

PROSPECT HEIGHTS PARK DISTRICT



PROSPECT HEIGHTS, ILLINOIS

**Prospect Heights Park District
Prospect Heights, Illinois
Comprehensive Annual Financial Report
For The Year Ended December 31, 2015**

**Submitted by:
Finance Department**

**Scott Devlin
Business Manager**

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PROSPECT HEIGHTS PARK DISTRICT

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110 W. Camp McDonald Road • Prospect Heights, Illinois 60070

March 4, 2016

Board of Park Commissioners and Citizens of the
Prospect Heights Park District
110 W. Camp McDonald Road
Prospect Heights, Illinois 60070

The Comprehensive Annual Financial Report (CAFR) of the Prospect Heights Park District (District) for the fiscal year ending December 31, 2015 is hereby submitted as mandated by statutes. This report provides a broad view of the District's financial activities for 2014 fiscal year and its financial position at December 31, 2015. These statements are presented in conformity with generally accepted accounting principles (GAAP). Knutte and Associates, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the Prospect Heights Park District's financial statements for the year ended December 31, 2015. The independent auditor's report is located at the front of the financial section of the report.

The report consists of management's representations concerning the finances of the Prospect Heights Park District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Prospect Heights Park District's financial statements in conformity with accounting principles generally accepted in the United States (GAAP). Because the cost of internal controls should not outweigh its benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter complements the MD&A and should be read in conjunction with it.

Profile of the Prospect Heights Park District

The District is located in Cook County and is 20 miles northwest of downtown Chicago, in an established community consisting primarily of residential property. The District serves most of the City of Prospect Heights, and small portions of the Village of Arlington Heights, the Village of Mt. Prospect and the Village of Wheeling. The population of the District is estimated to be approximately 15,000.

The District, incorporated in 1966, operates under a Board-Director form of government. Policymaking authority is vested in a governing board (Board of Commissioners) consisting of the President and six other members. Board members are elected at large and serve four – year terms, with elections every two years. The Board appoints the Executive Director who is responsible for the day- to-day operations.

The District provides recreation services and opportunities to all residents of the District. To accomplish this, the District follows a written mission statement. It states: “The Prospect Heights Park District’s mission is to enhance the quality of life for all residents of the District through the development and maintenance of park lands and facilities utilizing available resources, as well as to promote community involvement through a variety of recreation programs, educational opportunities and special events.”

Based on the mission, the District provides recreational programs, park management, capital development and general administration. Facilities operated by the Park District includes the Gary Morava Recreation Center, 14 park sites totaling 70 acres of park land, the Old Orchard Country Club totaling 100 acres, one outdoor swimming pool, and various baseball/ softball diamonds, football/soccer fields, tennis courts, playgrounds and picnic areas.

The District includes all departments of its governmental operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. There are no other organizations for which we have financial accountability. The District, however, participates in Illinois Municipal Retirement Fund (IMRF), the Northwest Special Recreation Association (NWSRA), and the Park District Risk Management Agency (PDRMA). These organizations are considered separate governmental units because they are organized entities, have governmental character and are substantially autonomous. Audited financial statements for these organizations are not included in this report. However, such statements are available upon request from their respective business offices.

The District is required to adopt a final budget and appropriation ordinance by no later than three months after the beginning of the fiscal year. This annual budget serves as the foundation for the Prospect Heights Park District’s financial planning and control. The budget is prepared by fund and program activity. Department heads may transfer resources within a program as they see fit. Transfers between funds, however, need special approval from the Board of Commissioners.

Factors Affecting Economic Condition

Local Economy

The City of Prospect Heights is primarily a stable, fully developed, residential community; over 86% of the assessed valuation of the property in the Park District is residential. The District continues to experience limited growth in both residential and commercial development. Assessed valuation of \$297,319,498 for tax year 2014 represents an increase of 1.3% compared to tax year 2013. The Prospect Heights Park District continues to strive to monitor social, economic, and population changes and to alter programs and services to meet the need of its residents.

Long-term Financial Planning

The District has been operating since 1999 under the Tax Limitation Act. The District's adopted fund balance policy establishes an appropriate level of reserves for each fund. These reserves levels are monitored to ensure that the fund balances are increasing and reaching the appropriate level.

Future Initiatives

During 2011 the District completed a Comprehensive Park Master Plan and an ADA compliance audit. During 2012 the District began implementing the first phases of the master plan, with the creation of a new web site, upgraded on-line registration, additional marketing, and parks development. During 2013 the District implemented a new accounting system, continued to address the ADA compliance issues related to the accessibility of the facilities and continued maintenance and repair of park lands and buildings. In 2014, the District undertook additional ADA compliance projects and implemented changes to the organizational management structure.

Acknowledgments

This financial report was compiled through the efficient and dedicated efforts of the entire staff of the Finance Department, and the cooperation and assistance rendered by staff from the other departments of the Prospect Heights Park District. The staff would like to thank the Board of Commissioners for their interest and support in planning and conducting the financial operations of the District in a responsible manner.

Sincerely,



Christina Ferraro
Executive Director



Scott Devlin
Business Manager

**Prospect Heights Park District
Board of Commissioners and Officers
December 31, 2015**

BOARD OF COMMISSIONERS

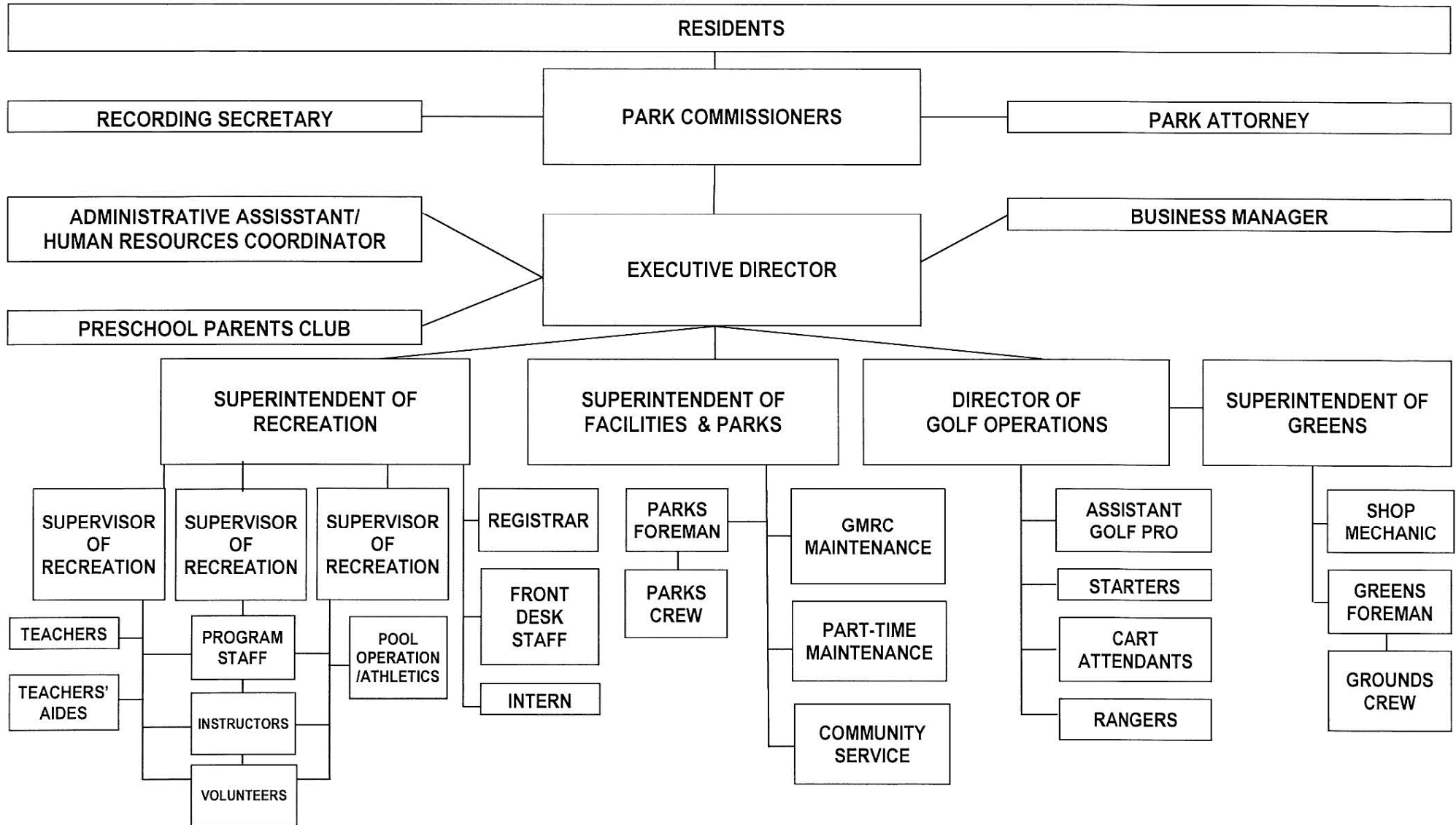
Lisa Gould, President

Terry Curtis	Vice President
Vicki Carney	Treasurer
Mark Malouf	Secretary
Karl Jackson	Commissioner
Tim Jones	Commissioner
Bob Loranger	Commissioner

ADMINISTRATIVE

Christina Ferraro	Current Executive Director
Kathleen Nowicki	Former Executive Director
Julie Caporusso	Superintendent of Recreation
Dino Squiers	Superintendent of Facilities and Parks
Scott Devlin	Business Manager
Marc Heidkamp	Director of Golf Operations
Gerald Arden	Superintendent of Greens
James Lennon	Park District Attorney

PROSPECT HEIGHTS PARK DISTRICT ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Prospect Heights Park District
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Prospect Heights Park District
Prospect Heights, Illinois

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Prospect Heights Park District, as of December 31, 2015, and the respective changes in financial position for the year ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending December 31, 2015 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Prospect Heights Park District's basic financial statements. The major fund individual fund financial schedules, non-major fund combining and individual fund schedules, and schedules of debt service requirements for the year ended December 31, 2015 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The major fund individual fund financial schedules, non-major fund combining and individual fund schedules, and schedules of debt service requirements have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the major fund individual fund financial schedules, non-major fund combining and individual fund schedules, and schedules of debt service requirements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The "Letter of Transmittal" and "Statistical Section" listed in the accompanying table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

March 4, 2016
Darien, Illinois

Knuttle & Associates, P.C.
1

Prospect Heights Park District Prospect Heights, Illinois

Management's Discussion and Analysis December 31, 2015

The Prospect Heights Park District (the "District") discussion and analysis is designed to: (1) summarize the financial highlights of the District, (2) provide an overview of the District's financial position, (3) evaluate the District's recent activities resulting in net asset changes, (4) identify any material deviations from the financial plan (the approved budget), (5) review material changes in capital assets and long-term debt and (6) recognize current facts or conditions that will impact the District.

We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the transmittal letter, which can be found on page iv of this report, and the District's Financial Statements, beginning on page 12.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the December 31, 2015 by \$7,974,088 (net position), an increase of \$775,794 in comparison with the prior year. The increase of \$775,794 includes a \$398,050 change in net position and a \$377,744 prior period adjustment. Of the District's net position, \$1,687,952 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's combined Governmental Funds ending fund balance was \$3,008,240 an increase of \$717,625 in comparison with the prior year. Approximately 72% of this total fund balance, \$2,173,522 is available for spending at the discretion of the district (both unassigned and assigned fund balances).
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$1,350,414 or 22% of the General Funds expenditures.
- Governmental debt outstanding is \$8,125,910, a decrease of \$110,080 (about 1.3% percent) during the current fiscal year.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements are designed to provide readers with a broad overview of the Prospect Heights Park District's finances. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities. The government-wide statements are highly condensed and present information about the District's finances and operations as a whole, with a longer-term view.

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

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., uncollected taxes)

The activities presented in the District's government-wide financial statements are governmental activities. Governmental activities are principally supported by taxes and intergovernmental revenues. Governmental activities include general government and recreation. The District does not report any business type activities.

The government-wide financial statements are presented on pages 12 - 13 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The District categorizes all of its funds as governmental.

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. For the *Balance Sheet Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds* a reconciliation is provided to facilitate a comparison between the governmental fund statements and the government - wide statements.

The analysis of the District's funds begins on page 14. These statements reinforce information in the government-wide financial statements or provide additional information. The major funds are presented individually, while the remaining funds are combined into a column titled "Nonmajor Governmental Funds." Individual fund data for each of the non-major governmental funds is provided in the form of combining statements on pages 58 through 69.

The Major Funds:

General, Recreation, Golf, Debt Service and Capital Projects.

The Non- Major Funds:

Audit, Paving and Lighting, Liability Insurance, Social Security, IMRF, Police, Museum, Special Recreation, Memorial and Community Events.

Budgetary comparison statements are included in the required supplementary information for the general fund and each major special revenue fund. Budgetary comparison schedules for the other special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 14 - 16 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Other supplementary information includes detail by fund for receivables, payables, transfers and payments within the reporting entity. Required supplementary information can be found on pages 42 - 43 of this report.

Government-wide Financial Analysis

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as a whole.

The District's combined net assets and deferred outflows exceeded liabilities and deferred inflows by \$7,974,088 as of December 31, 2015.

Below are two tables; condensed Statement of Net Position and Statements of Changes in Net Assets.

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
December 31, 2015 and December 31, 2014

	2015	2014
Assets		
Current and other Assets	\$ 5,930,527	\$ 4,681,192
Capital Assets	13,187,431	13,415,859
Total Assets	<u>19,117,958</u>	<u>18,556,399</u>
Deferred Outflows of Resources	<u>437,978</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>19,555,936</u>	<u>18,556,399</u>
Liabilities		
Current Liabilities	1,049,688	260,513
Noncurrent Liabilities	7,778,470	8,477,841
Total Liabilities	<u>8,828,158</u>	<u>8,738,354</u>
Deferred Inflows of Resources	<u>2,753,690</u>	<u>2,629,751</u>
Total Liabilities and Deferred Inflows of Resources	<u>11,581,848</u>	<u>11,368,105</u>
Net Position		
Net Investment in Capital Assets	5,533,917	4,938,018
Restricted	752,219	535,279
Unrestricted	1,687,952	1,724,997
Total Net Position	<u>\$ 7,974,088</u>	<u>\$ 7,198,294</u>

By far the largest portion of the Prospect Heights Park District's net position, 69% reflects its investment in capital assets (e.g., land, buildings, land improvements and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to users of the district; consequently these assets are not available for future spending. Although the District's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, 9% or \$752,219 reflect resources that are subject to external legal or contractual restrictions on how they may be used. The remaining 21% or \$1,687,952 reflects resources that are unrestricted and may be used to meet the district's ongoing obligations to its residents and creditors. For more detailed information, see Statement of Net Position on page 12. A summary of the Changes in Net Position is shown in Table 2 with a comparison to the prior year's activity.

Table 2
Changes in Net Position
December 31, 2015 and December 31, 2014

	Governmental Activities	
	2015	2014
Revenues		
Program Revenues:		
Charges for services	\$ 2,167,117	\$ 2,114,919
Operating grants	8,637	1,990
Contributions		-
General Revenues		
Taxes	2,590,925	2,480,965
Investment Income	2,568	3,932
Donations and Miscellaneous	-	-
Miscellaneous	10,699	23,146
Total Revenues	<u>4,779,946</u>	<u>4,624,952</u>
Expenses		
Program Expenses:		
General Government	1,312,889	1,640,063
Recreation	2,562,313	2,314,215
Interest	309,502	174,006
Change in Net Pension Liability	197,192	-
Total Expenses	<u>4,381,896</u>	<u>4,128,284</u>
Changes in Net Position	398,050	496,668
Net Position, January 1	7,198,294	6,740,129
Prior Period Adjustment	377,744	(38,503)
Net Position, December 31	<u>\$ 7,974,088</u>	<u>\$ 7,198,294</u>

Governmental Activities

The Prospect Heights Park District's net position increased by \$398,050, as revenues continued to exceed expenses.

The cost of all governmental activities this year was \$4,381,896. General government expenses, which primarily reflect the support services needed to provide the recreational program and services, accounted for 30% of the total expense. Recreation expenses captured 58% of the total expense.

The table below, presents the cost of each of the District's largest functions, as well as the program's net costs (total cost less revenues generated by the activities), with comparative data from December 31, 2014. The net cost highlights the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows the citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Governmental Activities
December 31, 2015 and December 31, 2014

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	2015	2014	2015	2014
General Government	\$ 1,312,889	1,640,063	\$ 1,312,889	1,640,058
Recreation	2,562,313	2,314,215	386,559	197,311
Interest	309,502	174,006	309,502	174,006
Changes in Net Pension Liability	197,192	-	197,192	-
Total Expense	\$ 4,381,896	4,128,284	\$ 2,206,142	2,011,375

Financial Analysis of the District's Funds

As noted earlier, the Prospect Heights Park District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The governmental funds provide information on short-term inflows, outflows, and balances of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. In particular, *unassigned* fund balances may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year. The General, Recreation, Golf, Debt Service and Capital Projects funds are the primary operating funds of the District

As of the end of the current fiscal year, the governmental funds reported a combined ending fund balance of \$3,008,240, an increase of \$717,625 in comparison with the prior year. Roughly 43% of this amount or \$1,305,265 constitutes *unassigned fund balance* and 28% or \$868,257 of this amount constitutes *assigned fund balance*, which is available for spending at the discretion of the District. The remainder of the fund balance is *restricted* to indicate that it is not available for unrestricted spending. Rather it has been restricted to pay specific items such as debt service, capital projects or specific tax levies.

Revenues

Compared to 2014, total revenue for the governmental funds increased in 2015 by \$154,994 to \$4,779,946.

Property tax revenue represented the largest portion of the revenue base, generating 54% of the total. Property taxes fund governmental activities, including but not limited to IMRF, Social Security, Audit, and Special Recreation.

Charges for services represented 46% of the revenue base. The District does not receive 100% of its funding through property taxes to cover the costs associated with program offerings. Thus it must charge a user fee for programs and services provided to the public. Pricing of programs is evaluated each year before the preparation of the following fiscal year budget.

Expenditures

The total cost of providing programs and services for the governmental funds of the District was \$4,628,311 compared to \$4,848,821 in 2014. Of the 2015 total, expenditures associated with the General Fund captured 7% of the total and expenditures associated with the Recreation Fund captured 28% of the total and the Golf Fund captured 27% of the total.

General Fund Budgetary Highlights

During the 2015 budget year, the District did not revise the annual operating budget of the general fund. The fund is reported as a major fund, and accounts for the routine park operations of the District. The overall performance of the fund was slightly less than budgeted. Due to a decrease in revenues, the fund balance at year end was less than budgeted. At the end of the current fiscal year, General Fund had a positive budget variance of \$57,314.

Recreation Fund Highlights

During the 2015 budget year, the Recreation Fund balance increased by \$188,812 to \$453,769 compared to the 2014 ending balance of \$264,957. With an increase in Charges for Services and a reduction in expenditures, the Recreation Fund was able to increase its Fund Balance for 2015.

Golf Fund Highlights

In the 2013 budget year, the golf operation was separated from the Recreation Fund, creating the Golf Fund. In 2015, the Golf Fund's revenues were less than expenditures by \$15,174. Rounds of golf played decreased from 24,501 rounds in 2014 to 23,987 in 2015.

Debt Service Fund

During the 2015 budget year, the Debt Service Fund balance increased by \$16,130 to \$34,182 compared to 2014 ending balance of \$18,052, as the park district continues its bond payments.

Capital Fund Highlights

During the 2015 budget year, the Capital Fund Balance increased by \$85,552 to \$868,257 compared to 2014 ending balance of \$782,705. The change in fund balance is due a large transfer from the General Fund to the Capital Fund.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2015 was \$13,187,431. This investment in capital assets includes land, buildings, improvements to land and machinery and equipment. There were no major capital projects during 2015.

Table 4
Capital Assets (net of depreciation)
December 31, 2015 and December 31, 2014

	2015	2014
Land	\$ 8,734,667	\$ 8,734,667
Land Improvements	524,251	589,344
Building	3,333,801	3,525,346
Equipment	529,137	555,333
Vehicles	60,733	4,867
Furniture and Fixtures	4,842	1,261
Bike Path	-	5,042
Net Capital Assets	\$ 13,187,431	\$ 13,415,860

The District showed a decrease in governmental net capital assets primarily due to depreciation and disposal of older equipment. Additional information on the Prospect Heights Park District's capital assets can be found in Note 5 on page 30.

Debt Administration

As of December 31, 2015, the Park District has general obligation bond issues outstanding of \$8,125,910. The debt service on the general obligation bonds is paid with property taxes. Currently the District's bonds are unrated. Additional information on the District's long term debt can be found in Note 6 beginning on page 30.

The District computation of legal debt margin is subject to a statutory debt limitation of 2.875 % of equalized assessed valuation. The current legal debt margin for the Prospect Heights Park District is \$7,982,026. See page 85 for additional information.

Factors bearing on the District's Future

Many trends and economic factors can affect the future operations of the District. At the time these financial statements were prepared and audited, the District is aware of existing circumstances that could adversely affect its financial health in the future.

- The continuing negative effect of the tax cap on the District's property tax revenue
- Decrease in the Equalized Assessed Value of the property within the district
- The current economic condition of the state
- Low interest earnings rates
- Increase competition from private industry for participation and users

During 2012 the District began implementing a comprehensive long-range master plan. This action should ensure the stability of the Park District into the future. The District is committed to providing all its services and operations in a responsive, efficient and cost-effective manner while retaining the high level of services it provides. The key to continued future financial health for the District is sound planning. This includes conservative revenue projections for future years and vigilant cost controls at all levels.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact Scott Devlin, Accounting Manager, Prospect Heights Park District, 110 W. Camp McDonald Road, Prospect Heights, Illinois, 60070.

**Prospect Heights Park District
Statement of Net Position
December 31, 2015**

	Governmental Activities
ASSETS	
Cash	\$ 3,090,796
Property Tax Receivable	2,756,760
Accounts Receivable	472
Inventory	52,439
Prepaid Expenses	30,060
Capital Assets	
Capital Assets Not Being Depreciated	8,734,667
Other Capital Assets, Net of Depreciation	4,452,764
Total Capital Assets	<u>13,187,431</u>
TOTAL ASSETS	<u>19,117,958</u>
DEFERRED OUTFLOWS	
Future Cost of Refunding	166,153
IMRF Plan Year Adjustments	103,363
IMRF Deferred Outflows	168,462
TOTAL DEFERRED OUTFLOWS	<u>437,978</u>
LIABILITIES	
Accounts Payable	41,846
Accrued Interest	24,733
Accrued Payroll	39,119
Unearned Program Revenue	87,632
Accrued Vacation	
Due in More Than One Year	15,448
Bonds Payable	
Due Within One Year	840,910
Due in More Than One Year (Net of Premium and Discount)	7,680,861
Net Pension Liability	97,609
TOTAL LIABILITIES	<u>8,828,158</u>
DEFERRED INFLOWS	
Deferred Property Taxes	2,753,690
TOTAL DEFERRED INFLOWS	<u>2,753,690</u>
NET POSITION	
Net Investment in Capital Assets	5,533,917
Restricted Amounts	
Recreation	442,450
Debt Service	34,182
Audit	2,685
Paving and Lighting	11,621
Liability Insurance	25,402
Social Security	17,375
Illinois Municipal Retirement	26,791
Police	14,529
Museum	6,864
Special Recreation	134,674
Community Events	35,646
Unrestricted Amounts	1,687,952
TOTAL NET POSITION	<u>\$ 7,974,088</u>

See Accompanying Notes To The Financial Statements

Prospect Heights Park District
Statement of Activities
For The Year Ended December 31, 2015

	PROGRAM REVENUES		NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION	
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS				
Governmental Activities				
General Government	\$ 1,312,889	\$ 0	\$ 0	\$ (1,312,889)
Recreation	2,562,313	2,167,117	8,637	(386,559)
Interest on Long-Term Debt	309,502	0	0	(309,502)
Change in Net Pension Liability	197,192	0	0	(197,192)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 4,381,896	\$ 2,167,117	\$ 8,637	(2,206,142)
GENERAL REVENUES				
Taxes				
Property taxes levied for general purposes				2,577,075
Replacement taxes for general purposes				13,850
Interest Income				2,568
Miscellaneous				10,699
TOTAL GENERAL REVENUES				2,604,192
CHANGE IN NET POSITION				398,050
NET POSITION,				
BEGINNING OF YEAR				7,198,294
PRIOR PERIOD ADJUSTMENT				377,744
BEGINNING OF YEAR, RESTATED				7,576,038
END OF YEAR				\$ 7,974,088

See Accompanying Notes To The Financial Statements

**Prospect Heights Park District
Governmental Funds
Balance Sheet
December 31, 2015**

	General	Recreation	Golf	Debt Service	Capital Projects	Other Governmental Funds	Total
ASSETS							
Cash	\$ 1,360,307	\$ 530,583	\$ 10,321	\$ 33,487	\$ 869,689	\$ 286,409	\$ 3,090,796
Property Tax Receivable	976,406	606,140	0	624,374	0	549,840	2,756,760
Accounts Receivable	38	434	0	0	0	0	472
Inventory	0	0	52,439	0	0	0	52,439
Prepaid Expenditures	5,532	11,319	12,966	0	0	243	30,060
Due from Other Funds	3,679	0	0	0	0	0	3,679
TOTAL ASSETS	2,345,962	1,148,476	75,726	657,861	869,689	836,492	5,934,206
TOTAL DEFERRED OUTFLOWS	0	0	0	0	0	0	0
TOTAL ASSETS AND DEFERRED OUTFLOWS	2,345,962	1,148,476	75,726	657,861	869,689	836,492	5,934,206
LIABILITIES							
Accounts Payable	5,578	17,096	8,795	0	1,432	8,945	41,846
Accrued Payroll	9,120	17,017	10,493	0	0	2,489	39,119
Unearned Program Revenue	0	55,129	32,503	0	0	0	87,632
Due to Other Funds	0	0	0	0	0	3,679	3,679
TOTAL LIABILITIES	14,698	89,242	51,791	0	1,432	15,113	172,276
DEFERRED INFLOWS							
Deferred Property Taxes	975,318	605,465	0	623,679	0	549,228	2,753,690
TOTAL DEFERRED INFLOWS	975,318	605,465	0	623,679	0	549,228	2,753,690
FUND BALANCES							
Non-spendable	5,532	11,319	65,405	0	0	243	82,499
Restricted	0	442,450	0	34,182	0	275,587	752,219
Assigned	0	0	0	0	868,257	0	868,257
Unassigned	1,350,414	0	(41,470)	0	0	(3,679)	1,305,265
TOTAL FUND BALANCES	1,355,946	453,769	23,935	34,182	868,257	272,151	3,008,240
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 2,345,962	\$ 1,148,476	\$ 75,726	\$ 657,861	\$ 869,689	\$ 836,492	

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

Capital Assets used in governmental funds are not financial resources and therefore are not reported in the funds.	13,187,431
Accrued Interest on Long Term Debt is not recorded in the fund financial statements.	(24,733)
Accrued Vacation is not recorded in the fund financial statements.	(15,448)
Bonds Payable are not reported as liabilities in the fund financial statements.	(8,125,910)
Future Cost of Refunding	166,153
Premiums, Discounts and Future Cost of Refunding are not reported as liabilities in the fund financial statements.	(395,861)
Net Pension Liability is not recorded in the fund financial statements	(97,609)
IMRF Plan Year Adjustments and IMRF Deferred Outflows are not reported as assets in the fund financial statements.	271,825
NET POSITION OF GOVERNMENTAL FUNDS	\$ 7,974,088

See Accompanying Notes To The Financial Statements

**Prospect Heights Park District
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended December 31, 2015**

	General	Recreation	Golf	Debt Service	Capital Projects	Other Governmental Funds	Total
REVENUES							
Property Taxes	\$ 912,761	\$ 566,630	\$ 0	\$ 583,676	\$ 0	\$ 514,008	\$2,577,075
Replacement Taxes	13,850	0	0	0	0	0	13,850
Charges for Services	0	908,980	1,244,056	0	0	14,081	2,167,117
Grants and Donations	0	1,606	6,000	0	0	1,031	8,637
Interest	2,568	0	0	0	0	0	2,568
Miscellaneous	520	5,460	3,219	0	0	1,500	10,699
TOTAL REVENUES	929,699	1,482,676	1,253,275	583,676	0	530,620	4,779,946
EXPENDITURES							
Current							
General Government	304,980	0	0	0	0	508,924	813,904
Recreation	0	1,293,864	1,268,449	0	0	0	2,562,313
Debt Service							
Principal	0	0	0	675,990	0	0	675,990
Interest	0	0	0	310,657	0	0	310,657
Fees	0	0	0	14,043	0	0	14,043
Capital Outlay	0	0	0	0	240,377	10,947	251,324
TOTAL EXPENDITURES	304,980	1,293,864	1,268,449	1,000,690	240,377	519,871	4,628,231
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	624,719	188,812	(15,174)	(417,014)	(240,377)	10,749	151,715
OTHER FINANCING SOURCES (USES)							
Issuance of Debt	0	0	0	431,834	134,076	0	565,910
Transfers In	0	0	0	1,310	191,853	0	193,163
Transfers Out	(193,163)	0	0	0	0	0	(193,163)
TOTAL OTHER FINANCING SOURCES (USES)	(193,163)	0	0	433,144	325,929	0	565,910
NET CHANGE IN FUND BALANCES	431,556	188,812	(15,174)	16,130	85,552	10,749	717,625
FUND BALANCES, BEGINNING OF YEAR	924,390	264,957	39,109	18,052	782,705	261,402	2,290,615
END OF YEAR	\$1,355,946	\$ 453,769	\$ 23,935	\$ 34,182	\$ 868,257	\$ 272,151	\$3,008,240

See Accompanying Notes To The Financial Statements

**Prospect Heights Park District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For The Year Ended December 31, 2015**

Net Change in Fund Balances - Total Governmental Funds Combined Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 717,625
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(325,829)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	97,400
The issuance of long-term debt in the prior years resulted in items that were reported as current financial resources in the governmental funds. However, these amounts are being amortized in the government-wide statements:	
Amortization of Premium on Bond Issue	27,720
Amortization of Discount on Bond Issue	(6,794)
Amortization of Future Cost of Refunding	(8,783)
Payments of bond principal are treated as an expenditure in the fund financial statements.	675,990
Proceeds from bond issues are considered other financing sources in the fund financial statements.	(565,910)
The change in accrued interest expense is not recorded in the fund financial statements.	1,155
The change in accrued vacation is not recorded in the fund financial statements.	(10,997)
The change in the net pension liability is not considered an expenditure in the fund financial statements.	(197,192)
Adjustments for the IMRF plan year are not considered an expenditure in the fund financial statements.	<u>(6,335)</u>
Change in Net Position of Governmental Activities (Statement of Activities)	<u>\$ 398,050</u>

See Accompanying Notes To The Financial Statements

**Prospect Heights Park District
Notes To The Financial Statements
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The District operates under a President-Commissioner form of government, providing recreation and other services to the residents of the Prospect Heights Park District including recreation programs, park management, capital development and general administration.

The accounting and reporting policies of the Park District relating to the funds included in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) applicable 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 following is a summary of the more significant policies.

A. Reporting Entity

The Park District follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Park District has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the Park District is not required to be included as a component unit of any other entity.

B. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. The statements distinguish between governmental and business type activities, when applicable. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The Park District allocates indirect expenses to functions in the Statement of Activities in cases where a clear and direct connection exists. Program revenues include charges to residents who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets and deferred outflows, liabilities and deferred inflows, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. Funds are organized as major funds or non-major funds within the governmental statements. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the Park District are financed. The Park District's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the Park District's governmental funds follows:

General Fund

The General Fund is the general operating fund of the Park District. It is used to account for and report all financial resources not accounted for or reported in another fund.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Funds included in this fund category are:

Recreation	Illinois Municipal Retirement
Golf	Police
Audit	Museum
Paving and Lighting	Special Recreation
Liability Insurance	Memorial
Social Security	Community Events

Debt Service Fund

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

Capital Projects Fund

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

MAJOR FUNDS

The Park District reports the following major governmental funds:

- The General Fund, which accounts for the park district's primary operating activities.
- The Recreation Fund, which accounts for the operations of the recreation programs offered to residents. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.
- The Golf Fund, which is used to account for revenue and expenditures related to Old Orchard Country Club funded by user fees.
- The Debt Service Fund, which accounts for the payment of long-term debt principal, interest and related costs.
- The Capital Projects Fund, which accounts for the acquisition and construction of major capital facilities.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

NON-MAJOR FUNDS

The Park District reports the following non-major governmental funds:

- Audit
- Paving and Lighting
- Liability Insurance
- Social Security
- Illinois Municipal Retirement
- Police
- Museum
- Special Recreation
- Memorial
- Community Events

C. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting are followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the Park District's operations. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Property taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The Park District considers property taxes available if they are due and collected by year-end. Class registration fees received by the Park District are recognized as revenue when the class starts. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

The Park District reports unearned/deferred revenues on its Statement of Net Position and its Governmental Funds Balance Sheet. For government-wide financial statements, unearned revenues arise from program charges received before the program has started. For governmental fund financial statements, deferred revenues occur when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period or when resources are received by the Park District before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Park District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

D. Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the flow of economic resources measurement focus, which means all assets, deferred outflows, liabilities (whether current or non-current), and deferred inflows are included on the Statement of Net Position and the operating statements present increases and decreases in net position.

The measurement focus of all governmental funds is the flow of current economic resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the governmental fund financial statements, but are excluded from the governmental funds financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

E. Use of Estimates

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

F. Budgetary Data

The Park District operates under the Appropriations Act. All financial statements utilize the term “budget” to reflect estimated revenue and appropriations. The budgets are prepared using generally accepted accounting principles to reflect revenues and expenditures/expenses; the same basis of accounting that is used in the preparation of the basic financial statements.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Budgetary Data (Continued)

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

1. The Park District Director submits to the Board of Park Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is held at the Park District's office to obtain taxpayer comments.
3. Prior to August 1, the appropriated budget is legally enacted through passage of a Budget and Appropriation Ordinance, which sets forth all proposed expenditures by fund and function for the year. The legal level of budgetary control is generally considered to be the total expenditures for each fund. Therefore, it is the District's position that management may overspend a line item or a function so long as expenditures do not exceed the total appropriation for the fund.
4. The Board of Commissioners may: (1) Amend the budget by filing an amended Budget and Appropriation Ordinance with the County Clerk (2) Transfer between items of any fund not exceeding in the aggregate ten percent (10%) of the total amount appropriated in such fund. (3) After six months of the fiscal year, by two-thirds vote, transfer any appropriation item within a fund that it expects will be unexpended to any other appropriation item within the same fund. Such transfers, in the aggregate, may not exceed ten percent of the total amount appropriated in such fund.
5. All appropriations lapse at year end. Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level. The administrative staff of the Park District has no authority to amend the budget without first seeking approval from the Board of Commissioners. Formal budgetary integration is employed as a management control device during the year for all Governmental funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Because the level of legal control is at the individual fund level, expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation at the fund level must be approved by the Park District Board through a supplemental appropriation. No supplemental appropriations were made during the year ending December 31, 2015.

By law, management can make transfers between individual expenditure line items within a fund, but approval by the Board of Commissioners is required in order for management to make transfers between individual funds. An ordinance must be filed with the county in order for the budget to be amended.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash, Cash Equivalents, and Investments

The Park District considers all highly liquid investments with an initial maturity date within three months of the date acquired by the Park District and investment pools to be cash equivalents. Cash amounts are carried at cost, and represent funds held in the Park District's name by the applicable financial institution, adjusted for outstanding transactions. Under Illinois law, the Park District is restricted to investing funds in specific types of investment instruments. The following generally represent the types of instruments allowable by State Law:

1. Securities issued or guaranteed by the U.S. Government.
2. Interest-bearing accounts of banks and savings and loan associations insured up to \$250,000 by the Federal Deposit Insurance Corporation.
3. Short-term obligations (less than 270 days) of U.S. corporations with assets over \$500 million dollars rated in the highest classification by at least two rating agencies.
4. Insured accounts of an Illinois credit union chartered under United States or Illinois law.
5. Money market mutual funds with portfolios of securities issued or guaranteed by the U.S. Government or agreements to repurchase these same types of obligations.
6. Illinois Park District Liquid Asset Fund Plus and the Illinois Funds Money Market Fund.
7. Repurchase agreements, which must meet instrument transaction requirements of Illinois law. The Park District does not invest in repurchase agreements.

H. Transfers

During the normal course of Park operations, transfers between funds arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Further information on interfund transfers can be found in Note 7.

I. Accrued Vacation

The District has an Accrued Vacation Liability at December 31, 2015. Therefore, a \$15,448 Accrued Vacation Liability has been recorded in the Governmental-Wide Financial Statements, along with a \$10,997 increase in Accrued Vacation.

J. Inventories

The Park District uses the consumption method as its basis of accounting for inventories. Inventories are stated at the lower of cost or market. Cost has been determined on the first-in, first-out basis. The District's inventory balance amounts to \$52,439.

K. Prepaid Expenses/Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/items using the consumption method. Such amounts are offset by fund balance reserved for prepaid items in the fund financial statements. Prepaid expenses amount to \$30,060.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government-wide or fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, fixed assets are accounted for as capital assets. The Park has adopted a capitalization threshold of \$1,000 for capital asset additions. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

<u>Asset</u>	<u>Depreciable Life</u>
Land Improvements	20 Years
Buildings and Improvements	7 - 50 Years
Equipment	5 - 20 Years
Vehicles	8 Years
Furniture and Fixtures	20 Years
Bike Path	10 Years

FUND FINANCIAL STATEMENTS

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made. Public domain (infrastructure) assets consisting of roads, curbs and gutters, sidewalks, drainage systems, and lighting systems are not capitalized in the fund financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

M. Long Term Liabilities

In the government-wide financial statements, debt principal payments of both government and business-type activities (when applicable) are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized when paid.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Property Taxes

The District's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible 55% in March and 45% in September of the following year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes which have been levied but are not due before the end of the fiscal year are recorded as receivable. The entire receivable is offset by deferred revenue as they are intended to finance the subsequent fiscal year.

O. GASB Pronouncements

In June 1999, the GASB issued Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. The requirements of this Statement are effective in three phases based on a government's total revenues in the first year ending after June 15, 1999. The Park District has adopted this Statement for the period beginning January 1, 2004.

Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity", is an amendment of GASB Statements No. 14 and No. 39, which does not have impact on the current year financial statements.

As of January 1, 2012, the District has implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position.

As of January 1, 2012, the District has implemented GASB Statement No. 65 "Items previously reported as Assets and Liabilities". The objective of this statement is to establish accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The Statement also recognizes as outflows of resources or inflows of resources certain items that were previously reported as assets and liabilities.

P. Equity Classifications

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

- Net Investment in capital assets – consists of capital assets, net of accumulated depreciation.
- Restricted amounts – consists of amounts with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted amounts – consists of all other amounts that do not meet the definition of restricted or invested in capital assets.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Equity Classifications (Continued)

FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. The components of fund balance are:

- Non-spendable – consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.
- Restricted – consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either; a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed – consists of resources constrained (issuance of an ordinance) to specific purposes by a government itself, using its highest level of decision-making authority, the Board of Commissioners; 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 – amounts that are constrained by the Board of Commissioners' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by (a) the Board of Commissioners itself or (b) a body or official to which the Board of Commissioners has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Commissioners, who is authorized to assign amounts to a specific purpose.
- Unassigned – consists of the residual net resources of a fund that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

The Park District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If different levels of unrestricted funds are available for spending, the Park District considers committed funds to be expended first followed by assigned and, lastly, unassigned funds.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Equity Classifications (Continued)

Fund	General	Recreation	Golf	Debt Service	Capital Projects	Non-Major Funds	Total
Non-spendable							
Inventory	\$ 0	\$ 0	\$ 52,439	\$ 0	\$ 0	\$ 0	\$ 52,439
Prepaid Items	5,532	11,319	12,966	0	0	243	30,060
Restricted							
Recreation	0	442,450	0	0	0	0	442,450
Debt Service	0	0	0	34,182	0	0	34,182
Audit	0	0	0	0	0	2,685	2,685
Paving and Lighting	0	0	0	0	0	11,621	11,621
Liability Insurance	0	0	0	0	0	25,402	25,402
Social Security	0	0	0	0	0	17,375	17,375
IMRF	0	0	0	0	0	26,791	26,791
Police	0	0	0	0	0	14,529	14,529
Museum	0	0	0	0	0	6,864	6,864
Special Recreation	0	0	0	0	0	134,674	134,674
Community Events	0	0	0	0	0	35,646	35,646
Committed	0	0	0	0	0	0	0
Assigned							
Construction	0	0	0	0	868,257	0	868,257
Unassigned	1,350,414	0	(41,470)	0	0	(3,679)	1,305,265
	<u>\$ 1,355,946</u>	<u>\$ 453,769</u>	<u>\$ 23,935</u>	<u>\$ 34,182</u>	<u>\$ 868,257</u>	<u>\$ 272,151</u>	<u>\$ 3,008,240</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

ILCS and the District's investment policy authorize the District to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, commercial paper rated within the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency and Illinois Funds.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral for funds on deposit of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

In accordance with its investment policy, the District limits its exposure to interest rate risk by not directly investing in securities maturing more than one year from the date of purchase, unless matched with a specific cash flow. The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and Illinois Funds. The District does not have any investments in debt securities at December 31, 2015.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. The District's investment policy does not address custodial credit risk for investments.

The District's investment policy prohibits the use of derivative instruments unless authorized by the Board of Commissioners.

At December 31, 2015, the carrying amount of the Park District's deposits was \$3,088,246, not including a petty cash fund of \$2,550 kept at the administrative office and the bank balance was \$3,139,700. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

The following table categorizes the Park District's cash and cash equivalents according to levels of custodial credit risk:

Category:	Carrying Amount	Bank Balance
Deposits covered by federal depository insurance, or by collateral held by the Park District or its agent in the Park District's name	\$ 250,000	\$ 250,000
Deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Park District's name	0	0
Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the Park District's name, and deposits which are uninsured and uncollateralized	2,838,246	2,889,700
Total Bank Deposits	\$ 3,088,246	\$ 3,139,700

NOTE 3 – EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over legally enacted budgeted amounts for the year ended December 31, 2015:

Fund	Budget	Actual	Variance
Golf	\$ 1,248,646	\$ 1,268,449	\$ (19,803)
Bond and Interest			
Series 2014A Subfund	566,380	566,393	(13)
Series 2015 Subfund	11,506	14,043	(2,537)

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 4 – HEALTH INSURANCE

On November 1, 1998 the Prospect Heights Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

Members can choose to provide any combination of coverages available to their employees, and pay premiums accordingly.

As a member of the PDRMA Health Program, the Prospect Heights Park District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and the PDRMA Health Program is governed by a contract and by-laws that have been adopted by resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014.

Assets	\$	13,504,793
Liabilities		4,608,610
Member Balances		8,896,183
Revenues		33,887,630
Expenditures		32,208,702

A large percentage of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 5 – CAPITAL ASSETS

A summary of the changes in capital assets for the year follows for the governmental activities. Total depreciation expense for the year charged for governmental activities was \$325,829.

	Balance December 31, 2014	Additions	Retirements	Balance December 31, 2015
Assets Not Subject to Depreciation				
Land	\$ 8,734,667	\$ 0	\$ 0	\$ 8,734,667
Assets Subject to Depreciation				
Bike Path	1,123,904	0	0	1,123,904
Buildings	6,281,394	0	0	6,281,394
Furniture and Fixtures	613,020	3,800	0	616,820
Land Improvements	1,804,696	0	0	1,804,696
Machinery and Equipment	2,130,088	35,633	0	2,165,721
Vehicles	210,987	57,967	0	268,954
Subtotal	<u>20,898,756</u>	<u>97,400</u>	<u>0</u>	<u>20,996,156</u>
Less - Accumulated Depreciation				
Bike Path	(1,118,862)	(5,042)	0	(1,123,904)
Buildings	(2,756,048)	(191,545)	0	(2,947,593)
Furniture and Fixtures	(611,759)	(219)	0	(611,978)
Land Improvements	(1,215,352)	(65,093)	0	(1,280,445)
Machinery and Equipment	(1,574,755)	(61,827)	0	(1,636,582)
Vehicles	(206,120)	(2,103)	0	(208,223)
Subtotal	<u>(7,482,896)</u>	<u>(325,829)</u>	<u>0</u>	<u>(7,808,725)</u>
Net Capital Assets	<u>\$ 13,415,860</u>	<u>\$ (228,429)</u>	<u>\$ 0</u>	<u>\$ 13,187,431</u>

NOTE 6 – LONG-TERM DEBT

A. Debt Transactions

The Park District enters into debt transactions to finance additions of and major improvements to recreational facilities. A summary of changes in Long-Term Debt for governmental activities for the year ended December 31, 2015 is as follows:

	Balance December 31, 2014	New Debt	Principal Paid	Balance December 31, 2015	Amount Due Within One Year
General Obligation Bonds					
Series 2014A Limited Tax	\$ 560,990	\$ 0	\$ (560,990)	0	\$ 0
Series 2014B Refunding, ARS	7,675,000	0	(115,000)	7,560,000	275,000
Series 2015 Limited Tax	0	565,910	0	565,910	565,910
Subtotal	<u>8,235,990</u>	<u>565,910</u>	<u>(675,990)</u>	<u>8,125,910</u>	<u>\$ 840,910</u>
Premium on Series 2014B	552,103	0	(27,720)	524,383	
Discount on Series 2014B	(135,316)	0	6,794	(128,522)	
Total	<u>\$ 8,652,777</u>	<u>\$ 565,910</u>	<u>\$ (696,916)</u>	<u>\$ 8,521,771</u>	
Future Cost of Refunding Series 2014B	<u>\$ (174,936)</u>	<u>\$ 0</u>	<u>\$ 8,783</u>	<u>\$ (166,153)</u>	

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 6 – LONG-TERM DEBT (CONTINUED)

B. Annual Debt Service Requirements

Annual debt service requirements to maturity for general obligation debt, including interest, are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	840,910	301,801	1,142,711
2017	285,000	288,550	573,550
2018	295,000	280,000	575,000
2019	305,000	268,200	573,200
2020	320,000	256,000	576,000
2021 - 2025	1,410,000	891,200	2,301,200
2026 - 2030	2,110,000	771,800	2,881,800
2031 - 2034	2,560,000	314,000	2,874,000
Total	<u>\$ 8,125,910</u>	<u>\$ 3,371,551</u>	<u>\$ 11,497,461</u>

C. Prior Years' Debt Defeasance

In prior years, the Park has defeased bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of December 31, 2015, the amount of defeased debt outstanding amounted to \$7,180,000.

D. Line of Credit

The District maintains a line of credit dated August 1, 2015 with a borrowing limit in the amount of \$500,000. The line of credit matures on August 1, 2016 and bears an interest rate at the prime rate published in the Money Rates section of the Wall Street Journal for such date but not less than 4.50%. The District did not draw upon this line of credit in 2015 and therefore no balance was outstanding at December 31, 2015.

NOTE 7 – INTERFUND TRANSFERS

During the normal course of Park operations, transfers between funds arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Typical expenses in the category are general administrative and maintenance expenses. The following transfers occurred during the year ended December 31, 2015:

	<u>Transfers In</u>	<u>Transfers out</u>
Major Governmental Activities		
General Fund	\$ 0	\$ 193,163
Debt Service Fund	1,310	0
Capital Projects Fund	191,853	0
Non-Major Governmental Activities	0	0
Total Governmental Activities	<u>193,163</u>	<u>193,163</u>

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 8 – DEFICIT FUND BALANCE

At December 31, 2015, the Memorial Fund had a deficit fund balance of \$3,679.

NOTE 9 – SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2015, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is March 4, 2016, the date the financial statements were available to be issued.

NOTE 10 – JOINT GOVERNED ORGANIZATION – NORTHWEST SPECIAL RECREATION ASSOCIATION

The District is a member of the Northwest Special Recreation Association (NWSRA) which was organized by 16 area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each district's fiscal year 2014 contribution is based on its pro rata share of 75% of the assessed valuation and 25% of the gross populations.

NWSRA's Board of Directors consists of one member from each participating district. The Board of Directors is the governing body of NWSRA and is responsible for establishing all major policies and changes therein and for approving all budgets capital outlay programming and master plans. The District is not financially accountable for the activities of NWSRA and accordingly NWSRA has not been included in the accompanying financial statements. Complete financial statements for NWSRA can be obtained from NWSRA administrative offices at 3000 Central Road Rolling Meadows Illinois 60008.

NOTE 11 – RISK MANAGEMENT

The Prospect Heights Park District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since January 1, 2001, the Prospect Heights Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2015 through January 1, 2016:

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 11 – RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members Declaration 11	PDRMA Reinsurers: Various	P070114
Flood/except Zones A&V	\$1,000	\$1,000,000	\$250,000,000/occurrence/annual aggregate	Reinsurers through the Public Entity Property	
Flood, Zones A&V	\$1,000	\$1,000,000	\$200,000,000/occurrence/annual aggregate	Reinsurance Program (PEPIP)	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate		
Auto Physical Damage Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of Construction Business interruption, Rental Income, Tax Income Combined	\$1,000	Included	\$25,000,000 \$100,000,000/reported values \$500,000/\$2,500,000/ non-reported values		
Service Interruption	24 hours	N/A	\$25,000,000 OTHER SUB-LIMITS APPLY-REFER TO COVERAGE DOCUMENT		
Boiler and Machinery Property Damage Business Income	\$1,000 48 hours	\$9,000 N/A	\$100,000,000 Equip. Breakdown Property damage - included Included OTHER SUB-LIMITS APPLY-REFER TO COVERAGE DOCUMENT	Travelers Indemnity Co. of Illinois	BME1 0525L478
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000	National Union Fire Insurance Co.	02-306-54-93
Seasonal Employees	\$1,000	\$9,000	\$1,000,000		
Blanket Bond	\$1,000	\$24,000	\$2,000,000		
2. Workers Compensation					
Employers' Liability	N/A	\$500,000	Statutory \$500,000 \$3,500,000 Employers Liability	PDRMA Government Entities Mutual, (GEM) Safety National	WC010115 GEM-0003-A15001 SP4052469
3. Liability					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA	
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Reinsurers:	L010115
Employment Practices	None	\$500,000	\$21,500,000/occurrence	GEM/Great American/	GEM-0003-A15001
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence	Genesis	C501
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/occurrence		

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 11 – RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self- Insured Retention	Limits	Insurance Company	Policy Number
4. <u>Pollution Liability</u>					
Liability - Third Party	None	\$25,000	\$5,000,000 per occurrence	XL Environmental	PEC 2535805
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 yr. general aggregate	Insurance	
5. <u>Outbreak Expense</u>					
	24 Hours	N/A	\$15,000 per day \$ 1 million aggregate policy limit	Great American	OB010115
6. <u>Information Security and Privacy Insurance with Electronic Media Liability Coverage</u>					
Information Security & Privacy Liability	None	\$100,000	\$2,000,000/occurrence/ annual aggregate	Beazley Lloyds Syndicate	C121280
Privacy Notification Costs	None	\$100,000	\$500,000/occurrence/ annual aggregate	AFB 2623/623 through the PEPIP program	
Regulatory Defense & Penalties	None	\$100,000	\$2,000,000/occurrence/ annual aggregate		
Website Media Content Liability	None	\$100,000	\$2,000,000/occurrence/ annual aggregate		
Cyber Extortion	None	\$100,000	\$2,000,000/occurrence/ annual aggregate		
Data Protection & Business Interuption	\$1,000	\$100,000	\$2,000,000/occurrence/ annual aggregate		
First Party Business Interuption	8 hours	\$100,000	\$25,000 hourly sublimit/ \$25,000 forensic expense/ \$100,000 dependent business interruption		
7. <u>Volunteer Medical Accident</u>					
	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-Insured	
8. <u>Underground Storage Tank Liability</u>					
	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-Insured	
9. <u>Unemployment Compensation</u>					
	N/A	N/A	Statutory	Member-Funded	

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Prospect Heights Park District. As a member of PDRMA's Property/Casualty Program, the Prospect Heights Park District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Prospect Heights Park District and PDRMA is governed by a contract and the by-laws that have been adopted by resolution of the Prospect Heights Park District's governing body. The Prospect Heights Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 11 – RISK MANAGEMENT (CONTINUED)

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member. PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's Property/Casualty Program's balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014. The Prospect Heights Park District's portion of the overall equity of the pool is .026% or \$10,612.

Assets	\$	62,397,015
Liabilities	\$	21,080,991
Member Balances	\$	41,316,024
Revenues	\$	20,548,979
Expenditures	\$	19,517,301

Since 96% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

NOTE 12 – PENSION COMMITMENT

Plan Description. The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer 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 (RSI). That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2014 was 10.52 percent. The employer 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 \$109,699.

Three-Year Trend Information for the Regular Plan

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/14	\$ 109,699	100%	\$ 0
12/31/13	124,649	100%	0
12/31/12	114,582	100%	0

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 12 – PENSION COMMITMENT (CONTINUED)

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 4.00% 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 your employer 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 employer Regular plan's unfunded 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 88.72 percent funded. The actuarial accrued liability for benefits was \$3,363,327 and the actuarial value of assets was \$2,984,050, resulting in an underfunded actuarial accrued liability (UAAL) of \$379,277. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$1,042,762 and the ratio of the UAAL to the covered payroll was 36 percent.

Implementation of GASB 68. As of January 1, 2014, the District has implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" which is an amendment of GASB Statement No. 27. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

A prior period adjustment of \$377,744 was made to the beginning net position in the government-wide financial statements to properly implement GASB 68.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 12 – PENSION COMMITMENT (CONTINUED)

In accordance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – An amendment of GASB No. 27," the following information is provided:

Actuarial Valuation Date	December 31, 2014
Measurement Date of the Net Pension Liability	December 31, 2014
Fiscal Year End	December 31, 2015

Membership

Number of	
- Retirees and Beneficiaries	16
- Inactive, Non-Retired Members	28
- Active Members	23
- Total	<u>67</u>

Covered Valuation Payroll	<u>\$ 1,042,762</u>
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Net Pension Liability

Total Pension Liability/(Asset)	\$ 4,635,965
Plan Fiduciary Net Position	<u>4,538,356</u>
Net Pension Liability/(Asset)	<u>\$ 97,609</u>
Plan Fiduciary Net Position as a Percentage of total Pension liability	97.89%
Net Pension Liability as a Percentage of Covered Valuation Payroll	9.36%

Development of the Single Discount Rate as of December 31, 2014

Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate	3.56%
Last year December 31 in the 2015 to 2114 projection period for which projected benefit payments are fully funded	2101
Resulting Single Discount Rate based on the above development	7.50%
Single Discount Rate Calculated using December 31, 2013 Measurement Date	7.50%

Total Pension Expense/(Income)	<u>\$ 131,963</u>
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Deferred Outflows and Deferred Inflows of Resources by Source
(to be recognized in Future Pension Expenses)

	Outflows of Resources	Inflows of Resources
1. Difference between expected and actual experience	\$ 5,260	\$ 0
2. Assumption Changes	115,039	0
3. Net Difference between projected and actual earnings on pension plan investments	<u>48,163</u>	<u>0</u>
4. Total	<u>\$ 168,462</u>	<u>\$ 0</u>

Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015

NOTE 12 – PENSION COMMITMENT (CONTINUED)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CURRENT PERIOD

Calendar Year Ended December 31, 2014

A. Total pension liability		
1. Service cost	\$	140,038
2. Interest on the total pension liability		310,259
3. Changes of benefit terms		0
4. Difference between expected and actual experience of the total pension liability		7,772
5. Changes of assumptions		169,969
6. Benefit payments, including refunds of employee contributions		(117,689)
7. Net change in total pension liability		510,349
8. Total pension liability – beginning		4,125,616
9. Total pension liability – ending	\$	<u>4,635,965</u>
B. Plan fiduciary net position		
1. Contributions – employer	\$	103,233
2. Contributions – employee		46,924
3. Net investment income		258,727
4. Benefit payments, including refunds of employee contributions		(117,689)
5. Other (net transfer)		21,962
6. Net change in plan fiduciary net position		313,157
7. Plan fiduciary net position – beginning		4,225,199
8. Plan fiduciary net position – ending	\$	<u>4,538,356</u>
C. Net pension liability/(asset)	\$	<u>97,609</u>
D. Plan fiduciary net position as a percentage of the total pension liability		97.89%
E. Covered Valuation Payroll		1,042,762
F. Net pension liability as a percentage of covered valuation payroll		9.36%

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 12 – PENSION COMMITMENT (CONTINUED)

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE TOTAL PENSION LIABILITY

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:

Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Market Value of Assets
Inflation	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 14.5%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). the IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). the IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
<u>Other Information:</u>	There were no benefit changes during the year.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 12 – PENSION COMMITMENT (CONTINUED)

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: Actuarially determined contribution rates are calculated as of December 31st of each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:

Actuarial Cost Method	Aggregate Entry-Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies : 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 29-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 24 years for most employers (two employers were financed over 33 years).

Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.0% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008-2010.

Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives , the mortality rates are the rates applicable to non-disabled lives set forward 10 years.
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Other Information: There were no benefit changes during the year.

**Prospect Heights Park District
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2015**

NOTE 12 – PENSION COMMITMENT (CONTINUED)

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.56%; and the resulting single discount rate is 7.50%.

SENSITIVITY OF NET PENSION LIABILITY/(ASSET) TO THE
SINGLE DISCOUNT RATE ASSUMPTION

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 5,304,946	\$ 4,635,965	\$ 4,088,264
Plan Fiduciary Net Position	4,538,356	4,538,356	4,538,356
Net Pension Liability/(Asset)	<u>\$ 766,590</u>	<u>\$ 97,609</u>	<u>\$ (450,092)</u>

**Prospect Heights Park District
IMRF Pension Disclosures
For the Year Ended December 31, 2015**

In accordance with GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – An Amendment of GASB Statements No. 27", the financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the net pension liability;
- Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll, and
- Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Last 10 Plan Years (When Available)

<u>Plan Year Ending December 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2014	\$ 103,234 *	\$ 103,233	\$ 1	\$ 1,042,762	9.90%

* Estimated based on contribution rate of 9.90% and covered valuation payroll of \$1,042,762.

**Prospect Heights Park District
IMRF Pension Disclosures (Continued)
For the Year Ended December 31, 2015**

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Plan Years (When Available)

Plan Year Ending December 31,	2014
Total pension liability	
Service cost	140,038
Interest on the total pension liability	310,259
Changes of benefit terms	0
Difference between expected and actual experience of the total pension liability	7,772
Changes of assumptions	169,969
Benefit payments, including refunds of employee contributions	<u>(117,689)</u>
Net change in total pension liability	510,349
Total pension liability— beginning	<u>4,125,616</u>
Total pension liability – ending	<u><u>\$ 4,635,965</u></u>
Plan fiduciary net position	
Contributions – employer	\$ 103,233
Contributions – employee	46,924
Net investment income	258,727
Benefit payments, including refunds of employee contributions	(117,689)
Other (net transfer)	<u>21,962</u>
Net change in plan fiduciary net position	313,157
Plan fiduciary net position	
Beginning	<u>4,225,199</u>
Ending	<u><u>\$ 4,538,356</u></u>
Net pension liability / (asset)	<u><u>\$ 97,609</u></u>
Plan fiduciary net position as a percent of the total pension liability	97.89%
Covered Valuation Payroll	1,042,762
Net pension liability as a percent of covered valuation payroll	9.36%

MAJOR FUNDS

Governmental Activities

The General Fund is used to account for resources associated with the Park District which are not required legally or by sound financial management to be accounted for in another fund. The basis of budgeting for the General Fund is the same as Generally Accepted Accounting Principles (GAAP).

The Recreation Fund is used to account for the operations of the recreation programs. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities. The basis of budgeting for the Recreation Fund is the same as Generally Accepted Accounting Principles (GAAP).

The Golf Fund is used to account for operations related to the Old Orchard Country Club funded by user fees. The intent of the District is to provide goods or services to the general public on a continuing basis, the cost of which will be financed or recovered primarily through user charges; or where the District has decided that periodic determination of net income is appropriate for accountability purposes.

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest.

The Capital Projects Fund is used to account for the acquisition of major capital facilities other than those financed by proprietary funds and trust funds.

**Prospect Heights Park District
General Fund
Budgetary Comparison Schedule
For The Year Ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 930,000	\$ 930,000	\$ 912,761	\$ (17,239)
Replacement Taxes	11,000	11,000	13,850	2,850
Interest	3,600	3,600	2,568	(1,032)
Miscellaneous	1,000	1,000	520	(480)
TOTAL REVENUES	<u>945,600</u>	<u>945,600</u>	<u>929,699</u>	<u>(15,901)</u>
EXPENDITURES				
Current				
General Government				
Salaries and Wages	176,038	176,038	158,497	17,541
Employee Benefits	22,017	22,017	17,825	4,192
Contractual Services	100,175	100,175	100,855	(680)
Commodities	40,950	40,950	27,803	13,147
Miscellaneous	1,000	1,000	0	1,000
TOTAL EXPENDITURES	<u>340,180</u>	<u>340,180</u>	<u>304,980</u>	<u>35,200</u>
EXCESS OF REVENUES OVER EXPENDITURES	605,420	605,420	624,719	19,299
OTHER FINANCING USES				
Transfers Out	<u>(231,178)</u>	<u>(231,178)</u>	<u>(193,163)</u>	<u>38,015</u>
TOTAL OTHER FINANCING USES	<u>(231,178)</u>	<u>(231,178)</u>	<u>(193,163)</u>	<u>38,015</u>
NET CHANGE IN FUND BALANCE	<u>\$ 374,242</u>	<u>\$ 374,242</u>	431,556	<u>\$ 57,314</u>
FUND BALANCE, BEGINNING OF YEAR			<u>924,390</u>	
END OF YEAR			<u>\$ 1,355,946</u>	

**Prospect Heights Park District
Recreation Fund
Budgetary Comparison Schedule
For The Year Ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 495,300	\$ 495,300	\$ 566,630	\$ 71,330
Charges for Services				
Program Fees	814,543	814,543	770,468	(44,075)
Pool Fees	63,491	63,491	92,104	28,613
GMRC Rentals	42,650	42,650	46,408	3,758
Grants and Donations	3,000	3,000	1,606	(1,394)
Miscellaneous	2,990	2,990	5,460	2,470
TOTAL REVENUES	<u>1,421,974</u>	<u>1,421,974</u>	<u>1,482,676</u>	<u>60,702</u>
EXPENDITURES				
Current				
Recreation				
Salaries and Wages	840,753	840,753	822,932	17,821
Employee Benefits	89,797	89,797	80,554	9,243
Contractual Services	309,396	309,396	253,286	56,110
Commodities	164,901	164,901	133,137	31,764
Miscellaneous	6,450	6,450	3,955	2,495
TOTAL EXPENDITURES	<u>1,411,297</u>	<u>1,411,297</u>	<u>1,293,864</u>	<u>117,433</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10,677</u>	<u>\$ 10,677</u>	188,812	<u>\$ 178,135</u>
FUND BALANCE, BEGINNING OF YEAR			<u>264,957</u>	
END OF YEAR			<u>\$ 453,769</u>	

**Prospect Heights Park District
 Golf Fund
 Budgetary Comparison Schedule
 For The Year Ended December 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services				
Golf Fees	\$ 1,094,050	\$ 1,094,050	\$ 981,914	\$ (112,136)
Pro Shop Fees	105,300	105,300	132,207	26,907
Pro Shop Restaurant Rental	129,935	129,935	129,935	0
Grants and Donations	7,000	7,000	6,000	(1,000)
Miscellaneous	0	0	3,219	3,219
TOTAL REVENUES	<u>1,336,285</u>	<u>1,336,285</u>	<u>1,253,275</u>	<u>(83,010)</u>
EXPENDITURES				
Current				
Recreation				
Salaries and Wages	430,025	430,025	446,152	(16,127)
Employee Benefits	123,311	123,311	113,188	10,123
Contractual Services	404,110	404,110	387,213	16,897
Commodities	291,200	291,200	321,896	(30,696)
TOTAL EXPENDITURES	<u>1,248,646</u>	<u>1,248,646</u>	<u>1,268,449</u>	<u>(19,803)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 87,638</u>	<u>\$ 87,638</u>	(15,174)	<u>\$ (102,812)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>39,109</u>	
END OF YEAR			<u>\$ 23,935</u>	

Prospect Heights Park District
 Debt Service Fund
 Combining Balance Sheet by Subfund
 December 31, 2015

	Bond and Interest 2005B	Bond and Interest 2013	Bond and Interest 2014A	Bond and Interest 2014B	Bond and Interest 2015	Total
ASSETS						
Cash	\$ 0	\$ 0	\$ 33,487	\$ 0	\$ 0	\$ 33,487
Property Tax Receivable	0	0	0	0	624,374	624,374
TOTAL ASSETS	<u>0</u>	<u>0</u>	<u>33,487</u>	<u>0</u>	<u>624,374</u>	<u>657,861</u>
TOTAL DEFERRED OUTFLOWS						
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS						
	<u>0</u>	<u>0</u>	<u>33,487</u>	<u>0</u>	<u>624,374</u>	<u>657,861</u>
TOTAL LIABILITIES						
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
DEFERRED INFLOWS						
Deferred Property Taxes	0	0	0	0	623,679	623,679
TOTAL DEFERRED INFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>623,679</u>	<u>623,679</u>
FUND BALANCES						
Restricted	0	0	33,487	0	695	34,182
TOTAL FUND BALANCES	<u>0</u>	<u>0</u>	<u>33,487</u>	<u>0</u>	<u>695</u>	<u>34,182</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,487</u>	<u>\$ 0</u>	<u>\$ 624,374</u>	<u>\$ 657,861</u>

Prospect Heights Park District
Debt Service Fund
Combining Schedule of Revenues, Expenditures and Changes in Fund
Balances by Subfund
For The Year Ended December 31, 2015

	Bond and Interest 2005B	Bond and Interest 2013	Bond and Interest 2014A	Bond and Interest 2014B	Bond and Interest 2015	Total
REVENUES						
Property Taxes	\$ 0	\$ 0	\$ 583,676	\$ 0	\$ 0	\$ 583,676
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>583,676</u>	<u>0</u>	<u>0</u>	<u>583,676</u>
EXPENDITURES						
Debt Service						
Principal	0	0	560,990	115,000	0	675,990
Interest	0	0	5,403	305,254	0	310,657
Fees	0	0	0	0	14,043	14,043
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>566,393</u>	<u>420,254</u>	<u>14,043</u>	<u>1,000,690</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	17,283	(420,254)	(14,043)	(417,014)
OTHER FINANCING SOURCES (USES)						
Issuance of Debt	0	0	0	0	431,834	431,834
Transfers (Net)	200	(12,118)	10,070	420,254	(417,096)	1,310
TOTAL OTHER FINANCING SOURCES (USES)	<u>200</u>	<u>(12,118)</u>	<u>10,070</u>	<u>420,254</u>	<u>14,738</u>	<u>433,144</u>
NET CHANGE IN FUND BALANCES	200	(12,118)	27,353	0	695	16,130
FUND BALANCES, BEGINNING OF YEAR	<u>(200)</u>	<u>12,118</u>	<u>6,134</u>	<u>0</u>	<u>0</u>	<u>18,052</u>
END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,487</u>	<u>\$ 0</u>	<u>\$ 695</u>	<u>\$ 34,182</u>

Prospect Heights Park District
 Bond and Interest Series 2005B Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL EXPENDITURES	0	0	0	0
EXCESS OF REVENUES OVER EXPENDITURES	0	0	0	0
OTHER FINANCING SOURCES				
Transfers In	0	0	200	200
TOTAL OTHER FINANCING SOURCES	0	0	200	200
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	200	<u>\$ 200</u>
FUND BALANCE, BEGINNING OF YEAR			(200)	
END OF YEAR			<u>\$ 0</u>	

Prospect Heights Park District
 Bond and Interest Series 2013 Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL EXPENDITURES	0	0	0	0
EXCESS OF REVENUES OVER EXPENDITURES	0	0	0	0
OTHER FINANCING USES				
Transfers Out	0	0	(12,118)	(12,118)
TOTAL OTHER FINANCING USES	0	0	(12,118)	(12,118)
NET CHANGE IN FUND BALANCE	\$ 0	\$ 0	(12,118)	\$ (12,118)
FUND BALANCE, BEGINNING OF YEAR			12,118	
END OF YEAR			\$ 0	

Prospect Heights Park District
 Bond and Interest Series 2014A Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 566,380	\$ 566,380	\$ 583,676	\$ 17,296
EXPENDITURES				
Debt Service				
Principal	560,990	560,990	560,990	0
Interest	5,390	5,390	5,403	(13)
TOTAL EXPENDITURES	<u>566,380</u>	<u>566,380</u>	<u>566,393</u>	<u>(13)</u>
EXCESS OF REVENUES OVER EXPENDITURES	0	0	17,283	17,283
OTHER FINANCING SOURCES				
Transfers In	0	0	10,070	10,070
TOTAL OTHER FINANCING SOURCES	<u>0</u>	<u>0</u>	<u>10,070</u>	<u>10,070</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	27,353	<u>\$ 27,353</u>
FUND BALANCE, BEGINNING OF YEAR			<u>6,134</u>	
END OF YEAR			<u>\$ 33,487</u>	

Prospect Heights Park District
 Bond and Interest Series 2014B Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Debt Service				
Principal	115,000	115,000	115,000	0
Interest	305,254	305,254	305,254	0
TOTAL EXPENDITURES	420,254	420,254	420,254	0
DEFICIENCY OF REVENUES OVER EXPENDITURES	(420,254)	(420,254)	(420,254)	0
OTHER FINANCING SOURCES				
Transfers In	420,254	420,254	420,254	0
TOTAL OTHER FINANCING SOURCES	420,254	420,254	420,254	0
NET CHANGE IN FUND BALANCE	\$ 0	\$ 0	0	\$ 0
FUND BALANCE, BEGINNING OF YEAR			0	
END OF YEAR			\$ 0	

Prospect Heights Park District
 Bond and Interest Series 2015 Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Debt Service				
Fees	11,506	11,506	14,043	(2,537)
TOTAL EXPENDITURES	11,506	11,506	14,043	(2,537)
DEFICIENCY OF REVENUES OVER EXPENDITURES	(11,506)	(11,506)	(14,043)	(2,537)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	574,000	574,000	431,834	(142,166)
Transfers In	0	0	3,159	3,159
Transfers Out	(420,254)	(420,254)	(420,255)	(1)
TOTAL OTHER FINANCING SOURCES (USES)	153,746	153,746	14,738	(139,008)
NET CHANGE IN FUND BALANCE	\$ 142,240	\$ 142,240	695	\$ (141,545)
FUND BALANCE, BEGINNING OF YEAR			0	
END OF YEAR			\$ 695	

Prospect Heights Park District
 Capital Projects Fund
 Combining Balance Sheet by Subfund
 December 31, 2015

	Capital Projects	Capital Golf	Total
ASSETS			
Cash	\$ 857,028	\$ 12,661	\$ 869,689
TOTAL ASSETS	<u>857,028</u>	<u>12,661</u>	<u>869,689</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u><u>857,028</u></u>	<u><u>12,661</u></u>	<u><u>869,689</u></u>
LIABILITIES			
Accounts Payable	1,432	0	1,432
TOTAL LIABILITIES	<u>1,432</u>	<u>0</u>	<u>1,432</u>
TOTAL DEFERRED INFLOWS	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES			
Assigned	855,596	12,661	868,257
TOTAL FUND BALANCES	<u>855,596</u>	<u>12,661</u>	<u>868,257</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u><u>\$ 857,028</u></u>	<u><u>\$ 12,661</u></u>	<u><u>\$ 869,689</u></u>

Prospect Heights Park District
 Capital Projects Fund
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 by Subfund
 For The Year Ended December 31, 2015

	Capital Projects	Capital Golf	Total
TOTAL REVENUES	\$ 0	\$ 0	\$ 0
EXPENDITURES			
Capital Outlay	194,475	45,902	240,377
TOTAL EXPENDITURES	194,475	45,902	240,377
DEFICIENCY OF REVENUES OVER EXPENDITURES	(194,475)	(45,902)	(240,377)
OTHER FINANCING SOURCES			
Issuance of Debt	134,076	0	134,076
Transfers In	191,853	0	191,853
TOTAL OTHER FINANCING SOURCES	325,929	0	325,929
NET CHANGE IN FUND BALANCES	131,454	(45,902)	85,552
FUND BALANCES, BEGINNING OF YEAR	724,142	58,563	782,705
END OF YEAR	\$ 855,596	\$ 12,661	\$ 868,257

Prospect Heights Park District
 Capital Projects Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Current				
General Government				
Contractual Services	5,000	5,000	0	5,000
Capital Outlay				
Restricted Capital Repair	30,000	30,000	10,340	19,660
Building Improvements	60,000	60,000	14,729	45,271
Pool Improvements	20,500	20,500	18,798	1,702
Land Improvements	73,500	73,500	39,167	34,333
Capital Purchases	40,150	40,150	18,998	21,152
Equipment Purchases	152,500	152,500	85,206	67,294
GMRC Exterior Improvements	15,500	15,500	7,237	8,263
Park and Facility Compliance	10,000	10,000	0	10,000
TOTAL EXPENDITURES	407,150	407,150	194,475	212,675
DEFICIENCY OF REVENUES OVER EXPENDITURES	(407,150)	(407,150)	(194,475)	212,675
OTHER FINANCING SOURCES				
Issuance of Debt	0	0	134,076	134,076
Transfers In	181,178	181,178	191,853	10,675
TOTAL OTHER FINANCING SOURCES	181,178	181,178	325,929	144,751
NET CHANGE IN FUND BALANCE	\$ (225,972)	\$ (225,972)	131,454	\$ 357,426
FUND BALANCE, BEGINNING OF YEAR			<u>724,142</u>	
END OF YEAR			<u>\$ 855,596</u>	

Prospect Heights Park District
 Capital Golf Subfund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 by Subfund - Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Capital Outlay				
Land Improvements	10,000	10,000	8,000	2,000
Equipment Purchases	75,000	75,000	37,902	37,098
TOTAL EXPENDITURES	85,000	85,000	45,902	39,098
DEFICIENCY OF REVENUES OVER EXPENDITURES	(85,000)	(85,000)	(45,902)	39,098
OTHER FINANCING SOURCES				
Transfers In	50,000	50,000	0	(50,000)
TOTAL OTHER FINANCING SOURCES	50,000	50,000	0	(50,000)
NET CHANGE IN FUND BALANCE	\$ (35,000)	\$ (35,000)	(45,902)	\$ (10,902)
FUND BALANCE, BEGINNING OF YEAR			58,563	
END OF YEAR			\$ 12,661	

NON-MAJOR FUNDS

Governmental Funds

The Special Revenue Funds are used to account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes.

Audit Fund - The Audit Fund accounts for revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the District.

Paving and Lighting Fund - The Paving and Lighting Fund accounts for revenues derived from a specific annual property tax levy and expenditures of these monies for paving and lighting improvements throughout the District.

Liability Insurance Fund - The Liability Insurance Fund accounts for the operation of the Park District's insurance and risk management activities. Financing is provided from an annual property tax levy.

Social Security Fund - The Social Security Fund accounts for the Park District's portion of social security contributions. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Park District's contributions to the fund on behalf of its employees.

Illinois Municipal Retirement Fund - The Illinois Municipal Retirement Fund accounts for the Park District's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Park District's contributions to the fund on behalf of its employees.

Police Fund - The Police Fund accounts for revenues derived from a specific annual property tax levy and expenditures of these monies derived for police services for the parks.

Museum Fund - The Museum Fund accounts for revenues derived from a specific annual property tax levy and expenditures of these monies for the maintenance and operation of the museums.

Special Recreation Fund - The Special Recreation Fund accounts for revenues derived from a specific annual property tax levy and expenditures of these monies to the Special Recreation Services of Northern Lake County, to provide special recreation programs for mentally and physically challenged residents.

Memorial Fund - The Memorial Fund accounts for expenditures for the Aviary.

Community Events Fund - The Community Events Fund accounts for revenues and expenditures associated with the community events planned throughout the year.

**Prospect Heights Park District
 Non-Major Governmental Funds
 Combining Balance Sheet
 December 31, 2015**

	Special Revenue Funds										
	Audit	Paving and Lighting	Liability Insurance	Social Security	Illinois Municipal Retirement	Police	Museum	Special Recreation	Memorial	Community Events	Total
ASSETS											
Cash	\$ 2,670	\$ 11,616	\$ 25,311	\$ 19,739	\$ 35,596	\$ 14,443	\$ 6,851	\$ 134,537	\$ 0	\$ 35,646	\$ 286,409
Property Tax Receivable	13,129	4,465	82,005	112,458	126,001	77,088	11,436	123,258	0	0	549,840
Prepaid Expenditures	0	0	0	0	0	243	0	0	0	0	243
TOTAL ASSETS	15,799	16,081	107,316	132,197	161,597	91,774	18,287	257,795	0	35,646	836,492
TOTAL DEFERRED OUTFLOWS	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS AND DEFERRED OUTFLOWS	15,799	16,081	107,316	132,197	161,597	91,774	18,287	257,795	0	35,646	836,492
LIABILITIES											
Accounts Payable	0	0	0	0	8,945	0	0	0	0	0	8,945
Accrued Payroll	0	0	0	2,489	0	0	0	0	0	0	2,489
Due to Other Funds	0	0	0	0	0	0	0	0	3,679	0	3,679
TOTAL LIABILITIES	0	0	0	2,489	8,945	0	0	0	3,679	0	15,113
DEFERRED INFLOWS											
Deferred Tax Revenue	13,114	4,460	81,914	112,333	125,861	77,002	11,423	123,121	0	0	549,228
TOTAL DEFERRED INFLOWS	13,114	4,460	81,914	112,333	125,861	77,002	11,423	123,121	0	0	549,228
FUND BALANCES											
Non-Spendable	0	0	0	0	0	243	0	0	0	0	243
Restricted	2,685	11,621	25,402	17,375	26,791	14,529	6,864	134,674	0	35,646	275,587
Unassigned	0	0	0	0	0	0	0	0	(3,679)	0	(3,679)
TOTAL FUND BALANCES	2,685	11,621	25,402	17,375	26,791	14,772	6,864	134,674	(3,679)	35,646	272,151
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 15,799	\$ 16,081	\$ 107,316	\$ 132,197	\$ 161,597	\$ 91,774	\$ 18,287	\$ 257,795	\$ 0	\$ 35,646	\$ 836,492

**Prospect Heights Park District
Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
For The Year Ended December 31, 2015**

	Special Revenue Funds										
	Audit	Paving and Lighting	Liability Insurance	Social Security	Illinois Municipal Retirement	Police	Museum	Special Recreation	Memorial	Community Events	Total
REVENUES											
Property Taxes	\$ 12,273	\$ 4,174	\$ 76,659	\$ 105,128	\$ 117,797	\$ 72,063	\$ 10,690	\$ 115,224	\$ 0	\$ 0	\$ 514,008
Charges for Services	0	0	0	0	0	0	0	0	0	14,081	14,081
Grants and Donations	0	0	0	0	0	0	0	0	965	66	1,031
Miscellaneous	0	0	1,500	0	0	0	0	0	0	0	1,500
TOTAL REVENUES	12,273	4,174	78,159	105,128	117,797	72,063	10,690	115,224	965	14,147	530,620
EXPENDITURES											
Current											
General Government	12,500	2,615	93,186	113,768	103,362	57,382	7,000	100,231	4,644	14,236	508,924
Capital Outlay	0	10,947	0	0	0	0	0	0	0	0	10,947
TOTAL EXPENDITURES	12,500	13,562	93,186	113,768	103,362	57,382	7,000	100,231	4,644	14,236	519,871
NET CHANGE IN FUND BALANCES (DEFICIT)	(227)	(9,388)	(15,027)	(8,640)	14,435	14,681	3,690	14,993	(3,679)	(89)	10,749
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	2,912	21,009	40,429	26,015	12,356	91	3,174	119,681	0	35,735	261,402
END OF YEAR	\$ 2,685	\$ 11,621	\$ 25,402	\$ 17,375	\$ 26,791	\$ 14,772	\$ 6,864	\$ 134,674	\$ (3,679)	\$ 35,646	\$ 272,151

Prospect Heights Park District
 Audit Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 12,505	\$ 12,505	\$ 12,273	\$ (232)
TOTAL REVENUES	<u>12,505</u>	<u>12,505</u>	<u>12,273</u>	<u>(232)</u>
EXPENDITURES				
Current				
General Government				
Audit Fees	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>0</u>
TOTAL EXPENDITURES	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5</u>	<u>\$ 5</u>	(227)	<u>\$ (232)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>2,912</u>	
END OF YEAR			<u>\$ 2,685</u>	

Prospect Heights Park District
Paving and Lighting Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 4,253	\$ 4,253	\$ 4,174	\$ (79)
TOTAL REVENUES	<u>4,253</u>	<u>4,253</u>	<u>4,174</u>	<u>(79)</u>
EXPENDITURES				
Current				
General Government				
Contractual Services	3,200	3,200	2,615	585
Capital Outlay	<u>16,500</u>	<u>16,500</u>	<u>10,947</u>	<u>5,553</u>
TOTAL EXPENDITURES	<u>19,700</u>	<u>19,700</u>	<u>13,562</u>	<u>6,138</u>
NET CHANGE IN FUND BALANCE	<u>\$ (15,447)</u>	<u>\$ (15,447)</u>	<u>(9,388)</u>	<u>\$ 6,059</u>
FUND BALANCE,				
BEGINNING OF YEAR			<u>21,009</u>	
END OF YEAR			<u>\$ 11,621</u>	

Prospect Heights Park District
 Liability Insurance Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 78,107	\$ 78,107	\$ 76,659	\$ (1,448)
Miscellaneous	0	0	1,500	1,500
TOTAL REVENUES	<u>78,107</u>	<u>78,107</u>	<u>78,159</u>	<u>52</u>
EXPENDITURES				
Current				
General Government				
Salaries and Wages	15,000	15,000	15,000	0
Liability Insurance	46,831	46,831	43,831	3,000
Workers' Compensation	29,285	29,285	29,285	0
Unemployment Insurance	3,000	3,000	0	3,000
Physicals and Training	1,000	1,000	726	274
Safety Supplies and Parts	3,000	3,000	2,531	469
Staff Uniforms	1,000	1,000	508	492
Safety Incentive	400	400	169	231
Miscellaneous	0	0	1,136	(1,136)
TOTAL EXPENDITURES	<u>99,516</u>	<u>99,516</u>	<u>93,186</u>	<u>6,330</u>
NET CHANGE IN FUND BALANCE	<u>\$ (21,409)</u>	<u>\$ (21,409)</u>	<u>(15,027)</u>	<u>\$ 6,382</u>
FUND BALANCE, BEGINNING OF YEAR			<u>40,429</u>	
END OF YEAR			<u>\$ 25,402</u>	

Prospect Heights Park District
 Social Security Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 107,113	\$ 107,113	\$ 105,128	\$ (1,985)
TOTAL REVENUES	<u>107,113</u>	<u>107,113</u>	<u>105,128</u>	<u>(1,985)</u>
EXPENDITURES				
Current				
General Government				
Social Security Contributions	<u>114,276</u>	<u>114,276</u>	<u>113,768</u>	<u>508</u>
TOTAL EXPENDITURES	<u>114,276</u>	<u>114,276</u>	<u>113,768</u>	<u>508</u>
NET CHANGE IN FUND BALANCE	<u>\$ (7,163)</u>	<u>\$ (7,163)</u>	<u>(8,640)</u>	<u>\$ (1,477)</u>
FUND BALANCE,				
BEGINNING OF YEAR			<u>26,015</u>	
END OF YEAR			<u>\$ 17,375</u>	

Prospect Heights Park District
 Illinois Municipal Retirement Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 120,022	\$ 120,022	\$ 117,797	\$ (2,225)
TOTAL REVENUES	<u>120,022</u>	<u>120,022</u>	<u>117,797</u>	<u>(2,225)</u>
EXPENDITURES				
Current				
General Government				
Retirement Contributions	<u>107,364</u>	<u>107,364</u>	<u>103,362</u>	<u>4,002</u>
TOTAL EXPENDITURES	<u>107,364</u>	<u>107,364</u>	<u>103,362</u>	<u>4,002</u>
NET CHANGE IN FUND BALANCE	<u>\$ 12,658</u>	<u>\$ 12,658</u>	14,435	<u>\$ 1,777</u>
FUND BALANCE, BEGINNING OF YEAR			<u>12,356</u>	
END OF YEAR			<u>\$ 26,791</u>	

Prospect Heights Park District
Police Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 78,645	\$ 78,645	\$ 72,063	\$ (6,582)
TOTAL REVENUES	<u>78,645</u>	<u>78,645</u>	<u>72,063</u>	<u>(6,582)</u>
EXPENDITURES				
Current				
General Government				
Salaries and Wages	48,000	48,000	42,480	5,520
Contractual Services	14,640	14,640	14,902	(262)
TOTAL EXPENDITURES	<u>62,640</u>	<u>62,640</u>	<u>57,382</u>	<u>5,258</u>
NET CHANGE IN FUND BALANCE	<u>\$ 16,005</u>	<u>\$ 16,005</u>	14,681	<u>\$ (1,324)</u>
FUND BALANCE,				
BEGINNING OF YEAR			<u>91</u>	
END OF YEAR			<u>\$ 14,772</u>	

Prospect Heights Park District
Museum Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 10,892	\$ 10,892	\$ 10,690	\$ (202)
TOTAL REVENUES	<u>10,892</u>	<u>10,892</u>	<u>10,690</u>	<u>(202)</u>
EXPENDITURES				
Current				
General Government				
Salaries and Wages	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
TOTAL EXPENDITURES	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,892</u>	<u>3,892</u>	<u>3,690</u>	<u>(202)</u>
OTHER FINANCING USES				
Transfers Out	<u>(4,250)</u>	<u>(4,250)</u>	<u>0</u>	<u>4,250</u>
TOTAL OTHER FINANCING USES	<u>(4,250)</u>	<u>(4,250)</u>	<u>0</u>	<u>4,250</u>
NET CHANGE IN FUND BALANCE	<u>\$ (358)</u>	<u>\$ (358)</u>	<u>3,690</u>	<u>\$ 4,048</u>
FUND BALANCE, BEGINNING OF YEAR			<u>3,174</u>	
END OF YEAR			<u>\$ 6,864</u>	

Prospect Heights Park District
Special Recreation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 117,400	\$ 117,400	\$ 115,224	\$ (2,176)
TOTAL REVENUES	<u>117,400</u>	<u>117,400</u>	<u>115,224</u>	<u>(2,176)</u>
EXPENDITURES				
Current				
General Government				
Annual Contributions to Northwest Special Recreation Association	75,161	75,161	75,162	(1)
Facility Usage	14,668	14,668	15,866	(1,198)
ADA Compliance Purchases	128,000	128,000	9,203	118,797
TOTAL EXPENDITURES	<u>217,829</u>	<u>217,829</u>	<u>100,231</u>	<u>117,598</u>
NET CHANGE IN FUND BALANCE	<u>\$ (100,429)</u>	<u>\$ (100,429)</u>	14,993	<u>\$ 115,422</u>
FUND BALANCE, BEGINNING OF YEAR			<u>119,681</u>	
END OF YEAR			<u>\$ 134,674</u>	

Prospect Heights Park District
 Memorial Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Grants and Donations	\$ 700	\$ 700	\$ 965	\$ 265
TOTAL REVENUES	<u>700</u>	<u>700</u>	<u>965</u>	<u>265</u>
EXPENDITURES				
Current				
General Government				
Salaries and Wages	3,000	3,000	3,000	0
Contractual Services	1,400	1,400	1,194	206
Commodities	550	550	450	100
TOTAL EXPENDITURES	<u>4,950</u>	<u>4,950</u>	<u>4,644</u>	<u>306</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(4,250)	(4,250)	(3,679)	571
OTHER FINANCING SOURCES				
Transfers In	4,250	4,250	0	(4,250)
TOTAL OTHER FINANCING SOURCES	<u>4,250</u>	<u>4,250</u>	<u>0</u>	<u>(4,250)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	(3,679)	<u>\$ (3,679)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>0</u>	
END OF YEAR			<u>\$ (3,679)</u>	

Prospect Heights Park District
Community Events Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Charges for Services				
Block Party	\$ 15,000	\$ 15,000	\$ 14,081	\$ (919)
Grants and Donations	0	0	66	66
TOTAL REVENUES	<u>15,000</u>	<u>15,000</u>	<u>14,147</u>	<u>(853)</u>
EXPENDITURES				
Current				
General Government				
Contractual Services	12,525	12,525	11,141	1,384
Commodities	2,200	2,200	3,095	(895)
TOTAL EXPENDITURES	<u>14,725</u>	<u>14,725</u>	<u>14,236</u>	<u>489</u>
NET CHANGE IN FUND BALANCE	<u>\$ 275</u>	<u>\$ 275</u>	(89)	<u>\$ (364)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>35,735</u>	
END OF YEAR			<u>\$ 35,646</u>	

**Prospect Heights Park District
Schedule of Debt Service Requirements
Series 2014B General Obligation Refunding Park Bond
For The Year Ended December 31, 2015**

	Year Ending December 31	Principal	Interest		Total
			June 1	December 1	
2014B General Obligation Refunding Park Bonds, (Alternate Revenue Source) \$7,675,000 original principal issued, Interest due June 1 and December 1 each year at rates varying from 3% to 4% with principal due each December 1.	2016	\$ 275,000	\$ 148,400	\$ 148,400	\$ 571,800
	2017	285,000	144,275	144,275	573,550
	2018	295,000	140,000	140,000	575,000
	2019	305,000	134,100	134,100	573,200
	2020	320,000	128,000	128,000	576,000
	2021	330,000	121,600	121,600	573,200
	2022	345,000	115,000	115,000	575,000
	2023	360,000	108,100	108,100	576,200
	2024	375,000	100,900	100,900	576,800
	2025	390,000	93,400	93,400	576,800
	2026	405,000	85,600	85,600	576,200
	2027	420,000	77,500	77,500	575,000
	2028	440,000	69,100	69,100	578,200
	2029	455,000	60,300	60,300	575,600
	2030	475,000	51,200	51,200	577,400
	2031	495,000	41,700	41,700	578,400
	2032	515,000	31,800	31,800	578,600
	2033	535,000	21,500	21,500	578,000
	2034	540,000	10,800	10,800	561,600
		<u>\$ 7,560,000</u>	<u>\$ 1,683,275</u>	<u>\$ 1,683,275</u>	<u>\$10,926,550</u>

**Prospect Heights Park District
 Schedule of Debt Service Requirements
 Series 2015 General Obligation Limited Tax Park Bond
 For The Year Ended December 31, 2015**

	<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015 General Obligation Limited Tax Park Bonds, \$565,910 original principal issued, Interest and principal due December 1, 2016 with interest at .82%	2016	<u>\$ 565,910</u>	<u>\$ 5,001</u>	<u>\$ 570,911</u>
		<u>\$ 565,910</u>	<u>\$ 5,001</u>	<u>\$ 570,911</u>

STATISTICAL SECTION (UNAUDITED)

Page(s)

Financial Trend Data

These schedules contain trend information to help the reader understand how the District's financial performance and well-being has changed over time.

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Revenue Capacity Data

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

79 - 82

Debt Capacity Data

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

83 - 86

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

87

Operating Information

These schedules contain service and asset data to help the reader understand how the information in the District's financial report relates to the services the district provides and the activities it performs.

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**Prospect Heights Park District
Government-Wide Net Position by Component
Last Ten Fiscal Years
December 31, 2015**

Fiscal Year	Net Investment in Capital Assets*	Restricted**	Unrestricted***	Total
<u>Government Activities</u>				
2006	\$ 4,033,242	\$ 0	\$ 3,304,780	\$ 7,338,022
2007	4,322,288	0	3,031,074	7,353,362
2008	4,353,009	0	3,651,059	8,004,068
2009	4,524,168	675,105	249,431	5,448,704
2010	4,761,536	711,778	328,299	5,801,613
2011	4,831,553	671,102	486,799	5,989,454
2012	5,065,849	761,878	551,961	6,379,688
2013	5,214,871	907,552	617,706	6,740,129
2014	4,938,018	535,279	1,724,997	7,198,294
2015	5,533,917	752,219	1,687,952	7,974,088

* Beginning in 2015, Net Investment in Capital Assets includes fund balances from the capital project funds.

** Prior to 2009, net positions of special levy funds were reported as unrestricted.

*** In 2009, the District changed its accounting policy for property tax revenue recognition on the accrual basis of accounting to report property tax revenues in the year intended to finance.

Data Source

Audited Financial Statements

**Prospect Heights Park District
Government-Wide Expenses, Program Revenues and Net Expense
Last Ten Fiscal Years
December 31, 2015**

EXPENSES						
Governmental Activities						
Fiscal Year	General Government*	Recreation	Interest	Change in Net Pension Liability	Subtotal	
2006	\$ 0	\$ 3,642,573	\$ 422,067	\$ 0	\$ 4,064,640	
2007	0	3,850,321	410,771	0	4,261,092	
2008	0	3,825,645	400,355	0	4,226,000	
2009	595,945	3,171,928	467,221	0	4,235,094	
2010	730,757	3,213,078	415,642	0	4,359,477	
2011	758,121	3,198,631	403,407	0	4,360,159	
2012	772,549	3,132,503	381,471	0	4,286,523	
2013	881,453	3,042,039	351,787	0	4,275,279	
2014	1,640,063	2,314,215	174,006	0	4,128,284	
2015	1,312,889	2,562,313	309,502	197,192	4,381,896	
PROGRAM REVENUES						
Governmental Activities						
Fiscal Year	Charges for Services - Recreation	Grants and Contributions				Subtotal
2006	\$ 2,047,096	\$ 0				\$ 2,047,096
2007	2,031,617	0				2,031,617
2008	2,115,100	0				2,115,100
2009	2,040,325	90,050				2,130,375
2010	2,065,553	198,300				2,263,853
2011	2,006,724	29,179				2,035,903
2012	2,089,019	39,725				2,128,744
2013	2,042,105	454				2,042,559
2014	2,114,919	1,990				2,116,909
2015	2,167,117	8,637				2,175,754
TOTAL NET EXPENSE						
Governmental Activities						
2006						\$ (2,017,544)
2007						(2,229,475)
2008						(2,110,900)
2009						(2,104,719)
2010						(2,095,624)
2011						(2,324,256)
2012						(2,157,779)
2013						(2,232,720)
2014						(2,011,375)
2015						(2,206,142)

* Prior to 2009, expenses were not reported under the General Government function.

Data Source

Audited Financial Statements

**Prospect Heights Park District
Government-Wide General Revenues and Other Changes in Net Position
Last Ten Fiscal Years
December 31, 2015**

GENERAL REVENUES AND TRANSFERS						
Governmental Activities						
Fiscal Year	Property and Replacement Taxes	Investment Income	Donations	Miscellaneous	Subtotal	
2006	\$ 1,809,969	\$ 90,541	\$ 0	\$ 0	\$	1,900,510
2007	2,203,119	41,696	0	0		2,244,815
2008	2,749,176	12,430	0	0		2,761,606
2009	2,421,983	9,818	7,026	42,372		2,481,199
2010	2,415,270	5,362	1,723	26,178		2,448,533
2011	2,475,875	7,259	8,295	20,670		2,512,099
2012	2,510,864	931	14,309	21,909		2,548,013
2013	2,563,626	6,367	2,372	20,797		2,593,162
2014	2,480,965	3,932	0	23,146		2,508,043
2015	2,590,925	2,568	0	10,699		2,604,192

TOTAL CHANGE IN NET POSITION	
Governmental Activities	
Fiscal Year	
2006	\$ (117,034)
2007	15,340
2008	650,706
2009	376,480
2010	352,909
2011	187,843
2012	390,234
2013	360,442
2014	496,668
2015	398,050

Data Source
Audited Financial Statements

**Prospect Heights Park District
Fund Balances of Governmental Funds
General Fund and Other Governmental Funds
Last Ten Fiscal Years
December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL FUND										
Non-spendable										
Prepaid Items	\$ 0	\$ 9,785	\$ 11,564	\$ 3,118	\$ 4,234	\$ 2,979	\$ 3,984	\$ 3,542	\$ 8,935	\$ 5,532
Assigned										
Cash Reserve	223,452	291,357	337,703	342,518	344,092	345,685	346,032	348,198	0	0
Unassigned	138,333	234,769	174,460	253,317	237,187	155,110	287,841	383,597	915,455	1,350,414
TOTAL GENERAL FUND	361,785	535,911	523,727	598,953	585,513	503,774	637,857	735,337	924,390	1,355,946
OTHER GOVERNMENTAL FUNDS										
Non-spendable										
Inventory	58,513	70,283	94,688	61,470	54,303	56,135	47,439	52,818	57,110	52,439
Prepaid Items	0	26,686	9,753	19,875	5,321	10,902	1,554	5,930	10,988	24,528
Restricted										
Debt Service	251	17,597	0	17,173	12,838	14,307	22,653	17,484	18,252	34,182
Specific Purposes	137,003	169,084	224,907	272,107	321,486	305,587	264,146	285,255	517,027	718,037
Assigned										
Community Events	36,094	36,307	39,798	44,107	36,545	32,660	35,471	38,857	0	0
Recreation	0	0	0	0	0	143,662	101,360	91,837	0	0
Capital Projects	699,929	315,115	370,604	385,400	377,029	351,209	527,293	645,527	782,705	868,257
Unassigned										
Recreation	(361,187)	(464,229)	(379,818)	(197,238)	(37,242)	0	0	0	0	0
IMRF	0	0	0	0	0	(5,242)	(618)	(2,414)	0	0
Golf	0	0	0	0	0	0	0	0	(19,621)	(41,470)
Debt Service	0	0	0	0	0	0	0	0	(200)	0
Police	0	0	0	0	0	0	0	0	(36)	0
Memorial	0	0	0	0	0	0	0	0	0	(3,679)
TOTAL OTHER GOVERNMENTAL FUNDS	570,603	170,843	359,932	602,894	770,280	909,220	999,298	1,135,294	1,366,225	1,652,294
TOTAL GOVERNMENTAL FUND BALANCES	\$ 932,388	\$ 706,754	\$ 883,659	\$ 1,201,847	\$ 1,355,793	\$ 1,412,994	\$ 1,637,155	\$ 1,870,631	\$ 2,290,615	\$ 3,008,240

Data Source
Audited Financial Statements

**Prospect Heights Park District
 Summary of Changes in Total Governmental Fund Balances With Beginning and Ending Total Fund Balances
 Last Ten Fiscal Years
 December 31, 2015**

Fiscal Year	Revenues	Expenditures	Other Financing Sources (Uses)	Net Change in Fund Balance	Beginning Fund Balance	Ending Fund Balance
2006	\$ 4,346,568	\$ 6,466,402	\$ 491,205	\$ (1,628,629)	\$ 2,561,017	\$ 932,388
2007	4,352,112	5,070,286	492,540	(225,634)	932,388	706,754
2008	4,433,626	4,751,156	494,435	176,905	706,754	883,659
2009*	4,521,524	4,726,876	501,070	295,718	883,659	1,179,377
2010	4,514,086	4,874,817	514,677	153,946	1,179,377	1,355,793
2011	4,520,002	5,022,124	559,323	57,201	1,355,793	1,412,994
2012	4,637,030	4,959,349	546,480	224,161	1,412,994	1,637,155
2013	4,635,721	4,955,819	553,574	233,476	1,637,155	1,870,631
2014	4,624,952	4,848,821	643,853	419,984	1,870,631	2,290,615
2015	4,779,946	4,628,231	565,910	717,625	2,290,615	3,008,240

* Ending fund balance contains the effect of a prior period adjustment for the ending 2008 fund balance and the beginning 2009 fund balance.

Data Source

Audited Financial Statements

**Prospect Heights Park District
 Governmental Funds Revenues
 Last Ten Fiscal Years
 December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Taxes										
Property	\$ 2,196,761	\$ 2,264,407	\$ 2,291,918	\$ 2,410,022	\$ 2,402,373	\$ 2,464,510	\$ 2,499,478	\$ 2,551,004	\$ 2,467,972	\$ 2,577,075
Other	12,170	14,392	14,178	11,961	12,897	11,365	11,386	12,622	12,993	13,850
Charges for Services	2,018,053	2,029,417	2,086,690	2,040,325	2,065,553	2,006,724	2,089,019	2,042,105	2,114,919	2,167,117
Investment Income	90,541	41,696	12,430	9,818	5,362	7,259	931	6,367	3,932	2,568
Grants and Donations	0	0	0	7,026	1,723	9,474	14,309	2,826	1,990	8,637
Miscellaneous	29,043	2,200	28,410	42,372	26,178	20,670	21,907	20,797	23,146	10,699
Total Revenues	\$ 4,346,568	\$ 4,352,112	\$ 4,433,626	\$ 4,521,524	\$ 4,514,086	\$ 4,520,002	\$ 4,637,030	\$ 4,635,721	\$ 4,624,952	\$ 4,779,946

Data Source
 Audited Financial Statements

**Prospect Heights Park District
Governmental Funds Expenditures
Last Ten Fiscal Years
December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	\$ 912,960	\$ 842,617	\$ 976,467	\$ 586,325	\$ 666,910	\$ 741,756	\$ 715,408	\$ 735,590	\$ 1,033,678	\$ 813,904
Recreation	2,295,254	2,381,139	2,344,687	2,694,899	2,735,868	2,708,807	2,705,730	2,712,311	2,314,215	2,562,313
Capital Outlay	1,932,647	523,381	97,043	121,736	90,995	169,805	105,888	67,725	245,478	97,400
Other Capital	0	0	0	0	0	0	0	0	24,664	153,924
Debt Service										
Principal	887,795	901,205	912,540	934,435	1,011,070	1,044,215	1,085,841	1,110,380	952,633	675,990
Interest	437,746	421,944	420,419	389,481	369,974	357,541	346,482	329,813	174,895	310,657
Fees*	0	0	0	0	0	0	0	0	103,258	14,043
Total Debt Service	1,325,541	1,323,149	1,332,959	1,323,916	1,381,044	1,401,756	1,432,323	1,440,193	1,127,528	1,000,690
Total Expenditures	\$ 6,466,402	\$ 5,070,286	\$ 4,751,156	\$ 4,726,876	\$ 4,874,817	\$ 5,022,124	\$ 4,959,349	\$ 4,955,819	\$ 4,848,821	\$ 4,628,231

Ratio of Debt Service Expenditures to Total Non Capital Outlay Expenditures

Debt Service Total	\$ 1,325,541	\$ 1,323,149	\$ 1,332,959	\$ 1,323,916	\$ 1,381,044	\$ 1,401,756	\$ 1,432,323	\$ 1,440,193	\$ 1,127,528	\$ 1,000,690
Non Capital Total	\$ 4,533,755	\$ 4,546,905	\$ 4,654,113	\$ 4,605,140	\$ 4,783,822	\$ 4,852,319	\$ 4,853,461	\$ 4,888,094	\$ 4,824,157	\$ 4,530,831
	29.24%	29.10%	28.64%	28.75%	28.87%	28.89%	29.51%	29.46%	23.37%	22.09%

* Debt service fees and other capital purchases are not available for fiscal year 2013 and prior.

Data Source

Audited Financial Statements

**Prospect Heights Park District
Property Tax Levies and Collections
Last Ten Fiscal Years
December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Year (1)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Tax Levy	\$ 2,219,061	\$ 2,298,988	\$ 2,364,778	\$ 2,446,068	\$ 2,460,598	\$ 2,518,640	\$ 2,517,918	\$ 2,597,968	\$ 2,509,291	\$ 2,625,745
Current Tax Collections	2,150,456	2,196,764	2,291,917	2,410,022	2,116,355	2,475,553	2,494,846	2,531,934	2,448,156	2,558,866
Collections in Subsequent Years (2)	0	0	0	50,153	286,019	23,831	4,631	19,068	19,816	18,210
Total Tax Collections	\$ 2,150,456	\$ 2,196,764	\$ 2,291,917	\$ 2,460,175	\$ 2,402,374	\$ 2,499,384	\$ 2,499,477	\$ 2,551,002	\$ 2,467,972	\$ 2,577,076
Percent of Current Taxes Collected	96.91 %	95.55 %	96.92 %	98.53 %	86.01 %	98.29 %	99.08 %	97.46 %	97.56 %	97.45 %
Percent of Total Tax Collections to Tax Levy	96.91 %	95.55 %	96.92 %	100.58 %	97.63 %	99.24 %	99.27 %	98.19 %	98.35 %	98.15 %

(1) Represents year of tax levy

(2) Collections in subsequent years are not available for fiscal year 2008 and prior.

Data Source

Cook County Clerk's Office

**Prospect Heights Park District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 December 31, 2015**

Tax Levy Year	Taxable Real Property		Percentage of Equalized Assessed Value to Estimated Actual Value (1)	Total Direct Tax Rate
	Equalized Assessed Value	Estimated Actual Value		
2005	\$ 346,890,926	\$ 1,040,672,778	33.3	0.640
2006	349,283,985	1,047,851,955	33.3	0.658
2007	421,829,772	1,265,489,316	33.3	0.561
2008	450,481,521	1,351,444,563	33.3	0.543
2009	470,477,626	1,411,432,878	33.3	0.523
2010	423,300,820	1,269,902,460	33.3	0.595
2011	380,925,506	1,142,776,518	33.3	0.661
2012	348,253,098	1,044,759,294	33.3	0.745
2013	293,362,756	880,088,268	33.3	0.856
2014	297,319,498	891,958,494	33.3	0.884

(1) Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the state with a County Multiplier based on the factor needed to bring the average prior years' level up to 33-1/3% of market value. Every three years there is a tri-annual assessment when all property is assessed.

Data Source
 Cook County Clerk's Office

**Prospect Heights Park District
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
December 31, 2015**

Tax Levy Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
PARK DISTRICT DIRECT RATES										
General	0.263	0.253	0.200	0.201	0.193	0.232	0.313	0.350	0.350	0.313
Recreation	0.074	0.105	0.108	0.099	0.096	0.109	0.066	0.072	0.083	0.194
Audit	0.000	0.002	0.002	0.001	0.003	0.001	0.003	0.003	0.004	0.004
Paving and Lighting	0.000	0.005	0.004	0.002	0.002	0.000	0.005	0.005	0.005	0.001
Liability Insurance	0.042	0.017	0.020	0.022	0.021	0.022	0.026	0.022	0.027	0.026
IMRF and Social Security	0.067	0.066	0.055	0.053	0.050	0.055	0.064	0.068	0.082	0.076
Police	0.000	0.017	0.012	0.014	0.013	0.015	0.013	0.016	0.021	0.025
Museum	0.002	0.003	0.002	0.002	0.002	0.002	0.003	0.003	0.036	0.004
Special Recreation	0.038	0.038	0.032	0.030	0.028	0.028	0.020	0.040	0.040	0.040
Debt Service	0.155	0.154	0.127	0.119	0.114	0.130	0.147	0.165	0.208	0.200
TOTAL PARK DISTRICT DIRECT RATES	0.640	0.658	0.561	0.543	0.523	0.595	0.661	0.745	0.856	0.884
OVERLAPPING GOVERNMENT RATES										
Cook County including Forest Preserve	0.593	0.557	0.499	0.466	0.443	0.474	0.520	0.594	0.629	0.637
Metropolitan Water Reclamation District	0.315	0.284	0.263	0.252	0.261	0.274	0.320	0.370	0.417	0.430
School District #23, #214, #512	4.920	5.059	4.299	4.206	4.147	4.705	5.270	5.970	7.140	7.149
City of Prospect Heights/Police/Library	1.224	1.279	1.078	1.059	0.389	0.441	0.599	0.319	0.498	0.486
All others	0.801	0.812	0.679	0.626	0.735	0.843	0.947	0.111	0.000	0.000
TOTAL OVERLAPPING GOVERNMENT RATES	7.853	7.991	6.818	6.609	5.975	6.737	7.656	7.364	8.684	8.702
TOTAL DIRECT AND OVERLAPPING RATES	8.493	8.649	7.379	7.152	6.498	7.332	8.317	8.109	9.540	9.586

Data Source

Cook County Clerk's Office

**Prospect Heights Park District
Principal Taxpayers
Current Year and Nine Years Ago
December 31, 2015**

Taxpayer	2015		2006	
	Equalized Assessed Valuations	Percent of District's Total EAV	Equalized Assessed Valuations	Percent of District's Total EAV
Jones Lang LaSalle	\$ 0	0.00%	\$ 11,335,056	3.27%
Frank S. Allgauer	2,851,995	0.96%	3,749,039	1.08%
Briarwood Lakes LP	2,674,995	0.90%	4,484,018	1.29%
CR Congress LLC	2,574,999	0.87%	0	0.00%
Bays Northbrook Hospital	2,073,329	0.70%	3,053,430	0.88%
Palwaukee Plaza	1,543,262	0.52%	2,198,192	0.63%
HCP Inc	1,130,114	0.38%	0	0.00%
Voss Bros	916,248	0.31%	1,009,997	0.29%
TDB Hospitality LLC	0	0.00%	1,686,630	0.49%
Hawthorne Global Aviation	808,671	0.27%	0	0.00%
Signature Flight	751,250	0.25%	1,004,219	0.29%
Prime Care Seven LLC	0	0.00%	1,110,855	0.32%
Radler Group, Inc	691,338	0.23%	869,794	0.25%
	<u>\$ 16,016,201</u>	<u>5.39%</u>	<u>\$ 30,501,230</u>	<u>8.79%</u>

(1) Information for certain years is not readily available.

Data Source

Cook County Clerk's Office, Elk Grove and Wheeling Township Assessor's Office

**Prospect Heights Park District
Direct and Overlapping Governmental Activities Debt
December 31, 2015**

Government Unit	Governmental Activities Debt	Percentage Debt Applicable to District	District Share of Debt
Direct			
Prospect Heights Park District	\$ 8,091,728	100.00%	\$ 8,091,728
Overlapping*			
Cook County	3,584,870,000	0.27%	9,679,149
Cook County Forest Preserve	172,535,000	0.27%	465,845
City of Prospect Heights	23,191,389	54.66%	12,676,413
Metropolitan Water Reclamation District	2,591,245,000	0.27%	6,996,362
Village of Wheeling	12,770,000	4.69%	598,913
Village of Arlington Heights	22,225,000	0.97%	215,583
School District #21	40,805,000	5.01%	2,044,331
School District #23	9,940,000	38.56%	3,832,864
School District #25	181,660	0.27%	490
School District #26	12,295,881	10.32%	1,268,935
School District #31	2,960,000	2.79%	82,584
School District #214	42,800,000	4.43%	1,896,040
School District #225	106,856,437	0.29%	309,884
Community College District #512	177,706,082	2.02%	3,589,663
Subtotal	<u>6,800,381,449</u>		<u>43,657,054</u>
	<u>\$ 6,808,473,177</u>		<u>\$ 51,748,782</u>

* Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Park District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

Data Source

Cook County Clerk's Office

**Prospect Heights Park District
 Ratios of Outstanding Debt
 Last Ten Fiscal Years
 December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Levy Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population	15,500	15,500	15,500	15,500	15,500	15,000	15,000	15,000	15,000	15,000
Estimated Personal Income of Population	572,120,500	572,120,500	572,120,500	572,120,500	572,120,500	858,900,000	858,900,000	858,900,000	858,900,000	858,900,000
Equalized Assessed Value	346,890,926	349,283,985	421,829,772	450,481,521	470,477,626	423,300,820	380,925,506	348,253,098	293,362,756	297,319,498
Total Bonded Debt	11,735,112	11,331,815	10,919,044	10,770,331	10,311,969	9,832,654	9,324,915	8,787,633	8,235,990	8,125,910
Less Debt Service Funds	251	22,965	0	17,598	13,263	14,307	22,653	17,484	18,052	34,182
Total Debt	11,734,861	11,308,850	10,919,044	10,752,733	10,298,706	9,818,347	9,302,262	8,770,149	8,217,938	8,091,728
Debt as a Percentage of Personal Income of Population	2.05%	1.98%	1.91%	1.88%	1.80%	1.14%	1.08%	1.02%	0.96%	0.94%
Debt as a Percentage Of Equalized Assessed Value	3.38%	3.24%	2.59%	2.39%	2.19%	2.32%	2.44%	2.52%	2.80%	2.72%
Debt Per Capita	\$ 757.09	\$ 729.60	\$ 704.45	\$ 693.72	\$ 664.43	\$ 654.56	\$ 620.15	\$ 584.68	\$ 547.86	\$ 539.45

Data Source

Cook County Clerk's Office
 U.S. Census Bureau, 2000 Census and 2010 Census

**Prospect Heights Park District
Debt Limit Information
Last Ten Fiscal Years
December 31, 2015**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Tax Levy Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Equalized Assessed Valuation (EAV)	\$ 346,890,926	\$ 349,283,985	\$ 421,829,772	\$ 450,481,521	\$ 470,477,626	\$ 423,300,820	\$ 380,925,506	\$ 348,253,098	\$ 293,362,756	\$ 297,319,498
Debt Limit 2.875% of EAV	9,973,114	10,041,915	12,127,606	12,951,344	13,526,232	12,169,899	10,951,608	10,012,277	8,434,179	8,547,936
Debt Outstanding Applicable to Limit	491,205	492,540	494,435	1,975,331	1,626,969	1,317,654	1,014,915	682,633	560,990	565,910
Legal Debt Margin	\$ 9,481,909	\$ 9,549,375	\$ 11,633,171	\$ 10,976,013	\$ 11,899,263	\$ 10,852,245	\$ 9,936,693	\$ 9,329,644	\$ 7,873,189	\$ 7,982,026
Legal Debt Margin as a Percentage of Debt Limit	95.07%	95.10%	95.92%	84.75%	87.97%	89.17%	90.73%	93.18%	93.35%	93.38%
Total Debt	\$ 11,735,112	\$ 11,331,815	\$ 10,919,044	\$ 10,770,331	\$ 10,311,969	\$ 9,832,654	\$ 9,324,915	\$ 8,787,633	\$ 8,235,990	\$ 8,125,910
Less ARS*	11,243,907	10,839,275	10,424,609	8,795,000	8,685,000	8,515,000	8,310,000	8,105,000	7,675,000	7,560,000
Debt Outstanding Applicable to Limit	\$ 491,205	\$ 492,540	\$ 494,435	\$ 1,975,331	\$ 1,626,969	\$ 1,317,654	\$ 1,014,915	\$ 682,633	\$ 560,990	\$ 565,910

Data Source

Cook County Clerk's Office
Audited Financial Statements

**Prospect Heights Park District
Debt Service Information
Last Ten Fiscal Years
December 31, 2015**

<u>Fiscal Year</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Principal	\$ 887,795	\$ 901,205	\$ 912,540	\$ 934,435	\$ 1,011,070	\$ 1,044,215	\$ 1,085,841	\$ 1,110,380	\$ 952,633	\$ 675,990
Interest and Fees	437,746	421,944	420,419	389,481	369,974	357,541	346,482	329,813	278,153	324,700
Total Debt Service	<u>1,325,541</u>	<u>1,323,149</u>	<u>1,332,959</u>	<u>1,323,916</u>	<u>1,381,044</u>	<u>1,401,756</u>	<u>1,432,323</u>	<u>1,440,193</u>	<u>1,230,786</u>	<u>1,000,690</u>
Total Governmental Expenditures	6,466,402	5,070,286	4,751,156	4,726,876	4,874,817	5,022,124	4,959,349	4,955,819	4,848,821	4,628,231
Less Capital Outlay	<u>1,932,647</u>	<u>523,381</u>	<u>97,043</u>	<u>121,736</u>	<u>90,995</u>	<u>169,805</u>	<u>105,888</u>	<u>67,725</u>	<u>24,664</u>	<u>97,400</u>
Non-capital Governmental Expenditures	<u>\$ 4,533,755</u>	<u>\$ 4,546,905</u>	<u>\$ 4,654,113</u>	<u>\$ 4,605,140</u>	<u>\$ 4,783,822</u>	<u>\$ 4,852,319</u>	<u>\$ 4,853,461</u>	<u>\$ 4,888,094</u>	<u>\$ 4,824,157</u>	<u>\$ 4,530,831</u>
Ratio of Debt Service Expenditures to Non-capital Governmental Expenditures	<u>29.24%</u>	<u>29.10%</u>	<u>28.64%</u>	<u>28.75%</u>	<u>28.87%</u>	<u>28.89%</u>	<u>29.51%</u>	<u>29.46%</u>	<u>25.51%</u>	<u>22.09%</u>

Data Source
Audited Financial Statements

**Prospect Heights Park District
 Demographic and Economic Information
 December 31, 2015**

<u>Fiscal Year</u>	<u>Population*</u>	<u>Per Capita Personal Income**</u>	<u>Unemployment Rate**</u>
2006	15,500	36,911	4.30%
2007	15,500	36,911	4.10%
2008	15,500	36,911	3.00%
2009	15,500	36,911	3.60%
2010	15,000	36,911	4.90%
2011	15,000	57,260	8.10%
2012	15,000	57,260	8.40%
2013	15,000	57,260	8.40%
2014	15,000	57,260	7.50%
2015	15,000	57,260	7.70%

Data Source

* U.S. Census Bureau, 2000 Census and 2010 Census

** U.S. Bureau of Labor Statistics

**Prospect Heights Park District
 Park District Information
 December 31, 2015**

Form of Government	Board - Manager
Population	15,000
Parks and Facilities	
Parks	
Number	15
Owned Acres	159.0
Leased Acres	12.0
Facilities	
Playgrounds	7
Swimming Pools	1
Recreation Centers	1
Indoor Racquet Courts	2
Basketball Courts	4
18 Hole Golf Course	1
Warm Up Range	1
Football/Soccer Fields	2
Ball Fields	3
Outdoor Tennis Courts	3
Picnic Areas	6
Jogging and Bike Trails	4 Miles

Data Source

Various District Departments

**Prospect Heights Park District
Park Facility Locations and Full Time Employees
December 31, 2015**

Park	Address	Number of Full Time Employees	Acres
Gary Morava Recreation Center	110 West Camp McDonald Road	11	N/A
Old Orchard Country Club	700 West Rand Road	5	100.0
Country Gardens Park	901 North Schoenbeck Road	0	9.0
John Muir Park	999 Oak Avenue	0	4.5
School Street Park	808 School Street	0	3.0
Izaak Walton Park	201 North Elmhurst Road	0	4.0
Jaycee Park	4 Compton Lane	0	1.0
Claire Lane Park	617 Claire Lane	0	0.5
Tully Park	212 Tully Place	0	1.5
Rosemary Roth Park	201 Chester Lane	0	0.5
East Wedgewood Park	Oxford Place and Wedgewood Lane	0	0.5
Lions Park	11 North Elm Street	0	10.0
McDonald Field	200 West Camp McDonald Road	0	1.3
Kiwanis Park	712 North Elm Street	0	0.7
Somerset Park	204 West Palatine Road	0	26.0
Walnut Woods	610 North Wheeling Road	0	8.5

Data Source

Park District Website

Various District Departments

**Prospect Heights Park District
Operating Indicators
Last Nine Fiscal Years
December 31, 2015**

Function/Program	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program Attendance									
Preschool	80	69	70	78	85	88	73	74	78
Kinderstop	0	10	27	30	43	39	89	91	106
Children's	753	670	645	634	349	425	628	776	862
Performing Arts	220	256	328	259	199	132	184	206	230
Athletics	630	708	652	534	640	645	458	576	500
Seniors	1,178	1,717	1,530	1,880	1,372	1,330	1,131	1,303	1,055
Camps	550	485	473	430	472	508	449	504	440
Total Program Attendance	3,411	3,915	3,725	3,845	3,160	3,167	3,012	3,530	3,271
Aquatics									
Swim Lessons	88	67	66	63	89	108	102	121	182
Pool Passes	145	138	118	102	140	106	282	197	216
Daily Swim	4,934	4,658	4,707	5,014	4,240	4,225	1,920	2,649	4,097
Total Aquatics	5,167	4,863	4,891	5,179	4,469	4,439	2,304	2,967	4,495
Fitness Center Attendance									
Membership	461	502	504	529	431	424	338	308	334
Daily Use	1,146	1,768	1,567	1,304	1,500	1,138	1,132	901	207
Total Fitness Center Attendance	1,607	2,270	2,071	1,833	1,931	1,562	1,470	1,209	541
Golf									
Outings	68	65	82	87	79	85	67	72	83
Membership	160	158	150	158	90	102	127	128	112
Open Play	27,725	26,462	28,237	28,101	23,372	24,888	20,464	24,501	23,987
Warm-up Range	0	4,134	4,528	4,003	4,242	4,141	4,713	4,660	4,541
Total Golf	27,953	30,819	32,997	32,349	27,783	29,216	25,371	29,361	28,723

Data Source

Various District Departments