

**Tinley Park Park District
Tinley Park, Illinois
Annual Financial Report
For The Year Ended February 28, 2013**

Tinley Park Park District
Table of Contents
For The Year Ended February 28, 2013

	Page(s)
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 10
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
FUND FINANCIAL STATEMENTS	
Governmental Funds	
Balance Sheet	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Proprietary Funds	
Statement of Fund Net Position	16
Statement of Revenues, Expenses and Changes in Fund Net Position	17
Statement of Cash Flows	18-19
NOTES TO THE FINANCIAL STATEMENTS	20-42
REQUIRED SUPPLEMENTARY INFORMATION	
Retirement Fund Commitment - Schedule of Funding Progress	43
MAJOR FUNDS	
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund	
Budgetary Comparison Schedule	44
Recreation Fund	
Budgetary Comparison Schedule	45
Special Recreation Fund	
Budgetary Comparison Schedule	46
MAJOR FUNDS	
SUPPLEMENTAL SCHEDULES	
General Fund	
Schedule of Expenditures - Budget and Actual	47
Recreation Fund	
Schedule of Expenditures - Budget and Actual	48
Debt Service Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	49
Capital Projects Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	50

**Tinley Park Park District
 Table of Contents (Continued)
 For The Year Ended February 28, 2013**

	Page(s)
MAJOR FUNDS	
SUPPLEMENTAL SCHEDULES	
Fitness Center Fund	
Schedule of Revenues, Expenses and Changes in Fund Net Position	
Budget and Actual	51
Water Park Fund	
Schedule of Revenues, Expenses and Changes in Fund Net Position	
Budget and Actual	52
NON-MAJOR FUNDS	
SUPPLEMENTAL SCHEDULES	
COMBINING AND INDIVIDUAL FUND SCHEDULES	
Governmental Funds	
Combining Balance Sheet	53
Combining Schedule of Revenues, Expenditures, and Changes in	
Fund Balances	54
Special Revenue Funds	
Liability Insurance Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	55
Social Security Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	56
Illinois Municipal Retirement Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	57
Museum Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	58
Police Program Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	59
Permanent Fund	
Working Cash Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	60
Proprietary Funds	
McCarthy Park Fund	
Schedule of Revenues, Expenses and Changes in Fund Net Position	
Budget and Actual	61
SUPPLEMENTAL SCHEDULES	
Debt Service Requirements - Bond Issue Dated July, 2004	62
Debt Service Requirements - Bond Issue Dated October, 2005	63
Debt Service Requirements - Bond Issue Dated February, 2009	64
Debt Service Requirements - Bond Issue Dated December, 2012	65
Computation of Legal Debt Margin	66



INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Tinley Park Park District
Tinley Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tinley Park Park District as of and for the year ended February 28, 2013, which collectively comprise the District's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tinley Park Park District, as of February 28, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

The management's discussion and analysis and the schedule of funding progress are not required parts of the financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. The Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending February 28, 2013 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Tinley Park Park District's basic financial statements. The combining and individual fund financial schedules for the year ended February 28, 2013 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund financial schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2012 and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Tinley Park Park District. The information has not been audited by us and, accordingly, we express no opinion on such matters.

Knuttle & Associates, P.C.

Tinley Park Park District Management's Discussion and Analysis

The Tinley Park-Park District was organized in 1967. The District encompasses an area of approximately 400 acres located primarily in southwestern Cook County. A five member Board of Commissioners elected at large for four-year terms governs the District. The District owns 18 buildings and over 250 acres of parkland and leases an additional 180 acres. The Park District provides recreational activities to an estimated population of 60,000.

Introduction

The Park District's Management's Discussion and Analysis (MD&A) provides an overview of the District's financial activities for the year ended February 28, 2013. Please read it as a narrative introduction to the financial statements that follow. This report is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position, identify any material deviations from the approved budget and identify individual fund issues or concerns.

The MD&A is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Government's issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The District's total assets exceeded its total liabilities at the close of the most recent fiscal year by \$33,087,723.
- Net position of governmental activities were \$25,898,890 and business type activities assets were \$7,188,833.
- Property taxes levied and collected were \$5,836,982 compared to the prior year of \$5,833,844 for an increase of \$3,138.
- The District's governmental funds reported combined ending fund balances of \$9,791,279, an increase of \$4,023,754. The increase is primarily due to the issuance of new debt offset by capital expenditures related to the recreation center expansion project.
- The District continues to have the ability to devote resources toward maintaining, improving and expanding its parks, playgrounds and facilities. The District spent \$569,152 on capital improvements not related to the recreation center expansion project.
- The District's outstanding long-term debt increased by \$4,042,000 to \$ 14,347,000.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include three components: government-wide financial statements, fund financial statements, and notes to the financial statements. The District also includes in this report additional information to supplement the basic financial statements.

Tinley Park Park District Management's Discussion and Analysis (Continued)

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the District's finances. The two new government-wide financial statements, Statement of Net Position and Statement of Activities represent an overview of the District as a whole, separating its operations between governmental and business type activities. 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 *Statement of Net Position* presents information on all the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

The *Statement of Activities* presents changes in the District's net position during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government and recreation. Business type activities reflect the District's private sector-type operations, (fitness center) where the fees for services typically cover all or most of the cost of doing business including depreciation.

The government-wide financial statements are presented on pages 11-12 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 uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the district's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of this report.

Tinley Park District Management's Discussion and Analysis (Continued)

The District has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass 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 year. They are 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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund and major special revenue funds. Budgetary comparison schedules for other special revenue funds may 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 13 - 14 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the District charges customers a fee. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the District organization such as the fitness center. Internal service funds provide services to customers within the District's organization. The District does not use internal service funds at this time.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for major enterprise funds.

The basic proprietary fund financial statements are presented on pages 16 - 19 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 20 of this report.

Tinley Park District Management's Discussion and Analysis (Continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Other supplementary information includes detail by fund for receivables, payables, transfers and payments within the reporting entity. Supplementary information can be found on pages 43 through 66 of this report.

Major funds are reported in the basic financial statements as discussed. Combined and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 53.

Government-wide Financial Analysis

This District implemented the new financial reporting model used in this report beginning with the fiscal year ended February 28, 2005. Over time, as year to year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the District as a whole.

Statement of Net Position

As noted earlier, the District's combined net position for governmental activities increased to \$25,898,890 and business type activities increased to \$7,188,833.

Financial Position	Governmental	Business Type	Total
Current Assets	16,164,383	896,415	17,060,798
Capital Assets	24,610,803	6,874,281	31,485,084
Total Assets	40,775,186	7,770,696	48,545,882
Deferred Outflows	425,000	0	425,000
Current Other Liabilities	2,114,538	42,544	2,157,082
Long Term Liabilities	12,707,000	0	12,707,000
Total Liabilities	14,821,538	42,544	14,864,082
Deferred Inflows	479,758	539,319	1,019,077
Net Assets Invested in Capital			
Assets, Net of Related Debt	12,409,055	6,874,281	19,283,336
Unrestricted Net Assets	13,489,835	314,552	13,804,387
Total Net Assets	25,898,890	7,188,833	33,087,723

**Tinley Park Park District
Management's Discussion and Analysis (Continued)**

Statement of Activities

The District's net position increased by \$1,397,275 during the current fiscal year as governmental activity net position increased \$1,379,107 and business-type activity increased \$18,168 as discussed further below.

	Governmental Activities	Business Type Activities	Total
Revenues			
Charges for Services	\$ 1,199,449	\$ 1,308,918	\$ 2,508,367
Operating Grants and Contributions	975	0	975
Rental Income	0	0	0
Property Taxes	5,936,873	0	5,936,873
Replacement Taxes	25,075	0	25,075
Interest Income	8,817	3,000	11,817
Miscellaneous	121,244	30,700	151,944
Total Revenue	7,292,433	1,342,618	8,635,051
Expenses			
Governmental Activities			
General Government	2,609,034	0	2,609,034
Recreation	2,951,602	0	2,951,602
Interest on Long Term Debt	352,690	0	352,690
Business-Type Activities	0	1,324,450	1,324,450
Total Expenses	5,913,326	1,324,450	7,237,776
Increase/ Decrease In Net Position	1,379,107	18,168	1,397,275
Net Assets Beginning of Year	24,519,783	7,170,665	31,690,448
Net Assets 2/28/2013	25,898,890	7,188,833	33,087,723

Tinley Park Park District Management's Discussion and Analysis (Continued)

Governmental Activities

As stated previously, governmental activities increased the District's net position by \$1,379,107. This is primarily due to payment of bond principal.

- Ø Property taxes increased by \$3,138. The District's tax rate is .4110.
- Ø Program Fees increased by \$49,448.
- Ø Total expenditures increased by \$1,656,680 from \$7,325,117 in 2012 to \$8,981,797 in 2013.

Business-type Activities

As previously stated, Business-type activities increased the district's net assets by \$18,168.

Government Funds

As discussed, government funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$9,791,279. The total ending fund balances of governmental funds shows an increase of \$4,023,754 from the previous year.

Major Governmental Funds

The General, Recreation, Special Recreation, Debt Service and Capital Project funds are the primary operating funds of the District.

The General fund balance as of February 28, 2013 was \$1,670,954, an increase of \$300,123 from the prior year.

The Recreation fund balance was \$819,517, an increase of \$189,083 from the prior year.

The Special Recreation fund balance was \$375,884, a decrease of \$86,535 over the prior year.

The Debt Service fund balance was \$667,531, a decrease of \$33,107 over the prior year.

The Capital Projects fund balance was \$5,221,332, an increase of \$3,501,192 from the prior year.

Tinley Park District Management's Discussion and Analysis (Continued)

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

The District currently has three proprietary funds: the Fitness Center, the Water Park, and McCarthy Park/Tinley Junction.

The Fitness Center had a decrease in operating income of \$47,337 totaling \$426,947 in 2013. The operating expenses decreased by \$7,229.

The Water Park had an increase in operating income of \$101,278 totaling \$846,872 in 2013. The operating expenses increased by \$71,255.

Operating income for McCarthy Park/Tinley Junction increased by \$4,467 in 2013 totaling \$68,799. The operating expenses increased by \$9,373.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets, net of related debt for governmental and business-type activities as of February 28, 2013 was \$10,072,794 and \$6,874,281, respectively. The District has an annual playground and vehicle/equipment replacement schedule. This resulted in updating two playground sites, purchasing two tractors and a mower, purchasing a security vehicle and installing outdoor fitness equipment.

Debt Administration

As of February 28, 2013 the Park District has general obligation bond issues outstanding of \$14,347,000. The fund balance of the Debt Service Fund amounted to \$667,531 as of February 28, 2013.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that would adversely affect its financial health in the near future.

Tinley Park Park District Management's Discussion and Analysis (Continued)

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 the Business Manager at:

Tinley Park Park District
8125 W. 171st Street
Tinley Park, IL 60477

**Tinley Park Park District
Statement of Net Position
February 28, 2013**

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash	\$ 10,810,855	\$ 889,072	\$ 11,699,927
Taxes Receivable	5,297,202	0	5,297,202
Accounts Receivable	51,358	7,343	58,701
Prepaid Expense	4,968	0	4,968
Capital Assets			
Capital Assets Not Being Depreciated	6,371,135	42,120	6,413,255
Other Capital Assets, Net of Depreciation	18,239,668	6,832,161	25,071,829
Total Capital Assets	<u>24,610,803</u>	<u>6,874,281</u>	<u>31,485,084</u>
TOTAL ASSETS	<u>40,775,186</u>	<u>7,770,696</u>	<u>48,545,882</u>
DEFERRED OUTFLOWS			
Due from Other Funds	425,000	0	425,000
TOTAL DEFERRED OUTFLOWS			
LIABILITIES			
Accounts Payable	296,333	17,532	313,865
Accrued Payroll	85,970	15,749	101,719
Accrued Vacation	92,235	9,263	101,498
Bonds Payable			
Due Within One Year	1,640,000	0	1,640,000
Due in More Than One Year	12,707,000	0	12,707,000
TOTAL LIABILITIES	<u>14,821,538</u>	<u>42,544</u>	<u>14,864,082</u>
DEFERRED INFLOWS			
Deferred Program Revenue	288,749	102,111	390,860
Deferred Partnership Revenue	0	12,208	12,208
Deferred Premium on Bond Issue	191,009	0	191,009
Due to Other Funds	0	425,000	425,000
TOTAL DEFERRED INFLOWS	<u>479,758</u>	<u>539,319</u>	<u>1,019,077</u>
NET POSITION			
Net Investment in Capital Assets	10,072,794	6,874,281	16,947,075
Restricted Amounts	2,336,261	0	2,336,261
Unrestricted Amounts	13,489,835	314,552	13,804,387
TOTAL NET POSITION	<u>\$ 25,898,890</u>	<u>\$ 7,188,833</u>	<u>\$ 33,087,723</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Statement of Activities
February 28, 2013**

	Program Revenues		Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges For Services	Operating Grants and Contributions	Governmental Activities	Business Activities	Total
FUNCTIONS/PROGRAMS						
Governmental Activities						
General Government	2,609,034	0	0	(2,609,034)	0	(2,609,034)
Recreation	2,951,602	1,199,449	975	(1,751,178)	0	(1,751,178)
Interest on Long-Term Debt	352,690	0	0	(352,690)	0	(352,690)
Total Governmental Activities	5,913,326	1,199,449	975	(4,712,902)	0	(4,712,902)
Business Type Activities						
Fitness Center Fund	510,379	420,324	0	0	(90,055)	(90,055)
Water Park Fund	743,260	823,095	0	0	79,835	79,835
McCarthy Park Fund	70,811	65,499	0	0	(5,312)	(5,312)
Total Business Type Activities	1,324,450	1,308,918	0	0	(15,532)	(15,532)
TOTAL	\$ 7,237,776	\$ 2,508,367	\$ 975			
GENERAL REVENUES						
Taxes						
Property taxes levied for general purposes				5,936,873	0	5,936,873
Replacement taxes for general purposes				25,075	0	25,075
Interest Income				8,817	3,000	11,817
Miscellaneous				121,244	30,700	151,944
TOTAL GENERAL REVENUES				6,092,009	33,700	6,125,709
CHANGE IN NET POSITION				1,379,107	18,168	1,397,275
NET POSITION,						
BEGINNING OF YEAR				24,519,783	7,170,665	31,690,448
END OF YEAR				\$ 25,898,890	\$ 7,188,833	\$ 33,087,723

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Governmental Funds
Balance Sheet
February 28, 2013**

	<u>General</u>	<u>Recreation</u>	<u>Special Recreation</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS							
Cash	\$ 1,968,925	\$ 924,933	\$ 478,429	\$ 903,757	\$ 5,380,894	\$ 1,153,917	\$ 10,810,855
Taxes Receivable	1,371,114	924,126	530,370	1,696,464	0	775,128	5,297,202
Accounts Receivable	0	35,861	0	0	15,497	0	51,358
Prepaid Expenditures	0	4,968	0	0	0	0	4,968
TOTAL ASSETS	<u>3,340,039</u>	<u>1,889,888</u>	<u>1,008,799</u>	<u>2,600,221</u>	<u>5,396,391</u>	<u>1,929,045</u>	<u>16,164,383</u>
DEFERRED OUTFLOWS							
Due From Other Funds	0	425,000	0	0	0	0	425,000
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>425,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>425,000</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>3,340,039</u>	<u>2,314,888</u>	<u>1,008,799</u>	<u>2,600,221</u>	<u>5,396,391</u>	<u>1,929,045</u>	<u>16,589,383</u>
LIABILITIES							
Accounts Payable	27,054	60,230	28,666	0	175,059	5,324	296,333
Accrued Payroll	36,566	45,662	27	0	0	3,715	85,970
Accrued Vacation	43,428	47,923	0	0	0	884	92,235
TOTAL LIABILITIES	<u>107,048</u>	<u>153,815</u>	<u>28,693</u>	<u>0</u>	<u>175,059</u>	<u>9,923</u>	<u>474,538</u>
DEFERRED INFLOWS							
Deferred Property Taxes	1,562,037	1,052,807	604,222	1,932,690	0	883,061	6,034,817
Deferred Program Revenues	0	288,749	0	0	0	0	288,749
TOTAL DEFERRED INFLOWS	<u>1,562,037</u>	<u>1,341,556</u>	<u>604,222</u>	<u>1,932,690</u>	<u>0</u>	<u>883,061</u>	<u>6,323,566</u>
FUND BALANCES							
Non-Spendable	0	4,968	0	0	0	764	5,732
Restricted	0	598,549	195,884	667,531	0	874,297	2,336,261
Committed	1,030,000	216,000	180,000	0	5,774,000	161,000	7,361,000
Unassigned	640,954	0	0	0	(552,668)	0	88,286
TOTAL FUND BALANCE	<u>1,670,954</u>	<u>819,517</u>	<u>375,884</u>	<u>667,531</u>	<u>5,221,332</u>	<u>1,036,061</u>	<u>9,791,279</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 3,340,039</u>	<u>\$ 2,314,888</u>	<u>\$ 1,008,799</u>	<u>\$ 2,600,221</u>	<u>\$ 5,396,391</u>	<u>\$ 1,929,045</u>	

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

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Deferred Property Tax Revenue is not recorded on the Statement of Net Position.

Bonds Payable are not reported as liabilities in the fund financial statements.

Bond Premiums are not reported as liabilities in the fund financial statements.

NET POSITION OF GOVERNMENTAL FUNDS

24,610,803
6,034,817
(14,347,000)
(191,009)
\$ 25,898,890

See Accompanying Notes to the Financial Statements

Tinley Park Park District
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended February 28, 2013

	General	Recreation	Special Recreation	Debt Service	Capital Projects	Other Governmental Funds	Total
REVENUES							
Property Taxes	\$ 1,478,027	\$ 986,171	\$ 588,623	\$ 1,956,993	\$ 0	\$ 827,168	\$ 5,836,982
Replacement Taxes	25,075	0	0	0	0	0	25,075
Program Fees	0	1,134,928	0	0	0	0	1,134,928
Rental Fees	0	64,521	0	0	0	0	64,521
Impact Fees	0	0	0	0	975	0	975
Interest Income	1,002	1,000	231	1,311	3,926	1,347	8,817
Other	96	46,908	0	0	72,740	1,500	121,244
TOTAL REVENUES	1,504,200	2,233,528	588,854	1,958,304	77,641	830,015	7,192,542
EXPENDITURES							
General	1,204,077	0	0	0	0	0	1,204,077
Recreation Program	0	2,044,445	0	0	0	0	2,044,445
Liability Insurance	0	0	0	0	0	114,051	114,051
Special Recreation	0	0	675,389	0	0	0	675,389
Municipal Retirement	0	0	0	0	0	386,432	386,432
Museum	0	0	0	0	0	55,506	55,506
Police Program	0	0	0	0	0	121,028	121,028
Debt Service							
Principal	0	0	0	1,580,000	0	0	1,580,000
Interest	0	0	0	352,690	0	0	352,690
Fees	0	0	0	58,721	0	0	58,721
Capital Improvements	0	0	0	0	2,389,458	0	2,389,458
TOTAL EXPENDITURES	1,204,077	2,044,445	675,389	1,991,411	2,389,458	677,017	8,981,797
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	300,123	189,083	(86,535)	(33,107)	(2,311,817)	152,998	(1,789,255)
OTHER FINANCING SOURCES							
Issuance of Debt	0	0	0	0	5,622,000	0	5,622,000
Premium on Bond Issue	0	0	0	0	191,009	0	191,009
TOTAL OTHER FINANCING SOURCES	0	0	0	0	5,813,009	0	5,813,009
NET CHANGE IN FUND BALANCES	300,123	189,083	(86,535)	(33,107)	3,501,192	152,998	4,023,754
FUND BALANCE, BEGINNING OF YEAR	1,370,831	630,434	462,419	700,638	1,720,140	883,063	5,767,525
END OF YEAR	\$ 1,670,954	\$ 819,517	\$ 375,884	\$ 667,531	\$ 5,221,332	\$ 1,036,061	\$ 9,791,279

See Accompanying Notes to the Financial Statements

Tinley Park Park District
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For The Year Ended February 28, 2013

Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 4,023,754
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(1,010,531)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	2,834,707
Losses from the sale of capital assets are treated as an expenditure in the fund financial statements.	(335,705)
Property tax revenues in the Statement of Activities that do not provide current financial resources are reported as deferred property tax revenue in the fund financial statements.	99,891
Payments of bond principal are treated as an expenditure in the fund financial statements.	1,580,000
Proceeds from bond issues are considered Other Financing Sources in the fund financial statements.	(5,622,000)
Bond Premiums are considered an Other Financing Source in the fund financial statements.	<u>(191,009)</u>
Change in Net Position of Governmental Activities (Statement of Activities)	<u>\$ 1,379,107</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Proprietary Funds
Statement of Fund Net Position
February 28, 2013**

	Fitness Center	Water Park	Other Proprietary Fund McCarthy	Total
CURRENT ASSETS				
Cash	\$ 82,821	\$ 718,257	\$ 87,994	\$ 889,072
Accounts Receivable	7,343	0	0	7,343
Capital Assets				
Capital Assets Not Being Depreciated	42,120	0	0	42,120
Other Capital Assets, Net of Depreciation	2,626,065	4,206,096	0	6,832,161
Total Capital Assets	<u>2,668,185</u>	<u>4,206,096</u>	<u>0</u>	<u>6,874,281</u>
TOTAL ASSETS	<u>2,758,349</u>	<u>4,924,353</u>	<u>87,994</u>	<u>7,770,696</u>
DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
LIABILITIES				
Accounts Payable	10,161	6,523	848	17,532
Accrued Payroll	14,698	1,051	0	15,749
Accrued Vacation	8,922	341	0	9,263
TOTAL LIABILITIES	<u>33,781</u>	<u>7,915</u>	<u>848</u>	<u>42,544</u>
DEFERRED INFLOWS				
Deferred Program Revenue	102,111	0	0	102,111
Deferred Partnership Revenue	9,000	2,458	750	12,208
Interfund Payable	425,000	0	0	425,000
TOTAL DEFERRED INFLOWS	<u>536,111</u>	<u>2,458</u>	<u>750</u>	<u>539,319</u>
NET POSITION				
Net Investment in Capital Assets	2,668,185	4,206,096	0	6,874,281
Unrestricted Amounts	(479,728)	707,884	86,396	314,552
TOTAL NET POSITION	<u>\$ 2,188,457</u>	<u>\$ 4,913,980</u>	<u>\$ 86,396</u>	<u>\$ 7,188,833</u>

See Accompanying Notes to the Financial Statements

Tinley Park Park District
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For The Year Ended February 28, 2013

	Fitness Center	Water Park	Other Proprietary Fund McCarthy	Total
OPERATING REVENUES				
Service Fees	\$ 381,870	\$ 668,014	\$ 49,202	\$ 1,099,086
Concession Sales	0	140,426	16,297	156,723
Rental Fees	38,454	14,655	0	53,109
Interest Income	500	2,000	500	3,000
Other Income	6,123	21,777	2,800	30,700
TOTAL OPERATING REVENUES	426,947	846,872	68,799	1,342,618
DIRECT OPERATING EXPENSES				
Salaries	267,623	337,415	28,991	634,029
Utilities	51,754	71,474	1,200	124,428
Supplies	15,943	67,325	20,728	103,996
Repairs and Maintenance	14,000	28,916	1,776	44,692
Advertising	1,129	5,841	1,751	8,721
Concessions	0	51,405	837	52,242
Conferences	0	8,691	0	8,691
Equipment Repair	8,205	0	619	8,824
Service Contracts	15,445	10,996	1,096	27,537
Site Improvements	0	0	13,689	13,689
Insurance	35,614	2,902	0	38,516
Depreciation	97,203	135,177	0	232,380
Capital Improvements	0	21,684	0	21,684
Miscellaneous	3,463	1,434	124	5,021
TOTAL DIRECT OPERATING EXPENSES	510,379	743,260	70,811	1,324,450
CHANGE IN FUND NET POSITION	(83,432)	103,612	(2,012)	18,168
NET POSITION				
BEGINNING OF YEAR	2,271,889	4,810,368	88,408	7,170,665
END OF YEAR	\$ 2,188,457	\$ 4,913,980	\$ 86,396	\$ 7,188,833

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Proprietary Funds
Statement of Cash Flows
For The Year Ended February 28, 2013**

	<u>Fitness Center</u>	<u>Water Park</u>	<u>Other Proprietary Fund McCarthy</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received From Customers	\$ 404,867	\$ 844,872	\$ 68,299	\$ 1,318,038
Interest Received	500	2,000	500	3,000
Cash Payments to Suppliers and Employees	<u>(416,914)</u>	<u>(606,704)</u>	<u>(69,963)</u>	<u>(1,093,581)</u>
NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(11,547)</u>	<u>240,168</u>	<u>(1,164)</u>	<u>227,457</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	<u>0</u>	<u>(150,644)</u>	<u>0</u>	<u>(150,644)</u>
NET CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>0</u>	<u>(150,644)</u>	<u>0</u>	<u>(150,644)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,547)	89,524	(1,164)	76,813
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>94,368</u>	<u>628,733</u>	<u>89,158</u>	<u>812,259</u>
END OF YEAR	<u>\$ 82,821</u>	<u>\$ 718,257</u>	<u>\$ 87,994</u>	<u>\$ 889,072</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Proprietary Funds
Statement of Cash Flows (Continued)
For The Year Ended February 28, 2013**

	<u>Fitness Center</u>	<u>Water Park</u>	<u>Other Proprietary Fund McCarthy</u>	<u>Total</u>
RECONCILIATION OF CHANGE IN FUND NET POSITION TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Change in Fund Net Position	\$ (83,432)	\$ 103,612	\$ (2,012)	\$ 18,168
Adjustments to Reconcile Change in Fund Net Position to Net Cash Provided By (Used In) Operating Activities				
Depreciation	97,203	135,177	0	232,380
Loss on Sale of Assets	375	0	0	375
Changes in Certain Assets, Deferred Outflows, Liabilities and Deferred Inflows				
Accounts Receivable	11,895	0	0	11,895
Accounts Payable	(3,057)	2,550	848	341
Accrued Payroll	1,448	(1,231)	0	217
Accrued Vacation	496	60	0	556
Deferred Program Revenue	(33,475)	0	0	(33,475)
Security Deposit	(3,000)	0	0	(3,000)
Total Adjustments	<u>71,885</u>	<u>136,556</u>	<u>848</u>	<u>209,289</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (11,547)</u>	<u>\$ 240,168</u>	<u>\$ (1,164)</u>	<u>\$ 227,457</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Notes To The Financial Statements
For the Year Ended February 28, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Park District operates under a Board-Manager form of government, providing recreation and other services to the residents of Tinley Park, which include: recreation programs, park management, capital development, and general administration.

The accounting and reporting policies of the Park District relating to the funds included in the accompanying general purpose financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

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

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

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

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

B. New Accounting Standards Implemented

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

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. New Accounting Standards Implemented (Continued)

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

C. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

Governmental Funds (Governmental Activities)

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

General Fund

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

Special Revenue Funds

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

Funds included in this fund category are:

Recreation	Illinois Municipal Retirement
Special Recreation	Museum
Liability Insurance	Police Program
Social Security	

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Governmental Funds (Governmental Activities) (Continued)

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Fund

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, excluding those types of capital related outflows financed by proprietary funds.

PROPRIETARY FUND TYPES

The proprietary fund type is used to account for activities which are similar to those often found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The Enterprise Funds comprise the Park District's proprietary fund types.

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Park District has three funds which operate as enterprise funds. These are the Fitness Center, Water Park, and McCarthy Park.

The Park District reports the following major governmental funds:

- The General Fund, which accounts for the park district's primary operating activities.
- The Recreation Fund, which accounts for the operations of the recreation programs offered to residents. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.
- The Special Recreation Fund, which accounts for the special recreation operations of the district. Financing is provided by a specific annual tax levy.
- The Debt Service Fund, which accounts for the payment of long-term debt principal, interest and related costs.
- The Capital Projects Fund, which accounts for financial resources to be used for the acquisition or construction of major capital facilities, equipment, and capital asset replacements .

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

MAJOR FUNDS (CONTINUED)

The Park District reports the following major business activity funds:

- The Fitness Center
- The Water Park

NON-MAJOR FUNDS

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

- Liability Insurance Fund
- Social Security Fund
- Illinois Municipal Retirement Fund
- Museum Fund
- Police Program Fund

The Park District reports the following non-major business activity fund:

- McCarthy Park

D. Basis of Accounting

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

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

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

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

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

E. Measurement Focus

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

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

F. Use of Estimates

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

G. Budgetary Data

The Park District operates under the Appropriations Act. All financial statements utilize the term "budget" to reflect estimated revenue and appropriations. The budgets are prepared using the same basis of accounting to reflect revenues and expenditures/expenses as is used in the preparation of the general purpose financial statements.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Budgetary Data (Continued)

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

1. The Business Manager and Director submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing March 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at a public meeting to obtain taxpayer comments.
3. Prior to June 1, the budget is legally enacted through passage of an ordinance.
4. The Treasurer is authorized to transfer up to 10% of the total budget between budget items within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Commissioners.
5. Formal budgetary integration is employed as a management control device during the year.
6. Budgeted amounts are as adopted by the Board of Commissioners.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Because the level of legal control is at the individual fund level, expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation at the fund level must be approved by the Park District Board through a supplemental appropriation. No supplemental appropriations were made during the year ending February 28, 2013.

By law, management can make transfers between individual expenditure line items within a fund, but approval by the Board of Commissioners is required in order for management to make transfers between individual funds. The Board may authorize transfers not to exceed 10% of budgeted expenditures for the year. An ordinance must be filed with the county in order for the budget to be amended.

H. Accrued Vacation

As of February 28, 2013, and February 29, 2012, the amount of accumulated vacation and paid time off is, \$101,498 and \$98,371, respectively, reflecting an increase of \$3,127. This liability is accounted for as a governmental activity or a business activity on the Government-Wide Statement of Net Position and in the Fund Financial Statements, depending on the individual fund incurring the liability. Historically, the governmental activities liability has been paid from the General and Recreation Funds and the business activities liability has been paid from the Fitness Center. The liability is expected to be paid within one year of the balance sheet date.

I. Cash, Cash Equivalents, and Investments

The Park District considers all highly liquid investments with an initial maturity date within three months of the date acquired by the Park District and investment pools to be cash equivalents.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Cash, Cash Equivalents, and Investments (Continued)

Cash amounts are carried at cost, and represent funds held in the Park District's name by the applicable financial institution, adjusted for outstanding transactions.

Under Illinois law, the Park District is restricted to investing funds in specific types of investment instruments. The following generally represent the types of instruments allowable by State Law:

1. Securities issued or guaranteed by the U.S. Government.
2. Interest-bearing accounts of banks and savings and loan associations insured up to \$250,000 by the Federal Deposit Insurance Corporation.
3. Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500 million dollars rated in the highest classification by at least two rating agencies.
4. Insured accounts of an Illinois credit union chartered under United States or Illinois law.
5. Money market mutual funds with portfolios of securities issued or guaranteed by the U.S. Government or agreements to repurchase these same types of obligations.
6. Illinois Park District Liquid Asset Fund Plus and the Illinois Funds Money Market Fund.
7. Repurchase agreements, which must meet instrument transaction requirements of Illinois law. The Park District does not invest in repurchase agreements.

J. Interfund Receivables/Payables

Amounts due to and due from other funds may arise during the course of the Park District's operations because of numerous transactions between funds to finance operations, provide services, construct assets and service debt. At February 28, 2013, the Park District Recreation Fund had an interfund receivable and the Fitness Fund had an interfund payable of \$425,000.

K. Transfers

During the normal course of Park operations, transfers between funds may arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Typical expenses in the category are general administrative and maintenance expenses. No transfers were made for the year ended February 28, 2013.

L. Inventories

The Park District does not carry inventory at any of its facilities.

M. Prepaid Expenses/Expenditures

Payments made to vendors for services that will benefit periods beyond February 28, 2013 are recorded as prepaid expenses/expenditures.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, fixed assets are accounted for as capital assets. The Park has adopted a capitalization threshold of \$2,500 for capital asset additions. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

Prior to March 1, 2004, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government wide financial statements prospectively from the date of implementation.

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

Buildings	20 to 50 Years
Improvements & Equipment	5 to 20 Years

Capital assets in the proprietary funds are capitalized at historical cost in the fund in which they are utilized. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Depreciation expense on assets acquired through contributions is charged to retained earnings. Estimated useful lives are as follows:

Buildings	50 Years
Pools	50 Years
Furniture, Fixtures, Equipment	10 to 20 Years
Land Improvement	20 Years

FUND FINANCIAL STATEMENTS

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made. Public domain (infrastructure) assets consisting of roads, curbs and gutters, sidewalks, drainage systems, and lighting systems are not capitalized in the fund financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included as capitalized assets or capitalized in the proprietary funds.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets (Continued)

Capital assets used in proprietary fund operations are accounted for the same in the fund financial statements as they are in the government-wide statements.

O. Long Term Liabilities

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

P. Property Taxes

The Park District's property taxes are levied each calendar year on all taxable real property located in the Park District. For governmental funds, property taxes which are levied to fund the current fiscal year and collected for the appropriate levy/budget year are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Cook County (County) except for certain railroad property which is assessed directly by the state. A small percentage of property tax revenue is also received from Will County.

Some portion of the County is reassessed each year on a repeating schedule established by the County Assessor. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one calendar year become due and payable in two installments on March 1 and September 1 during the following calendar year.

The first installment is an estimated bill, and is one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the levy year.

The levy becomes an enforceable lien against the property as of January 1 of the levy year. The 2012 levy has been estimated and recorded as a receivable at February 28, 2013.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. GASB Pronouncements

The Governmental Accounting Standards Board (GASB) released Statement No. 20 (Statement), "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting." The Statement provides that proprietary funds may apply all GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBS) of the Committee on Accounting Procedure. The Park District has elected to apply only FASB, APB, and ARB materials issued on or before November 30, 1989 to the proprietary funds and component units. The Park District has elected to apply only FASB, APB, and ARB materials issued on or before November 30, 1989 to the proprietary funds and component units.

R. Equity Classifications

GOVERNMENT -WIDE FINANCIAL STATEMENTS

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

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

FUND FINANCIAL STATEMENTS

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

- Non-spendable – consists of resources that cannot be spent because of their form.
- Restricted – consists of resources which have limitations imposed by enabling legislation and limitations imposed by creditors, grantors, or contributors.
- Committed – consists of resources which have limitations imposed by the governing board through formal action.
- Assigned – consists of resources which have limitations resulting from intended use.
- Unassigned – consists of the residual net resources of a fund.

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

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Equity Classifications (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Fund	General	Recreation	Special Recreation	Debt Service	Capital Projects	Non-Major Funds	Total
Non-spendable							
Prepaid Items	\$ 0	\$ 4,968	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,968
Working Cash							
Fund Balance	0	0	0	0	0	764	764
Restricted							
Recreation	0	598,549	0	0	0	0	598,549
Special Recreation	0	0	195,884	0	0	0	195,884
Debt Service	0	0	0	667,531	0	0	667,531
Insurance	0	0	0	0	0	113,985	113,985
Social Security	0	0	0	0	0	422,029	422,029
Retirement	0	0	0	0	0	218,741	218,741
Museum	0	0	0	0	0	67,466	67,466
Police	0	0	0	0	0	52,076	52,076
Committed							
Capital Expenditures	1,030,000	216,000	180,000	0	5,774,000	161,000	7,361,000
Assigned	0	0	0	0	0	0	0
Unassigned	640,954	0	0	0	(552,668)	0	88,286
	<u>\$ 1,670,954</u>	<u>\$ 819,517</u>	<u>\$ 375,884</u>	<u>\$ 667,531</u>	<u>\$ 5,221,332</u>	<u>\$ 1,036,061</u>	<u>\$ 9,791,279</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

Bank Deposits

At February 28, 2013, the carrying amount of the Park District's deposits was \$11,699,927 and the bank balance was \$11,858,248. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

Also at February 28, 2013, the Park District maintained a balance in the Illinois Funds and PMA Financial Network, Inc. These pooled investments with other park districts are similar in nature to a money market fund and consists primarily of certificates of deposit, U.S. Government securities, commercial paper, and corporate bonds. Because individual securities are not owned by the Park District, amounts invested in the Illinois Funds and in the PMA Financial Network, Inc. are not categorized.

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

	Carrying Amount	Bank Balance
Category #1	\$ 664,950	\$ 823,271
Category #2	0	0
Category #3	0	0
Illinois Funds	2,034,588	2,034,588
PMA Financial Network	9,000,389	9,000,389
	<u>\$ 11,699,927</u>	<u>\$ 11,858,248</u>

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Bank Deposits (Continued)

Category 1 includes deposits covered by depository insurance or collateral held by the Park District in the Park District's name.

Category 2 includes deposits covered by collateral held by the financial institution's trust department in the Park District's name.

Category 3 includes deposits which are uncollateralized or the collateral is held by the financial institution's trust department but not in the Park District's name.

Investments

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

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

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.

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

The Debt Service Fund had an excess of actual expenditures of \$52,411 over the legally enacted budget amount for the year ended February 28, 2013.

NOTE 4 – CAPITAL ASSETS

A summary of the changes in the capital assets of the governmental activities for the year ended February 28, 2013 follows. Total depreciation expense for the year charged for governmental activities was \$1,010,531. Of this amount, \$76,766 was charged for general governmental functions, and \$933,765 was charged to the recreation function.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 4 – CAPITAL ASSETS (CONTINUED)

	Balance February 29, 2012	Additions	Retirements	Balance February 28, 2013
Assets Not Subject to Depreciation				
Land	\$ 4,344,365	\$ 0	\$ 0	\$ 4,344,365
Construction in Progress	11,200	2,107,082	(91,512)	2,026,770
Assets Subject to Depreciation				
Land Improvements	10,214,282	181,925	(12,675)	10,383,532
Buildings and Improvements	14,129,940	128,440	(95,544)	14,162,836
Furniture, Fixtures, Equipment	4,784,367	391,173	(1,544,124)	3,631,416
Mobile Equipment	487,346	26,087	(155,698)	357,735
Subtotal	<u>33,971,500</u>	<u>2,834,707</u>	<u>(1,899,553)</u>	<u>34,906,654</u>
Less Accumulated Depreciation				
Corporate	(303,165)	(76,766)	59,669	(320,262)
Recreation	(10,546,003)	(933,765)	1,504,179	(9,975,589)
Subtotal	<u>(10,849,168)</u>	<u>(1,010,531)</u>	<u>1,563,848</u>	<u>(10,295,851)</u>
Net Capital Assets	<u>\$ 23,122,332</u>	<u>\$ 1,824,176</u>	<u>\$ (335,705)</u>	<u>\$ 24,610,803</u>

A summary of changes in the capital assets of the Enterprise Funds (Business Activities) for the year ended February 28, 2013 follows. Depreciation expense charged for business activities was \$232,380. Depreciation was charged to individual funds as follows: Fitness Center, \$97,203; Water Park, \$135,177.

	Balance February 29, 2012	Additions	Retirements	Balance February 28, 2013
Assets Not Subject to Depreciation				
Land	\$ 42,120	\$ 0	\$ 0	\$ 42,120
Assets Subject to Depreciation				
Land Improvements	458,682	87,056	0	545,738
Buildings and Improvements	8,722,112	0	0	8,722,112
Furniture, Fixtures, Equipment	754,393	63,588	(223,105)	594,876
Subtotal	<u>9,977,307</u>	<u>150,644</u>	<u>(223,105)</u>	<u>9,904,846</u>
Less Accumulated Depreciation				
Fitness Center	(1,835,938)	(97,203)	222,730	(1,710,411)
Water Park	(1,184,977)	(135,177)	0	(1,320,154)
Subtotal	<u>(3,020,915)</u>	<u>(232,380)</u>	<u>222,730</u>	<u>(3,030,565)</u>
Net Capital Assets	<u>\$ 6,956,392</u>	<u>\$ (81,736)</u>	<u>\$ (375)</u>	<u>\$ 6,874,281</u>

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 5 – DEBT COMMITMENTS

A. Debt Transactions

The Park District enters into debt transactions to finance additions of and major improvements to recreational facilities. A summary of changes in debt commitments for the year ended February 28, 2013 is as follows:

	Balance 2/29/12	New Debt	Principal Paid	Balance 2/28/13	Amount Due Within One Year
General Obligation Bonds					
July, 2004	\$ 850,000	\$ 0	\$ 295,000	\$ 555,000	\$ 310,000
October, 2005	7,890,000	0	795,000	7,095,000	835,000
February, 2009	1,565,000	0	490,000	1,075,000	495,000
December, 2012	0	5,622,000		5,622,000	0
Total Debt	<u>\$ 10,305,000</u>	<u>\$ 5,622,000</u>	<u>\$ 1,580,000</u>	<u>\$ 14,347,000</u>	<u>\$ 1,640,000</u>

B. Annual Debt Service Requirements

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

Year Ending	Principal	Interest	Total
2014	1,640,000	415,626	2,055,626
2015	1,715,000	365,415	2,080,415
2016	1,806,000	311,260	2,117,260
2017	1,903,000	259,548	2,162,548
2018	1,987,000	204,233	2,191,233
2019 - 2021	5,296,000	252,089	5,548,089
Total	<u>\$ 14,347,000</u>	<u>\$ 1,808,171</u>	<u>\$ 16,155,171</u>

C. Prior Years' Debt Defeasance

In prior years, the Park District has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of February 28, 2013, the amount of defeased debt outstanding amounted to \$7,750,000.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 6 - RISK MANAGEMENT

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

Since June 1, 1992, the Tinley Park Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2013 through January 1, 2014.

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
Property/Bldg/Contents				PDRMA Reinsurers:	P070112
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members Declaration 11	Various Reinsurers through the Public Entity Property Reinsurance	
Flood/except Zones A&V	\$1,000	\$1,000,000	\$250,000,000/occurrence/aggregate		
Flood, Zones A&V	\$1,000	\$1,000,000	\$200,000,000/occurrence/annual aggregate	Program (PEPIP)	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate		
Auto Physical Damage					
Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of Construction/Builders Risk	\$1,000	Included	\$25,000,000		
Business interruption, Rental Income, Tax Income Combined	\$1,000		\$100,000,000/reported values \$500,000/\$2,500,000/non-reported values		
Service Interruption	24 hours	N/A	\$25,000,000		
			OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT		
Boiler and Machinery			\$100,000,000 Equip. Breakdown	Travelers	BME10525L478
Property Damage	\$1,000	\$9,000	Property damage - included	Indemnity Co. of Illinois	
Business Income	48 hours	N/A	Included		
			OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT		
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000	National Union	01-582-86-58
Seasonal Employees	\$1,000	\$9,000	\$1,000,000	Fire Insurance Co.	
Blanket Bond	\$1,000	\$24,000	\$2,000,000		

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 6 - RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
2. <u>Workers Compensation</u>	N/A	\$500,000	Statutory	PDRMA Reinsurers:	WC01013
Employer's Liability		\$500,000	\$3,500,000 Employer's Liability	Government Entities Mutual (GEM)	GEM0003-B13001
3. <u>Liability</u>					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA Reinsurers:	L010112
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Government Entities Mutual, Market	GEM0003-A11001
Employment Practices	None	\$500,000	\$21,500,000/occurrence	Starr Indemnity and Liability Co.	8090016
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence		
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/occurrence		
4. <u>Pollution Liability</u>					
Liability- third party	None	\$25,000	\$5,000,000/occurrence	XL Environmental Insurance	PEC 2535804
Property- first party	\$1,000	\$24,000	\$30,000,000 3 yr. general aggregate		
5. <u>Outbreak Expense</u>	24 hours	NA	\$15,000 per day \$1 million aggregate policy limit	Great American	
6. <u>Volunteer Medical Accident</u>	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
7. <u>Underground Storage Tank Liability</u>	None	NA	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	
8. <u>Unemployment Compensation</u>	N/A	NA	Statutory	Self-funded	
9. <u>Information Security and Privacy Insurance with Electronic Media Liability Coverage</u>					
Various - See Plan Document	None	\$100,000	Various per Occurrence	Beazley Loyds	C121280
Data Protection & Business Interruption	\$1,000	\$100,000	\$2,000,000/occurrence/annual aggregate	Syndicate AFB2623/623	

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 6 - RISK MANAGEMENT (CONTINUED)

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Tinley Park Park District.

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

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's balance sheet at December 31, 2012 and the statement of revenues and expenses for the period ending December 31, 2012. The Tinley Park Park District's portion of the overall equity of the pool is 0.337% or \$123,862.

Assets	\$	58,731,852
Liabilities	\$	22,007,198
Member Balances	\$	36,724,654
Revenues	\$	21,144,568
Expenditures	\$	17,586,080

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, Member Balances are adjusted annually as more recent loss information becomes available.

NOTE 7 - HEALTH INSURANCE

On July 1, 1999 the Tinley Park Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance 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.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 7 - HEALTH INSURANCE (CONTINUED)

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

The following represents a summary of PDRMA's balance sheet at December 31, 2012, and the statement of revenues and expenses for the period ending December 31, 2012.

Assets	\$	12,097,161
Liabilities	\$	5,303,695
Member Balances	\$	6,793,466
Revenues	\$	27,286,495
Expenditures	\$	25,678,129

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

NOTE 8 - DEFICIT FUND BALANCE

At February 28, 2013 none of the funds has a deficit fund balance.

NOTE 9 – INTERFUND RECEIVABLES/PAYABLES

Fund	Due from	Due to
Recreation	\$ 425,000	\$ 0
Fitness Center	0	425,000
	\$ 425,000	\$ 425,000

NOTE 10 – ILLINOIS MUNICIPAL RETIRMENT AND SOCIAL SECURITY FUNDS

In past years, the Illinois Municipal Retirement and Social Security Funds have been combined as a single fund on the financial statements. For the year ended February 28, 2013, both funds have been separated as the funds are being levied separately beginning with the 2012 tax levy.

NOTE 11 - RETIREMENT FUND COMMITMENT

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

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 11 - RETIREMENT FUND COMMITMENT (CONTINUED)

Funding Policy. As set by statute, the Park District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate from calendar year 2012 was 12.08 percent of annual covered payroll. The Park District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For 2012, The Park District's required contribution for calendar year 2012 was \$203,177.

Three-Year Trend Information for the Regular Plan

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/12	\$ 203,177	100%	\$ 0
12/31/11	198,044	100%	0
12/31/10	185,132	100%	0

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Park District Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 65.05 percent funded. The actuarial accrued liability for benefits was \$3,789,111 and the actuarial value of assets was \$2,464,742, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,324,369. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,681,932 and the ratio of the UAAL to the covered payroll was 79 percent.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) issued Statements No. 43 & 45 that established generally accepted accounting principles for the annual financial statements for postemployment benefit plans other than pension plans. The required information is as follows:

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Membership in the plan consisted of the following as of:

	February 29, 2012	February 28, 2011
Retirees and beneficiaries receiving benefits	0	0
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	11	11
Active nonvested plan members	17	17
Total	<u>28</u>	<u>28</u>
Number of participating employers	<u>1</u>	<u>1</u>

A. Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2/28/2010	\$ 0	\$ 261,701	\$ 261,701	0.00%		
2/28/2011	0	261,701	261,701	0.00%		
2/29/2012	0	261,701	261,701	0.00%		

B. Annual OPEB Cost and Net OPEB Obligation

	February 29, 2012	February 28, 2011
Annual required Contribution	33,404	33,010
Interest on net OPEB Obligation	1,651	0
Adjustment to annual required contribution	(1,100)	0
Annual OPEB Cost	<u>33,955</u>	<u>33,010</u>
Contributions made	<u>0</u>	<u>0</u>
Increase (decrease) in net OPEB obligation	33,955	33,010
Net OPEB obligation beginning of year	<u>33,010</u>	<u>0</u>
Net OPEB obligation end of year	<u>66,965</u>	<u>33,010</u>

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

C. Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Actuarial Percentage of Annual OPEB Cash Contributed	Net OPEB Obligation
2/28/2010	\$ 33,010	0%	\$ 33,010
2/28/2011	0	0%	33,010
2/29/2012	33,955	0%	66,965

D. Annual Required Contribution

	February 28, 2013	February 28, 2012
Service Cost	\$ 23,090	\$ 23,090
Amortization	8,723	8,723
Interest	1,591	1,591
Annual Required Contribution	<u>\$ 33,404</u>	<u>\$ 33,404</u>

E. Funding policy and actuarial assumptions

Contribution rates:	
District	
Plan members	0.00%
Actuarial valuation date	2/28/2010
Actuarial cost method	Entry Age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate
Mortality, Turnover, Disability, Retirement Ages	Same rates utilized for IMRF
Percentage of Active Employees Assumed to Elect Benefit	100%

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2013**

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

E. Funding policy and actuarial assumptions (Continued)

Employer Provided Benefit	Explicit: 20% of single premium for ever 5 years of service, payable to age 65 Implicit: 20% of premium to age 65 (50% of \$500/mo + 50% of \$1,000/mo)
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* Includes inflation at 3.00%

Discount Rate: 5.0%
Medical Inflation Rate: 8.0% initial, 6.0% ultimate
Future Payroll Increases: 5.0%

F. GASB 45 Summary as of February 28, 2010

<u>Division</u>	<u>Service Cost</u>	<u>Active Liability</u>	<u>Retired Liability</u>	<u>Total Liability</u>	<u>Annual Required Contribution</u>	<u>Expected Payments</u>	<u>Actives</u>	<u>Retirees</u>	<u>Total</u>
IMRF	23,090	261,701	0	261,701	33,404	0	28	0	28

NOTE 13 - SUBSEQUENT EVENTS

The date to which events occurring after February 28, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is May 3, 2013, the date the financial statements were available to be issued.

**Tinley Park Park District
 Required Supplementary Information
 For the Year Ended February 28, 2013**

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

**Tinley Park Park District
 EMPLOYER NUMBER: 05493R
 REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2012	\$ 2,464,742	\$ 3,789,111	\$ 1,324,369	65.05%	\$ 1,681,932	78.74%
12/31/2011	2,074,570	3,358,311	1,283,741	61.77%	1,664,233	77.14%
12/31/2010	2,373,452	3,563,954	1,190,502	66.60%	1,648,551	72.22%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$2,566,054. On a market basis, the funded ratio would be 67.72%.

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

**Tinley Park Park District
 General Fund
 Budgetary Comparison Schedule
 For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 1,536,104	\$ 1,536,104	\$ 1,478,027	\$ (58,077)
Personal Property Replacement Taxes	20,000	20,000	25,075	5,075
Interest Income	1,000	1,000	1,002	2
Other	896	896	96	(800)
TOTAL REVENUES	<u>1,558,000</u>	<u>1,558,000</u>	<u>1,504,200</u>	<u>(53,800)</u>
EXPENDITURES				
Administrative	512,000	512,000	430,960	81,040
Maintenance	1,284,000	1,284,000	773,117	510,883
TOTAL EXPENDITURES	<u>1,796,000</u>	<u>1,796,000</u>	<u>1,204,077</u>	<u>591,923</u>
NET CHANGE IN FUND BALANCE	<u>\$ (238,000)</u>	<u>\$ (238,000)</u>	300,123	<u>\$ 538,123</u>
FUND BALANCE, BEGINNING OF YEAR			<u>1,370,831</u>	
END OF YEAR			<u>\$ 1,670,954</u>	

**Tinley Park Park District
Recreation Fund
Budgetary Comparison Schedule
For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 987,578	\$ 987,578	\$ 986,171	\$ (1,407)
Program Fees	990,000	990,000	1,134,928	144,928
Rental Fees	55,000	55,000	64,521	9,521
Interest Income	1,000	1,000	1,000	0
Other	13,422	13,422	46,908	33,486
TOTAL REVENUES	<u>2,047,000</u>	<u>2,047,000</u>	<u>2,233,528</u>	<u>186,528</u>
TOTAL EXPENDITURES	<u>2,758,000</u>	<u>2,758,000</u>	<u>2,044,445</u>	<u>713,555</u>
NET CHANGE IN FUND BALANCE	<u>\$ (711,000)</u>	<u>\$ (711,000)</u>	189,083	<u>\$ 900,083</u>
FUND BALANCES, BEGINNING OF YEAR			<u>630,434</u>	
END OF YEAR			<u>\$ 819,517</u>	

**Tinley Park Park District
Special Recreation Fund
Budgetary Comparison Schedule
For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 674,769	\$ 674,769	\$ 588,623	\$ (86,146)
Interest Income	231	231	231	0
TOTAL REVENUES	<u>675,000</u>	<u>675,000</u>	<u>588,854</u>	<u>(86,146)</u>
EXPENDITURES				
Payroll	40,000	40,000	19,330	20,670
Service Contracts	24,000	24,000	21,865	2,135
Equipment Purchase	10,000	10,000	0	10,000
Playground Equipment	395,000	395,000	237,164	157,836
SSSRA Co-Payment	426,000	426,000	397,030	28,970
TOTAL EXPENDITURES	<u>895,000</u>	<u>895,000</u>	<u>675,389</u>	<u>219,611</u>
NET CHANGE IN FUND BALANCE	<u>\$ (220,000)</u>	<u>\$ (220,000)</u>	<u>(86,535)</u>	<u>\$ 133,465</u>
FUND BALANCE, BEGINNING OF YEAR			<u>462,419</u>	
END OF YEAR			<u>\$ 375,884</u>	

**Tinley Park Park District
General Fund
Schedule of Expenditures
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
EXPENDITURES				
Administrative				
Payroll	\$ 248,000	\$ 248,000	\$ 242,386	\$ 5,614
Postage	4,000	4,000	2,285	1,715
Telephone	11,000	11,000	5,110	5,890
Conference/Education	19,000	19,000	13,814	5,186
Office Repairs	1,000	1,000	0	1,000
Dues/Membership	8,000	8,000	8,000	0
Legal Fees/Notice	35,000	35,000	13,800	21,200
Commissioner Reimbursement	2,500	2,500	0	2,500
Hospital/Life Insurance	156,000	156,000	133,410	22,590
Public Relations	4,500	4,500	1,100	3,400
Office Supplies	10,000	10,000	6,603	3,397
Office Equipment	7,000	7,000	1,446	5,554
Operating Supplies	1,000	1,000	395	605
Contingency	5,000	5,000	2,611	2,389
Total Administrative	512,000	512,000	430,960	81,040
Maintenance				
Payroll	309,000	309,000	305,704	3,296
Building Maintenance	27,000	27,000	22,403	4,597
Ground Maintenance	32,000	32,000	14,030	17,970
Service Contracts	117,000	117,000	115,575	1,425
Equipment Maintenance	20,000	20,000	12,066	7,934
Vehicle Maintenance	8,000	8,000	6,191	1,809
Rental Equipment	3,000	3,000	2,285	715
Refuse Disposal	8,000	8,000	4,675	3,325
Utilities	55,000	55,000	42,773	12,227
Stock Supplies	85,000	85,000	73,242	11,758
Equipment	23,000	23,000	18,689	4,311
Gasoline	42,000	42,000	24,598	17,402
Playground Repair Parts	12,000	12,000	3,731	8,269
Vehicle/Equipment Purchase	16,000	16,000	9,849	6,151
Park/Playground Equipment	5,000	5,000	2,914	2,086
Site Improvements	100,000	100,000	97,946	2,054
Site Development	20,000	20,000	15,750	4,250
Future Capital Projects	400,000	400,000	0	400,000
Contingency	2,000	2,000	696	1,304
Total Maintenance	1,284,000	1,284,000	773,117	510,883
TOTAL EXPENDITURES	\$ 1,796,000	\$ 1,796,000	\$ 1,204,077	\$ 591,923

**Tinley Park Park District
Recreation Fund
Schedule of Expenditures
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
EXPENDITURES				
Payroll	\$ 1,322,000	\$ 1,322,000	\$ 1,126,710	\$ 195,290
Postage	6,000	6,000	3,976	2,024
Telephone	9,000	9,000	8,396	604
Conference/Education	23,000	23,000	18,296	4,704
Dues/Membership	8,000	8,000	5,072	2,928
Employee Reimbursement	1,500	1,500	318	1,182
Hospital/Life Insurance	156,000	156,000	124,602	31,398
Contingency	5,000	5,000	3,575	1,425
Event Services	106,000	106,000	48,789	57,211
Service Contracts	77,500	77,500	50,372	27,128
Vehicle Maintenance	4,000	4,000	132	3,868
Utilities	193,000	193,000	139,884	53,116
Printing	56,000	56,000	37,669	18,331
Brochure	18,000	18,000	18,126	(126)
Equipment Rental	9,000	9,000	3,967	5,033
Equipment Repair	4,000	4,000	1,038	2,962
Contracted Instructors	205,000	205,000	172,167	32,833
Bus Rental	45,000	45,000	21,000	24,000
Tour Planning Services	5,000	5,000	0	5,000
Officials/Referees	72,000	72,000	60,585	11,415
Marketing/Advertising	18,000	18,000	4,302	13,698
Office Supplies	14,000	14,000	10,487	3,513
Office Equipment	10,000	10,000	2,124	7,876
Publications/Periodicals	2,000	2,000	151	1,849
Operating Supplies	6,000	6,000	3,307	2,693
Program Supplies	87,000	87,000	54,974	32,026
Program Equipment	36,000	36,000	7,376	28,624
Gasoline	6,000	6,000	8,837	(2,837)
Paper Products	7,000	7,000	1,290	5,710
Athletic Supplies	8,000	8,000	4,763	3,237
Coaches Expense	4,000	4,000	207	3,793
League Awards	48,000	48,000	32,849	15,151
Athletic Equipment	24,000	24,000	11,733	12,267
First Aid Supplies	3,000	3,000	537	2,463
League Uniforms	35,000	35,000	25,591	9,409
Tournament/Association Fees	18,000	18,000	13,460	4,540
Vehicle/Equipment Purchase	56,000	56,000	13,121	42,879
Site Development	48,000	48,000	4,662	43,338
Scholarship	3,000	3,000	0	3,000
TOTAL EXPENDITURES	\$ 2,758,000	\$ 2,758,000	\$ 2,044,445	\$ 713,555

**Tinley Park Park District
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 1,930,689	\$ 1,930,689	\$ 1,956,993	\$ 26,304
Interest Income	1,311	1,311	1,311	0
TOTAL REVENUES	<u>1,932,000</u>	<u>1,932,000</u>	<u>1,958,304</u>	<u>26,304</u>
EXPENDITURES				
Bond Principal	1,939,000	1,939,000	1,580,000	359,000
Bond Interest	0	0	352,690	(352,690)
Bond Fees	0	0	58,721	(58,721)
TOTAL EXPENDITURES	<u>1,939,000</u>	<u>1,939,000</u>	<u>1,991,411</u>	<u>(52,411)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (7,000)</u>	<u>\$ (7,000)</u>	(33,107)	<u>\$ (26,107)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>700,638</u>	
END OF YEAR			<u>\$ 667,531</u>	

**Tinley Park Park District
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Impact Fees	\$ 1,000	\$ 1,000	\$ 975	\$ (25)
Interest Income	15,000	15,000	3,926	(11,074)
Other	64,000	64,000	72,740	8,740
TOTAL REVENUES	<u>80,000</u>	<u>80,000</u>	<u>77,641</u>	<u>(2,359)</u>
EXPENDITURES				
Parks	2,265,000	2,265,000	2,165,602	99,398
Playgrounds	539,000	539,000	122,842	416,158
Equipment Purchase	205,000	205,000	101,014	103,986
TOTAL EXPENDITURES	<u>3,009,000</u>	<u>3,009,000</u>	<u>2,389,458</u>	<u>619,542</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(2,929,000)	(2,929,000)	(2,311,817)	617,183
OTHER FINANCING SOURCES				
Issuance of Debt	4,000,000	4,000,000	5,622,000	1,622,000
Premium on Bond Issue	0	0	191,009	191,009
TOTAL OTHER FINANCING SOURCES	<u>4,000,000</u>	<u>4,000,000</u>	<u>5,813,009</u>	<u>1,813,009</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,071,000</u>	<u>\$ 1,071,000</u>	3,501,192	<u>\$ 2,430,192</u>
FUND BALANCE, BEGINNING OF YEAR			<u>1,720,140</u>	
END OF YEAR			<u>\$ 5,221,332</u>	

**Tinley Park Park District
Fitness Center Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING REVENUES				
Service Fees	\$ 520,000	\$ 520,000	\$ 381,870	\$ (138,130)
Rental Fees	48,000	48,000	38,454	(9,546)
Interest Income	500	500	500	0
Other Income	4,500	4,500	6,123	1,623
TOTAL OPERATING REVENUES	<u>573,000</u>	<u>573,000</u>	<u>426,947</u>	<u>(146,053)</u>
DIRECT OPERATING EXPENSES				
Salaries	307,000	307,000	267,623	39,377
Utilities	79,500	79,500	51,754	27,746
Supplies	23,500	23,500	15,943	7,557
Repairs and Maintenance	25,000	25,000	14,000	11,000
Advertising	8,000	8,000	1,129	6,871
Equipment Repair	10,000	10,000	8,205	1,795
Service Contracts	18,000	18,000	15,445	2,555
Site Improvements	100,000	100,000	0	100,000
Insurance	37,000	37,000	35,614	1,386
Depreciation	0	0	97,203	(97,203)
Miscellaneous	27,000	27,000	3,463	23,537
TOTAL DIRECT OPERATING EXPENSES	<u>635,000</u>	<u>635,000</u>	<u>510,379</u>	<u>124,621</u>
CHANGE IN FUND NET POSITION	<u>\$ (62,000)</u>	<u>\$ (62,000)</u>	<u>(83,432)</u>	<u>\$ (21,432)</u>
NET POSITION, BEGINNING OF YEAR			<u>2,271,889</u>	
END OF YEAR			<u>\$ 2,188,457</u>	

**Tinley Park Park District
Water Park Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING REVENUES				
Service Fees	\$ 610,000	\$ 610,000	\$ 668,014	\$ 58,014
Concession Sales	120,000	120,000	140,426	20,426
Rental Fees	16,000	16,000	14,655	(1,345)
Interest Income	2,000	2,000	2,000	0
Other Income	7,000	7,000	21,777	14,777
TOTAL OPERATING REVENUES	<u>755,000</u>	<u>755,000</u>	<u>846,872</u>	<u>91,872</u>
DIRECT OPERATING EXPENSES				
Salaries	407,000	407,000	337,415	69,585
Utilities	109,000	109,000	71,474	37,526
Supplies	66,000	66,000	67,325	(1,325)
Repairs and Maintenance	41,000	41,000	28,916	12,084
Advertising	7,000	7,000	5,841	1,159
Concessions	55,000	55,000	51,405	3,595
Conferences	13,000	13,000	8,691	4,309
Service Contracts	8,000	8,000	10,996	(2,996)
Insurance	3,000	3,000	2,902	98
Depreciation	0	0	135,177	(135,177)
Capital Improvements	464,000	464,000	21,684	442,316
Miscellaneous	101,000	101,000	1,434	99,566
TOTAL DIRECT OPERATING EXPENSES	<u>1,274,000</u>	<u>1,274,000</u>	<u>743,260</u>	<u>530,740</u>
CHANGE IN FUND NET POSITION	<u>\$ (519,000)</u>	<u>\$ (519,000)</u>	103,612	<u>\$ 622,612</u>
NET POSITION, BEGINNING OF YEAR			<u>4,810,368</u>	
END OF YEAR			<u>\$ 4,913,980</u>	

Tinley Park Park District
 Non-Major Governmental Funds
 Combining Balance Sheet
 February 28, 2013

	Special Revenue Funds					Permanent Fund	Total
	Liability Insurance	Social Security	Illinois		Police Program	Working Cash	
			Municipal Retirement	Museum			
ASSETS							
Cash	\$ 131,628	\$ 457,101	\$ 251,169	\$ 240,068	\$ 73,187	\$ 764	\$ 1,153,917
Taxes Receivable	123,517	251,867	232,885	117,849	49,010	0	775,128
TOTAL ASSETS	<u>255,145</u>	<u>708,968</u>	<u>484,054</u>	<u>357,917</u>	<u>122,197</u>	<u>764</u>	<u>1,929,045</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>255,145</u>	<u>708,968</u>	<u>484,054</u>	<u>357,917</u>	<u>122,197</u>	<u>764</u>	<u>1,929,045</u>
LIABILITIES							
Accounts Payable	0	0	0	4,081	1,243	0	5,324
Accrued Payroll	444	0	0	1,111	2,160	0	3,715
Accrued Vacation	0	0	0	0	884	0	884
TOTAL LIABILITIES	<u>444</u>	<u>0</u>	<u>0</u>	<u>5,192</u>	<u>4,287</u>	<u>0</u>	<u>9,923</u>
DEFERRED INFLOWS							
Deferred Property Taxes	140,716	286,939	265,313	134,259	55,834	0	883,061
TOTAL DEFERRED INFLOWS	<u>140,716</u>	<u>286,939</u>	<u>265,313</u>	<u>134,259</u>	<u>55,834</u>	<u>0</u>	<u>883,061</u>
FUND BALANCES							
Fund Balances							
Non-Spendable	0	0	0	0	0	764	764
Restricted	113,985	422,029	218,741	67,466	52,076	0	874,297
Committed	0	0	0	151,000	10,000	0	161,000
TOTAL FUND BALANCES	<u>113,985</u>	<u>422,029</u>	<u>218,741</u>	<u>218,466</u>	<u>62,076</u>	<u>764</u>	<u>1,036,061</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 255,145</u>	<u>\$ 708,968</u>	<u>\$ 484,054</u>	<u>\$ 357,917</u>	<u>\$ 122,197</u>	<u>\$ 764</u>	<u>\$ 1,929,045</u>

**Tinley Park Park District
Non-Major Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended February 28, 2013**

	Special Revenue Funds					Permanent Fund	Total
	Liability Insurance	Social Security	Illinois Municipal Retirement	Museum	Police Program	Working Cash	
REVENUES							
Property Taxes	\$ 131,809	\$ 315,628	\$ 201,670	\$ 125,761	\$ 52,300	\$ 0	\$ 827,168
Interest Income	100	937	127	58	125	0	1,347
Other	1,500	0	0	0	0	0	1,500
TOTAL REVENUES	<u>133,409</u>	<u>316,565</u>	<u>201,797</u>	<u>125,819</u>	<u>52,425</u>	<u>0</u>	<u>830,015</u>
EXPENDITURES							
Liability Insurance	114,051	0	0	0	0	0	114,051
Social Security	0	181,505	0	0	0	0	181,505
Municipal Retirement	0	0	204,927	0	0	0	204,927
Museum	0	0	0	55,506	0	0	55,506
Police Program	0	0	0	0	121,028	0	121,028
TOTAL EXPENDITURES	<u>114,051</u>	<u>181,505</u>	<u>204,927</u>	<u>55,506</u>	<u>121,028</u>	<u>0</u>	<u>677,017</u>
NET CHANGE IN FUND BALANCES	19,358	135,060	(3,130)	70,313	(68,603)	0	152,998
FUND BALANCE, BEGINNING OF YEAR	<u>94,627</u>	<u>286,969</u>	<u>221,871</u>	<u>148,153</u>	<u>130,679</u>	<u>764</u>	<u>883,063</u>
END OF YEAR	<u>\$ 113,985</u>	<u>\$ 422,029</u>	<u>\$ 218,741</u>	<u>\$ 218,466</u>	<u>\$ 62,076</u>	<u>\$ 764</u>	<u>\$ 1,036,061</u>

**Tinley Park Park District
 Liability Insurance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 131,998	\$ 131,998	\$ 131,809	\$ (189)
Interest Income	100	100	100	0
Miscellaneous Income	902	902	1,500	598
TOTAL REVENUES	<u>133,000</u>	<u>133,000</u>	<u>133,409</u>	<u>409</u>
EXPENDITURES				
Safety Coordinator	12,000	12,000	10,658	1,342
Loss/Repairs	20,000	20,000	269	19,731
Insurance Premiums	150,000	150,000	103,124	46,876
TOTAL EXPENDITURES	<u>182,000</u>	<u>182,000</u>	<u>114,051</u>	<u>67,949</u>
NET CHANGE IN FUND BALANCE	<u>\$ (49,000)</u>	<u>\$ (49,000)</u>	19,358	<u>\$ 68,358</u>
FUND BALANCE, BEGINNING OF YEAR			<u>94,627</u>	
END OF YEAR			<u>\$ 113,985</u>	

**Tinley Park Park District
Social Security Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 316,063	\$ 316,063	\$ 315,628	\$ (435)
Interest Income	937	937	937	0
TOTAL REVENUES	<u>317,000</u>	<u>317,000</u>	<u>316,565</u>	<u>(435)</u>
EXPENDITURES				
Social Security	<u>216,000</u>	<u>216,000</u>	<u>181,505</u>	<u>34,495</u>
TOTAL EXPENDITURES	<u>216,000</u>	<u>216,000</u>	<u>181,505</u>	<u>34,495</u>
NET CHANGE IN FUND BALANCE	<u>\$ 101,000</u>	<u>\$ 101,000</u>	135,060	<u>\$ 34,060</u>
FUND BALANCE, BEGINNING OF YEAR			<u>286,969</u>	
END OF YEAR			<u>\$ 422,029</u>	

**Tinley Park Park District
 Illinois Municipal Retirement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 201,973	\$ 201,973	\$ 201,670	\$ (303)
Interest Income	127	127	127	0
TOTAL REVENUES	<u>202,100</u>	<u>202,100</u>	<u>201,797</u>	<u>(303)</u>
EXPENDITURES				
IMRF Contributions	<u>224,000</u>	<u>224,000</u>	<u>204,927</u>	<u>19,073</u>
TOTAL EXPENDITURES	<u>224,000</u>	<u>224,000</u>	<u>204,927</u>	<u>19,073</u>
NET CHANGE IN FUND BALANCE	<u>\$ (21,900)</u>	<u>\$ (21,900)</u>	<u>(3,130)</u>	<u>\$ 18,770</u>
FUND BALANCE, BEGINNING OF YEAR			<u>221,871</u>	
END OF YEAR			<u>\$ 218,741</u>	

**Tinley Park Park District
Museum Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 125,942	\$ 125,942	\$ 125,761	\$ (181)
Interest Income	58	58	58	0
TOTAL REVENUES	<u>126,000</u>	<u>126,000</u>	<u>125,819</u>	<u>(181)</u>
EXPENDITURES				
Payroll	26,000	26,000	19,215	6,785
Telephone	2,000	2,000	1,867	133
Building Maintenance	8,000	8,000	3,286	4,714
Grounds Maintenance	1,000	1,000	453	547
Service Contracts	15,000	15,000	10,266	4,734
Refuse Disposal	1,000	1,000	30	970
Utilities	35,000	35,000	11,676	23,324
Operating Supplies	3,000	3,000	745	2,255
Site Improvements	97,000	97,000	7,339	89,661
Other	1,000	1,000	629	371
TOTAL EXPENDITURES	<u>189,000</u>	<u>189,000</u>	<u>55,506</u>	<u>133,494</u>
NET CHANGE IN FUND BALANCE	<u>\$ (63,000)</u>	<u>\$ (63,000)</u>	70,313	<u>\$ 133,313</u>
FUND BALANCE, BEGINNING OF YEAR			<u>148,153</u>	
END OF YEAR			<u>\$ 218,466</u>	

**Tinley Park Park District
Police Program Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 52,375	\$ 52,375	\$ 52,300	\$ (75)
Interest Income	125	125	125	0
TOTAL REVENUES	<u>52,500</u>	<u>52,500</u>	<u>52,425</u>	<u>(75)</u>
EXPENDITURES				
Payroll	71,000	71,000	56,264	14,736
Telephone	7,000	7,000	5,174	1,826
Conference/Education	4,000	4,000	37	3,963
Alarm/Monitoring	11,000	11,000	9,865	1,135
Contingency	1,000	1,000	24	976
Vehicle Maintenance	5,000	5,000	800	4,200
Equipment	40,000	40,000	36,399	3,601
Gasoline	12,000	12,000	12,000	0
Uniforms	1,000	1,000	465	535
TOTAL EXPENDITURES	<u>152,000</u>	<u>152,000</u>	<u>121,028</u>	<u>30,972</u>
NET CHANGE IN FUND BALANCE	<u>\$ (99,500)</u>	<u>\$ (99,500)</u>	<u>(68,603)</u>	<u>\$ 30,897</u>
FUND BALANCE, BEGINNING OF YEAR			<u>130,679</u>	
END OF YEAR			<u>\$ 62,076</u>	

Tinley Park Park District
Permanent Fund
Working Cash Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended February 28, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL EXPENDITURES	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,000)</u>	<u>\$ (1,000)</u>	<u>0</u>	<u>\$ 1,000</u>
FUND BALANCE, BEGINNING OF YEAR			<u>764</u>	
END OF YEAR			<u>\$ 764</u>	

**Tinley Park Park District
 McCarthy Park Fund
 Schedule of Revenues, Expenses, and Changes in Fund Net Position
 Budget and Actual
 For The Year Ended February 28, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES				
Service Fees	\$ 62,000	\$ 62,000	\$ 49,202	\$ (12,798)
Concession Sales	26,000	26,000	16,297	(9,703)
Interest Income	500	500	500	0
Other Income	1,500	1,500	2,800	1,300
TOTAL OPERATING REVENUES	<u>90,000</u>	<u>90,000</u>	<u>68,799</u>	<u>(21,201)</u>
DIRECT OPERATING EXPENSES				
Salaries	46,000	46,000	28,991	17,009
Utilities	5,000	5,000	1,200	3,800
Supplies	36,000	36,000	20,728	15,272
Repairs and Maintenance	5,500	5,500	1,776	3,724
Advertising	3,000	3,000	1,751	1,249
Concessions	5,000	5,000	837	4,163
Equipment Repair	5,000	5,000	619	4,381
Service Contracts	4,000	4,000	1,096	2,904
Site Improvements	25,500	25,500	13,689	11,811
Miscellaneous	22,000	22,000	124	21,876
TOTAL DIRECT OPERATING EXPENSES	<u>157,000</u>	<u>157,000</u>	<u>70,811</u>	<u>86,189</u>
CHANGE IN FUND NET POSITION	<u>\$ (67,000)</u>	<u>\$ (67,000)</u>	(2,012)	<u>\$ 64,988</u>
NET POSITION, BEGINNING OF YEAR			<u>88,408</u>	
END OF YEAR			<u>\$ 86,396</u>	

**Tinley Park Park District
 Bond Issue Dated July, 2004
 February 28, 2013**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2014	\$ 310,000	\$ 20,070	\$ 330,070
2015	245,000	9,065	254,065
	<u>\$ 555,000</u>	<u>\$ 29,135</u>	<u>\$ 584,135</u>

Original Issue \$4,000,000
 Denomination: \$5,000
 Bonds Due: December 1
 Interest Dates: June 1 and December 1
 Interest Rates: 1.90% to 3.70%
 Paying Agent: Amalgamated Bank
 Purpose: Park Development

Tinley Park Park District
Bond Issue Dated October, 2005
February 28, 2013

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2014	\$ 835,000	\$ 260,920	\$ 1,095,920
2015	890,000	230,860	1,120,860
2016	945,000	198,820	1,143,820
2017	1,015,000	164,327	1,179,327
2018	1,070,000	126,773	1,196,773
2019	1,135,000	87,182	1,222,182
2020	1,205,000	45,188	1,250,188
	<u>\$ 7,095,000</u>	<u>\$ 1,114,070</u>	<u>\$ 8,209,070</u>

Original Issue \$9,995,000

Denomination: \$5,000

Bonds Due: December 15

Interest Dates: June 15 and December 15

Interest Rates: 3.00% to 3.75%

Paying Agent: Amalgamated Bank

Purpose: Recreation Center Project

Tinley Park Park District
Bond Issue Dated February, 2009
February 28, 2013

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2014	\$ 495,000	\$ 23,445	\$ 518,445
2015	580,000	13,050	593,050
	<u>\$ 1,075,000</u>	<u>\$ 36,495</u>	<u>\$ 1,111,495</u>

Original Issue \$2,995,000
Denomination: \$5,000
Bonds Due: December 15
Interest Dates: June 15 and December 15
Interest Rates: 1.50% to 2.25%
Paying Agent: Amalgamated Bank
Purpose: Park Development

**Tinley Park Park District
 Bond Issue Dated December, 2012
 February 28, 2013**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2014	\$ 0	\$ 111,191	\$ 111,191
2015	0	112,440	112,440
2016	861,000	112,440	973,440
2017	888,000	95,220	983,220
2018	917,000	77,460	994,460
2019	949,000	59,120	1,008,120
2020	984,000	40,140	1,024,140
2021	1,023,000	20,460	1,043,460
	<u>\$ 5,622,000</u>	<u>\$ 628,471</u>	<u>\$ 6,250,471</u>

Original Issue \$5,622,000

Premium Amortized over Eight Years \$191,009

Denomination: \$5,000

Bonds Due: December 15

Interest Dates: June 15 and December 15

Interest Rates: 2%

Paying Agent: Amalgamated Bank

Purpose: Park Development

**Tinley Park Park District
Computation of Legal Debt Margin
February 28, 2013**

2011 ASSESSED VALUATION	<u>\$ 1,459,474,114</u>
STATUTORY DEBT LIMITATION 2.875% of Assessed Valuation	41,959,881
Outstanding Bonds	<u>14,347,000</u>
LEGAL DEBT MARGIN	<u>\$ 27,612,881</u>