

PROSPECT HEIGHTS PARK DISTRICT



PROSPECT HEIGHTS, ILLINOIS

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2018

Prepared by:
Finance Department

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PROSPECT HEIGHTS, ILLINOIS
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INTRODUCTORY SECTION

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS

LIST OF PRINCIPAL OFFICIALS

December 31, 2018

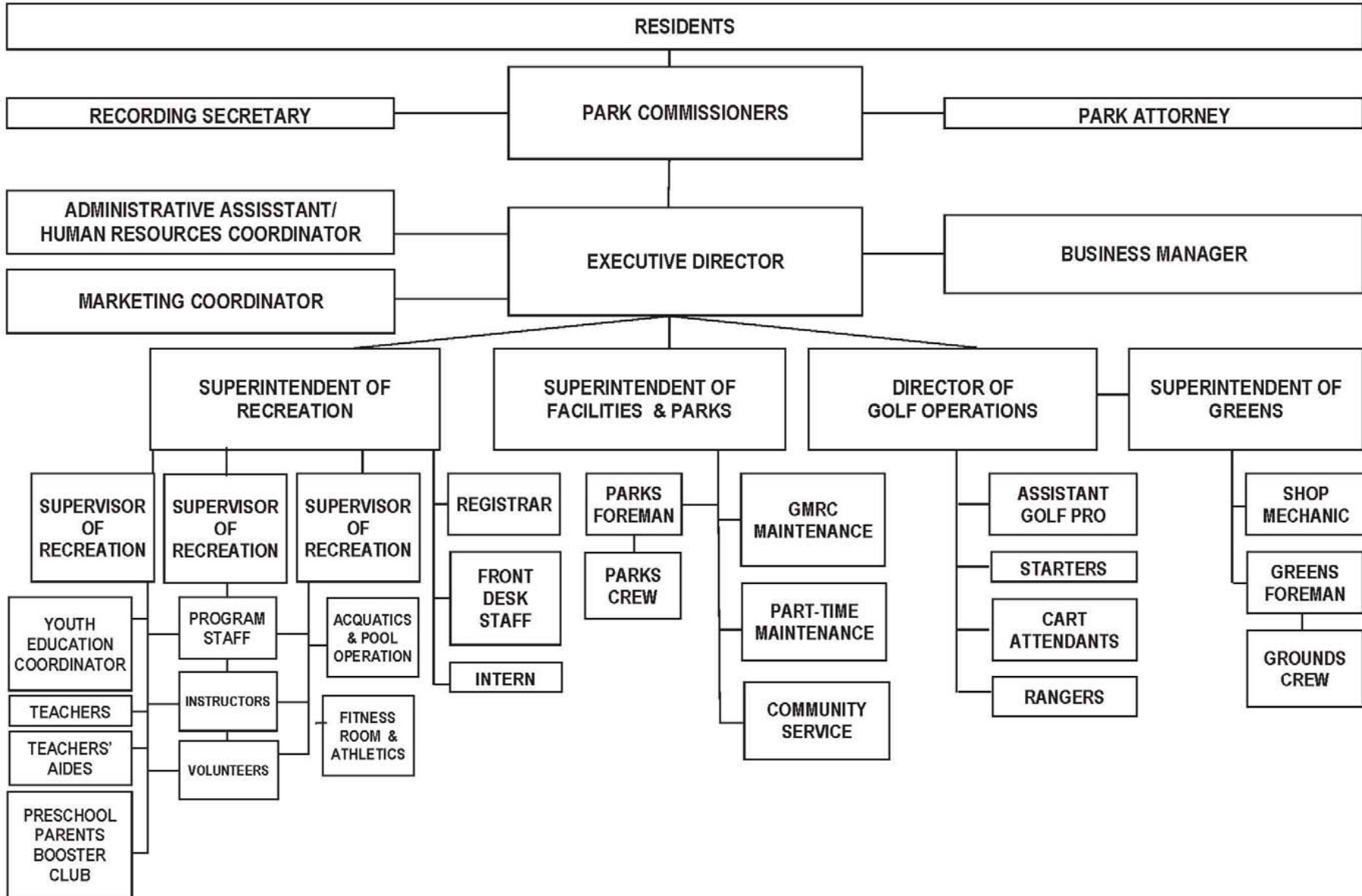
BOARD OF COMMISSIONERS

Tim Jones	President
Terry Curtis	Vice President
Vicki Carney	Treasurer
Ellen Avery	Secretary
Karl Jackson	Commissioner
Eric Kirste	Commissioner
Bob Loranger	Commissioner

ADMINISTRATIVE

Christina Ferraro	Executive Director
Julie Caporusso	Superintendent of Recreation
Dino Squiers	Superintendent of Facilities and Parks
Marc Heidkamp	Director of Golf Operations
Mike Arden	Superintendent of Greens

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, 2017

Christopher P. Morill

Executive Director/CEO



November 20, 2019

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, 2018 is hereby submitted as mandated by statutes. This report provides a broad view of the District's financial activities for 2018 fiscal year and its financial position at December 31, 2018. These statements are presented in conformity with generally accepted accounting principles (GAAP). Sikich LLP, 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, 2018. 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. Management does not believe that any of the District's financial policies had a significant impact on the audited financial statements.

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 with a substantial portion of the assessed valuation of the property in the Park District being residential. The District continues to experience limited growth in both residential and commercial development, although assessed valuations are on the rise. The assessed valuation of \$348,720,895 for tax year 2018 represents an decrease of 1.3% compared to tax year 2017 as property values continue to fluctuate. 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 Planning

One strategy of the District's 2018 master plan is to conduct a feasibility study to determine the best path for the Park District related to the renovation/replacement of both the Gary Morava Recreation Center and the Old Orchard Country Club.

The District assumed responsibility for the operation of all food and beverage operations at the Old Orchard Country Club in January 2019. This opportunity was used to update the interior of the clubhouse. The carpet and new flooring were replaced and walls painted throughout the building. The main bar was updated and an additional smaller bar was installed in the rear to accommodate both golfers and event attendees. The lady's locker room was converted to a state-of-the-art bridal suite. Broader Wi-Fi broadband in the clubhouse was installed. The renovations were mostly completed and ready for golf season. With these renovations and new staff, selling an experience surrounding food and beverage is the long-term goal. The facility itself can speak for itself but marketing the venue and maintaining a strong infrastructure will be an ongoing process.

A feasibility study began in 2018 related to the renovation/replacement of the Gary Morava Recreation Center. This is a valuable first step in evaluating the recreation center's future potential and in creating a strategy for its reuse. This will be an on-going process as staff plans for the future with input from the residents, stakeholders, and board members. The next step will be calculating the costs associated with the project to determine its viability.

A system was created to track the life-cycle of the playground equipment, site furnishings and landscape at each of the District's 14 park sites. This allows staff to plan for the replacement and purchasing of equipment at one site each year. Per the Illinois

Department of Natural Resources, the life cycle of a playground is approximately 10-15 years. In 2019, Jaycee Park was completed and East Wedgewood is scheduled for 2020.

Future Initiatives

Future challenges are abundant in the District. As the state continues to discuss unfunded mandates such as property tax freeze and minimum wage increases, as a result the District must create a financial sustainability plan. As the District's budget is lean and the needs increase, seeking grants will be a requirement to supplement required funding. The District will create a Parks Foundation in order to create strategies to raise funds to support the District's mission. As technology continues to be more innovative, the District must keep up with trends in technology as they relate to the park users and the staff that provides services. Wi-Fi in buildings, apps, websites and social media are essential to connect with users. While staff requires proper payroll, program registration, and financial software systems. Equipment must be replaced, software and operating systems upgraded. Cyber security is imperative: lost data, down time, breach of security, PCI compliance, etc. There will be continued discussions about whether to expand cellular and Wi-Fi coverage in parks, the pool and on the golf course. The District continues to face its challenges as neighboring park districts offer similar programs in newer facilities for golf, aquatics, fitness, etc. There is always a need for continued partnerships in the community with the library, schools, city, police and fire districts in order to provide the best services without duplication. These local resources will continue to enrich and support the residents in this community.

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

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Prospect Heights Park District (the District), as of and for the year ended December 31, 2018, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Opinions

In our opinion, the basic 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, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 11, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses, modified certain disclosures in the notes to financial statements; and the required supplementary information. Our opinion is not modified with respect to this matter.

As part of our audit of the 2018 financial statements, we also audited the adjustments described in Note 11 that were applied to restate the 2017 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2017 financial statements of the District other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2017 financial statements as a whole.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Sikich LLP

Naperville, Illinois
November 20, 2019

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Prospect Heights Park District Prospect Heights, Illinois

Management's Discussion and Analysis December 31, 2018

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 position 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 4.

Financial Highlights

- The assets and deferred outflows of the resources of the District exceeded its liabilities and deferred inflows of resources at the close of the December 31, 2018 by \$8,956,478 (net position), an increase of \$407,581 in comparison with the prior year. Of the District's net position, \$3,120,080 (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 \$3,730,547, an increase of \$125,899 in comparison with the prior year. Approximately 87% of this total fund balance, or \$3,254,987 is available for spending at the discretion of the district (both committed, assigned, and unassigned fund balances).
- At the end of the current fiscal year, the unassigned fund balance for the General, the assigned balances of the Recreation Fund and the committed balance of the Golf Fund totaled \$2,312,442 or 73% of the Fund's expenditures.
- Governmental debt outstanding is \$8,122,737, a decrease of \$854,553 during the current fiscal year.
- The following funds had significant changes in fund balance: The General Fund increased its fund balance by \$336,610 partly due to a \$78,197 reduction in spending, the Recreation Fund decreased its fund balance by \$95,758 partly due to a \$80,023 difference between budget and actual property tax, the Golf Fund decreased its fund balance by \$178,073 partly due to a \$180,979 lower than budgeted Golf Fees, and the Capital Projects Fund increased its fund balance by \$74,039 partly due to a \$174,039 reduction in spending. A prior period adjustment of \$125,899 was made in the Recreation Fund to correct the unearned program revenue balance as of December 31, 2017.

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 deferred outflows of resources and liabilities and deferred inflows of resources, 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 4-5 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 6. 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 53 through 66.

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 schedules for the nonmajor 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 6-13 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 14 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary comparison statements for the general fund and each major special revenue fund and information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 37-43 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 \$8,956,478 as of December 31, 2018.

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

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
December 31, 2018 and December 31, 2017

	Governmental Activities	
	2018	2017
Assets		
Current and other Assets	\$ 6,950,835	\$ 6,595,153
Capital Assets	13,334,480	13,499,193
Total Assets	<u>20,285,315</u>	<u>20,094,346</u>
Deferred Outflows of Resources	<u>259,901</u>	<u>533,155</u>
Total Assets and Deferred Outflows of Resources	<u>20,545,216</u>	<u>20,627,501</u>
Liabilities		
Current Liabilities	1,239,155	1,343,950
Noncurrent Liabilities	7,149,741	7,841,418
Total Liabilities	<u>8,388,896</u>	<u>9,185,368</u>
Deferred Inflows of Resources	<u>3,199,842</u>	<u>2,831,183</u>
Total Liabilities and Deferred Inflows of Resources	<u>11,588,738</u>	<u>12,016,551</u>
Net Position		
Net Investment in		
Capital Assets	5,434,091	6,069,215
Restricted	402,307	1,087,783
Unrestricted	3,120,080	1,453,952
Total Net Position	<u>\$ 8,956,478</u>	<u>\$ 8,610,950</u>

As of December 31, 2018, by far the largest portion of the Prospect Heights Park District's net position, 60% 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, 4.5% or \$402,307 reflect resources that are subject to external legal or contractual restrictions on how they may be used. The remaining 35% or \$3,120,080 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 4. 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, 2018 and December 31, 2017

	Governmental Activities	
	2018	2017
Revenues		
Program Revenues:		
Charges for services	\$ 2,118,354	\$ 2,199,881
Operating grants	-	12,896
Contributions		
General Revenues		
Taxes	2,714,714	2,631,827
Investment Income	9,418	8,926
Donations and Miscellaneous	-	-
Miscellaneous	47,799	4,396
Total Revenues	4,890,285	4,857,926
Expenses		
Program Expenses:		
General Government	636,031	1,489,346
Recreation	3,551,244	2,730,733
Interest	295,429	293,399
Total Expenses	4,482,704	4,513,478
Changes in Net Position	407,581	344,448
Net Position, January 1	8,610,950	8,392,401
Prior Period Adjustment	(62,053)	(125,899)
Net Position, December 31	\$ 8,956,478	\$ 8,610,950

Governmental Activities

The Prospect Heights Park District's net position increased by \$345,528, inclusive of the \$(62,053) prior period adjustment, as revenues continued to exceed expenses.

The cost of all governmental activities this year was \$4,482,704. General government expenses, which primarily reflect the support services needed to provide the recreational program and services, accounted for 21% of the total expense. Recreation expenses captured 79% 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, 2017. 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, 2018 and December 31, 2017

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
General Government	\$ 636,031	1,489,346	\$ 636,031	1,489,346
Recreation	3,551,244	2,730,733	1,432,890	517,956
Interest	295,429	293,399	295,429	293,399
Total Expense	\$ 4,482,704	4,513,478	\$ 2,364,350	2,300,701

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 \$3,730,547, an increase of \$187,137 in comparison with the prior year. Roughly 38% of this amount or \$1,429,334 constitutes *unassigned fund balance* and 49% or \$1,825,653 of this amount constitutes *committed and assigned fund balances*, which are available for spending at the discretion of the District. The remainder of the fund balance is *restricted or non-spendable* 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 2017, total revenue for the governmental funds increased in 2018 by \$32,359 to \$4,890,285.

Property tax revenue represented the largest portion of the revenue base, generating 56% of the total. Property taxes fund governmental activities, including but not limited to IMRF, Social Security, Audit, and Special Recreation.

Charges for services represented 43% 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 \$5,616,612 in 2017 compared to \$5,289,748 in 2018. Of the 2018 total, expenditures associated with the General Fund captured 8% of the total and expenditures associated with the Recreation Fund captured 29% of the total and the Golf Fund captured 23% of the total.

General Fund Budgetary Highlights

During the 2018 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 greater than budgeted. Due to a decrease in expenditures, the fund balance at year end was greater than budgeted. At the end of the current fiscal year, General Fund had a positive budget variance of \$82,947. The large positive variance is attributed to the decrease in spending.

Recreation Fund Highlights

During the 2018 budget year, the Recreation Fund balance decreased by \$95,758 to \$784,960 compared to the 2017 ending balance of \$880,718 restated for prior period adjustment of \$125,899.

Golf Fund Highlights

In the 2013 budget year, the golf operation was separated from the Recreation Fund, creating the Golf Fund. In 2018, the Golf Fund decreased its fund balance by \$178,073, mainly due to a decrease in fees of \$139,487 compared to 2017.

Debt Service Fund

During the 2018 budget year, the Debt Service Fund balance decreased by \$37,798 to \$(10,983) compared to 2017 ending balance of \$26,815, due to a transfer to capital.

Capital Fund Highlights

During the 2018 budget year, the Capital Fund Balance increased by \$74,039 to \$958,357 compared to 2017 ending balance of \$884,318. The change in fund balance is due to a \$74,039 difference between transfers into the fund and expenditures.

Capital Asset and Debt Administration

Capital Assets

The District’s investment in capital assets, net of accumulated depreciation as of December 31, 2018 was \$13,334,480. This investment in capital assets includes land, buildings, improvements to land and machinery and equipment.

**Table 4
Capital Assets (net of depreciation)
December 31, 2018 and December 31, 2017**

	<u>2018</u>	<u>2017</u>
Land	\$ 8,734,667	\$ 8,734,667
Land Improvements	492,493	552,660
Building	2,979,779	3,066,672
Equipment	1,023,392	1,066,340
Vehicles	83,727	59,894
Furniture and Fixtures	20,422	13,960
Bike Path	<u>-</u>	<u>-</u>
Net Capital Assets	\$ <u>13,334,480</u>	\$ <u>13,494,193</u>

The District showed a decrease in governmental net capital assets primarily due to the recording of accumulated depreciation. Additional information on the Prospect Heights Park District’s capital assets can be found in Note 4 on page 22.

Debt Administration

As of December 31, 2018, the Park District has general obligation bond issues outstanding of \$7,291,600. The debt service on the general obligation bonds is paid with property taxes. Currently the District’s bonds are not rated. Additional information on the District’s long-term debt can be found in Note 5 beginning on page 23.

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 \$10,165,998. See page 82 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 triannual reassessment of property within the district.
- The current economic condition of the state
- Mandated increase of minimum wage
- Low interest earnings rates
- Increase competition from private industry for participation and users

During 2018 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 Christina Ferraro, Executive Director, Prospect Heights Park District, 110 W. Camp McDonald Road, Prospect Heights, Illinois, 60070.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2018

	Governmental Activities
ASSETS	
Cash and investments	\$ 3,897,609
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	2,846,757
Accounts receivable	3,494
Prepaid expenses	14,408
Inventory	58,845
Net pension asset	129,722
Capital assets not being depreciated	8,734,667
Capital assets being depreciated (net of accumulated depreciation)	<u>4,599,813</u>
Total assets	<u>20,285,315</u>
DEFERRED OUTFLOWS OF RESOURCES	
Unamortized loss on refunding	139,803
Pension items - IMRF	<u>120,098</u>
Total deferred outflows of resources	<u>259,901</u>
Total assets and deferred outflows of resources	<u>20,545,216</u>
LIABILITIES	
Accounts payable	101,365
Accrued interest payable	22,350
Accrued payroll	54,537
Unearned revenue	87,907
Noncurrent liabilities	
Due within one year	972,996
Due in more than one year	<u>7,149,741</u>
Total liabilities	<u>8,388,896</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	2,846,757
Pension items - IMRF	350,947
OPEB items	<u>2,138</u>
Total deferred inflows of resources	<u>3,199,842</u>
Total liabilities and deferred inflows of resources	<u>11,588,738</u>
NET POSITION	
Net investment in capital assets	5,434,091
Restricted for	
Audit	5,810
Paving and lighting	10,865
Insurance	13,003
Social Security	38,871
IMRF	101,054
Police	89,877
Museum	20,178
Special recreation	76,693
Memorial	20,510
Community events	25,446
Unrestricted	<u>3,120,080</u>
TOTAL NET POSITION	<u><u>\$ 8,956,478</u></u>

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities					
General government	\$ 636,031	\$ -	\$ -	\$ -	\$ (636,031)
Recreation	3,551,244	2,118,354	-	-	(1,432,890)
Interest and fiscal charges	295,429	-	-	-	(295,429)
Total governmental activities	4,482,704	2,118,354	-	-	(2,364,350)
TOTAL PRIMARY GOVERNMENT	\$ 4,482,704	\$ 2,118,354	\$ -	\$ -	(2,364,350)

General Revenues	
Taxes	
Property and replacement	2,714,714
Investment income	9,418
Other	47,799
Total	2,771,931
CHANGE IN NET POSITION	407,581
NET POSITION, JANUARY 1	8,610,950
Prior period adjustment	(62,053)
NET POSITION, JANUARY 1, RESTATED	8,548,897
NET POSITION, DECEMBER 31	\$ 8,956,478

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2018

	General	Recreation	Golf
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and investments	\$ 1,456,775	\$ 860,272	\$ 172,162
Inventory	-	-	58,845
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	1,193,903	346,614	-
Accounts receivable	-	3,494	-
Prepaid items	6,168	2,680	480
Due from other funds	-	-	-
Total assets	2,656,846	1,213,060	231,487
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total deferred outflows of resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
	\$ 2,656,846	\$ 1,213,060	\$ 231,487

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
\$ 36,582	\$ 957,760	\$ 414,058	\$ 3,897,609
-	-	-	58,845
629,271	-	676,969	2,846,757
-	-	-	3,494
-	4,829	251	14,408
-	41,140	-	41,140
665,853	1,003,729	1,091,278	6,862,253
-	-	-	-
-	-	-	-
\$ 665,853	\$ 1,003,729	\$ 1,091,278	\$ 6,862,253

(This statement is continued on the following page.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2018

	General	Recreation	Golf
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 6,273	\$ 11,282	\$ 23,788
Accrued payroll	10,185	27,694	13,132
Unearned program revenue	-	42,510	45,397
Due to other funds	-	-	-
Total liabilities	16,458	81,486	82,317
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenue	1,193,903	346,614	-
Total deferred inflows of resources	1,193,903	346,614	-
Total liabilities and deferred inflows of resources	1,210,361	428,100	82,317
FUND BALANCES			
Nonspendable			
Prepaid items	6,168	2,680	480
Inventory	-	-	58,845
Restricted			
Audit	-	-	-
Paving and lighting	-	-	-
Insurance	-	-	-
Social Security	-	-	-
IMRF	-	-	-
Police	-	-	-
Museum	-	-	-
Special recreation	-	-	-
Memorial	-	-	-
Community events	-	-	-
Committed			
Golf	-	-	89,845
Assigned			
Recreation	-	782,280	-
Capital projects	-	-	-
Unassigned			
General Fund	1,440,317	-	-
Debt Service Fund	-	-	-
Total fund balances (deficit)	1,446,485	784,960	149,170
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	\$ 2,656,846	\$ 1,213,060	\$ 231,487

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
\$ 6,425	\$ 45,372	\$ 8,225	\$ 101,365
-	-	3,526	54,537
-	-	-	87,907
41,140	-	-	41,140
47,565	45,372	11,751	284,949
629,271	-	676,969	2,846,757
629,271	-	676,969	2,846,757
676,836	45,372	688,720	3,131,706
-	4,829	251	14,408
-	-	-	58,845
-	-	5,810	5,810
-	-	10,865	10,865
-	-	13,003	13,003
-	-	38,871	38,871
-	-	101,054	101,054
-	-	89,877	89,877
-	-	20,178	20,178
-	-	76,693	76,693
-	-	20,510	20,510
-	-	25,446	25,446
-	-	-	89,845
-	-	-	782,280
-	953,528	-	953,528
-	-	-	1,440,317
(10,983)	-	-	(10,983)
(10,983)	958,357	402,558	3,730,547
\$ 665,853	\$ 1,003,729	\$ 1,091,278	\$ 6,862,253

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 3,730,547
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	13,334,480
Loss on bond refunding are not financial resources and, therefore, are not recorded in governmental funds	139,803
Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(230,849)
Differences between assumption changes for the OPEB plan are recognized as deferred inflows of resources on the statement of net position	(2,138)
The net pension asset is not a financial resource and, therefore, is not reported in the governmental funds	129,722
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	
General obligation bonds	(7,291,600)
Capital leases	(307,371)
Premium on general obligation bonds	(441,221)
Total OPEB liability	(76,304)
Compensated absences	(6,241)
Interest payable	(22,350)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 8,956,478

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	<u>General</u>	<u>Recreation</u>	<u>Golf</u>
REVENUES			
Taxes	\$ 1,087,547	\$ 413,744	\$ -
Charges for services	-	1,021,838	1,096,516
Donations	-	6,205	7,620
Investment income	9,418	-	-
Other	2,633	1,188	-
	<hr/>		
Total revenues	1,099,598	1,442,975	1,104,136
EXPENDITURES			
Current			
General government	404,194	-	-
Recreation	-	1,538,733	1,107,121
Capital outlay	-	-	-
Debt service			
Principal retirement	-	-	72,613
Interest and fiscal charges	-	-	27,269
	<hr/>		
Total expenditures	404,194	1,538,733	1,207,003
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	695,404	(95,758)	(102,867)
OTHER FINANCING SOURCES (USES)			
Issuance of bond	-	-	-
Transfers in	-	-	-
Transfers (out)	(358,794)	-	(75,206)
	<hr/>		
Total other financing sources (uses)	(358,794)	-	(75,206)
NET CHANGE IN FUND BALANCES			
	336,610	(95,758)	(178,073)
FUND BALANCES, JANUARY 1			
	1,109,875	754,819	327,243
Prior period adjustment	-	125,899	-
	<hr/>		
FUND BALANCES, JANUARY 1, RESTATED	1,109,875	880,718	327,243
	<hr/>		
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 1,446,485	\$ 784,960	\$ 149,170

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
\$ 601,823	\$ -	\$ 611,600	\$ 2,714,714
-	-	-	2,118,354
-	-	11,275	25,100
-	-	-	9,418
-	-	18,878	22,699
601,823	-	641,753	4,890,285
12,150	-	149,994	566,338
-	-	397,692	3,043,546
-	410,647	5,950	416,597
875,305	-	-	947,918
288,080	-	-	315,349
1,175,535	410,647	553,636	5,289,748
(573,712)	(410,647)	88,117	(399,463)
586,600	-	-	586,600
-	484,686	4,250	488,936
(50,686)	-	(4,250)	(488,936)
535,914	484,686	-	586,600
(37,798)	74,039	88,117	187,137
26,815	884,318	314,441	3,417,511
-	-	-	125,899
26,815	884,318	314,441	3,543,410
\$ (10,983)	\$ 958,357	\$ 402,558	\$ 3,730,547

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 187,137
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	267,254
Depreciation on capital assets is reported as an expense in the statement of activities	(425,927)
Loss on disposal of capital assets is reported as an expense in the statement of activities	(6,040)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	(4,227)
Accrued interest	983
The amortization of premium on long-term debt does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	27,720
The amortization of the loss on refunding does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	(8,783)
The change in the Illinois Municipal Retirement Fund net pension liability (asset), deferred inflows and deferred outflows are not a source or use of a financial resource	13,570
The change in the total OPEB liability and deferred inflows of resources are not a source or use of a financial resource	(5,424)
The proceeds of debt are an other financing source on the governmental funds income statement but are not reported on the statement of activities	
Bond proceeds	(586,600)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	<u>947,918</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 407,581</u></u>

See accompanying notes to financial statements.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Prospect Heights Park District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Reporting Entity

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 District including recreation programs, park management, capital development and general administration. The District is considered to be a primary government as defined by GASB Statement No. 14, since it is legally separate and fiscally independent. The accompanying basic financial statements present the District only since the District does not have component units.

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary and fiduciary. The District does not have any proprietary or fiduciary funds.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted, committed or assigned monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds) and the servicing of governmental long-term debt (debt service funds). The general (corporate) fund is used to account for all activities of the government not accounted for in some other fund.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. The effect of material interfund activity, other than interfund service transactions, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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

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

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those accounted for in another fund.

The Recreation Fund is used to account for revenue and expenditures restricted or committed to recreation programs funded by a restricted tax levy and user fees.

The Golf Fund is used to account for revenue and expenditures committed to Old Orchard Country Club funded by user fees.

The Debt Service Fund is used to account for the accumulation of resources for and the payment of principal and interest on governmental activities long-term debt.

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of these activities/funds are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Program revenues consist of user fees and other charges for services, operating grants and capital grants.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds' present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services.

The District reports deferred and unearned revenue on its financial statements. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period for governmental funds or earned at the entity-wide level. Unearned revenues also arise when resources are received by the government before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the government has a legal claim to the resources by meeting all eligibility requirements, the liability is removed from the financial statements and revenue is recognized.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments

The District's investments are recorded at fair value, except for nonnegotiable certificates of deposits and investments with a maturity less than one year when purchased, which are reported at cost or amortized cost. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District held no investments to measure at fair value at December 31, 2018.

f. Inventories

Inventories consist of amounts available for resale and are accounted for using the consumption method. Inventories are valued at cost on the first-in/first-out (FIFO) method.

g. Prepaid Expenses/Items

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 nonspendable for prepaid items in the fund financial statements.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., bike trails, paths and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Assets	Years
Land improvements	20
Buildings and improvements	7-50
Equipment	5-20
Vehicles	8
Furniture and fixtures	20
Bike path	10

i. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities' financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, if any, are expensed as incurred.

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

j. Compensated Absences

Vacation leave is recorded in governmental funds upon employee retirement or termination. Vested or accumulated vacation leave of governmental activities is recorded as an expense and liability as the benefits accrue to employees. Only full-time employees may accrue vacation. If employment is terminated, employees will receive compensation for any unused vacation accrued; however, any amount unused will be terminated as of January 1st of the next calendar year.

k. 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.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Net Position/Fund Balances

In the fund financial statements, governmental funds report non-spendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal actions ordinances approved by the Board of Commissioners. Assigned fund balance represent amounts constrained by the District's intent to use them for a specific purpose. The Board has retained the authority to assign fund balance. Any residual fund balance in the General Fund is reported as unassigned.

The District's flow of funds assumptions 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. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first, followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. None of the net positions are restricted as a result of enabling legislation adopted by the District. Net investment in capital assets is the book value of capital assets less outstanding principal balances of debt that was issued to construct the capital assets.

m. Interfund Transactions

Reciprocal interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

n. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other fund" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Deferred Outflows/Inflows of Resources

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

p. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

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 The 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.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions

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.

Investments

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 The Illinois Funds. The District does not have any investments in debt securities at December 31, 2018.

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.

3. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the District.

- The property tax lien date is January 1;
- The annual tax levy ordinance for 2018 was passed December 18, 2018;
- Property taxes are due to the County Collector in two installments, March 1 and September 1; and
- Property taxes for 2018 are normally received monthly beginning in March and generally ending by December.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balances, Reclassified	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 8,734,667	\$ -	\$ -	\$ 8,734,667
Total capital assets not being depreciated	<u>8,734,667</u>	<u>-</u>	<u>-</u>	<u>8,734,667</u>
Capital assets being depreciated				
Land improvements	2,169,451	9,650	-	2,179,101
Buildings and improvements	6,402,221	117,414	6,195	6,513,440
Machinery and equipment	2,707,467	98,027	-	2,805,494
Vehicles	285,870	34,338	-	320,208
Furniture and fixtures	626,871	7,825	-	634,696
Bike path	1,123,904	-	-	1,123,904
Total capital assets being depreciated	<u>13,315,784</u>	<u>267,254</u>	<u>6,195</u>	<u>13,576,843</u>
Less accumulated depreciation for				
Land improvements	1,616,791	69,817	-	1,686,608
Buildings and improvements	3,335,549	198,267	155	3,533,661
Machinery and equipment	1,636,127	145,975	-	1,782,102
Vehicles	225,976	10,505	-	236,481
Furniture and fixtures	612,911	1,363	-	614,274
Bike path	1,123,904	-	-	1,123,904
Total accumulated depreciation	<u>8,551,258</u>	<u>425,927</u>	<u>155</u>	<u>8,977,030</u>
Total capital assets being depreciated, net	<u>4,764,526</u>	<u>(158,673)</u>	<u>6,040</u>	<u>4,599,813</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 13,499,193</u>	<u>\$ (158,673)</u>	<u>\$ 6,040</u>	<u>\$ 13,334,480</u>

Depreciation expense was charged to functions/programs of the District's governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 72,408
Culture and recreation	<u>353,519</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 425,927</u>

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

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

	Fund Debt Retired By	Beginning Balances, Restated	Additions	Reductions	Ending Balances	Current Portion
GOVERNMENTAL ACTIVITIES						
General obligation bonds	Debt Service	\$ 7,580,305	\$ 586,600	\$ 875,305	\$ 7,291,600	\$ 891,600
Premium on bonds	N/A	468,941	-	27,720	441,221	-
Capital lease	Golf	379,984	-	72,613	307,371	74,447
IMRF NPL	*	473,028	-	473,028	-	-
Total OPEB liability	*	73,018	3,286	-	76,304	3,829
Compensated absences	*	2,014	5,234	1,007	6,241	3,120
TOTAL GOVERNMENTAL ACTIVITIES		\$ 8,977,290	\$ 595,120	\$ 1,449,673	\$ 8,122,737	\$ 972,996

Long-term debt at December 31, 2018 is comprised of the following:

Bonds

	Total Outstanding	Current Portion
2014B General Obligation Refunding Park Bonds (Alternate Revenue Source) \$7,675,000 General Obligation Refunding Park Bonds (Alternate Revenue Sources), Series 2014B dated November 18, 2014 due in amounts of \$115,000 to \$540,000 beginning December 1, 2015 through December 1, 2034. Interest payable from 3% to 4%.	\$ 6,705,000	\$ 305,000
2018 General Obligation Limited Tax Park Bonds \$586,600 General Obligation Limited Tax Park Bonds Series 2018 dated October 30, 2018 due in one annual installment of \$586,600 on November 1 2019 with interest payable at 2.16%.	586,600	586,600
TOTAL BONDS	\$ 7,291,600	\$ 891,600

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Service to Maturity

<u>Years Ending December 31,</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 891,600	\$ 280,906
2020	320,000	256,000
2021	330,000	243,200
2022	345,000	230,000
2023	360,000	216,200
2024-2028	2,030,000	853,000
2029-2033	2,475,000	413,000
2034-2038	540,000	21,600
TOTAL	\$ 7,291,600	\$ 2,513,906

Debt Service to Maturity on the capital lease is as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Capital Lease</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 74,447	\$ 6,913
2020	76,328	5,032
2021	78,256	3,104
2022	78,340	1,127
TOTAL	\$ 307,371	\$ 16,176

Pledged Revenues

The District has pledged corporate fund property taxes and the proceeds of the annual general obligation bond issuance as security for the 2014B General Obligation Park Refunding Bonds. For the year ended December 31, 2018, the principal and interest of \$576,388 was 34.67% of pledged revenues. As of December 31, 2018, the remaining pledge of principal and interest totaled \$9,206,200.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transfers

Individual fund interfund transfers are as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 358,794
Golf Fund	-	75,206
Debt Service Fund	-	50,686
Capital Projects Fund	484,686	-
Nonmajor Governmental Funds	4,250	4,250
TOTAL	\$ 488,936	\$ 488,936

Significant transfers resulted from:

- \$484,686 transferred to the capital projects fund from the General Fund (\$358,794), Golf Fund (\$75,206), and Debt Service Fund (\$50,686) for future capital projects. These transfers will not be repaid.

b. Interfund Receivables/Payables

The Debt Service Fund had a \$41,140 balance due to the Capital Projects Fund at December 31, 2018 as a result of reclassifying a deficit cash balance.

c. Deficit Fund Balance

The Debt Service Fund had a deficit fund balance of \$10,983 at December 31, 2018.

7. 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 2018 contribution is based on its pro rata share of 75% of the assessed valuation and 25% of the gross populations. The District contributed \$78,493 for the fiscal year ended December 31, 2018.

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.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. JOINT GOVERNED ORGANIZATION - NORTHWEST SPECIAL RECREATION ASSOCIATION (Continued)

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.

8. RISK MANAGEMENT

The District is exposed to various risks related to torts; theft of damage to and destruction of assets; errors and omissions; employee health; injuries to employees; and net income (losses).

Since 2001, the District has been a member of the Park District Risk Management Agency (PDRMA) a risk management pool of park and forest preserve districts and special recreation associations through which property general liability automobile liability crime boiler and machinery public officials' employment practices liability and workers' compensation coverage is provided in excess of specified limits for the members acting as a single insurable unit.

Losses exceeding the per occurrence self-insurance and reinsurance limit would be the responsibility of the District. PDRMA's Board of Directors evaluates the aggregate self-insured limit annually.

As a member of PDRMA the District is represented on the Membership Assembly and is entitled to one vote. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body.

The 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. 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 Board of Directors. 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.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. RISK MANAGEMENT (Continued)

Since 97% 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. Complete financial statements for PDRMA can be obtained from PDRMA's administration offices at 2033 Burlington Avenue Lisle Illinois 60532.

Since 1998, the District has been a member of the 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 \$225,000. 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 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.

9. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resource's measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2017 (most recent information available), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	21
Inactive employees entitled to but not yet receiving benefits	33
Active employees	<u>26</u>
 TOTAL	 <u><u>80</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended December 31, 2018 was 9.44% of covered payroll.

Actuarial Assumptions

The District's net pension liability (asset) was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Price Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50% in 2017. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2017	\$ 5,292,854	\$ 4,819,826	\$ 473,028
Changes for the period			
Service cost	121,456	-	121,456
Interest	395,132	-	395,132
Difference between expected and actual experience	(36,707)	-	(36,707)
Changes in assumptions	(168,484)	-	(168,484)
Employer contributions	-	117,074	(117,074)
Employee contributions	-	53,704	(53,704)
Net investment income	-	810,705	(810,705)
Benefit payments and refunds	(170,318)	(170,318)	-
Other (net transfer)	-	(67,336)	67,336
Net changes	141,079	743,829	(602,750)
BALANCES AT DECEMBER 31, 2017	\$ 5,433,933	\$ 5,563,655	\$ (129,722)

Changes in assumptions related to the bond rate, price inflation rate, salary increases, retirement age and mortality were made since the prior measurement date.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the District recognized pension expense of \$94,299.

At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 11,636	\$ 30,026
Changes in assumption	593	117,880
Net difference between projected and actual earnings on pension plan investments	-	203,041
Contributions subsequent to measurement date	107,869	-
TOTAL	<u>\$ 120,098</u>	<u>\$ 350,947</u>

\$107,869 reported as deferred outflows of pensions result from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the measurement year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>December 31,</u>	
2019	\$ (72,014)
2020	(82,797)
2021	(93,561)
2022	(90,346)
2023	-
Thereafter	-
TOTAL	<u>\$ (338,718)</u>

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the District calculated using the discount rate of 7.50% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 547,319	\$ (129,722)	\$ (691,533)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the District provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report.

b. Benefits Provided

The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the District's insurance provider.

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At September 30, 2018 (the measurement date), membership consisted of:

Inactive fund members or beneficiaries currently receiving benefits payments	-
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>16</u>
TOTAL	<u><u>16</u></u>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions.

Actuarial valuation date	September 30, 2018
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	4.18%
Healthcare cost trend rates	7.00% to 9.00% in Fiscal 2018 based on type of plan, to an ultimate trend rate of 4.50%
Asset valuation method	N/A
Mortality rates	Headcount-weighted RP-2014 Health Annuitant Mortality Tables projected generationally from 2015 using Scale MP-2017

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Discount Rate

The discount rate was based on the Bond Buyer 20-Bond General Obligation Index at September 30, 2018.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2018	<u>\$ 73,018</u>
Changes for the period	
Service cost	3,829
Interest	2,781
Changes in assumptions	(2,408)
Implicit benefit payments	<u>(916)</u>
Net changes	<u>3,286</u>
BALANCES AT DECEMBER 31, 2018	<u><u>\$ 76,304</u></u>

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 4.18% as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.18%) or 1 percentage point higher (5.18%) than the current rate:

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 80,769	\$ 76,304	\$ 71,909

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 7% to 9% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6% to 8%) or 1 percentage point higher (8% to 10%) than the current rate:

	1% Decrease (6% to 8%)	Current Healthcare Rate (7% to 9%)	1% Increase (8% to 10%)
Total OPEB liability	\$ 69,334	\$ 76,304	\$ 84,244

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the District recognized OPEB expense of \$5,424. At December 31, 2018, the District reported deferred outflows of resources related to OPEB from the following sources:

Changes in assumption	<u>\$ 2,138</u>
TOTAL	<u>\$ 2,138</u>

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

Fiscal Year Ending <u>December 31,</u>	
2019	\$ (270)
2020	(270)
2021	(270)
2022	(270)
2023	(270)
Thereafter	<u>(788)</u>
TOTAL	<u>\$ (2,138)</u>

PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. PRIOR PERIOD ADJUSTMENT/CHANGE IN ACCOUNTING PRINCIPLE

Net position and fund balance have been restated as described below. The details of these restatements are as follows:

	Governmental Activities	Recreation Fund
	<hr/>	<hr/>
NET POSITION/FUND BALANCE - DECEMBER 31, 2017 (AS REPORTED)	\$ 8,610,950	\$ 754,819
Record opening total OPEB liability	(73,018)	-
Correct recreation fund revenues	125,899	125,899
Correct debt balances	(114,934)	-
	<hr/>	<hr/>
Subtotal	(62,053)	125,899
	<hr/>	<hr/>
NET POSITION/FUND BALANCE - DECEMBER 31, 2017 (AS RESTATED)	\$ 8,548,897	\$ 880,718
	<hr/>	<hr/>

REQUIRED SUPPLEMENTARY INFORMATION

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 1,071,882	\$ 1,075,765	\$ 3,883
Replacement taxes	13,966	11,782	(2,184)
Investment income	9,000	9,418	418
Miscellaneous	-	2,633	2,633
	<hr/>		
Total revenues	1,094,848	1,099,598	4,750
<hr/>			
EXPENDITURES			
Current			
General government			
Salaries and wages	255,055	220,790	(34,265)
Benefits	30,169	24,131	(6,038)
Contractual services	179,167	125,595	(53,572)
Materials and supplies	18,000	33,678	15,678
	<hr/>		
Total expenditures	482,391	404,194	(78,197)
<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	612,457	695,404	82,947
<hr/>			
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(358,794)	(358,794)	-
	<hr/>		
Total other financing sources (uses)	(358,794)	(358,794)	-
<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ 253,663</u>	336,610	<u>\$ 82,947</u>
<hr/>			
FUND BALANCE, JANUARY 1		<u>1,109,875</u>	
<hr/>			
FUND BALANCE, DECEMBER 31		<u>\$ 1,446,485</u>	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RECREATION FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 493,767	\$ 413,744	\$ (80,023)
Charges for services			
Program fees	875,447	897,991	22,544
Pool fees	72,889	75,480	2,591
GMRC rentals	42,380	48,367	5,987
Donations	1,000	6,205	5,205
Other	3,370	1,188	(2,182)
Total revenues	1,488,853	1,442,975	(45,878)
EXPENDITURES			
Current			
Recreation			
Salaries and wages	920,081	923,596	3,515
Benefits	116,382	105,093	(11,289)
Contractual services	344,535	346,778	2,243
Commodities	199,851	163,266	(36,585)
Total expenditures	1,580,849	1,538,733	(42,116)
NET CHANGE IN FUND BALANCE			
	\$ (91,996)	(95,758)	\$ (3,762)
FUND BALANCE, JANUARY 1		754,819	
Prior period adjustment		125,899	
FUND BALANCE, JANUARY 1, RESTATED		880,718	
FUND BALANCE, DECEMBER 31		\$ 784,960	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GOLF FUND**

For the Year Ended December 31, 2018

	Original and Final Appropriation	Actual	Variance Over (Under) Budget
REVENUES			
Charges for Services			
Golf fees	\$ 1,029,250	\$ 848,271	\$ (180,979)
Pro shop fees	131,800	133,916	2,116
Pro Shop restaurant rental	135,017	114,329	(20,688)
Donations	3,000	7,620	4,620
	<hr/>		
Total revenues	1,299,067	1,104,136	(194,931)
<hr/>			
EXPENDITURES			
Current			
Recreation			
Salaries and wages	386,390	416,551	30,161
Benefits	72,240	83,416	11,176
Contractual services	331,930	305,392	(26,538)
Commodities	322,450	301,762	(20,688)
Debt service			
Principal	83,582	72,613	(10,969)
Interest	27,269	27,269	-
	<hr/>		
Total expenditures	1,223,861	1,207,003	(16,858)
<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	75,206	(102,867)	(178,073)
<hr/>			
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(75,206)	(75,206)	-
	<hr/>		
Total other financing sources (uses)	(75,206)	(75,206)	-
<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(178,073)</u>	<u>\$ (178,073)</u>
FUND BALANCE, JANUARY 1		<u>327,243</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 149,170</u></u>	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 102,493	\$ 103,363	\$ 114,665	\$ 117,074	\$ 107,869
Contributions in relation to the actuarially determined contribution	103,233	103,364	114,665	117,074	107,869
CONTRIBUTION DEFICIENCY (Excess)	\$ (740)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,035,281	\$ 1,056,884	\$ 1,142,085	\$ 1,193,414	\$ 1,142,682
Contributions as a percentage of covered payroll	9.97%	9.78%	10.04%	9.81%	9.44%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 26 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	\$ 140,038	\$ 120,033	\$ 122,048	\$ 121,456
Interest	310,259	347,558	368,322	395,132
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	7,772	(55,039)	27,322	(36,707)
Changes of assumptions	169,969	6,611	(6,448)	(168,484)
Benefit payments, including refunds of member contributions	(117,689)	(123,747)	(149,771)	(170,318)
Net change in total pension liability	510,349	295,416	361,473	141,079
Total pension liability - beginning	4,125,616	4,635,965	4,931,381	5,292,854
TOTAL PENSION LIABILITY - ENDING	\$ 4,635,965	\$ 4,931,381	\$ 5,292,854	\$ 5,433,933
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 103,233	\$ 103,364	\$ 114,665	\$ 117,074
Contributions - member	46,924	47,560	51,394	53,704
Net investment income	258,727	22,760	300,466	810,705
Benefit payments, including refunds of member contributions	(117,689)	(123,747)	(149,771)	(170,318)
Other (net transfer)	21,962	(154,642)	69,421	(67,336)
Net change in plan fiduciary net position	313,157	(104,705)	386,175	743,829
Plan net position - beginning	4,225,199	4,538,356	4,433,651	4,819,826
PLAN NET POSITION - ENDING	\$ 4,538,356	\$ 4,433,651	\$ 4,819,826	\$ 5,563,655
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 97,609	\$ 497,730	\$ 473,028	\$ (129,722)
Plan fiduciary net position as a percentage of the total pension liability	97.89%	89.91%	91.06%	102.39%
Covered payroll	\$ 1,035,281	\$ 1,056,884	\$ 1,142,085	\$ 1,193,414
Employer's net pension liability (asset) as a percentage of covered payroll	9.43%	47.09%	41.42%	(10.87%)
Changes of assumptions				
2014 - Mortality and inflation assumptions				
2015 - Bond rate and investment rate of return				
2016 - Bond rate and investment rate of return				
2017 - Bond rate, price inflation rate, salary increases, retirement age and mortality				

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Fiscal Year

MEASUREMENT DATE SEPTEMBER 30,	2018
TOTAL OPEB LIABILITY	
Service cost	\$ 3,829
Interest	2,781
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	(2,408)
Benefit payments, including refunds of member contributions	(916)
Net change in total OPEB liability	3,286
Total OPEB liability - beginning	73,018
TOTAL OPEB LIABILITY - ENDING	\$ 76,304
Plan fiduciary net position as a percentage of the total pension liability	0.00%
Covered payroll	\$ 936,497
Employer's total OPEB liability as a percentage of covered payroll	8.15%
Changes of assumptions 2018 - Discount rate (3.64% to 4.18%)	

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2018

1. BUDGETS

The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the basic financial statements. Prior to the December board meeting, the Business Manager 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.

Notice is given and public meetings are conducted to obtain taxpayer comments. The Board of Park Commissioners may add to, subtract from or change appropriations, but may not change the form of the budget. Prior to the end of the first quarter of each fiscal year, the budget is legally enacted through the passage of an annual combined budget and appropriation ordinance.

Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary information for individual funds is prepared on the same basis as the basic financial statements. All budgets are prepared based on the annual fiscal year of the District. Budgetary funds are controlled by an integrated budgetary accounting system in accordance, where applicable, with various legal requirements which govern the District.

The appropriation law allows for transfers by management among line items in any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Park Commissioners. After the first six months of any fiscal year, the Board of Commissioners may, by a two-thirds vote, amend the initially approved budget and appropriations ordinance. Unused appropriations may be reappropriated at the end of the fiscal year. The budget and appropriation ordinance was not amended for the year ended December 31, 2018. No budget amendments were made during the year. The operating budget is presented in these financial statements.

2. EXCESS OF EXPENDITURES OVER BUDGET

The following individual funds exceeded the operating budgets in the following amounts. However, the expenditures were less than appropriated for all funds:

	<u>Expenditures</u>	<u>Budget</u>
Liability Insurance Fund	\$ 118,036	\$ 103,198
Social Security Fund	125,581	117,621
Community Events Fund	22,013	20,250

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING BALANCE SHEET - BY SUBFUND
DEBT SERVICE FUNDS

December 31, 2018

	Bond and Interest Series 2014B	Bond and Interest Series 2017	Bond and Interest Series 2018	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash	\$ 26,417	\$ -	\$ 10,165	\$ 36,582
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	-	629,271	-	629,271
Total assets	26,417	629,271	10,165	665,853
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	\$ 26,417	\$ 629,271	\$ 10,165	\$ 665,853
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 6,425	\$ 6,425
Due to other funds	-	41,140	-	41,140
Total liabilities	-	41,140	6,425	47,565
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	-	629,271	-	629,271
Total deferred inflows of resources	-	629,271	-	629,271
Total liabilities and deferred inflows of resources	-	670,411	6,425	676,836
FUND BALANCES				
Restricted	26,417	-	3,740	30,157
Unassigned (deficit)	-	(41,140)	-	(41,140)
Total fund balances (deficit)	26,417	(41,140)	3,740	(10,983)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	\$ 26,417	\$ 629,271	\$ 10,165	\$ 665,853

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BY SUBFUND
DEBT SERVICE FUNDS

For the Year Ended December 31, 2018

	Bond and Interest Series 2014B	Bond and Interest Series 2017	Bond and Interest Series 2018	Eliminations	Total
REVENUES					
Property taxes	\$ -	\$ 601,823	\$ -	\$ -	\$ 601,823
Total revenues	-	601,823	-	-	601,823
EXPENDITURES					
General government					
Contractual services	-	-	12,150	-	12,150
Debt service					
Principal retirement	295,000	580,305	-	-	875,305
Interest	281,388	6,692	-	-	288,080
Total expenditures	576,388	586,997	12,150	-	1,175,535
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(576,388)	14,826	(12,150)	-	(573,712)
OTHER FINANCING SOURCES (USES)					
Issuance of bond	-	-	586,600	-	586,600
Transfers in	576,500	-	-	(576,500)	-
Transfers (out)	-	(56,476)	(570,710)	576,500	(50,686)
Total other financing sources (uses)	576,500	(56,476)	15,890	-	535,914
NET CHANGE IN FUND BALANCES	112	(41,650)	3,740	-	(37,798)
FUND BALANCES, JANUARY 1	26,305	510	-	-	26,815
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 26,417	\$ (41,140)	\$ 3,740	\$ -	\$ (10,983)

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BOND AND INTEREST SERIES 2014B FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Debt service			
Principal retirement	295,000	295,000	-
Interest and fiscal charges	281,500	281,388	(112)
Total expenditures	576,500	576,388	(112)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(576,500)	(576,388)	112
OTHER FINANCING SOURCES (USES)			
Transfers in	576,500	576,500	-
Total other financing sources (uses)	576,500	576,500	-
NET CHANGE IN FUND BALANCE	\$ -	112	\$ 112
FUND BALANCE, JANUARY 1		26,305	
FUND BALANCE, DECEMBER 31		\$ 26,417	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BOND AND INTEREST SERIES 2017 FUND

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 633,774	\$ 601,823	\$ -
Total revenues	633,774	601,823	-
EXPENDITURES			
Debt service			
Principal	576,885	580,305	3,420
Interest	24,086	6,692	(17,394)
Total expenditures	600,971	586,997	(13,974)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	32,803	14,826	13,974
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(32,803)	(56,476)	(23,673)
Total other financing sources (uses)	(32,803)	(56,476)	(23,673)
NET CHANGE IN FUND BALANCE	\$ -	(41,650)	\$ 13,974
FUND BALANCE, JANUARY 1		510	
FUND BALANCE (DEFICIT), DECEMBER 31		\$ (41,140)	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BOND AND INTEREST SERIES 2018 FUND

For the Year Ended December 31, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
General government			
Contractual services	11,900	12,150	250
Total expenditures	11,900	12,150	250
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,900)</u>	<u>(12,150)</u>	<u>(250)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of bond	582,610	586,600	3,990
Transfers (out)	(570,710)	(570,710)	-
Total other financing sources (uses)	11,900	15,890	3,990
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	3,740	<u>\$ (250)</u>
FUND BALANCE, JANUARY 1		-	
FUND BALANCE, DECEMBER 31		<u>\$ 3,740</u>	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING BALANCE SHEET - BY SUBFUND
CAPITAL PROJECTS FUNDS

December 31, 2018

	Capital Projects	Capital Golf	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash	\$ 858,618	\$ 99,142	\$ 957,760
Prepaid items	-	4,829	4,829
Due from other funds	41,140	-	41,140
Total assets	899,758	103,971	1,003,729
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total deferred outflows of resources	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
	\$ 899,758	\$ 103,971	\$ 1,003,729
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 45,372	\$ -	\$ 45,372
Total liabilities	45,372	-	45,372
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	45,372	-	45,372
FUND BALANCES			
Nonspendable			
Prepaid items	-	4,829	4,829
Assigned	854,386	99,142	953,528
Total fund balances	854,386	103,971	958,357
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	\$ 899,758	\$ 103,971	\$ 1,003,729

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BY SUBFUND
CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2018

	Capital Projects	Capital Golf	Total
REVENUES			
None	\$ -	\$ -	\$ -
EXPENDITURES			
Capital outlay	240,593	170,054	410,647
Total expenditures	240,593	170,054	410,647
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(240,593)	(170,054)	(410,647)
OTHER FINANCING SOURCES (USES)			
Transfers in	190,686	294,000	484,686
Total other financing sources (uses)	190,686	294,000	484,686
NET CHANGE IN FUND BALANCES	(49,907)	123,946	74,039
FUND BALANCES (DEFICIT), JANUARY 1	904,293	(19,975)	884,318
FUND BALANCES, DECEMBER 31	\$ 854,386	\$ 103,971	\$ 958,357

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
None	\$ -	\$ -	\$ -
EXPENDITURES			
Capital outlay			
Building improvements	41,500	34,876	(6,624)
Pool improvements	29,000	20,533	(8,467)
Bike path	9,500	8,188	(1,312)
Land improvements	34,700	14,706	(19,994)
Capital purchase	-	6,032	6,032
Equipment purchase	112,525	83,486	-
GMRC exterior improvements	92,500	72,772	(19,728)
Total expenditures	319,725	240,593	(50,093)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(319,725)	(240,593)	50,093
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	167,013	-	(167,013)
Transfers in	-	190,686	190,686
Total other financing sources (uses)	167,013	190,686	23,673
NET CHANGE IN FUND BALANCE	\$ (152,712)	(49,907)	\$ 73,766
FUND BALANCE, JANUARY 1		904,293	
FUND BALANCE, DECEMBER 31		\$ 854,386	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL GOLF FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
None	\$ -	\$ -	\$ -
EXPENDITURES			
Capital outlay			
Land improvements	294,000	170,054	(123,946)
Total expenditures	294,000	170,054	(123,946)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(294,000)	(170,054)	123,946
OTHER FINANCING SOURCES (USES)			
Transfers in	294,000	294,000	-
Total other financing sources (uses)	294,000	294,000	-
NET CHANGE IN FUND BALANCE	\$ -	123,946	\$ 123,946
FUND BALANCE, JANUARY 1		(19,975)	
FUND BALANCE, DECEMBER 31		\$ 103,971	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2018

	<u>Special Revenue</u>			
	<u>Audit</u>	<u>Paving and Lighting</u>	<u>Liability Insurance</u>	<u>Social Security</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash	\$ 5,810	\$ 10,865	\$ 13,125	\$ 42,397
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	17,102	5,815	106,815	146,480
Prepaid items	-	-	-	-
Total assets	<u>22,912</u>	<u>16,680</u>	<u>119,940</u>	<u>188,877</u>
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 22,912</u>	<u>\$ 16,680</u>	<u>\$ 119,940</u>	<u>\$ 188,877</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 122	\$ -
Accrued payroll	-	-	-	3,526
Total liabilities	-	-	122	3,526
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	17,102	5,815	106,815	146,480
Total deferred inflows of resources	17,102	5,815	106,815	146,480
Total liabilities and deferred inflows of resources	<u>17,102</u>	<u>5,815</u>	<u>106,937</u>	<u>150,006</u>
FUND BALANCES				
Nonspendable				
Prepaid items	-	-	-	-
Restricted				
Audit	5,810	-	-	-
Paving and lighting	-	10,865	-	-
Insurance	-	-	13,003	-
Social Security	-	-	-	38,871
IMRF	-	-	-	-
Police	-	-	-	-
Museum	-	-	-	-
Special recreation	-	-	-	-
Memorial	-	-	-	-
Community events	-	-	-	-
Total fund balances	<u>5,810</u>	<u>10,865</u>	<u>13,003</u>	<u>38,871</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 22,912</u>	<u>\$ 16,680</u>	<u>\$ 119,940</u>	<u>\$ 188,877</u>

Special Revenue						
Illinois Municipal Retirement	Police	Museum	Special Recreation	Memorial	Community Events	Total
\$ 109,157	\$ 89,877	\$ 20,178	\$ 76,693	\$ 20,510	\$ 25,446	\$ 414,058
164,136	85,279	14,896	136,446	-	-	676,969
-	251	-	-	-	-	251
273,293	175,407	35,074	213,139	20,510	25,446	1,091,278
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 273,293	\$ 175,407	\$ 35,074	\$ 213,139	\$ 20,510	\$ 25,446	\$ 1,091,278
\$ 8,103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,225
-	-	-	-	-	-	3,526
8,103	-	-	-	-	-	11,751
164,136	85,279	14,896	136,446	-	-	676,969
164,136	85,279	14,896	136,446	-	-	676,969
172,239	85,279	14,896	136,446	-	-	688,720
-	251	-	-	-	-	251
-	-	-	-	-	-	5,810
-	-	-	-	-	-	10,865
-	-	-	-	-	-	13,003
-	-	-	-	-	-	38,871
101,054	-	-	-	-	-	101,054
-	89,877	-	-	-	-	89,877
-	-	20,178	-	-	-	20,178
-	-	-	76,693	-	-	76,693
-	-	-	-	20,510	-	20,510
-	-	-	-	-	25,446	25,446
101,054	90,128	20,178	76,693	20,510	25,446	402,558
\$ 273,293	\$ 175,407	\$ 35,074	\$ 213,139	\$ 20,510	\$ 25,446	\$ 1,091,278

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	Special Revenue			
	Audit	Paving and Lighting	Liability Insurance	Social Security
REVENUES				
Property taxes	\$ 15,442	\$ 5,251	\$ 96,451	\$ 132,268
Donations	-	-	-	-
Other income	-	-	9,472	-
Total revenues	15,442	5,251	105,923	132,268
EXPENDITURES				
Current				
General government	13,500	2,129	20,066	21,349
Recreation	-	-	97,970	104,232
Capital outlay	-	5,950	-	-
Total expenditures	13,500	8,079	118,036	125,581
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,942	(2,828)	(12,113)	6,687
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	1,942	(2,828)	(12,113)	6,687
FUND BALANCES, JANUARY 1	3,868	13,693	25,116	32,184
FUND BALANCES, DECEMBER 31	\$ 5,810	\$ 10,865	\$ 13,003	\$ 38,871

Special Revenue							
Illinois Municipal Retirement	Police	Museum	Special Recreation	Memorial	Community Events	Total	
\$ 148,211	\$ 77,004	\$ 13,452	\$ 123,206	\$ 315	\$ -	\$	\$ 611,600
-	-	-	-	-	11,275		11,275
-	-	-	-	-	9,406		18,878
148,211	77,004	13,452	123,206	315	20,681		641,753
18,338	44,461	7,000	-	1,138	22,013		149,994
89,531	-	-	105,959	-	-		397,692
-	-	-	-	-	-		5,950
107,869	44,461	7,000	105,959	1,138	22,013		553,636
40,342	32,543	6,452	17,247	(823)	(1,332)		88,117
-	-	-	-	4,250	-		4,250
-	-	(4,250)	-	-	-		(4,250)
-	-	(4,250)	-	4,250	-		-
40,342	32,543	2,202	17,247	3,427	(1,332)		88,117
60,712	57,585	17,976	59,446	17,083	26,778		314,441
\$ 101,054	\$ 90,128	\$ 20,178	\$ 76,693	\$ 20,510	\$ 25,446	\$	\$ 402,558

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AUDIT FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 15,354	\$ 15,442	\$ 88
Total revenues	15,354	15,442	88
EXPENDITURES			
Current			
General government			
Contractual services	14,083	13,500	(583)
Total expenditures	14,083	13,500	(583)
NET CHANGE IN FUND BALANCE	\$ 1,271	1,942	\$ 671
FUND BALANCE, JANUARY 1		3,868	
FUND BALANCE, DECEMBER 31		\$ 5,810	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PAVING AND LIGHTING FUND**

For the Year Ended December 31, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
REVENUES			
Property taxes	\$ 5,221	\$ 5,251	\$ 30
Total revenues	<u>5,221</u>	<u>5,251</u>	<u>30</u>
EXPENDITURES			
Current			
General government			
Contractual services	3,200	2,129	(1,071)
Capital outlay	<u>6,498</u>	<u>5,950</u>	<u>(548)</u>
Total expenditures	<u>9,698</u>	<u>8,079</u>	<u>(1,619)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,477)</u>	<u>(2,828)</u>	<u>\$ 1,649</u>
FUND BALANCE, JANUARY 1		<u>13,693</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 10,865</u>	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIABILITY INSURANCE FUND**

For the Year Ended December 31, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
REVENUES			
Property taxes	\$ 95,898	\$ 96,451	\$ 553
Other income	-	9,472	9,472
	<hr/>		
Total revenues	95,898	105,923	10,025
<hr/>			
EXPENDITURES			
Current			
General government			
Salaries and wages	2,550	2,550	-
Contractual services			
Liability insurance	7,793	7,793	-
Workers' compensation	4,150	4,150	-
Unemployment insurance	510	3,189	2,679
Other	2,540	2,384	(156)
Recreation			
Salaries and wages	12,450	12,450	-
Contractual services			
Liability insurance	38,051	38,050	(1)
Workers' compensation	20,260	20,260	-
Unemployment insurance	2,490	15,570	13,080
Other	12,404	11,640	(764)
	<hr/>		
Total expenditures	103,198	118,036	14,838
<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ (7,300)</u>	(12,113)	<u>\$ (4,813)</u>
<hr/>			
FUND BALANCE, JANUARY 1		<u>25,116</u>	
<hr/>			
FUND BALANCE, DECEMBER 31		<u>\$ 13,003</u>	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SOCIAL SECURITY FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 131,510	\$ 132,268	\$ 758
Total revenues	131,510	132,268	758
EXPENDITURES			
Current			
General government			
Benefits	19,996	21,349	1,353
General government			
Benefits	97,625	104,232	6,607
Total expenditures	117,621	125,581	7,960
NET CHANGE IN FUND BALANCE	\$ 13,889	6,687	\$ (7,202)
FUND BALANCE, JANUARY 1		32,184	
FUND BALANCE, DECEMBER 31		\$ 38,871	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 147,360	\$ 148,211	\$ 851
Total revenues	147,360	148,211	851
EXPENDITURES			
Current			
General government			
Benefits	21,003	18,338	(2,665)
Recreation			
Benefits	102,544	89,531	(13,013)
Total expenditures	123,547	107,869	(15,678)
NET CHANGE IN FUND BALANCE	\$ 23,813	40,342	\$ 16,529
FUND BALANCE, JANUARY 1		60,712	
FUND BALANCE, DECEMBER 31		\$ 101,054	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
POLICE FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 76,563	\$ 77,004	\$ 441
Total revenues	76,563	77,004	441
EXPENDITURES			
Current			
General government			
Salaries and wages	34,000	34,000	-
Contractual services	28,410	10,461	(17,949)
Total expenditures	62,410	44,461	(17,949)
NET CHANGE IN FUND BALANCE	\$ 14,153	32,543	\$ 18,390
FUND BALANCE, JANUARY 1		57,585	
FUND BALANCE, DECEMBER 31		\$ 90,128	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MUSEUM FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 13,374	\$ 13,452	\$ 78
Total revenues	13,374	13,452	78
EXPENDITURES			
Current			
General government			
Salaries and wages	7,000	7,000	-
Contractual services	508	-	(508)
Total expenditures	7,508	7,000	(508)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,866	6,452	586
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(4,250)	(4,250)	-
Total other financing sources (uses)	(4,250)	(4,250)	-
NET CHANGE IN FUND BALANCE	\$ 1,616	2,202	\$ 586
FUND BALANCE, JANUARY 1		17,976	
FUND BALANCE, DECEMBER 31		\$ 20,178	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL RECREATION FUND

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Property taxes	\$ 122,501	\$ 123,206	\$ 705
Total revenues	122,501	123,206	705
EXPENDITURES			
Current			
General government			
Contractual services			
Annual Contributions to Northwest Special Recreation Association	78,493	78,493	-
Facility Usage	-	15,866	15,866
Park and facility compliance	43,147	1,600	(41,547)
Golf special event	14,655	10,000	(4,655)
Contingent	4,655	-	(4,655)
Total expenditures	140,950	105,959	(9,310)
NET CHANGE IN FUND BALANCE	\$ (18,449)	17,247	\$ 10,015
FUND BALANCE, JANUARY 1		59,446	
FUND BALANCE, DECEMBER 31		\$ 76,693	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MEMORIAL FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Donations	\$ 700	\$ 315	\$ (385)
Total revenues	700	315	(385)
EXPENDITURES			
Current			
General government			
Salaries and wages	3,000	-	(3,000)
Contractual services	1,400	1,138	(262)
Commodities	550	-	(550)
Total expenditures	4,950	1,138	(3,812)
OTHER FINANCING SOURCES (USES)			
Transfers in	4,250	4,250	-
Total other financing sources (uses)	4,250	4,250	-
NET CHANGE IN FUND BALANCE	\$ (4,250)	3,427	\$ 3,427
FUND BALANCE, JANUARY 1		17,083	
FUND BALANCE, DECEMBER 31		\$ 20,510	

(See independent auditor's report.)

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY EVENTS FUND**

For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Over (Under) Budget
REVENUES			
Charges for services	\$ 10,600	\$ 11,275	\$ 675
Donations	10,000	9,406	(594)
Total revenues	<u>20,600</u>	<u>20,681</u>	<u>81</u>
EXPENDITURES			
Current			
General Government			
Salaries and wages	1,000	3,000	2,000
Contractual services	15,550	15,302	(248)
Commodities	3,700	3,711	11
Total expenditures	<u>20,250</u>	<u>22,013</u>	<u>1,763</u>
NET CHANGE IN FUND BALANCE	<u>\$ 350</u>	<u>(1,332)</u>	<u>\$ (1,682)</u>
FUND BALANCE, JANUARY 1		<u>26,778</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 25,446</u>	

(See independent auditor's report.)

STATISTICAL SECTION

This section of the Prospect Heights Park District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	67-74
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	75-78
Debt Capacity 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.	79-83
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	84-85
Operating Information These schedules contain service and infrastructure 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.	86-88

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 5,434,091	\$ 6,069,215	\$ 5,702,385	\$ 5,533,917
Restricted	402,307	1,087,783	692,522	752,219
Unrestricted	3,120,080	1,453,952	1,997,494	1,687,951
TOTAL GOVERNMENTAL ACTIVITIES	\$ 8,956,478	\$ 8,610,950	\$ 8,392,401	\$ 7,974,087

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 4,938,018	\$ 5,214,871	\$ 5,065,849	\$ 4,831,553	\$ 4,761,536	\$ 4,524,168
535,279	907,552	761,878	671,102	711,778	675,105
1,724,997	617,706	551,961	486,799	328,299	249,431
\$ 7,198,294	\$ 6,740,129	\$ 6,379,688	\$ 5,989,454	\$ 5,801,613	\$ 5,448,704

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
EXPENSES				
Governmental activities				
General government	\$ 636,031	\$ 1,489,346	\$ 1,461,018	\$ 1,510,081
Recreation	3,551,244	2,730,733	2,657,481	2,562,313
Interest and fiscal charges	295,429	293,399	301,113	309,502
Total governmental activities expenses	<u>4,482,704</u>	<u>4,513,478</u>	<u>4,419,612</u>	<u>4,381,896</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 4,482,704</u>	<u>\$ 4,513,478</u>	<u>\$ 4,419,612</u>	<u>\$ 4,381,896</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ -	\$ -	\$ -	\$ -
Recreation	2,118,354	2,199,881	2,164,241	2,167,117
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	12,896	7,896	8,637
Total governmental activities program revenues	<u>2,118,354</u>	<u>2,212,777</u>	<u>2,172,137</u>	<u>2,175,754</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 2,118,354</u>	<u>\$ 2,212,777</u>	<u>\$ 2,172,137</u>	<u>\$ 2,175,754</u>
NET REVENUE (EXPENSE)				
Governmental activities	<u>\$ (2,364,350)</u>	<u>\$ (2,300,701)</u>	<u>\$ (2,247,475)</u>	<u>\$ (2,206,142)</u>
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (2,364,350)</u>	<u>\$ (2,300,701)</u>	<u>\$ (2,247,475)</u>	<u>\$ (2,206,142)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property and replacement	\$ 2,714,714	\$ 2,631,827	\$ 2,633,499	\$ 2,590,925
Investment income	9,418	8,926	5,974	2,568
Donations	-	-	-	-
Miscellaneous	47,799	4,396	26,316	10,699
Total governmental activities	<u>2,771,931</u>	<u>2,645,149</u>	<u>2,665,789</u>	<u>2,604,192</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 2,771,931</u>	<u>\$ 2,645,149</u>	<u>\$ 2,665,789</u>	<u>\$ 2,604,192</u>
CHANGE IN NET POSITION				
Governmental activities	<u>\$ 407,581</u>	<u>\$ 344,448</u>	<u>\$ 418,314</u>	<u>\$ 398,050</u>
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ 407,581</u>	<u>\$ 344,448</u>	<u>\$ 418,314</u>	<u>\$ 398,050</u>

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 1,640,063	\$ 881,453	\$ 772,549	\$ 758,121	\$ 730,757	\$ 595,945
2,314,215	3,042,039	3,132,503	3,198,631	3,213,078	3,171,928
174,006	351,787	381,471	403,407	415,642	467,221
4,128,284	4,275,279	4,286,523	4,360,159	4,359,477	4,235,094
\$ 4,128,284	\$ 4,275,279	\$ 4,286,523	\$ 4,360,159	\$ 4,359,477	\$ 4,235,094
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,114,919	2,042,105	2,089,019	2,006,724	2,065,553	2,040,325
-	454	-	1,179	-	-
1,990	-	39,725	28,000	198,300	90,050
2,116,909	2,042,559	2,128,744	2,035,903	2,263,853	2,130,375
\$ 2,116,909	\$ 2,042,559	\$ 2,128,744	\$ 2,035,903	\$ 2,263,853	\$ 2,130,375
\$ (2,011,375)	\$ (2,232,720)	\$ (2,157,779)	\$ (2,324,256)	\$ (2,095,624)	\$ (2,104,719)
\$ (2,011,375)	\$ (2,232,720)	\$ (2,157,779)	\$ (2,324,256)	\$ (2,095,624)	\$ (2,104,719)
\$ 2,480,965	\$ 2,563,626	\$ 2,510,864	\$ 2,475,875	\$ 2,415,270	\$ 2,421,983
3,932	6,367	931	7,259	5,362	9,818
-	2,372	14,309	8,295	1,723	7,026
23,146	20,797	21,909	20,670	26,178	42,372
2,508,043	2,593,162	2,548,013	2,512,099	2,448,533	2,481,199
\$ 2,508,043	\$ 2,593,162	\$ 2,548,013	\$ 2,512,099	\$ 2,448,533	\$ 2,481,199
\$ 496,668	\$ 360,442	\$ 390,234	\$ 187,843	\$ 352,909	\$ 376,480
\$ 496,668	\$ 360,442	\$ 390,234	\$ 187,843	\$ 352,909	\$ 376,480

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
GENERAL FUND				
Nonspendable				
Prepaid items	\$ 6,168	\$ 7,795	\$ 7,775	\$ 5,532
Assigned				
Cash reserve	-	-	-	-
Unassigned	1,440,317	1,102,080	1,906,629	1,350,414
TOTAL GENERAL FUND	\$ 1,446,485	\$ 1,109,875	\$ 1,914,404	\$ 1,355,946
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ 8,240	\$ 9,088	\$ 11,571	\$ 24,528
Inventory	58,845	52,922	43,938	52,439
Restricted				
Debt service	-	26,815	26,745	34,182
Specific purposes	402,307	1,060,968	539,878	718,037
Committed				
Golf	89,845	273,825	-	-
Assigned				
Community events	-	-	-	-
Recreation	782,280	-	-	-
Capital projects	953,528	903,993	634,611	868,257
Unassigned				
Special Revenue Funds	-	-	(26,063)	(45,149)
Debt Service Fund	(10,983)	-	-	-
Capital Projects Fund	-	(19,975)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 2,284,062	\$ 2,307,636	\$ 1,230,680	\$ 1,652,294

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 8,935	\$ 3,542	\$ 3,984	\$ 2,979	\$ 4,234	\$ 3,118
-	348,198	346,032	345,685	344,092	342,518
915,455	383,597	287,841	155,110	237,187	230,847
<u>\$ 924,390</u>	<u>\$ 735,337</u>	<u>\$ 637,857</u>	<u>\$ 503,774</u>	<u>\$ 585,513</u>	<u>\$ 576,483</u>
\$ 10,988	\$ 5,930	\$ 1,554	\$ 10,902	\$ 5,321	\$ 19,875
57,110	52,818	47,439	56,135	54,303	61,470
18,252	17,484	22,653	14,307	12,838	17,173
517,027	285,255	264,146	305,587	321,486	272,107
-	-	-	-	-	-
-	38,857	35,471	32,660	36,545	44,107
-	91,837	101,360	143,662	-	-
782,705	645,527	527,293	351,209	377,029	385,400
(19,657)	(2,414)	(618)	(5,242)	(37,242)	(197,238)
(200)	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,366,225</u>	<u>\$ 1,135,294</u>	<u>\$ 999,298</u>	<u>\$ 909,220</u>	<u>\$ 770,280</u>	<u>\$ 602,894</u>

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015*
REVENUES				
Taxes - property and replacement	\$ 2,714,714	\$ 2,631,827	\$ 2,633,499	\$ 2,590,925
Charges for services	2,118,354	2,199,881	2,164,241	2,167,117
Intergovernmental	-	-	-	-
Investment income	9,418	8,926	5,974	2,568
Donations	25,100	12,896	7,896	8,637
Miscellaneous	22,699	4,396	26,316	10,699
Total revenues	4,890,285	4,857,926	4,837,926	4,779,946
EXPENDITURES				
Current				
General government	566,338	962,649	943,433	813,904
Recreation	3,043,546	2,730,733	2,657,481	2,562,313
Capital outlay	416,597	761,773	387,510	251,324
Debt service				
Principal retirement	947,918	854,310	840,910	310,657
Interest and fiscal charges	315,349	307,147	315,158	14,043
Total expenditures	5,289,748	5,616,612	5,144,492	3,952,241
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(399,463)	(758,686)	(306,566)	827,705
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	586,600	580,305	569,310	565,910
Premium on bond issuance	-	-	-	-
Discount on bond issuance	-	-	-	-
Payment to escrow agent	-	-	-	-
Issuance of capital lease	-	450,808	-	-
Insurance proceeds	-	-	-	-
Transfers in	488,936	1,399,327	167,244	193,163
Transfers (out)	(488,936)	(1,399,327)	(167,244)	(193,163)
Total other financing sources (uses)	586,600	1,031,113	569,310	565,910
NET CHANGE IN FUND BALANCES	\$ 187,137	\$ 272,427	\$ 262,744	\$ 1,393,615
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	25.15%	23.28%	24.50%	8.42%

*2015 debt service ratio lower due to refunding in 2014.

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009
\$ 2,480,965	\$ 2,563,626	\$ 2,510,864	\$ 2,475,875	\$ 2,415,270	\$ 2,421,983
2,114,919	2,042,105	2,089,019	2,006,724	2,065,553	2,040,325
-	-	-	1,179	-	-
3,932	6,367	931	7,259	5,362	9,818
1,990	2,372	14,309	8,295	1,723	7,026
23,146	21,251	21,909	20,669	26,178	42,372
4,624,952	4,635,721	4,637,032	4,520,001	4,514,086	4,521,524
1,033,678	735,590	715,408	741,757	666,910	586,325
2,314,215	2,712,311	2,705,730	2,708,807	2,735,868	2,694,899
270,142	67,725	105,888	169,805	90,995	121,736
952,633	1,110,380	1,085,841	1,044,215	1,011,070	934,435
278,153	329,813	346,482	357,541	369,974	389,481
4,848,821	4,955,819	4,959,349	5,022,125	4,874,817	4,726,876
(223,869)	(320,098)	(322,317)	(502,124)	(360,731)	(205,352)
8,235,990	553,575	545,380	520,841	509,215	501,070
554,413	-	-	-	-	-
(135,882)	-	-	-	-	-
(8,010,668)	-	-	-	-	-
-	-	-	-	-	-
-	-	1,100	38,482	5,462	-
931,280	1,148,076	1,150,365	1,027,768	945,757	964,550
(931,280)	(1,148,076)	(1,150,365)	(1,027,768)	(945,757)	(964,550)
643,853	553,575	546,480	559,323	514,677	501,070
\$ 419,984	\$ 233,477	\$ 224,163	\$ 57,199	\$ 153,946	\$ 295,718
26.74%	29.40%	29.51%	28.41%	28.66%	28.70%

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Tax Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property	State Railroad Property	Local Railroad Property	Total Assessed Valuation	Estimated Actual Taxable Value	Total Direct Tax Rate
2009	N/A	N/A	N/A	N/A	N/A	N/A	\$ 470,477,626	\$ 1,411,432,878	0.5230
2010	N/A	N/A	N/A	N/A	N/A	N/A	423,300,820	1,269,902,460	0.5950
2011	N/A	N/A	N/A	N/A	N/A	N/A	380,925,506	1,142,776,518	0.6610
2012	N/A	N/A	N/A	N/A	N/A	N/A	348,253,098	1,044,759,294	0.7450
2013	N/A	N/A	N/A	N/A	N/A	N/A	293,362,756	880,088,268	0.8560
2014	\$ -	\$ 267,963,253	\$ 17,532,037	\$ 11,824,208	\$ -	\$ -	297,319,498	891,958,494	0.8840
2015	-	261,097,922	18,229,446	11,719,103	-	-	291,046,471	873,139,413	0.9120
2016	-	315,072,371	19,526,517	12,943,719	-	-	347,542,607	1,042,627,821	0.7700
2017	-	315,137,141	24,782,588	13,680,208	-	-	353,599,937	1,060,799,811	0.7840
2018	-	313,916,502	21,385,324	13,419,069	-	-	348,720,895	1,046,162,685	0.8170

Note: Property is assessed at 33.33% of actual value; therefore, estimated actual taxable values are equal to assessed values times three.

Data Source

Cook County

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation
Lincoln National Life				\$ 30,471,745	1	2.16%
Briarwood Lakes LP	\$ 8,334,424	1	0.80%	13,468,112	2	0.95%
CR Congress LLC	7,839,230	2	0.75%	10,843,242	5	0.77%
Frank S. Allgauer	6,978,151	3	0.67%	12,118,818	3	0.86%
Bays Northbrook Hosp C	6,174,889	4	0.59%	12,054,373	4	0.85%
Palwaukee Equities LLC/Plaza	4,518,109	5	0.43%	8,512,601	6	0.60%
HCP Inc.	2,781,317	6	0.27%			
Greenbrier Assisted Living	2,392,358	7	0.23%			
Allstate Insurance Co.	2,679,439	8	0.26%			
Voss Bros	2,369,177	9	0.23%	3,421,559	7	0.24%
Eclipse Aerospace	2,048,227	10	0.20%			
Prime Care Seven LLC				3,367,373	8	0.24%
RK Hospitality LLC				3,275,694	9	0.23%
Costa Construction Inc.				3,250,108	10	0.23%
	<u>\$ 46,115,321</u>		<u>4.43%</u>	<u>\$ 100,783,625</u>		<u>7.13%</u>

Data Source

City of Prospect Heights

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Cook County	0.4890	0.4960	0.5960	0.6210	0.6370	0.6290	0.5940	0.5200	0.4740	0.4430
Cook County Forest Preserve*	0.0600	0.0620	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Metropolitan Water Reclamation District	0.3960	0.4020	0.4060	0.4260	0.4300	0.4170	0.3700	0.3200	0.2740	0.2610
School District #23, #214, #512	6.7070	6.4670	6.3470	7.4090	7.1490	7.1400	5.9700	5.2700	4.7050	4.1470
City of Prospect Heights	0.5050	0.4330	0.4340	0.4860	0.4860	0.4980	0.3190	0.5990	0.4410	0.3890
All others	1.7080	1.6420	1.6060	1.9200	1.8210	1.8510	1.4234	0.0250	0.8430	0.7350
Total overlapping rate	9.8650	9.5020	9.3890	10.8620	10.5230	10.5350	8.6764	6.7340	6.7370	5.9750
Prospect Heights Park District	0.8170	0.7840	0.7700	0.9120	0.8840	0.8560	0.7450	0.6610	0.5950	0.5230
TOTAL RATE	10.6820	10.2860	10.1590	11.7740	11.4070	11.3910	9.4214	7.3950	7.3320	6.4980

*Cook County and Cook County Forest Preserve were combined for 2009-2016 reporting.

Data Source

Cook County

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 2,446,068	\$ 2,410,022	98.53%	\$ 36,046	\$ 2,446,068	100.00%
2009	2,460,598	2,116,355	86.01%	286,019	2,402,374	97.63%
2010	2,518,640	2,475,553	98.29%	23,831	2,499,384	99.24%
2011	2,517,918	2,494,846	99.08%	4,631	2,499,477	99.27%
2012	2,597,968	2,531,934	97.46%	19,068	2,551,002	98.19%
2013	2,509,291	2,448,156	97.56%	19,816	2,467,972	98.35%
2014	2,625,745	2,558,866	97.45%	18,210	2,577,076	98.15%
2015	2,653,499	2,591,020	97.65%	30,206	2,621,226	98.78%
2016	2,673,782	2,604,114	97.39%	14,753	2,618,867	97.95%
2017	2,770,098	2,702,612	97.56%	-	2,702,612	97.56%

Data Source

Cook County

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds	Unamortized Premium	Capital Lease	Total Primary Government	Percentage of EAV**	Per Capita
2009	\$ 10,770,331	\$ -	\$ -	\$ 10,770,331	2.39%	\$ 671.17
2010	10,311,969	-	-	10,311,969	2.19%	646.15
2011	9,832,654	-	-	9,832,654	2.32%	616.12
2012	9,324,915	-	-	9,324,915	2.45%	571.13
2013	8,787,633	-	-	8,787,633	2.52%	536.91
2014	8,235,990	-	-	8,235,990	2.81%	501.95
2015	8,125,910	-	-	8,125,910	2.73%	494.94
2016	8,229,243	-	-	8,229,243	2.83%	502.21
2017*	7,580,305	468,942	379,984	8,429,231	2.43%	518.98
2018	7,291,600	441,221	307,371	8,040,192	2.27%	494.60

*Unamortized premium/discount presented separately starting with fiscal year 2017.

**See the schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Net General Obligation Bonds	Less Amounts Available In Debt Service	Net General Obligation Bonds	Percentage of Actual Taxable Value of Property*	Per Capita
2009	\$ 10,770,331	\$ 17,598	\$ 10,752,733	2.39%	\$ 670.08
2010	10,311,969	13,263	10,298,706	0.15%	645.32
2011	9,832,654	14,307	9,818,347	0.13%	603.98
2012	9,324,915	22,653	9,302,262	0.17%	569.75
2013	8,787,633	17,484	8,770,149	0.15%	535.84
2014	8,235,990	18,052	8,217,938	0.20%	500.85
2015	8,125,910	34,182	8,091,728	2.73%	492.86
2016	8,229,243	26,745	8,202,498	2.83%	500.58
2017	8,049,247	26,815	8,022,432	2.32%	493.93
2018	7,732,821	-	7,732,821	2.19%	475.69

*See the schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

DIRECT AND OVERLAPPING BONDED DEBT

December 31, 2018

Governmental Unit	Net Bonded Debt	Percentage of Debt Applicable to District	District's Share of Debt
Prospect Heights Park District	\$ 7,732,821	100.00%	\$ 7,732,821
Cook County	3,092,046,750	0.24%	7,420,912
Cook County Forest Preserve	149,290,000	0.24%	358,296
City of Prospect Heights	13,050,000	55.57%	7,251,885
Village of Arlington Heights	58,775,000	0.65%	382,038
Village of Mount Prospect	39,685,000	3.34%	1,325,479
Village of Wheeling	52,535,000	6.01%	3,157,354
Metropolitan Water Reclamation District	2,480,560,091	0.25%	6,201,400
School District #21	30,255,000	2.89%	874,370
School District #23	7,540,000	50.79%	3,829,566
School District #25	39,985,000	0.64%	255,904
School District #26	8,665,000	0.96%	83,184
School District #214	43,940,000	4.07%	1,788,358
Community College District #512	141,280,000	1.99%	2,811,472
Total overlapping debt	6,157,606,841		35,740,218
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 6,165,339,662		\$ 43,473,039

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt applicable is estimated using taxable assessed property values.

Data Sources

2018 Continuing Disclosure

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015
Equalized Assessed Valuation	\$ 353,599,937	\$ 347,542,607	\$ 291,046,471	\$ 297,319,498
Statutory Debt Limitation 2.875% of assessed valuation	\$ 10,165,998	\$ 9,991,850	\$ 8,367,586	\$ 8,547,936
Total Debt	7,732,821	7,934,312	8,229,243	8,125,910
Less: Alternate Revenue Source Bonds	7,146,221	7,354,007	7,659,933	7,560,000
Debt Outstanding Applicable to Limit	586,600	580,305	569,310	565,910
LEGAL DEBT MARGIN	\$ 9,579,398	\$ 9,411,545	\$ 7,798,276	\$ 7,982,026

*The District changed its fiscal year end from April 30 to December 31 for the period December 31, 2009.

Data Source

Audited Financial Statements

2014	2013	2012	2011	2010	2009*
\$ 293,362,756	\$ 348,253,098	\$ 380,925,506	\$ 423,300,820	\$ 470,477,626	\$ 450,481,521
\$ 8,434,179	\$ 10,012,277	\$ 10,951,608	\$ 12,169,899	\$ 13,526,232	\$ 12,951,344
8,235,990	8,787,633	9,324,915	9,832,654	10,311,969	10,770,331
7,675,000	8,105,000	8,310,000	8,515,000	8,685,000	8,795,000
560,990	682,633	1,014,915	1,317,654	1,626,969	1,975,331
\$ 7,873,189	\$ 9,329,644	\$ 9,936,693	\$ 10,852,245	\$ 11,899,263	\$ 10,976,013

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2018			Employer	2009		
	Rank	Number	% of Total District Population		Rank	Number	% of Total District Population
School District No. 23	1	200	1.23%	School District No. 26	1	260	1.62%
Hilton Hotel and Allgauer's Restaurant	2	150	0.92%	School District No. 23	2	204	1.27%
Prospect Heights Park District	3	147	0.90%	Prospect Heights Park District	3	195	1.22%
Tony's Finer Foods	4	135	0.83%	Hilton Hotel and Allgauer's Restaurant	4	160	1.00%
Crowne Plaza	5	125	0.77%	Siemens Hearing Instruments	5	119	0.74%
Terrance Electric & Technology	6	85	0.52%	Capital Graphics Inc.	6	65	0.41%
Prospect Heights Fire Protection District	7	50	0.31%	Leggett & Platt Inc.	7	99	0.62%
City of Prospect Heights	8	48	0.30%	Doetsch Bros. Company	8	55	0.34%
Prospect Heights Public Library	9	41	0.25%	City of Prospect Heights	9	52	0.32%
Walgreens	10	35	0.22%	Prospect Heights Public Library	10	40	0.25%
		<u>1,016</u>	<u>6.25%</u>			<u>1,249</u>	<u>7.79%</u>

Data Source

City of Prospect Heights

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population*	Personal Income	Per Capita Personal Income*	Unemployment Rate**
2009	16,047	\$ 592,310,817	\$ 36,911	8.2%
2010	15,959	589,062,649	36,911	6.7%
2011	16,256	482,656,896	29,691	6.6%
2012	16,327	484,764,957	29,691	6.7%
2013	16,367	754,131,010	46,076	5.8%
2014	16,408	522,430,720	31,840	6.0%
2015	16,418	514,129,670	31,315	5.7%
2016	16,386	512,422,992	31,272	6.4%
2017	16,242	523,934,436	32,258	4.0%
2018	16,256	526,222,976	32,371	N/A

N/A - Information not available

Data Sources

*U.S. Census Bureau

**Illinois Department of Employment Security

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PARK DISTRICT INFORMATION

December 31, 2018

Form of government	Board-Manager
Population	54,771
Parks and Facilities	
Number	15
Owned acres	159
Leased acres	12
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

District Records

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

PARK FACILITY LOCATIONS AND FULL-TIME EMPLOYEES

December 31, 2018

<u>Park</u>	<u>Address</u>	<u>Number of Full Time Employees</u>	<u>Acres</u>
Gary Morava Recreation Center	110 West Camp McDonald Road	12	N/A
Old Orchard Country Club	700 West Rand Road	5	100.00
County Gardens Park	901 North Schoenbeck Road	-	9.00
John Muir Park	999 Oak Avenue	-	4.50
School Street Park	808 School Street	-	3.00
Izaak Walton Park	201 North Elmhurst Road	-	4.00
Jaycee Park	4 Compton Lane	-	1.00
Claire Lane Park	617 Claire Lane	-	0.50
Tully Park	212 Tully Place	-	1.50
Rosemary Roth Park	201 Chester Lane	-	0.50
East Wedgewood Park	Oxford Place and Wedgewood Lane	-	0.50
Lions Park	11 North Elm Street	-	10.00
McDonald Field	200 West Camp McDonald Road	-	1.30
Kiwanis Park	712 North Elm Street	-	0.70
Somerset Park	204 West Palatine Road	-	26.00
Walnut Woods	610 North Wheeling Road	-	8.50

Data Source

District Records

**PROSPECT HEIGHTS PARK DISTRICT
PROSPECT HEIGHTS, ILLINOIS**

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Fiscal Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
FUNCTION/PROGRAM										
Program attendance										
Preschool	61	87	80	78	74	73	88	85	78	70
Kinderstop	151	100	103	106	91	89	39	43	30	27
Children's	625	657	710	862	776	628	425	349	634	645
Performing Arts	352	382	248	230	206	184	132	199	259	328
Athletics	415	316	392	500	576	458	645	640	534	652
Seniors	1,382	1,397	1,490	1,055	1,303	1,131	1,330	1,372	1,880	1,530
Camps	440	446	430	440	504	449	508	472	430	473
Dance	245	199	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total program attendance	<u>3,671</u>	<u>3,584</u>	<u>3,453</u>	<u>3,271</u>	<u>3,530</u>	<u>3,012</u>	<u>3,167</u>	<u>3,160</u>	<u>3,845</u>	<u>3,725</u>
Aquatics										
Swim lessons	282	372	159	182	121	102	108	89	63	66
Pool passes	110	335	294	216	197	282	106	140	102	118
Daily swim	2,811	3,531	4,151	4,097	2,649	1,920	4,225	4,240	5,014	4,707
Total aquatics	<u>3,203</u>	<u>4,238</u>	<u>4,604</u>	<u>4,495</u>	<u>2,967</u>	<u>2,304</u>	<u>4,439</u>	<u>4,469</u>	<u>5,179</u>	<u>4,891</u>
Fitness center										
Membership	211	216	205	334	308	338	424	431	529	504
Daily use	84	76	113	207	901	1,132	1,138	1,500	1,304	1,567
Total fitness center attendance	<u>295</u>	<u>292</u>	<u>318</u>	<u>541</u>	<u>1,209</u>	<u>1,470</u>	<u>1,562</u>	<u>1,931</u>	<u>1,833</u>	<u>2,071</u>
Golf										
Outings	65	78	58	83	72	67	85	79	87	82
Membership	88	78	95	112	128	127	102	90	158	150
Open play	23,023	23,955	20,791	23,987	24,501	20,464	24,888	23,372	28,101	28,237
Warm-up range	3,934	5,054	4,727	4,541	4,660	4,713	4,141	4,242	4,003	4,528
Total aquatics	<u>27,110</u>	<u>29,165</u>	<u>25,671</u>	<u>28,723</u>	<u>29,361</u>	<u>25,371</u>	<u>29,216</u>	<u>27,783</u>	<u>32,349</u>	<u>32,997</u>

N/A - Information not available

Data Source

District Records