

Freeport Park District

Freeport, Illinois

Annual Financial Report

March 31, 2015

Freeport Park District

Board of Commissioners

Debbie Schwartz, President, (Current term expires May 2017)
Dana Stewart, Vice-President, (Current term expires May 2015)
Tom Jungen, Commissioner, (Current term expires May 2015)
Ken Collin, Commissioner, (Current term expires May 2017)
George Yarzak, Commissioner, (Current term expires May 2019)

Treasurer

Vickie L. Witt, Interim

Executive Director

Jack Carey

Freeport Park District

Year Ended March 31, 2015

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Freeport Park District

Year Ended March 31, 2015

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Independent Auditor's Report

Board of Commissioners
Freeport Park District
Freeport, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freeport Park District, Freeport, Illinois as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freeport Park District, Freeport, Illinois as of March 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis, the schedule of funding progress for the Illinois municipal retirement fund, and the schedules of revenues and expenditures compared with budget on pages 3 - 8 and 42 - 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Freeport Park District's financial statements as a whole. The schedules listed in the table of contents as "Supplementary Information" are presented for purposes of additional analysis and are not a required part of the financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Freeport, Illinois
July 21, 2015

Management Discussion and Analysis

Freeport Park District

Management Discussion and Analysis

As management of the Freeport Park District, we offer the readers of the Park District's financial statements this narrative overview and analysis of the financial activities of the Freeport Park District for the year ended March 31, 2015.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at March 31, 2015 and 2014, and the results of operations. This summary should not be taken as a replacement for the annual financial report, which consists of the financial statements, notes to the financial statements, required and other supplementary information.

Using This Financial Report

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

Government-Wide Financial Statements

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

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the overall health of the District you need to consider additional non-financial factors such as the condition of the District's buildings and facilities.

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

Fund Financial Statements

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

Freeport Park District

Management Discussion and Analysis

Fund Financial Statements (Continued)

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

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

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

General (Corporate) Fund Budgetary Variances

Cash Receipts - The most significant cash receipts for the General Fund during fiscal year 2015 continue to be property and replacement taxes. Total revenues were approximately \$566,000 which was approximately \$16,000 less than the budgeted revenues.

Cash Disbursements - Actual disbursements were less than budgeted disbursements in the General Fund by approximately \$69,000. The primary budgetary differences were related to less costly personal services and legal services.

Recreation Fund Budgetary Variances

Cash Receipts - The Recreation Fund receives most of its revenues from property taxes and user fees. The overall budgeted revenues for property tax and program fees were less than actual revenues by approximately \$43,000. The District realized a reduction in fitness and summer program revenues, the majority of which was weather-related.

Cash Disbursements - The overall cash disbursements were less than the budgeted disbursements by approximately \$10,000. The district attributes this variance to efficient operations as well as reduced variable expenses.

Social Security/IMRF Fund Budget Variances

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

Cash Disbursements - The overall cash disbursements were less than the budgeted disbursements by approximately \$13,000. This was primarily due to a decrease in payroll related to the reduction in recreational services noted above.

Freeport Park District

Management Discussion and Analysis

Fund Financial Statements (Continued)

Tort Liability Budget Variances

Cash Receipts - The Tort Liability Fund receives most of its revenues from taxes. The overall budgeted revenues were close to actual revenues.

Cash Disbursements - The overall cash disbursements were less than the budgeted disbursements by approximately \$9,000. This was primarily due to less payroll related costs charged to risk management.

Condensed Financial Information

Net position is summarized in the table below.

Condensed Statement of Net Position as of March 31, 2015 and 2014

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Assets:						
Current Assets	\$ 7,103,033	\$ 7,444,693	\$1,419,854	\$1,395,588	\$ 8,522,887	\$ 8,840,281
Non-current Assets	<u>11,893,692</u>	<u>11,509,006</u>	<u>1,452,453</u>	<u>1,569,469</u>	<u>13,346,145</u>	<u>13,078,475</u>
Total Assets	<u>18,996,725</u>	<u>18,953,699</u>	<u>2,872,307</u>	<u>2,965,057</u>	<u>21,869,032</u>	<u>21,918,756</u>
Liabilities:						
Current Liabilities	1,146,337	1,156,876	235,536	154,170	1,381,873	1,311,046
Non-current Liabilities	<u>1,005,139</u>	<u>1,149,939</u>	<u>105,778</u>	<u>95,628</u>	<u>1,110,917</u>	<u>1,245,567</u>
Total liabilities	<u>2,151,476</u>	<u>2,306,815</u>	<u>341,314</u>	<u>249,798</u>	<u>2,492,790</u>	<u>2,556,613</u>
Deferred Inflows of Resources	<u>2,380,627</u>	<u>2,478,367</u>	<u>-</u>	<u>-</u>	<u>2,380,627</u>	<u>2,478,367</u>
Net Position:						
Net investment in capital assets	10,236,692	9,554,006	1,452,453	1,569,469	11,689,145	11,123,475
Restricted	1,957,093	1,897,015	-	-	1,957,093	1,897,015
Unrestricted	<u>2,270,837</u>	<u>2,717,496</u>	<u>1,078,540</u>	<u>1,145,790</u>	<u>3,349,377</u>	<u>3,863,286</u>
Total net position	<u>\$14,464,622</u>	<u>\$14,168,517</u>	<u>\$2,530,993</u>	<u>\$2,715,259</u>	<u>\$16,995,615</u>	<u>\$16,883,776</u>

Freeport Park District

Management Discussion and Analysis

Condensed Financial Information (Continued)

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

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

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

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

Condensed Statement of Activities For Fiscal Years Ending March 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:						
Program:						
Charges for services	\$ 319,356	\$ 340,762	\$ 856,297	\$ 923,850	\$1,175,653	\$1,264,612
Operating grants & contributions	75,704	28,288	-	-	75,704	28,288
Capital grants & contributions	112,210	117,880	-	-	112,210	117,880
General:						
Property taxes	2,487,909	2,534,842	-	-	2,487,909	2,534,842
Replacement tax	172,222	180,244	-	-	172,222	180,244
Other:						
Investment earnings	36,931	29,137	14,775	15,239	51,706	44,376
Insurance proceeds	400	3,908	-	-	400	3,908
Miscellaneous	<u>311,471</u>	<u>33,628</u>	<u>31,264</u>	<u>6,805</u>	<u>342,735</u>	<u>40,433</u>
Total revenues	<u>3,516,203</u>	<u>3,268,689</u>	<u>902,336</u>	<u>945,894</u>	<u>4,418,539</u>	<u>4,214,583</u>

Freeport Park District

Management Discussion and Analysis

Condensed Statement of Activities For Fiscal Years Ending March 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Expenses:						
General government	1,605,831	1,343,916	-	-	1,605,831	1,343,916
Public safety - police	39,361	42,603	-	-	39,361	42,603
Parks department	593,034	604,192	1,003,335	1,129,907	1,596,369	1,734,099
Depreciation	603,114	601,270	-	-	603,114	601,270
Development	412,658	295,072	-	-	412,658	295,072
Interest on debt	<u>49,365</u>	<u>55,050</u>	<u>-</u>	<u>-</u>	<u>49,365</u>	<u>55,050</u>
Total expenses	<u>3,303,363</u>	<u>2,942,103</u>	<u>1,003,335</u>	<u>1,129,907</u>	<u>4,306,698</u>	<u>4,072,010</u>
Transfers - internal activity	<u>83,265</u>	<u>83,265</u>	<u>(83,265)</u>	<u>(83,265)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ 296,105</u>	<u>\$ 409,851</u>	<u>\$ (184,264)</u>	<u>\$ (267,278)</u>	<u>\$ 111,841</u>	<u>\$ 142,573</u>

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

Capital Asset and Long-Term Debt Activity

Capital Assets

The District's investment in capital assets at year end totaled approximately \$13,000,000 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, office furniture and equipment, and other equipment related to programs. There were \$987,800 of capital asset additions recorded during the year and \$720,130 of depreciation charges were expensed on the total capital assets. See Footnote (3) for details of capital assets.

Long-term debt activity

At March 31, 2015, the District had approximately \$1,657,000 in long-term debt which consists of general obligation bonds. See Footnote (4) for details of debt.

Freeport Park District

Management Discussion and Analysis

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

The Statement of Net Position reflects an overall increase in the District's total net position from the prior year of approximately \$112,000.

The District's General Fund balance decreased approximately \$51,000 from the prior year. The general fund is the primary operating fund of the District.

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

Factors or Conditions Impacting Future Periods

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

Contacting the Park District's Financial Management

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

Basic Financial Statements

Freeport Park District

Statement of Net Position

March 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current assets:			
Cash, cash equivalents, and investments	\$ 4,501,865	\$ 1,381,556	\$ 5,883,421
Investment in trust	66,635	-	66,635
Other receivables	153,906	-	153,906
Property taxes receivable	2,380,627	-	2,380,627
Inventory	-	38,298	38,298
Total current assets	7,103,033	1,419,854	8,522,887
Non-current assets:			
Land (non-depreciable)	1,704,569	560,000	2,264,569
Land improvements	8,626,451	1,822,823	10,449,274
Buildings & equipment	10,941,404	2,376,070	13,317,474
Less allowance for depreciation	(9,378,732)	(3,306,440)	(12,685,172)
Total noncurrent assets	11,893,692	1,452,453	13,346,145
Total assets	18,996,725	2,872,307	21,869,032
Liabilities			
Current liabilities:			
Accounts payable	141,768	23,159	164,927
Flex benefit plan payable	2,084	-	2,084
Accrued salaries	36,020	11,971	47,991
Accrued interest payable	10,291	-	10,291
Compensated absences - current	26,404	7,300	33,704
Unearned revenue - charges for services	1,809	176,500	178,309
Unearned revenue - unredeemed gift certificates	961	16,606	17,567
Bonds payable - current portion	927,000	-	927,000
Total current liabilities	1,146,337	235,536	1,381,873
Noncurrent:			
Compensated absences - noncurrent	275,139	105,778	380,917
Bonds payable - non-current portion	730,000	-	730,000
Total noncurrent liabilities	1,005,139	105,778	1,110,917
Total liabilities	2,151,476	341,314	2,492,790
Deferred Inflows of Resources			
Property taxes	2,380,627	-	2,380,627
Total deferred inflows of resources	2,380,627	-	2,380,627
Net Position			
Net investment in capital assets	10,236,692	1,452,453	11,689,145
Restricted for:			
Debt service	109,011	-	109,011
Other purposes	1,848,082	-	1,848,082
Unrestricted	2,270,837	1,078,540	3,349,377
Total net position	\$ 14,464,622	\$ 2,530,993	\$ 16,995,615

See Accompanying Notes to Financial Statements.

Freeport Park District

Statement of Activities

Year ended March 31, 2015

Functions/Programs	Expenses	Charges for Services	Program Revenue	
			Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 1,605,831	\$ -	\$ -	\$ -
Public safety - police	39,361	2,942	-	-
Culture and recreation	593,034	316,414	75,704	112,210
Development	412,658	-	-	-
Interest on long-term debt	49,365	-	-	-
Depreciation - unallocated	603,114	-	-	-
Total governmental activities	3,303,363	319,356	75,704	112,210
Business-type activities:				
Golf course	1,003,335	856,297	-	-
Total business-type activities	1,003,335	856,297	-	-
Total primary government	\$ 4,306,698	\$ 1,175,653	\$ 75,704	\$ 112,210
General revenues:				
Taxes:				
Property taxes				
Corporate replacement tax				
Investment income				
Contributions				
Miscellaneous				
Insurance/claims proceeds				
Transfers - internal activity				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,605,831)	\$ -	\$ (1,605,831)
(36,419)	-	(36,419)
(88,706)	-	(88,706)
(412,658)	-	(412,658)
(49,365)	-	(49,365)
(603,114)	-	(603,114)
(2,796,093)	-	(2,796,093)
-	(147,038)	(147,038)
-	(147,038)	(147,038)
(2,796,093)	(147,038)	(2,943,131)
2,487,909	-	2,487,909
172,222	-	172,222
36,931	14,775	51,706
5,000	10,814	15,814
306,471	20,450	326,921
400	-	400
83,265	(83,265)	-
3,092,198	(37,226)	3,054,972
296,105	(184,264)	111,841
14,168,517	2,715,257	16,883,774
\$ 14,464,622	\$ 2,530,993	\$ 16,995,615

Freeport Park District

Balance Sheet Governmental Funds

March 31, 2015

	General Fund	Recreation Fund	Social Security/ Mun. Retire. Fund
Assets			
Cash, cash equivalents, and investments	\$ 280,384	\$ 6,624	\$ 342,614
Other receivables	-	12,964	-
Investment in trust	-	66,635	-
Taxes receivable	755,000	377,999	169,000
Due from other funds	74,042	-	-
Prepaid advertising	-	-	-
Total assets	\$ 1,109,426	\$ 464,222	\$ 511,614
Liabilities			
Liabilities			
Accounts payable	\$ 9,618	\$ 6,968	\$ -
Flex benefit plan payable	2,084	-	-
Accrued salaries	12,805	10,757	-
Unearned revenue - charges for services	-	1,809	-
Unearned revenue - unredeemed gift certificates	-	961	-
Due to other funds	-	-	-
Total liabilities	24,507	20,495	-
Deferred Inflows of Resources			
Property taxes	755,000	377,999	169,000
Total deferred inflows of resources	755,000	377,999	169,000
Fund balances			
Fund balances:			
Nonspendable	-	-	-
Restricted for:			
Tort liability insurance	-	-	-
Recreation - Gelwicks donation	-	66,635	-
Payroll taxes/retirement contribution	-	-	342,614
Special Recreation	-	-	-
Museum	-	-	-
Police	-	-	-
Audit	-	-	-
Debt service	-	-	-
Committed	-	-	-
Unassigned	329,919	(907)	-
Total fund balances	329,919	65,728	342,614
Total liabilities, deferred inflows, and fund balances	\$ 1,109,426	\$ 464,222	\$ 511,614

Tort Liability Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,061,267	\$ 109,011	\$ 2,275,580	\$ 426,385	\$ 4,501,865
-	-	140,942	-	153,906
-	-	-	-	66,635
-	770,574	-	308,054	2,380,627
-	-	-	-	74,042
-	-	-	-	-
<u>\$ 1,061,267</u>	<u>\$ 879,585</u>	<u>\$ 2,416,522</u>	<u>\$ 734,439</u>	<u>\$ 7,177,075</u>
\$ -	\$ -	\$ 122,336	\$ 2,846	\$ 141,768
-	-	-	-	2,084
2,069	-	-	10,389	36,020
-	-	-	-	1,809
-	-	-	-	961
-	-	-	74,042	74,042
<u>2,069</u>	<u>-</u>	<u>122,336</u>	<u>87,277</u>	<u>256,684</u>
-	770,574	-	308,054	2,380,627
-	770,574	-	308,054	2,380,627
-	-	-	-	-
1,059,198	-	-	-	1,059,198
-	-	-	-	66,635
-	-	-	-	342,614
-	-	-	79,911	79,911
-	-	-	204,420	204,420
-	-	-	95,304	95,304
-	-	-	-	-
-	109,011	-	-	109,011
-	-	2,294,186	-	2,294,186
-	-	-	(40,527)	288,485
<u>1,059,198</u>	<u>109,011</u>	<u>2,294,186</u>	<u>339,108</u>	<u>4,539,764</u>
<u>\$ 1,061,267</u>	<u>\$ 879,585</u>	<u>\$ 2,416,522</u>	<u>\$ 734,439</u>	<u>\$ 7,177,075</u>

Freeport Park District

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

March 31, 2015

Total fund balances - governmental funds	\$ 4,539,764
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	21,272,424
Accumulated depreciation relative to capital assets has not been reported on the governmental fund balance sheet	(9,378,732)
General obligation bonds payable debt has not been reported on the governmental funds balance sheet	(1,657,000)
Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due.	(10,291)
Long-term liabilities, including compensated absences are not due and payable in the current period and therefore are not reported in the funds.	<u>(301,543)</u>
Total net position - governmental activities	<u>\$ 14,464,622</u>

Freeport Park District

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

Year ended March 31, 2015

	General Fund	Recreation Fund	Social Security/ Mun. Retire. Fund
Revenues			
Property taxes	\$ 456,616	\$ 349,767	\$ 210,975
Corporate replacement tax	82,111	82,111	8,000
Investment earnings (losses)	15,771	11,300	1,529
Labor reimbursement	-	-	-
Building rentals	7,663	-	-
Grants - state	-	5,964	-
Donations/Foundation reimbursement	-	-	-
J.A.T. Commission - reimbursements	-	33,279	-
Fines	-	-	-
Insurance reimbursement	400	-	-
Charges for services	-	300,181	-
Miscellaneous	3,864	2,466	-
Total revenues	566,425	785,068	220,504
Expenditures			
Current:			
General government	648,362	469,218	178,955
Public safety	-	-	-
Culture and recreation	-	314,922	-
Debt service - interest	-	-	-
Debt service - principal	-	-	-
Development	-	-	-
Total current expenditures	648,362	784,140	178,955
Capital outlay	-	-	-
Total expenditures	648,362	784,140	178,955
Excess (deficiency) of revenues over expenditures	(81,937)	928	41,549
Other Financing Sources (Uses)			
Transfer of administrative services	30,770	-	-
Other transfers in	-	10,000	-
Other transfers out	-	-	-
General obligation debt issued	-	-	-
Total other financing sources (uses)	30,770	10,000	-
Net change in fund balances	(51,167)	10,928	41,549
Fund balances - beginning	381,086	54,800	301,065
Fund balances - ending	\$ 329,919	\$ 65,728	\$ 342,614

Tort Liability Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 242,074	\$ 903,545	\$ -	\$ 324,932	\$ 2,487,909
-	-	-	-	172,222
2,481	-	5,358	492	36,931
-	-	-	16,331	16,331
-	-	-	-	7,663
-	-	181,950	-	187,914
-	-	5,000	-	5,000
-	-	-	-	33,279
-	-	-	2,942	2,942
-	-	-	-	400
-	-	-	16,233	316,414
17,672	-	225,196	-	249,198
262,227	903,545	417,504	360,930	3,516,203
258,727	-	6,860	18,500	1,580,622
-	-	-	39,361	39,361
-	-	-	278,112	593,034
-	51,185	-	-	51,185
-	1,060,803	-	-	1,060,803
-	-	412,658	-	412,658
258,727	1,111,988	419,518	335,973	3,737,663
-	-	987,800	-	987,800
258,727	1,111,988	1,407,318	335,973	4,725,463
3,500	(208,443)	(989,814)	24,957	(1,209,260)
-	-	-	(10,000)	20,770
-	201,522	58,727	3,768	274,017
-	-	(211,522)	-	(211,522)
-	-	762,000	-	762,000
-	201,522	609,205	(6,232)	845,265
3,500	(6,921)	(380,609)	18,725	(363,995)
1,055,698	115,932	2,674,795	320,383	4,903,759
\$ 1,059,198	\$ 109,011	\$ 2,294,186	\$ 339,108	\$ 4,539,764

Freeport Park District

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

March 31, 2015

Excess (deficiency) of revenues received and other sources over (under) expenditures disbursed and other uses - Governmental funds	\$ (363,995)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense reported in the current period	384,686
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Proceeds from the issuance of bonds during the current fiscal year are not reported as revenue in the statement of activities	(762,000)
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Retirement of general obligation debt principal during the current fiscal year is not reported as expenditures in the statement of activities	1,060,803
---	-----------

Interest expense accrual in the government-wide statement of activities does not require the use of current financial resources, and therefore, is not reported as an expenditure in the governmental funds	1,820
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Change in the accrual for compensated absences is reported as a current fiscal year adjustment in the statement of activities	<u>(25,209)</u>
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Change in net position of governmental activities	<u>\$ 296,105</u>
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Freeport Park District

Statement of Net Position Proprietary Fund

March 31, 2015

	Golf Course Enterprise Fund
Assets	
Current assets:	
Cash, cash equivalents, and investments	\$ 1,381,556
Inventory	38,298
Total current assets	1,419,854
Noncurrent assets:	
Land (nondepreciable)	560,000
Land improvements	1,822,823
Buildings and equipment	2,376,070
Less allowance for depreciation	(3,306,440)
Total noncurrent assets	1,452,453
Total assets	2,872,307
Liabilities	
Current liabilities:	
Accounts payable	23,159
Accrued salaries	11,971
Compensated absences	7,300
Unearned revenue - charges for services	176,500
Unearned revenue - unredeemed gift/golf certificates	16,606
Total current liabilities	235,536
Noncurrent liabilities:	
Compensated absences	105,778
Total liabilities	341,314
Net Position	
Net investment in capital assets	1,452,453
Unrestricted	1,078,540
Total net position	\$ 2,530,993

Freeport Park District

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

Year ended March 31, 2015

	Golf Course Enterprise Fund
Operating revenues:	
Charges for services	\$ 856,297
Total operating revenues	856,297
Operating expenses:	
Salaries	394,084
Contractual services	36,840
Utilities	37,231
Repair and maintenance	42,505
Other supplies and expenses	375,659
Depreciation	117,016
Total operating expenses	1,003,335
Operating income (loss)	(147,038)
Non-operating revenues (expenses):	
Investment income	14,775
Donations	10,814
Miscellaneous revenue	20,450
Total non-operating revenue (expenses)	46,039
Income (loss) before contributions and transfers	(100,999)
Transfers in	-
Transfers out	(83,265)
Change in net position	(184,264)
Net position, beginning	2,715,257
Net position, ending	\$ 2,530,993

Freeport Park District

Statement of Cash Flows Proprietary Fund

Year ended March 31, 2015

	Golf Course Enterprise Fund
Cash Flows From Operating Activities	
Receipts from customers	\$ 960,162
Payments to suppliers	(510,903)
Payments to employees	(385,855)
Net cash provided by (used in) operating activities	63,404
Cash Flows From Non-Capital Financing Activities	
Miscellaneous	20,450
Donations	10,814
Transfer of management/user fees	(58,727)
Transfer of administrative services	(20,770)
Transfer to other funds	(3,768)
Transfer from other funds	-
Net cash provided by (used in) non-capital financing activities	(52,001)
Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	-
Net cash provided by (used in) capital and related financing activities	-
Cash Flows From Investing Activities	
Investment income	14,773
Net cash provided by (used in) investing activities	14,773
Net increase (decrease) in cash, cash equivalents, and investments	26,176
Beginning cash, cash equivalents, and investments	1,355,380
Ending cash, cash equivalents, and investments	\$ 1,381,556

Freeport Park District

Statement of Cash Flows Proprietary Fund

Year ended March 31, 2015

	Golf Course Enterprise Fund
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (147,038)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:	
Depreciation	117,016
Changes in assets and liabilities:	
Inventory	1,910
Accrued salaries/compensated absences	8,229
Accounts payable	(20,578)
Unredeemed gift/golf certificates	(2,310)
Deferred revenue	106,175
Net cash provided by (used in) operating activities	\$ 63,404

Notes to Financial Statements

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

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

The Financial Reporting Entity

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

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

The District's financial reporting entity comprises the following:

Primary Government - Freeport Park District

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide and Fund Financial Statements

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

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

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

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

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

- 1) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type: and
- 2) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide and Fund Financial Statements (Continued)

Fund Financial Statements

The fund types of the reporting entity are described below:

Governmental Funds

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

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

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

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

Proprietary Funds

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide and Fund Financial Statements (Continued)

Major and Non-major Funds

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

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation

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

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

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

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

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

 Governmental Funds - By character:

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

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

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Cash and Investments

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

Occasionally one or more of the funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the District Board. Negative balances incurred in pooled cash and investments at year end are shown as due to/from balances in the financial statements. The following funds had deficit balances in the cash or investment commingled accounts:

Audit Fund	<u>\$(74,042)</u>
Total	<u>\$(74,042)</u>

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

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

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

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

Prepaid Items

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

Inventories

The District owns and operates a municipal golf course. The course offers a Pro Shop with a varied full line of golfing merchandise. Merchandise inventory is stated at the lower of cost or market using the LIFO method to reflect the amount of items on hand at March 31, 2015.

Interfund Receivables and Payables

Any residual balances between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances". There were no interfund balances that required elimination in the government-wide financial statements at March 31, 2015.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Receivables

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

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

Capital Assets

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

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Estimated useful lives are as follows:

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

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

Long-term Debt

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

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

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

The Illinois Park District Code limits the amount of outstanding general obligation bonded debt of the District to no more than 5.75% of net assessed valuation. For the year ended March 31, 2015, the District had outstanding general obligation debt of \$1,657,000.

Legal Debt Margin

Based on assessed valuation for fiscal year 2014 of \$220,038,271, the legal debt margin is:

Statutory Debt Limitation	$\$220,038,271 \times 5.75\% =$	\$12,652,201
Total Debt Outstanding		<u>1,657,000</u>
Legal Debt Margin		<u>\$10,995,201</u>

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Compensated Absences

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

Equity Classifications

Fund Balance

Beginning with fiscal year 2012, the District implemented GASB Statement 54 "*Fund Balance and Reporting and Governmental Fund Type Definitions*". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

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

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

Fund Balance (Continued)

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

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

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

- Committed
- Assigned
- Unassigned

Government-wide Statements

Equity is classified as net position and displayed in three components:

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

Restricted - consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

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

Fund Statements

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Property Taxes

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

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

The District’s property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The tax levy was passed by the Board on December 16, 2014. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments, usually in June and September.

The tax rates for 2014 and 2013 are as follows:

	<u>2014 Levy</u>		<u>2013 Levy</u>	
	<u>Limit</u>	<u>Actual</u>	<u>Limit</u>	<u>Actual</u>
General (Corporate)	0.3500	0.23178	0.3500	0.21155
Recreation	0.3700	0.17270	0.3700	0.15148
Special recreation	0.0400	0.04000	0.0400	0.04000
Museum	0.0700	0.07000	0.0700	0.07000
Social Security	As needed	0.05454	As needed	0.04844
I.M.R.F.	As needed	0.04772	As needed	0.04369
Bond & interest	As needed	0.35020	As needed	0.39342
Audit	0.0050	0.00500	0.0050	0.00500
Liability insurance	As needed	0.11362	As needed	0.10596
Police	0.0250	<u>0.02500</u>	0.0250	<u>0.02500</u>
		<u>1.11056</u>		<u>1.09454</u>

For the fiscal year ended March 31, 2015, the District had not received any of their 2014 tax levy.

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Special Accounts/Restrictions

Park Hills Master Plan Account Restriction

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

During the fiscal year ended March 31, 2015, Park Hills yielded a net loss from operations, which therefore does not allow for a transfer allocation to be made in this fiscal year.

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

Park Hills Irrigation Account

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

For the year ending March 31, 2015, the accumulated Board designations within the Enterprise Fund were \$469,863 for capital projects, \$20,755 for golf cart replacement, and \$404,071 for general course improvement.

Budget Basis of Accounting

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

Freeport Park District

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Budget Basis of Accounting (Continued)

The ordinance was passed on June 3, 2014, and was not amended. For each fund, total fund expenditures may not legally exceed the budgeted expenditures. The ordinance lapses at the end of each fiscal year.

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

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

Note 2 Deposits and Investments

Deposits

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

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligation or its agencies and instrumentalities or direct obligation of the State of Illinois or its agencies or instrumentalities that have a market value of not less than the principal amount of the deposits. The District's deposits, including certificates of deposits, were fully insured or collateralized as required by the state statutes at March 31, 2015.

At year end, the carrying amount of the District's deposits was \$5,882,202, which excludes several petty cash funds totaling \$1,219 held at the District. The bank balance was \$5,865,812.

Freeport Park District

Notes to Financial Statements

Note 2 Deposits and Investments (Continued)

Cash, cash equivalents, and investments as of March 31, 2015 are classified in the accompanying financial statements as follows:

Statement of Net Position

Cash, cash equivalents, and investments	\$5,883,421
Restricted:	
Investments in trust	<u>66,635</u>
Total cash, cash equivalents, and investments	<u>\$5,950,056</u>

Cash, cash equivalents, and investments as of March 31, 2015 consist of the following:

Cash on hand	\$ 1,219
Deposits with financial institutions	3,311,823
Investments in trust	66,635
Certificates of deposit	<u>2,570,279</u>
Total cash, cash equivalents, and investments	<u>\$5,950,056</u>

As of March 31, 2015, all of the District's bank balances were covered by federal depository insurance or by collateral held by the District's agent in the District's name.

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

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

Freeport Park District

Notes to Financial Statements

Note 2 Deposits and Investments (Continued)

The District's investments (fair value quoted at market prices) as of March 31, 2015 are as follows:

	<u>Fair Value</u>	<u>Cost</u>
Gelwick's Trust Account	<u>\$66,635</u>	<u>\$59,377</u>
Total	<u>\$66,635</u>	<u>\$59,377</u>

Note 3 Capital Assets

Capital asset activity for the year ended March 31, 2015, is as follows:

	<u>Balance at 04/01/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 03/31/2015</u>
Governmental Activities:				
Non-depreciable assets:				
Land	<u>\$ 1,704,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,704,569</u>
Depreciable assets:				
Buildings	8,237,175	896,600	-	9,133,775
Land improvements	8,626,451	-	-	8,626,451
Vehicles	482,910	24,104	(40,982)	466,032
Software	36,814	-	-	36,814
Machinery & equipment	<u>1,237,687</u>	<u>67,096</u>	<u>-</u>	<u>1,304,783</u>
Total depreciable assets	<u>18,621,037</u>	<u>987,800</u>	<u>(40,982)</u>	<u>19,567,855</u>
Totals at historical cost	<u>20,325,606</u>	<u>987,800</u>	<u>(\$40,982)</u>	<u>21,272,424</u>
Less accumulated depreciation				
Buildings	2,809,675	162,337	-	2,972,012
Land improvements	4,790,579	342,773	-	5,133,352
Vehicles	372,391	29,634	(40,982)	361,043
Software	36,814	-	-	36,814
Machinery & equipment	<u>807,141</u>	<u>68,370</u>	<u>-</u>	<u>875,511</u>
Total accumulated depreciation	<u>8,816,600</u>	<u>603,114</u>	<u>-</u>	<u>9,378,732</u>
Governmental activities capital assets, net	<u>\$11,509,006</u>	<u>\$384,686</u>	<u>\$ -</u>	<u>\$11,893,692</u>

Freeport Park District

Notes to Financial Statements

Note 3 Capital Assets (Continued)

	<u>Balance at 04/01/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 03/31/2015</u>
Business-type activities:				
Land	\$ 560,000	\$ -	\$ -	\$ 560,000
Buildings	894,542	-	-	894,542
Land improvements	1,822,823	-	-	1,822,823
Machinery & equipment	<u>1,481,528</u>	<u>-</u>	<u>-</u>	<u>1,481,528</u>
Totals at historical cost	<u>4,758,893</u>	<u>-</u>	<u>-</u>	<u>4,758,893</u>
Less accumulated depreciation				
Buildings	486,779	16,500	-	503,279
Land improvements	1,610,486	36,331	-	1,646,817
Machinery & equipment	<u>1,092,159</u>	<u>64,185</u>	<u>-</u>	<u>1,156,344</u>
Total accumulated depreciation	<u>3,189,424</u>	<u>117,016</u>	<u>-</u>	<u>3,306,440</u>
Business-type activities capital Assets, net	<u>\$1,569,469</u>	<u>\$(117,016)</u>	<u>\$ -</u>	<u>\$1,452,453</u>

Note 4 Long-Term Debt

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

Limited Tax Park Bonds - Series of 2014

Series 2014

Issue:	\$762,000
Dated:	December 2, 2014
Rate:	1.23%
Interest	November 1, 2015

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
November 1, 2015	<u>\$762,000</u>	<u>\$8,566</u>	<u>\$770,566</u>

Limited Tax Park Bonds – Series of 2013

Series 2013

Issue:	\$900,000
Dated:	November 1, 2013
Rate:	1.13%
Principal & Interest:	November 1, 2014

Freeport Park District

Notes to Financial Statements

Note 4 Long-Term Debt (Continued)

The Series 2013 bonds were paid off during the fiscal year ending March 31, 2015.

General Obligation Limited Tax Park Bonds Series 2007

Series 2007

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

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
December 15, 2015	\$ 165,000	\$ 35,283	\$ 200,283
December 15, 2016	170,000	28,848	198,848
December 15, 2017	180,000	22,218	202,218
December 15, 2018	185,000	15,107	200,107
December 15, 2019	<u>195,000</u>	<u>7,800</u>	<u>202,800</u>
	<u>895,000</u>	<u>109,256</u>	<u>1,004,256</u>
Total all bonds	<u>\$1,657,000</u>	<u>\$117,822</u>	<u>\$1,774,822</u>

The following is a summary of changes in long-term debt for the year ended March 31, 2015:

	<u>Balance 4/1/2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 3/31/2015</u>	<u>Due within One Year</u>
General Obligation bonds	<u>\$1,955,000</u>	<u>\$762,000</u>	<u>\$1,060,000</u>	<u>\$1,657,000</u>	<u>\$927,000</u>
	<u>Balance 4/01/2014</u>	<u>Change in Accrual</u>	<u>Balance 3/31/2015</u>	<u>Current Portion</u>	
Compensated absences	<u>\$383,493</u>	<u>\$31,128</u>	<u>\$414,621</u>	<u>\$33,704</u>	

Note 5 Employee Pension and Other Pension Benefit Plans

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

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

Freeport Park District

Notes to Financial Statements

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

Deferred Compensation Plan

All full-time and year round IMRF employees will be eligible for enrollment in a Deferred Compensation Plan. This is a plan wherein an employee may put from \$10 to 25% of taxable earnings (maximum \$17,500 per year) each pay period in a separate trust account. Taxable earnings are gross salary less IMRF contribution.

This account is administered by a specified third party. The amounts and types of investments are determined solely by the employee. The employee may discontinue contributions to the plan at any time and may change the amount deferred upon thirty (30) days' notice. The amount deposited and the interest/dividends earned do not become taxable until the year they are withdrawn.

This plan, which is authorized by the IRS under code Section 457, is of benefit for long term retirement savings. The money may not be withdrawn without penalty except for retirement, disability, unforeseen emergencies and optional withdrawal on termination of employment with the District.

At March 31, 2015, only one District employee is active in the Plan. The Plan assets have not been reflected on the financial statements for the year ended March 31, 2015.

The required six year trend information is available in a separately issued plan report document and has not been presented in this report.

Benefit Pension Plan

Plan Description

The District's defined benefit pension plan for Regular employees provides retirement, disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy

As set by statute, the District's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for

Freeport Park District

Notes to Financial Statements

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

Funding Policy (Continued)

calendar year 2014 was 8.07 percent. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost

The required contribution for calendar year 2014 was \$73,935.

Three-Year Trend Information for the Regular Plan

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2014	\$73,935	100%	\$0
12/31/2013	82,810	100%	0
12/31/2012	75,955	100%	0

The required contribution for 2014 was determined as part of the December 31, 2012, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan's overfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 108.28 percent funded. The actuarial accrued liability for benefits was \$3,894,268 and the actuarial value of assets was \$4,216,735, resulting in an overfunded actuarial accrued liability (UAAL) of \$322,467. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$916,171. Because the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

Freeport Park District

Notes to Financial Statements

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

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

Social Security

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

Note 6 Risk Management

The Park District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District purchases insurance as a participant in the Illinois Parks Association Risk Services, a public entity risk pool, to provide the District with such insurance coverage. The deductibles in effect through these policies as of March 31, 2015 range from \$0 - \$5,000. During the year ended March 31, 2015, there were no significant reductions in insurance coverage. Also there have been no settlement amounts which have exceeded insurance coverage in each of the past three years. Potentially the Park District could be assessed additional premiums for its share of any losses of the pool. Historically, the Park District has not been assessed any additional premiums.

Note 7 Restricted Fund Balances and Net Position

Recreation Fund - Endowment Account

The District received a permanently restricted contribution during 1997 from Gelwicks Trust stipulating that the contribution is to be used solely for purposes of maintaining and updating the Oakdale Nature Preserve and Trails. The District invested these funds in a separate investment management account at State Bank - Freeport. All income and expenses relative to this activity have been recorded in the Recreation Fund and the cumulative remaining fund balance at March 31, 2015 of \$66,635 has been restricted within that fund.

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

Governmental activities:

Special Revenue Funds	Enabling Legislation	\$ 379,635
Special Revenue Fund	Donor Trust Restrictions	66,635
Debt Service	Enabling Legislation	109,011
General Fund Liability Ins.	Enabling Legislation	1,059,198
Municipal Retirement Fund	State and Federal Pension	<u>342,614</u>
		<u>\$1,957,093</u>

Freeport Park District

Notes to Financial Statements

Note 8 Operating Budget

All funds operated within the legal confines of their budgets during the fiscal year ended March 31, 2015.

Note 9 Interfund Receivables, Payables, and Transfers

The individual fund interfund receivables and payables as of March 31, 2015 are as follows:

	Due From Other Funds	Due To Other Funds
General Fund - Corporate Fund	\$74,042	\$ -
Other Governmental Funds	<u>-</u>	<u>74,042</u>
	<u>\$74,042</u>	<u>\$74,042</u>

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

The individual fund interfund transfers as of March 31, 2015 are as follows:

	Transfer In	Transfer Out
General Fund – Corporate Fund	\$ 30,770	\$ -
Debt Service Fund	201,522	-
Capital Projects Fund	58,727	211,522
Recreation Fund	10,000	-
Other Governmental Funds	3,768	10,000
Golf Course Fund	<u>-</u>	<u>83,265</u>
	<u>\$304,787</u>	<u>\$304,787</u>

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

Freeport Park District

Notes to Financial Statements

Note 10 Fund Balance Deficit

The Audit Fund has a deficit fund balance of \$40,527 at March 31, 2015.

Note 11 Pending Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27." The District is required to implement this standard for the fiscal year ending March 31, 2016.

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

Required Supplementary Information (Unaudited)

Freeport Park District

Required Supplementary Information

Schedule of IMRF Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	\$4,216,735	\$3,894,268	\$(322,467)	108.28%	\$916,171	0.00%
12/31/2013	3,931,369	3,629,382	(301,987)	108.32%	825,623	0.00%
12/31/2012	3,497,275	3,397,244	(100,031)	102.94%	851,511	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$4,697,735. On a market basis, the funded ratio would be 120.63%.

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

Freeport Park District

General Fund Schedule of Revenues Compared with Budget Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Property taxes	\$ 454,700	\$ 456,616	\$ 1,916
Corporate replacement tax	85,000	82,111	(2,889)
Total taxes	539,700	538,727	(973)
Investment income	19,300	15,771	(3,529)
Miscellaneous:			
Building rentals	7,000	7,663	663
Surplus sales	-	-	-
Insurance reimbursement	2,500	400	(2,100)
Miscellaneous	11,500	900	(10,600)
Total miscellaneous	21,000	8,963	(12,037)
Intergovernmental:			
State gasoline tax refund	2,700	2,964	264
Total revenues	\$ 582,700	\$ 566,425	\$ (16,275)

Freeport Park District

General Fund Schedule of Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures			
General government:			
Personal services:			
Administrative	\$ 127,007	\$ 112,217	\$ (14,790)
Maintenance	222,473	203,245	(19,228)
Total personal services	349,480	315,462	(34,018)
Other services and charges:			
Medical insurance	28,000	23,150	(4,850)
Insurance:			
Self insurance pool	-	-	-
Workman's compensation	-	-	-
Unemployment compensation/services	-	-	-
Claims repairs	-	-	-
Utilities	56,875	55,188	(1,687)
Total other services and charges	84,875	78,338	(6,537)
Materials and supplies:			
Office materials and supplies	6,700	3,430	(3,270)
Publicity	600	-	(600)
Total materials and supplies	7,300	3,430	(3,870)

Freeport Park District

General Fund

Schedule of Expenditures Compared with Budget

Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures (Continued)			
General government (continued):			
Other general government:			
Dues and subscriptions	4,100	4,923	823
Training and education	-	-	-
Legal services	51,270	25,736	(25,534)
Professional fees	1,800	2,438	638
Control/general signage	-	-	-
Staff training/first aid & testing	-	-	-
Blood borne pathogens	-	-	-
Tree management	-	-	-
Miscellaneous	151,500	151,740	240
Computer service hardware/software	6,000	5,454	(546)
Pre-employment testing	2,000	2,322	322
Repair and maintenance:			
Grounds and facilities	43,500	34,008	(9,492)
Vehicles	3,750	9,951	6,201
Equipment	11,650	14,560	2,910
Total other general government	275,570	251,132	(24,438)
Total expenditures	\$ 717,225	\$ 648,362	\$ (68,863)
Other financing sources (uses)			
Transfer from other funds - administrative services	\$ 30,770	\$ 30,770	\$ -
Total other financing sources (uses)	\$ 30,770	\$ 30,770	\$ -

Freeport Park District

Recreation Fund

Schedule of Revenues and Expenditures Compared with Budget Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 348,500	\$ 349,767	\$ 1,267
Corporate replacement tax	85,000	82,111	(2,889)
Total taxes	433,500	431,878	(1,622)
Investment income	10,500	11,300	800
Miscellaneous	32,700	41,709	9,009
Recreation programs	351,236	300,181	(51,055)
Total revenues	\$ 827,936	\$ 785,068	\$ (42,868)
Expenditures			
General government and administration:			
Personal services:			
Administrative	\$ 124,633	\$ 129,945	\$ 5,312
Administrative (risk management)	-	-	-
Maintenance	112,001	109,503	(2,498)
Police/emergency (risk management)	-	-	-
Total personal services	236,634	239,448	2,814
Other services and charges:			
Medical insurance	97,000	90,165	(6,835)
Charge card fee	3,000	3,344	344
Miscellaneous	19,430	34,996	15,566
Utilities	14,000	11,424	(2,576)
Total other services and charges	133,430	139,929	6,499
Materials and supplies:			
Office materials and supplies	5,000	2,915	(2,085)
Office equipment repairs	4,100	4,111	11
Publicity	9,400	8,466	(934)
Motor fuel	34,000	33,918	(82)
Brochure printing	19,642	20,351	709
Dues and subscriptions	4,530	3,820	(710)
Training and education	-	-	-
Custodial	15,500	16,260	760
Professional fees	1,500	-	(1,500)
Total material and supplies	93,672	89,841	(3,831)

Freeport Park District

Recreation Fund

Schedule of Expenditures Compared with Budget (Continued)

Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Expenditures (Continued)			
Culture and recreation:			
Program expenses	299,841	289,060	(10,781)
Tree management	-	-	-
Miscellaneous	6,900	5,090	(1,810)
Computer service hardware/software	6,000	5,776	(224)
Grounds and facilities repair	17,500	14,996	(2,504)
Total culture and recreation	330,241	314,922	(15,319)
 Total expenditures	 \$ 793,977	 \$ 784,140	 \$ (9,837)
Other financing sources (uses)			
Transfer from other funds - administrative services	\$ 10,000	\$ 10,000	\$ -
 Total other financing sources (uses)	 \$ 10,000	 \$ 10,000	 \$ -

Freeport Park District

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

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 210,000	\$ 210,975	\$ 975
Corporate replacement tax	8,000	8,000	-
Total taxes	218,000	218,975	975
Investment income (loss)	600	1,529	929
Miscellaneous:			
Building rentals	-	-	-
Surplus sales	-	-	-
Insurance reimbursement	-	-	-
Miscellaneous	-	-	-
Total miscellaneous	-	-	-
Intergovernmental:			
State gasoline tax refund	-	-	-
Total revenues	\$ 218,600	\$ 220,504	\$ 1,904
Expenditures			
General government and administration:			
Other services and charges:			
Administrative - payroll taxes	\$ 192,385	\$ 178,955	\$ (13,430)
Total expenditures	\$ 192,385	\$ 178,955	\$ (13,430)
Other Financing Sources (uses)			
Transfer from other funds -			
administrative services	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

Freeport Park District

Tort Liability Fund

Schedule of Revenues and Expenditures Compared with Budget

Required Supplementary Information

Year ended March 31, 2015

	Original & Final Budget	Actual	Over (Under) Budget
Revenues			
Property taxes	\$ 241,000	\$ 242,074	\$ 1,074
Total taxes	241,000	242,074	1,074
Investment income (loss)	1,650	2,481	831
Miscellaneous:			
Miscellaneous	19,000	17,672	(1,328)
Total revenues	\$ 261,650	\$ 262,227	\$ 577
Expenditures			
General government:			
Personal services:			
Administrative - risk management	\$ 50,471	\$ 48,850	\$ (1,621)
Other services and charges:			
Insurance:			
Self insurance pool	160,042	153,554	(6,488)
Workman's compensation	40,000	39,275	(725)
Miscellaneous	-	12,138	12,138
Unemployment compensation/services	17,200	4,910	(12,290)
Total other services and charges	217,242	209,877	(7,365)
Total expenditures	\$ 267,713	\$ 258,727	\$ (8,986)
Other Financing Sources (uses)			
Transfer from other funds -			
administrative services	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

Freeport Park District

Notes to Required Supplementary Information

a. Budgets

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

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

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

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

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

No funds presented as Required Supplementary Information exceeded their appropriated budget.

Supplementary Information

Freeport Park District

Nonmajor Governmental Funds Combining Balance Sheet

March 31, 2015

	Total		Special Revenue			
	Nonmajor Governmental Funds	Special Recreation Fund	Museum Fund	Police Fund	Audit Fund	
Assets						
Cash, cash equivalents, and investments	\$ 426,385	\$ 84,282	\$ 211,449	\$ 97,139	\$ 33,515	
Taxes receivable	308,054	88,015	154,027	55,010	11,002	
Total assets	\$ 734,439	\$ 172,297	\$ 365,476	\$ 152,149	\$ 44,517	
Liabilities						
Due to other funds - cash	\$ 74,042	\$ -	\$ -	\$ -	\$ 74,042	
Accrued salaries	10,389	3,626	5,576	1,187	-	
Accounts payable	2,846	745	1,453	648	-	
Total liabilities	87,277	4,371	7,029	1,835	74,042	
Deferred Inflows of Resources						
Property taxes	308,054	88,015	154,027	55,010	11,002	
Fund Balances						
Fund equity:						
Restricted	379,635	79,911	204,420	95,304	-	
Unassigned	(40,527)	-	-	-	(40,527)	
Total fund balances	339,108	79,911	204,420	95,304	(40,527)	
Total liabilities, deferred inflows, and fund equity	\$ 734,439	\$ 172,297	\$ 365,476	\$ 152,149	\$ 44,517	

Freeport Park District

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

Year ended March 31, 2015

	Total Nonmajor Governmental Funds	Special Revenue			
		Special Recreation Fund	Museum Fund	Police Fund	Audit Fund
Revenues					
Taxes	\$ 324,932	\$ 92,837	\$ 162,466	\$ 58,024	\$ 11,605
Intergovernmental	-	-	-	-	-
Charges for services	16,233	16,233	-	-	-
Fines	2,942	-	-	2,942	-
Investment income	492	265	179	-	48
Miscellaneous	16,331	-	16,331	-	-
Total revenues	360,930	109,335	178,976	60,966	11,653
Expenditures					
General government	18,500	-	-	-	18,500
Public safety	39,361	-	-	39,361	-
Culture and recreation	278,112	100,597	177,515	-	-
Total expenditures	335,973	100,597	177,515	39,361	18,500
Excess of revenues over (under) expenditures	24,957	8,738	1,461	21,605	(6,847)
Other financing sources (uses)					
Operating transfers in	3,768	-	-	-	3,768
Operating transfers out	(10,000)	-	-	(10,000)	-
Total other financing sources (uses)	(6,232)	-	-	(10,000)	3,768
Net change in fund balances	18,725	8,738	1,461	11,605	(3,079)
Fund balances - beginning	320,383	71,173	202,959	83,699	(37,448)
Fund balances - ending	\$ 339,108	\$ 79,911	\$ 204,420	\$ 95,304	\$ (40,527)

Freeport Park District

Capital Projects Fund Combining Balance Sheet

March 31, 2015

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Assets							
Cash and investments	\$ 2,275,580	\$ 1,034,268	\$ 6,322	\$ 111,339	\$ 567,955	\$ -	\$ 555,696
Other receivable	140,942	140,942	-	-	-	-	-
Prepaid advertising	-	-	-	-	-	-	-
Total assets	\$ 2,416,522	\$ 1,175,210	\$ 6,322	\$ 111,339	\$ 567,955	\$ -	\$ 555,696
Liabilities							
Cash - deficit balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments - deficit balance	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Accounts payable	122,336	118,907	-	-	3,429	-	-
Deferred revenues	-	-	-	-	-	-	-
Total liabilities	122,336	118,907	-	-	3,429	-	-
Fund balance - committed	2,294,186	1,056,303	6,322	111,339	564,526	-	555,696
Total liabilities and fund equity	\$ 2,416,522	\$ 1,175,210	\$ 6,322	\$ 111,339	\$ 567,955	\$ -	\$ 555,696

Freeport Park District

Capital Projects Fund Combining Statement of Revenue and Expenditures

Year ended March 31, 2015

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Revenue							
Pepsi sponsorship	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on investments	2,391	2,391	-	-	-	-	-
Unrealized gain/loss on investments	2,967	1,385	9	158	625	-	790
Surplus sales	-	-	-	-	-	-	-
Foundation reimbursement	-	-	-	-	-	-	-
Miscellaneous	225,196	225,196	-	-	-	-	-
Grants received	181,950	112,210	-	-	69,740	-	-
Total revenue	417,504	346,182	9	158	70,365	-	790

Freeport Park District

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

Year ended March 31, 2015

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures							
Per combining statement of expenditures	\$ 1,407,318	\$ 1,351,279	\$ -	\$ -	\$ 56,039	\$ -	\$ -
Excess of revenue over (under) expenditures	(989,814)	(1,005,097)	9	158	14,326	-	790
Other financing sources (uses):							
Proceeds on sale of bonds	762,000	762,000	-	-	-	-	-
Retire principal on debt certificates	-	-	-	-	-	-	-
Transfer portion of CI bond proceeds to bond and interest fund	(201,522)	(201,522)	-	-	-	-	-
Transfer management user fees	58,727	58,727	-	-	-	-	-
Other transfer	(10,000)	-	-	-	(10,000)	-	-
Excess of revenue and other financing sources over (under) expenditures and other financing sources	(380,609)	(385,892)	9	158	4,326	-	790
Fund balance, beginning	2,674,795	1,442,195	6,313	111,181	560,200	-	554,906
Fund balance, ending	\$ 2,294,186	\$ 1,056,303	\$ 6,322	\$ 111,339	\$ 564,526	\$ -	\$ 555,696

Freeport Park District

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

Year ended March 31, 2015

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures							
Salaries - administration	\$ 2,603	\$ 2,603	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries - maintenance	4,257	4,257	-	-	-	-	-
JAT grant expenditures	95,723	95,723	-	-	-	-	-
Krape Park Trail	276,671	276,671	-	-	-	-	-
Bond issuance expenses	11,230	11,230	-	-	-	-	-
Aquatic center	7,628	7,628	-	-	-	-	-
Ash tree removal	44,625	44,625	-	-	-	-	-
Krape OSLAD Grant	68,710	68,710	-	-	-	-	-
Miscellaneous	4,108	4,108	-	-	-	-	-
Master plan update	5,169	5,169	-	-	-	-	-
Forestry	39,395	39,395	-	-	-	-	-
IT upgrades	40,574	40,574	-	-	-	-	-
Krape Park road paving	21,915	21,915	-	-	-	-	-
Equipment maintenance	8,435	8,435	-	-	-	-	-
	631,043	631,043	-	-	-	-	-

Freeport Park District

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

Year ended March 31, 2015

	Total Capital Projects	Park District Bond Issues	Kids' Kastle	Mini-Golf Site and Construction	Park Development	Jane Addams Trail	50% Tax Transfer Projects
Expenditures							
Taylor Park property	79,428	79,428	-	-	-	-	-
Taylor Park improvements	8,334	8,334	-	-	-	-	-
Krape Park general	17,812	17,812	-	-	-	-	-
Roof replacement	40,400	40,400	-	-	-	-	-
Park Hills marketing	24,157	24,157	-	-	-	-	-
Park Hills projects	78,950	78,950	-	-	-	-	-
Blvd trail	60,416	60,416	-	-	-	-	-
Sidewalks	4,993	4,993	-	-	-	-	-
Fire truck shelter	21,566	21,566	-	-	-	-	-
Grant expenditures	81,203	25,164	-	-	56,039	-	-
Little Cubs field	500	500	-	-	-	-	-
Advertising - Visitors Center	6,012	6,012	-	-	-	-	-
Concert equipment	2,790	2,790	-	-	-	-	-
Training and education	13,296	13,296	-	-	-	-	-
Restroom	336,418	336,418	-	-	-	-	-
Total expenditures	\$ 1,407,318	\$ 1,351,279	\$ -	\$ -	\$ 56,039	\$ -	\$ -

Freeport Park District

Schedule of Tax Rates, Extensions and Assessed Valuations

Year ended March 31, 2015

Levy Year	Corporate	Recreation	Special Recreation	Museum	Social Security
Tax Rates					
2010	0.10000	0.12000	0.04000	0.07000	0.05446
2011	0.10000	0.12000	0.04000	0.07000	0.05889
2012	0.10000	0.12000	0.04000	0.07000	0.05879
2013	0.21155	0.15148	0.04000	0.07000	0.04844
2014	0.23178	0.17270	0.04000	0.07000	0.05454
Tax Extensions					
2010	254,733	305,679	101,893	178,313	150,012
2011	251,959	302,350	100,783	176,371	148,126
2012	358,331	319,635	97,227	169,418	151,918
2013	454,720	348,450	92,488	161,855	110,061
2014	509,301	377,999	88,015	154,027	96,999
Tax Collections					
	Extension	Collections	Collection Percent	Corporate Replacement	
2010	2,451,777	2,461,918	100.41%	158,892	
2011	2,465,490	2,460,110	99.78%	157,224	
2012	2,520,276	2,534,913	100.58%	180,244	
2013	2,478,367	2,487,730	100.38%	172,222	
2014	2,380,627	-	-	-	
Assessed Valuation					
2010	254,732,845				
2011	251,958,562				
2012	243,068,113				
2013	231,221,230				
2014	220,038,271				

IMRF	Bond and Interest	Audit	Insurance	Police	Total
0.01914	0.36791	0.00500	0.13947	0.02500	0.94098
0.02356	0.37348	0.00500	0.14656	0.02500	0.96249
0.04585	0.37705	0.00500	0.13495	0.02500	0.97664
0.04369	0.39342	0.00500	0.10596	0.02500	1.09454
0.04772	0.35020	0.00500	0.11362	0.02500	1.11056
60,015	951,376	12,737	373,336	63,683	2,451,777
115,523	954,772	12,598	340,018	62,990	2,465,490
118,496	963,789	12,105	268,833	60,524	2,520,276
100,119	900,144	11,561	241,164	57,805	2,478,367
72,001	770,574	11,002	245,699	55,010	2,380,627