies.

#### **B. 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 activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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I. **Summary of Significant Accounting Policies (cont'd)**

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Park District considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences, claims and judgments, which are recorded only when the payment is due.

Property taxes, recreational program fees, facility rental, and interest earned are susceptible to accrual. Replacement income tax collected and held by the state at year end on behalf of the Park District is also recognized as revenue. Other receipts become measurable and available when cash is received, and are recognized at that time. The Park District reports the following major governmental funds:

**General Fund** – The General Fund is the general operating fund of the Park District. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

**Recreation Fund** – The Recreation Fund is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreational programs offered by the Park District.

**Special Recreation Fund** – The Special Recreation Fund is used to account for taxes levied for and costs related to the Gateway Special Recreation Association. The Park District makes payments to the Association in order to provide special recreation programs to the physically and mentally handicapped within their district.

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

**Capital Projects Fund** – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Permanent Fund** – The Park District's permanent fund, the Working Cash Fund, is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Park District's programs.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (cont'd)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

**1. Deposits and Investments**

Statutes authorize the Park District to invest in the following:

- Bonds, notes, certificates of indebtedness, Treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.
- Savings accounts, certificates of deposit, time accounts, or other investments constituting direct obligations of a bank as defined by the Illinois Banking Act. Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States. Share accounts and share certificates of a credit union chartered under the laws of the state of Illinois or the United States, provided the principal office of the credit union is located within the state of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions that are insured by the Federal Deposit Insurance Corporation and other applicable law for credit unions.
- Short-term obligations (maturing within 180 days of dates of purchase) of corporations with assets exceeding five hundred million dollars (\$500,000,000). Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Park District's funds available for investment, and cannot exceed 10% of the corporation's outstanding obligation.
- Money market mutual funds registered under the Investment Company Act of 1940 which invest only in bonds, notes, certificates of indebtedness, Treasury bills, or other securities which are guaranteed by the full faith and credit of the United States as to principal and interest, and agrees to repurchase such obligations. In addition, the Park District may also invest in a fund managed, operated and administered by a bank.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (cont'd)**

**1. Deposits and Investments (cont'd)**

- Repurchase agreements of government securities subject to The Government Securities Act of 1986.
- State of Illinois Funds and Illinois Park District Liquid Asset Fund.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices.

**2. Receivables and Payables, and Deferred Inflows**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available resources.

Property taxes are considered to be measurable when they have been collected by Cook County. The Park District recognizes property tax revenue in the fiscal year for which they were levied – intended to finance operations. Based on the historical tax collection cycle, the Park District has intended to finance its operations with portions of both the 2022 and 2021 property tax levies. The property tax revenue in the current fiscal year financial statements represents the collections of the first half of the 2022 tax levy, the second half of the 2021 tax levy, and minimal amounts from prior year levies.

Property taxes to be received after June 30, 2023, from the 2022 tax levy, which will be the collection of the second installment of the 2022 tax levy, are intended to finance operations of the fiscal year ending April 30, 2024. That portion of the 2022 tax levy has been recorded as receivable and deferred inflows of resources – property taxes and will be recognized as revenue next fiscal year.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (cont'd)**

**2. Receivables and Payables, and Deferred Inflows (cont'd)**

The Park District's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half in March and one-half in August of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Property taxes are based on the assessed valuation of the Park District's real property as equalized by the state of Illinois. The equalized assessed valuation of real property totaled \$570,823,080 for the calendar year 2021 (most recent data available). Property tax receivables are not shown net of allowances for doubtful amounts, as the Park District has historically collected approximately 100% of the levy.

**3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets and expensed under the consumption method. Prepaid items are offset by a nonspendable fund balance.

**4. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column of the government-wide financial statements. The Park District defines capital assets as assets with an initial cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	15 – 50 years
Improvements	20 years
Machinery and equipment	5 – 20 years

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (cont'd)**

**5. Compensated Absences**

Park District employees earn vacation time in varying amounts depending on length of service with the Park District. Vacation is awarded at the beginning of the fiscal year, and must be used within the fiscal year. Sick pay earned by employees does not vest. There is no accrual for compensated absences at April 30, 2023.

**6. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a straight-line method that approximates the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses/expenditures at the time of issuance.

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

**7. Net Position/Fund Balance Classifications**

Equity in the government-wide and proprietary fund statements is classified as net position and displayed in three components:

- a. **Net investment in capital assets** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted net position** – Consists of net position with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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I. **Summary of Significant Accounting Policies (cont'd)**

D. **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (cont'd)**

7. **Net Position/Fund Balance Classifications (cont'd)**

- c. **Unrestricted net position** – All other net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Park District’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Statements** – In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Park District’s Board of Commissioners, which is considered the Park District’s highest level of decision-making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Park District’s intent to use them for a specific purpose, as authorized by the Board of Commissioners, although not required to be in the form of an ordinance. Any residual fund balance is reported as unassigned in the General Fund.

The Park District’s fund balances have the following restrictions, commitment and assignments:

**General Fund** – The entire fund balance is considered unassigned.

**Recreation Fund** – The nonspendable portion of the fund balance is intended as an offset to prepaid items totaling \$4,477. The remaining fund balance is considered to be assigned for the purposes of the fund.

**Special Recreation Fund** – All of the fund balance is considered restricted and represents amounts intended for recreational programs for handicapped and disabled individuals, and for future ADA improvements.

**Debt Service Fund** – The fund deficit is considered to be unassigned.



**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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I. **Summary of Significant Accounting Policies (cont'd)**

D. **Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (cont'd)**

7. **Net Position/Fund Balance Classifications (cont'd)**

**Capital Projects Fund** – \$681,494 of fund balance is considered committed and represent unspent bond proceeds designated for capital outlay. The remaining fund balance is considered assigned for the purposes of the fund.

**Permanent Working Cash Fund** – All of the fund balance is considered nonspendable.

The Park District assumes that funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If unrestricted funds are available for spending, committed funds are spent first followed by assigned and then unassigned funds.

8. **Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the accounting period. Actual results could differ from these estimates.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**II. Budgetary Information**

**A. Budgetary Information**

The Combined Budget and Appropriation Ordinance is prepared in tentative form by the Executive Director, and is made available by the Park Secretary for public inspection 30 days prior to final Board action. A public hearing is held on the tentative Combined Budget and Appropriation Ordinance to obtain taxpayer comments.

Prior to July 31, the Appropriation Ordinance is legally enacted through the passage of a Combined Budget and Appropriation Ordinance. All actual expenditures contained herein have been compared to the annual budget that is typically 10% less than the appropriation. Consequently, expenditures may exceed the budget but not the appropriation within a given fund, as was the case in the Swimming Pool Fund. The excess was funded through the use of existing fund balance.

The Treasurer is authorized to transfer between items of any fund not exceeding in the aggregate twenty-five percent (25%) of the total amount appropriated in such fund; however, any revisions that alter the total disbursements of any fund must be approved by the Board of Commissioners, following the same procedures as the original ordinance.

All appropriations lapse at year end. Expenditures may not legally exceed budgeted appropriations at the fund level. There were no supplemental appropriations during the year. Management cannot amend the Budget and Appropriation Ordinance.

Budgets for all funds are adopted on a basis of anticipated revenues to be received in cash, and expenditures to be incurred, which does not differ materially from accounting principles generally accepted in the United States of America.

**B. Deficit Fund Balance**

The Debt Service Fund has a deficit fund balance of \$194,768. Funding of the deficit is expected to come from future property tax revenues.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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**III. Reconciliation of Government-wide and Fund Financial Statements**

An element of the reconciliation between the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities states "Outflows and inflows related to the net pension liability, as well as the change in the net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$627,178 difference are as follows:

Service cost	\$ (73,847)
Interest on the total pension liability	(411,436)
Employee contributions	38,188
Projected earnings on plan investments	393,496
Other changes in plan fiduciary net position	(1,097,697)
Recognition of outflow of resources due to liabilities	483,218
Recognition of outflow of resources due to assets	(68,268)
Recognition of outflow of resources due to contributions	1,391
Pension expense recognized in the funds financial statements	107,777
<b>Net adjustments to decrease net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities</b>	<b>\$ (627,178)</b>

**IV. Detailed Notes On All Funds**

**A. Deposits and Investments**

At year end, the carrying amount of the Park District's deposits with financial institutions was \$4,394,903, and the bank balance was \$4,390,612, of which \$500,000 was covered by federal depository insurance, and the remainder was covered by collateral held by the pledging financial institution's trust department, or by its agents, in the name of the Park District. In addition, the Park District had cash on hand of \$1,850.

**Interest Rate Risk** – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Park District's investment policy specifically addresses interest rate risk by structuring investment portfolios so that securities mature to meet cash requirements for ongoing operations, and investing primarily in shorter-term securities, money market mutual funds or similar investment pools.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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**IV. Detailed Notes On All Funds (cont'd)**

**A. Deposits and Investments (cont'd)**

**Credit Risk** – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Park District does not have any investments at April 30, 2023, that are rated. The Park District’s investment policy addresses credit risk by limiting investments to the safest type of securities, prequalifying financial institutions or broker/dealers, and diversifying the investment portfolio so that potential losses on individual securities will be minimized.

**Custodial Credit Risk** – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. In accordance with its investment policy, all Park District deposits with financial institutions are fully insured or collateralized by approved securities pledged to the Park District.

**B. Property Taxes**

The following table shows the tax rate limits permitted by Illinois statutes, the actual 2021 rates levied per \$100 of assessed valuation, and the extensions produced (latest available rates and extensions):

	<u>Limit</u>	<u>Cook County Rate</u>	<u>Extension</u>
General	0.3500	0.1088	\$ 621,411
Recreation	0.3700	0.1176	671,471
Special Recreation	0.0400	0.0228	130,069
Debt Service	None	0.1090	621,930
<b>Total tax extension</b>		<b><u>0.3582</u></b>	<b><u>\$ 2,044,881</u></b>

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes On All Funds (cont'd)**

**C. Capital Assets**

Capital asset activity for the year ended April 30, 2023, was as follows:

	Balance May 1, 2022	Additions	Retirements	Transfers	Balance April 30, 2023
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 192,800	\$ -	\$ -	\$ -	\$ 192,800
Construction in progress	40,137	12,600	-	(40,137)	12,600
<b>Total capital assets not being depreciated</b>	<b>232,937</b>	<b>12,600</b>	<b>-</b>	<b>(40,137)</b>	<b>205,400</b>
Capital assets, being depreciated:					
Buildings	7,245,075	50,948	-	-	7,296,023
Improvements	3,612,574	555,896	-	40,137	4,208,607
Machinery and equipment	3,821,395	67,451	-	-	3,888,846
<b>Total capital assets being depreciated</b>	<b>14,679,044</b>	<b>674,295</b>	<b>-</b>	<b>40,137</b>	<b>15,393,476</b>
Less accumulated depreciation for:					
Buildings	3,734,390	164,293	-	-	3,898,683
Land improvements	2,510,147	126,987	-	-	2,637,134
Machinery and equipment	2,819,528	150,346	-	-	2,969,874
<b>Total accumulated depreciation</b>	<b>9,064,065</b>	<b>441,626</b>	<b>-</b>	<b>-</b>	<b>9,505,691</b>
<b>Total capital assets being depreciated, net</b>	<b>5,614,979</b>	<b>232,669</b>	<b>-</b>	<b>40,137</b>	<b>5,887,785</b>
Governmental activities' capital assets, net	<b>\$ 5,847,916</b>	<b>\$ 245,269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,093,185</b>

Depreciation of governmental activities charged to general government, and culture and recreation was \$296,717 and \$144,909, respectively.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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IV. **Detailed Notes On All Funds** (cont'd)

D. **Short-term Obligations**

Short-term obligations activity for the year ended April 30, 2022, was as follows:

	<u>Balance May 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance April 30, 2023</u>
<b>Governmental Activities</b>				
General obligation bonds	<u>\$ 589,240</u>	<u>\$ 601,620</u>	<u>\$ 589,240</u>	<u>\$ 601,620</u>

The Park District issued \$555,470 General Obligation Limited Tax Park Bonds, Series 2023A dated November 28, 2022, which is scheduled to mature on November 1, 2023. Interest is payable at a rate of 3.60%.

The Park District issued \$46,150 General Obligation Limited Tax Park Bonds, Series 2022B dated November 28, 2022, which is scheduled to mature on November 1, 2023. Interest is payable at a rate of 4.25%.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes On All Funds (cont'd)**

**E. Long-term Liabilities**

The Park District issues general obligation bonds to finance the purchase of major capital items and the acquisition or construction of major capital facilities. General obligation bonds have been issued for general government activities and are being repaid from the applicable resources.

The following is a summary of long-term liability transactions of the Park District for the year ended April 30, 2023:

	<u>Balance May 1, 2022</u>	<u>Additions</u>	<u>Retirements/ Transfers</u>	<u>Balance April 30, 2023</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 3,255,000	\$ -	\$ 255,000	<b>\$ 3,000,000</b>	<b>\$ 260,000</b>
Bond premium	395,066	-	63,432	<b>331,634</b>	<b>64,812</b>
Net OPEB liability	85,862	-	21,937	<b>63,925</b>	-
Net pension liability	<u>-</u>	<u>961,384</u>	<u>-</u>	<u><b>961,384</b></u>	<u>-</u>
Total long-term liabilities	<u>\$ 3,735,928</u>	<u>\$ 961,384</u>	<u>\$ 340,369</u>	<u><b>\$ 4,356,943</b></u>	<u><b>\$ 324,812</b></u>

General obligation bonds currently outstanding are as follows:

<b>General Obligation Refunding Bonds (Alternate Revenue Source), Series 2021A, dated September 29, 2021</b> – Principal payments are due annually on December 15 of each year beginning in 2022 and continuing through 2032, at amounts ranging from \$255,000 to \$325,000. Interest is payable semiannually beginning June 15, 2022, at 3.00%.	<u>Outstanding</u>  <u>\$ 3,000,000</u>
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**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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**IV. Detailed Notes On All Funds (cont'd)**

**E. Long-term Liabilities (cont'd)**

The annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	General Obligation Bonds		
	Total	Principal	Interest
Due in 2024: Series 2021A	<b>\$ 350,000</b>	\$ 260,000	\$ 90,000
2025	<b>357,200</b>	275,000	82,200
2026	<b>353,950</b>	280,000	73,950
2027	<b>350,550</b>	285,000	65,550
2028	<b>352,000</b>	295,000	57,000
2029-2033	<b>1,751,250</b>	1,605,000	146,250
Totals	<b>\$ 3,514,950</b>	\$ 3,000,000	\$ 514,950



**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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**V. Other Information**

**A. Risk Management – Property, Casualty and Liability**

The Park District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income or losses for which the Park District carries commercial insurance. There have been no significant reductions in coverage in the last three years, nor have claims exceeded coverage levels in the last three years.

**B. Joint Ventures – Gateway Special Recreation Association**

The Park District, along with six other area park districts and three municipalities, has entered into a joint agreement to provide cooperative recreational programs and other activities for handicapped and impaired individuals. Each member agency shares equally in the Association, and generally provides funding based on its equalized assessed valuation. The Park District contributed \$81,573 to the Association during the current fiscal year. The Park District does not have a direct financial interest in the Association and, therefore, its investment therein is not reported within the financial statements. Upon dissolution of the Association, the assets, if any, shall be divided among the members in accordance with an equitable formula, as determined by a unanimous vote of the Board of Directors of the Association. A complete separate financial statement for the Association can be obtained from the Association's administrative offices at 15W431 59<sup>th</sup> Street, Burr Ridge, Illinois 60527.

**C. Employee Retirement System – Defined Benefit Pension Plan**

**General Information About the Pension Plan**

**Plan Description** – The Park District's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides pensions for all full-time employees of the Park District. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

At December 31, 2022, the IMRF Plan membership consisted of:

Retirees and beneficiaries	24
Inactive, non-retired members	34
Active members	<u>17</u>
<b>Total</b>	<u><b>75</b></u>

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

C. **Employee Retirement System – Defined Benefit Pension Plan** (cont'd)

**Benefits Provided** – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, (Tier 1) who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. Tier 1 employees with at least 8 years of credited service may retire at or after age 55 and receive a reduced benefit. Participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$123,489 and \$119,892 at January 1, 2023 and 2022, respectively. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

**Contributions** – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Park District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar years 2023 and 2022 were 10.60 and 12.70 percent, respectively. The Park District's contribution to the Plan totaled \$108,331 for the year ended April 30, 2023, which was equal to its annual required contribution.

**Net Pension Liability** – The Park District's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

C. **Employee Retirement System – Defined Benefit Pension Plan** (cont'd)

**Actuarial Valuation and Assumptions** – The actuarial assumptions used in the December 31, 2022, valuation were based on an actuarial experience study for the period January 1, 2017 – December 31, 2019, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2022, was 21 years.

**Mortality Rates** – For non-disabled lives, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Employee Retirement System – Defined Benefit Pension Plan** (cont'd)

**Long-term Expected Rate of Return** – The long-term expected rate of return is the expected rate of return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	35.5%	6.50%
International equities	18%	7.60%
Fixed income	25.5%	4.90%
Real estate	10.5%	6.20%
Alternatives:	9.5%	
Private equity		9.90%
Commodities		6.25%
Cash equivalents	1%	4.00%

**Single Discount Rate** – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan’s projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05% as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of December 30, 2022, and the resulting single discount rate used to measure the total pension liability is 7.25%.

Based on the assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 95 years (through 2117).

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Employee Retirement System – Defined Benefit Pension Plan** (cont'd)

**Changes in Net Pension Liability**

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance 12/31/21	\$ 5,753,803	\$ 6,019,140	\$ (265,337)
Changes for the year:			
Service cost	73,847	-	73,847
Interest	411,436	-	411,436
Differences between expected and actual experience	(922,313)	-	(922,313)
Contributions - employer	-	107,777	(107,777)
Contributions – employee	-	38,188	(38,188)
Net investment income	-	(712,019)	712,019
Benefit payments, including refunds of employee contributions	(231,499)	(231,499)	-
Other changes	-	(1,097,697)	1,097,697
Net changes	(668,529)	(1,895,250)	1,226,721
Balances at 12/31/22	\$ 5,085,274	\$ 4,123,890	\$ 961,384

**Discount Rate Sensitivity** – The following presents the net pension liability of the Park District, calculated using the discount rate of 7.25%, as well as what the Park District's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 1,612,273	\$ 961,384	\$ 441,912

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Employee Retirement System – Defined Benefit Pension Plan** (cont'd)

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

For the year ended April 30, 2023, the Park District recognized pension expense of \$107,777 in the government-wide financial statements. At April 30, 2023, the Park District reported net deferred outflows of resources and net deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 538,962	\$ (538,962)
Changes in assumptions	-	1,030	(1,030)
Net difference between projected and actual earnings in pension plan investments	343,188	-	343,188
Subtotal	343,188	539,992	(196,804)
Contributions made subsequent to the measurement date	36,324	-	36,324
Total	\$ 379,512	\$ 539,992	\$ (160,480)

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

Year Ending April 30,	Amount
2024	\$ (468,612)
2025	(67,589)
2026	118,294
2027	221,103
	\$ (196,804)

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

D. **Other Post-Employment Benefits (OPEB)**

**Plan Description** – Any retired full-time employee of the Park District receiving an IMRF pension may, upon request, be retained on the Park District’s current health and life insurance Plan. The Park District will pay twenty-five percent (25%) of the premium payments for the Retiree’s coverage under the Park District Plan, not to exceed \$50.00 monthly (“Premium Assistance”). Premium Assistance is not available for the Retiree’s spouse or dependents. Retirees who procure medical insurance but not through the Park District Plan (“Outside Plan”) also qualify for Premium Assistance. For any retiree on the Park District Plan entitled to Premium Assistance, the Park District will remit the Premium Assistance payment to the Park District Plan provider. For any Retiree on an Outside Plan entitled to Premium Assistance, the Park District will remit the Premium Assistance payment to the Outside Plan provider, upon receipt of an invoice demonstrating the Retiree’s premium obligation. Premium Assistance continues for the lifetime of the retiree. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The Park District accounts for the plan in the government-wide financial statements for governmental activities and the proprietary fund financial statements. The plan does not issue a stand-alone financial report. The general fund is used to liquidate other post-employment benefit liabilities of governmental funds while the enterprise fund is used to liquidate other post-employment benefit liabilities of business-type activities. This is a single employer defined benefit plan.

At April 30, 2023, the OPEB Retiree Healthcare Plan membership consisted of:

Active employees	16
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	2
<b>Total</b>	<b>18</b>

**Funding Policy** – The retirees are allowed to participate in the same healthcare plan as active employees. Premiums are the same for active and retired employees. There is no formal funding policy that exists for the OPEB plan as the total OPEB liabilities are currently an unfunded obligation.

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

D. **Other Post-Employment Benefits (OPEB)** (cont'd)

**Net OPEB Liability**

The Park District's net OPEB liability was determined by an actuarial valuation as of May 1, 2022, and rolled forward to the measurement date of April 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of that date and rolled forward to April 30, 2023. The total net OPEB recognized in the government-wide financial statements amounted to \$21,727 income.

	Governmental Activities	
Total OPEB liability	\$ 63,925	
Plan fiduciary net position	-	
Net OPEB liability	\$ 63,925	
	Deferred Outflows	Deferred Inflows
Deferred outflows:		
Changes in assumptions	\$ 16,888	\$ 18,836
Difference between expected and actual results	1,194	25,521
	\$ 18,082	\$ 44,357

**Retiree Lapse Rates** – 100% of retirees receiving medical coverage are expected to lapse all coverages at age 65.

**Election at Retirement** – 20% of IMRF covered employees are expected to elect for coverage under the OPEB plan at retirement.

**Actuarial Valuation and Assumptions** – The total OPEB liability was determined by an actuarial valuation as of May 1, 2022, and rolled forward to April 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	4.00%
Discount rate	4.14% (3.98% at April 30, 2022)
Investment rate of return	N/A
Actuarial cost method	Entry age normal



**Westchester Park District  
Notes to the Financial Statements (cont'd)**

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V. **Other Information** (cont'd)

D. **Other Post-Employment Benefits (OPEB)** (cont'd)

The mortality rates had the same basis as the respective pension plan. The health care trend rate by fiscal year is as follows:

Fiscal Year	Plan	
2024	6.00	%
2025	5.89	
2026	5.79	
2027	5.68	
2028	5.57	
2029	5.46	
2030	5.36	
2031	5.25	
2032	5.14	
2033	5.04	
2034	4.93	
2035	4.82	
2036	4.71	
2037	4.61	
Subsequent	4.50	

**Discount Rate** – The discount rate used to measure the total OPEB liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The Park District does not have a trust dedicated exclusively to the payment of OPEB benefits, so the discount rate equals the municipal bond rate of 4.14%, determined using the S&P Municipal Bond 20 Year High-Grade Rate Index as of April 30, 2022. The prior year discount rate was 3.98%.

**Westchester Park District  
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

D. **Other Post-Employment Benefits (OPEB)** (cont'd)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance 4/30/22	\$ 85,652	\$ -	\$ 85,652
Changes for the year:			
Service cost	3,615	-	3,615
Interest	3,385	-	3,385
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(26,755)	-	(26,755)
Changes in assumptions and other inputs	(772)	-	(772)
Contributions - employer	-	-	-
Contributions – employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(1,200)	-	(1,200)
Administrative expenses	-	-	-
Other changes	-	-	-
Net changes	(21,727)	-	(21,727)
<b>Balances at 4/30/2023</b>	<b>\$ 63,925</b>	<b>\$ -</b>	<b>\$ 63,925</b>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the net OPEB liability of the Park District, calculated using the discount rate of 1.83%, as well as what the Park District’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (3.14%)	Current Discount Rate (4.14%)	1% Increase (5.14%)
Net OPEB Liability	\$ 71,489	\$ 63,925	\$ 57,493

**Westchester Park District**  
**Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

D. **Other Post-Employment Benefits (OPEB)** (cont'd)

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates –**  
The following presents the net OPEB liability of the Park District, as well as what the Park District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or lower than the current rate:

	1% Decrease (Varies)	Current Discount Rate (Varies)	1% Increase (Varies)
Net OPEB Liability	\$ 62,123	\$ 63,925	\$ 65,933

**OPEB Expense and Deferred Outflows of Resources and Inflows of Resources Related to OPEB –** For the year ended April 30, 2023, the Park District recognized OPEB expense of \$4,702. At April 30, 2023, the Park District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ 1,194	\$ 25,521	\$ (24,327)
Assumption changes	16,888	18,836	(1,948)
Net difference between projected and actual earnings on pension plan investments	-	-	-
Total	\$ 18,082	\$ 44,357	\$ (26,275)

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

<u>Year Ending April 30,</u>	
2023	\$ (2,741)
2024	(2,741)
2025	(2,741)
2026	(2,741)
2027	(2,741)
Thereafter	(12,570)
Total	\$ (26,275)

**REQUIRED SUPPLEMENTARY INFORMATION**

**Westchester Park District  
Illinois Municipal Retirement Fund  
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios  
Last Ten Calendar Years**

	<u>2022</u>	<u>2021</u>
<b>Total Pension Liability:</b>		
Service cost	\$ 73,847	\$ 71,252
Interest on the total pension liability	411,436	400,591
Benefit changes	-	-
Difference between expected and actual experience	(922,313)	(74,153)
Assumption changes	-	-
Benefit payments and refunds	(231,499)	(267,315)
<b>Net change in total pension liability</b>	<b>(668,529)</b>	130,375
Total pension liability - beginning	<u>5,753,803</u>	<u>5,623,428</u>
<b>Total pension liability - ending</b>	<b><u>\$ 5,085,274</u></b>	<b><u>\$ 5,753,803</u></b>
<b>Plan Fiduciary Net Position:</b>		
Employer contributions	\$ 107,777	\$ 111,296
Employee contributions	38,188	33,233
Pension plan net investment income	(712,019)	894,572
Benefit payments and refunds	(231,499)	(267,315)
Other	(1,097,697)	(125,375)
<b>Net change in plan fiduciary net position</b>	<b>(1,895,250)</b>	646,411
Plan fiduciary net position - beginning	<u>6,019,140</u>	<u>5,372,729</u>
<b>Plan fiduciary net position - ending</b>	<b><u>\$ 4,123,890</u></b>	<b><u>\$ 6,019,140</u></b>
<b>Net pension asset (liability )</b>	<b><u>\$ (961,384)</u></b>	<b><u>\$ 265,337</u></b>
Plan fiduciary net position as a percentage of total pension liability	<u>81.09%</u>	<u>104.61%</u>
<b>Covered valuation payroll</b>	<b><u>\$ 848,630</u></b>	<b><u>\$ 738,522</u></b>
Net pension asset (liability) as a percentage of covered valuation payroll	<u>-113.29%</u>	<u>35.93%</u>

Note - The Park District adopted GASB 68 in the fiscal year ended April 30, 2016, and will build a ten-year history prospectively.

2020	2019	2018	2017	2016	2015
\$ 88,871	\$ 79,705	\$ 66,495	\$ 84,348	\$ 80,757	\$ 78,694
400,007	375,583	359,914	339,748	324,239	293,634
-	-	-	-	-	-
(149,351)	143,515	55,077	230,708	(33,896)	182,883
(54,433)	-	155,368	(159,364)	(18,278)	11,733
(269,130)	(263,890)	(259,822)	(175,435)	(154,957)	(140,586)
15,964	334,913	377,032	320,005	197,865	426,358
5,607,464	5,272,551	4,895,519	4,575,514	4,377,649	3,951,291
<u>\$ 5,623,428</u>	<u>\$ 5,607,464</u>	<u>\$ 5,272,551</u>	<u>\$ 4,895,519</u>	<u>\$ 4,575,514</u>	<u>\$ 4,377,649</u>
\$ 112,974	\$ 113,711	\$ 97,130	\$ 102,842	\$ 99,276	\$ 92,791
34,894	38,045	35,023	35,829	36,327	88,517
686,644	775,164	(241,494)	618,536	250,538	17,676
(269,130)	(263,890)	(259,822)	(175,435)	(154,957)	(140,586)
(2,118)	14,252	76,726	6,640	28,265	3,598
563,264	677,282	(292,437)	588,412	259,449	61,996
4,809,465	4,132,183	4,424,620	3,836,208	3,576,759	3,514,763
<u>\$ 5,372,729</u>	<u>\$ 4,809,465</u>	<u>\$ 4,132,183</u>	<u>\$ 4,424,620</u>	<u>\$ 3,836,208</u>	<u>\$ 3,576,759</u>
<u>\$ (250,699)</u>	<u>\$ (797,999)</u>	<u>\$ (1,140,368)</u>	<u>\$ (470,899)</u>	<u>\$ (739,306)</u>	<u>\$ (800,890)</u>
95.54%	85.77%	78.37%	90.38%	83.84%	81.71%
<u>\$ 772,743</u>	<u>\$ 845,442</u>	<u>\$ 778,291</u>	<u>\$ 794,760</u>	<u>\$ 805,819</u>	<u>\$ 754,406</u>
<u>-32.44%</u>	<u>-94.39%</u>	<u>-146.52%</u>	<u>-59.25%</u>	<u>-91.75%</u>	<u>-106.16%</u>

**Westchester Park District  
Illinois Municipal Retirement Fund  
Required Supplementary Information -  
Multiyear Schedule of Contributions - Last 10 Fiscal Years  
April 30, 2023**

Fiscal Year Ended April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
<b>2023</b>	<b>\$ 108,331</b>	<b>\$ 108,331</b>	<b>\$ -</b>	<b>\$ 883,953</b>	<b>12.26%</b>
2022	109,994	109,994	-	772,271	14.24%
2020	109,555	109,555	-	748,918	14.63%
2020	117,327	117,327	-	860,809	13.63%
2019	100,241	100,241	-	800,695	12.52%
2018	100,270	100,270	-	803,610	12.48%
2017	103,703	103,703	-	796,628	13.02%
2016	95,028	95,028	-	774,260	12.27%

Notes to Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Inflation	2.25%
Salary Increases	2.85% to 13.75% Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

\* The Park District adopted GASB 68 in the fiscal year ended April 30, 2016, and will build a ten-year history prospectively.

See independent auditor's report.

**Westchester Park District**  
**Other Post-employment Benefits Retiree Healthcare Plan**  
**Required Supplementary Information - Schedule of Changes**  
**in the Employer's Net OPEB Liability and Related Ratios**  
**April 30,**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability:					
Service cost	\$ 3,615	\$ 6,571	\$ 5,190	\$ 3,454	\$ 4,273
Interest	3,385	1,878	2,202	2,218	2,188
Difference between expected and actual experience	(26,755)	-	1,893	-	-
Changes in assumptions	(772)	(24,005)	18,067	4,360	3,451
Benefit payments, including refunds of member contributions	(1,200)	(2,824)	(1,200)	(2,633)	(1,770)
Other changes	-	-	-	79	1,099
<b>Net change in total OPEB liability</b>	<b>(21,727)</b>	<b>(18,380)</b>	<b>26,152</b>	<b>7,478</b>	<b>9,241</b>
Total OPEB liability, beginning of year	<b>85,652</b>	104,032	77,880	70,402	61,161
<b>Total OPEB liability, end of year</b>	<b>\$ 63,925</b>	<b>\$ 85,652</b>	<b>\$ 104,032</b>	<b>\$ 77,880</b>	<b>\$ 70,402</b>
Plan fiduciary net position, beginning of year	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Plan fiduciary net position, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Employer's net OPEB liability</b>	<b>\$ 63,925</b>	<b>\$ 85,652</b>	<b>\$ 104,032</b>	<b>\$ 77,880</b>	<b>\$ 70,402</b>
Plan fiduciary net position as a percentage of the total OPEB liability	<b>0.00%</b>	0.00%	0.00%	0.00%	0.00%
<b>Covered employee payroll</b>	<b>\$ 704,509</b>	<b>\$ 570,253</b>	<b>\$ 548,486</b>	<b>\$ 718,346</b>	<b>\$ 745,086</b>
Employer's net OPEB liability as a percentage of covered-employee payroll	<b>9.07%</b>	15.02%	18.97%	10.84%	9.45%

Actuarial Cost Method	Entry Age Normal (Alternative Measurement Method)
Discount rate	4.14%
Inflation rate	3.00%
Salary rate increase	4.00%

Note: The Park District adopted GASB 75 in the fiscal year ended April 30, 2019, and will build a ten-year history prospectively. There is no actuarially determined contribution (ADC) or employer contribution in relation to the ADC as there is no trust that exists for funding the OPEB liabilities.

See independent auditor's report.



**SUPPLEMENTARY INFORMATION**

**Westchester Park District  
Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance (Deficit) - Budget and Actual  
For the Year Ended April 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes - property	\$ 610,184	\$ 598,696	\$ (11,488)
Interest	400	2,022	1,622
<b>Total revenues</b>	<b>610,584</b>	<b>600,718</b>	<b>(9,866)</b>
Expenditures:			
Debt service:			
Principal	844,240	255,000	589,240
Interest	121,339	121,339	-
Bond costs	13,000	13,763	(763)
<b>Total expenditures</b>	<b>978,579</b>	<b>390,102</b>	<b>588,477</b>
<b>Revenues over (under) expenditures         before other financing sources (uses)</b>	<b>(367,995)</b>	<b>210,616</b>	<b>578,611</b>
Other financing sources (uses):			
Bonds issued	350,000	-	(350,000)
Transfer to Capital Projects Fund	-	(241,245)	(241,245)
<b>Total other financing sources (uses)</b>	<b>350,000</b>	<b>(241,245)</b>	<b>(591,245)</b>
<b>Net changes in fund balance</b>	<b>\$ (17,995)</b>	<b>(30,629)</b>	<b>\$ (12,634)</b>
Fund deficit, beginning of the year		<b>(164,139)</b>	
Fund deficit, end of the year		<b>\$ (194,768)</b>	

See independent auditor's report.

**Westchester Park District  
Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended April 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Interest	\$ -	\$ 21,538	\$ 21,538
Rentals	-	1,500	1,500
<b>Total revenues</b>	<b>-</b>	<b>23,038</b>	<b>23,038</b>
Expenditures - capital outlay	2,329,464	701,127	1,628,337
<b>Revenues under expenditures before other financing sources</b>	<b>(2,329,464)</b>	<b>(678,089)</b>	<b>1,651,375</b>
Other financing sources:			
Bonds issued	235,000	-	(235,000)
Transfer from Debt Service Fund	-	241,245	241,245
<b>Total other financing sources</b>	<b>235,000</b>	<b>241,245</b>	<b>6,245</b>
<b>Net changes in fund balance</b>	<b>\$ (2,094,464)</b>	<b>(436,844)</b>	<b>\$ 1,657,620</b>
Fund balance, beginning of the year		<b>2,002,474</b>	
Fund balance, end of the year		<b>\$ 1,565,630</b>	

See independent auditor's report.

**Westchester Park District  
 Long-term Debt Requirements  
 General Obligation Refunding Bonds  
 (Alternate Revenue Source), Series 2021A  
 April 30, 2023**

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Date of issue	September 29, 2021
Authorized issue	\$3,255,000
Interest rates	3.00%
Interest dates	June 15 and December 15
Principal maturity date	December 15, 2032

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		Totals
	Principal	Interest	
2024	\$ 260,000	\$ 90,000	\$ 350,000
2025	275,000	82,200	357,200
2026	280,000	73,950	353,950
2027	285,000	65,550	350,550
2028	295,000	57,000	352,000
2029	305,000	48,150	353,150
2030	315,000	39,000	354,000
2031	325,000	29,550	354,550
2032	335,000	19,800	354,800
2033	325,000	9,750	334,750
	<b>\$ 3,000,000</b>	<b>\$ 514,950</b>	<b>\$ 3,514,950</b>

See independent auditor's report.

**Westchester Park District  
Computation of Legal Debt Margin  
April 30, 2023**

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	Legal Debt Margin Without Referendum
Equalized assessed valuation - 2021 tax year	\$ 610,331,367
Debt limitation - 2.875% of assessed valuation	\$ 17,547,027
General obligation bonds	3,601,620
Less alternative revenue source bonds	(3,000,000)
	601,620
Legal debt margin	\$ 16,945,407

Note: Tax levy year 2021 is the most recent available.

See independent auditor's report.

**Westchester Park District**  
**Schedule of Assessed Valuations, Tax Rates, Extensions and Collections**  
**Last Three Levy Years**

	<u>2021</u>		<u>2020</u>		<u>2019</u>	
<b>Assessed Valuations</b>						
Cook County	<b><u>\$ 610,331,367</u></b>		<b><u>\$ 539,671,675</u></b>		<b><u>\$ 536,560,210</u></b>	
	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
<b>Cook County</b>						
General	0.1088	\$ 621,411	0.1050	\$ 640,808	0.1214	\$ 651,191
Recreation	0.1176	671,471	0.1018	621,225	0.1065	571,426
Special Recreation	0.0228	130,069	0.0197	120,336	0.0206	110,690
Debt Service	0.1090	621,930	0.1005	613,343	0.1111	596,097
<b>Total Tax Extension</b>	<b><u>0.3582</u></b>	<b><u>\$ 2,044,881</u></b>	<b><u>0.3270</u></b>	<b><u>\$ 1,995,712</u></b>	<b><u>0.3596</u></b>	<b><u>\$ 1,929,404</u></b>
Tax collections to date		<b><u>\$ 1,991,578</u></b>		<b><u>\$ 1,942,212</u></b>		<b><u>\$ 1,896,999</u></b>
Percent of extension collected		<b><u>97.39%</u></b>		<b><u>97.32%</u></b>		<b><u>98.32%</u></b>

Note: Tax levy year 2021 is the most recent available.

See independent auditor's report.