

**Tinley Park Park District
Tinley Park, Illinois
Annual Financial Report
For The Year Ended February 28, 2014**

Tinley Park Park District
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For The Year Ended February 28, 2014

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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, 2014, and the related notes to the financial statements which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2014, 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

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedule of funding progress on pages 3 through 10 and page 43, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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, 2014 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, 2014 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 February 28, 2014 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The supplemental schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are 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.

April 28, 2014
Darien, Illinois

Kuntze & 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, 2014. 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 \$34,942,927 .
- Net assets of governmental activities were \$27,838,353 and business type activities assets were \$7,104,574 .
- Property taxes levied and collected were \$6,028,936 compared to the prior year of \$5,836,982 for an increase of \$191,954 .
- The District's governmental funds reported combined ending fund balances of \$5,463,334 , a decrease of \$4,327,942. The decrease 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 \$487,920 on capital improvements not related to the recreation center expansion project.
- The District's outstanding long-term debt decreased by \$1,640,000 to \$ 12,707,000.

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 Assets 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 Assets* presents information on all the District's assets and liabilities, with the difference between the two reported as *net assets*. 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 assets 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 Assets

As noted earlier, the District's combined net assets for governmental activities increased to \$27,838,353 and business type activities decreased to \$7,104,574.

Financial Position	Governmental	Business Type	Total
Current Assets	12,166,270	1,112,083	13,278,353
Capital Assets	29,066,219	6,826,810	35,893,029
Total Assets	41,232,489	7,938,893	49,171,382
Current Other Liabilities	2,402,136	834,319	3,236,455
Long Term Liabilities	10,992,000	0	10,992,000
Total Liabilities	13,394,136	834,319	14,228,455
Net Assets Invested in Capital			
Assets, Net of Related Debt	16,192,086	6,643,684	22,835,770
Restricted Amounts	2,659,790	0	2,659,790
Unrestricted Net Assets	8,986,477	460,890	9,447,367
Total Net Assets	27,838,353	7,104,574	34,942,927

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

Statement of Activities

The District's net assets increased by \$1,855,207 during the current fiscal year as governmental activity net assets increased \$1,939,467 and business-type activity decreased \$84,260 as discussed further below.

	Governmental Activities	Business Type Activities	Total
Revenues			
Charges for Services	\$ 1,219,302	\$ 1,345,948	\$ 2,565,250
Operating Grants and Contributions	2,575	0	2,575
Rental Income	0	0	0
Property Taxes	6,177,052	0	6,177,052
Replacement Taxes	28,688	0	28,688
Interest Income	39,287	3,000	42,287
Miscellaneous	140,444	32,493	172,937
Total Revenue	7,607,348	1,381,441	8,988,789
Expenses			
Governmental Activities			
General Government	2,388,963	0	2,388,963
Recreation	2,860,360	0	2,860,360
Interest on Long Term Debt	418,158	0	418,158
Business-Type Activities	0	1,465,701	1,465,701
Total Expenses	5,667,481	1,465,701	7,133,182
Increase/ Decrease In Net Assets	1,939,867	(84,260)	1,855,607
Net Assets Beginning of Year	25,898,886	7,188,834	33,087,720
Net Assets 2/28/2013	27,838,353	7,104,574	34,942,927

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

Governmental Activities

As stated previously, governmental activities increased the District's net assets by \$1,939,467. This is primarily due to payment of bond principal.

- Ø Property taxes increased by \$191,954. The District's tax rate is .4550.
- Ø Program Fees increased by \$21,852.
- Ø Total expenditures increased by \$2,781,099 from \$8,981,797 in 2013 to \$11,762,896 in 2014.

Business-type Activities

As previously stated, Business-type activities decreased the district's net assets by \$84,260.

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 \$5,463,334. The total ending fund balances of governmental funds shows a decrease of \$4,327,942 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, 2014 was \$1,787,698, an increase of \$116,746 from the prior year.

The Recreation fund balance was \$1,032,804, an increase of \$213,287 from the prior year.

The Special Recreation fund balance was \$363,670, a decrease of \$12,213 over the prior year.

The Debt Service fund balance was \$664,606, a decrease of \$2,925 over the prior year.

The Capital Projects fund balance was \$448,082, a decrease of \$4,773,251 from the prior year.

Tinley Park 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 an increase in operating income of \$142,950 totaling \$569,897 in 2014. The operating expenses increased by \$124,975

The Water Park had a decrease in operating income of \$113,048 totaling \$733,824 in 2014. The operating expenses increased by \$22,846.

Operating income for McCarthy Park/Tinley Junction increased by \$8,921 in 2014 totaling \$77,720. The operating expenses decreased by \$6,570.

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, 2014 was \$16,192,086 and \$6,643,684 respectively. The District has an annual playground and vehicle/equipment replacement schedule. This resulted in updating two playground sites and replacing two vehicles.

Debt Administration

As of February 28, 2014 the Park District has general obligation bond issues outstanding of \$12,707,000. The fund balance of the Debt Service Fund amounted to \$664,606 as of February 28, 2014.

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, 2014**

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash	\$ 6,306,224	\$ 1,109,314	\$ 7,415,538
Taxes Receivable	5,393,890	0	5,393,890
Accounts Receivable	41,156	2,769	43,925
Interfund Balances	425,000	(425,000)	0
Capital Assets			
Capital Assets Not Being Depreciated	4,374,511	42,120	4,416,631
Other Capital Assets, Net of Depreciation	24,691,708	6,784,690	31,476,398
Total Capital Assets	<u>29,066,219</u>	<u>6,826,810</u>	<u>35,893,029</u>
TOTAL ASSETS	<u>41,232,489</u>	<u>7,513,893</u>	<u>48,746,382</u>
DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>
LIABILITIES			
Accounts Payable	134,768	18,939	153,707
Accrued Payroll	57,080	7,795	64,875
Accrued Vacation	92,077	7,945	100,022
Deferred Premium on Bond Issue	167,133	0	167,133
Deferred Program Revenue	236,078	191,514	427,592
Bonds Payable			
Due Within One Year	1,715,000	0	1,715,000
Due in More Than One Year	10,992,000	0	10,992,000
Installment Contract Payable			
Due Within One Year	0	68,107	68,107
Due in More Than One Year	0	115,019	115,019
TOTAL LIABILITIES	<u>13,394,136</u>	<u>409,319</u>	<u>13,803,455</u>
DEFERRED INFLOWS	<u>0</u>	<u>0</u>	<u>0</u>
NET POSITION			
Net Investment in Capital Assets	16,192,086	6,643,684	22,835,770
Restricted Amounts	2,659,790	0	2,659,790
Unrestricted Amounts	8,986,477	460,890	9,447,367
TOTAL NET POSITION	<u>\$ 27,838,353</u>	<u>\$ 7,104,574</u>	<u>\$ 34,942,927</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Statement of Activities
February 28, 2014**

	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	2,388,963	0	0	(2,388,963)	0	(2,388,963)
Recreation	2,860,360	1,219,302	2,575	(1,638,483)	0	(1,638,483)
Interest on Long-Term Debt	418,158	0	0	(418,158)	0	(418,158)
Total Governmental Activities	5,667,481	1,219,302	2,575	(4,445,604)	0	(4,445,604)
Business Type Activities						
Fitness Center Fund	635,354	560,140	0	0	(75,214)	(75,214)
Water Park Fund	766,106	711,858	0	0	(54,248)	(54,248)
McCarthy Park Fund	64,241	73,950	0	0	9,709	9,709
Total Business Type Activities	1,465,701	1,345,948	0	0	(119,753)	(119,753)
TOTAL	\$ 7,133,182	\$ 2,565,250	\$ 2,575			
GENERAL REVENUES						
Taxes						
Property taxes levied for general purposes				6,177,052	0	6,177,052
Replacement taxes for general purposes				28,688	0	28,688
Interest Income				39,287	3,000	42,287
Miscellaneous				140,044	32,493	172,537
TOTAL GENERAL REVENUES				6,385,071	35,493	6,420,564
CHANGE IN NET POSITION				1,939,467	(84,260)	1,855,207
NET POSITION,						
BEGINNING OF YEAR				25,898,886	7,188,834	33,087,720
END OF YEAR				\$ 27,838,353	\$ 7,104,574	\$ 34,942,927

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Governmental Funds
Balance Sheet
February 28, 2014**

	<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	\$ 2,099,285	\$ 1,064,435	\$ 435,688	\$ 928,910	\$ 487,920	\$ 1,289,986	\$ 6,306,224
Taxes Receivable	1,323,711	964,925	489,124	1,806,782	0	809,348	5,393,890
Accounts Receivable	225	40,931	0	0	0	0	41,156
Due From Other Funds	0	425,000	0	0	0	0	425,000
TOTAL ASSETS	<u>3,423,221</u>	<u>2,495,291</u>	<u>924,812</u>	<u>2,735,692</u>	<u>487,920</u>	<u>2,099,334</u>	<u>12,166,270</u>
DEFERRED OUTFLOWS							
	0	0	0	0	0	0	0
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>3,423,221</u>	<u>2,495,291</u>	<u>924,812</u>	<u>2,735,692</u>	<u>487,920</u>	<u>2,099,334</u>	<u>12,166,270</u>
LIABILITIES							
Accounts Payable	39,401	51,593	450	0	39,838	3,486	134,768
Accrued Payroll	36,521	19,943	17	0	0	599	57,080
Accrued Vacation	42,251	48,794	0	0	0	1,032	92,077
Deferred Program Revenues	0	236,078	0	0	0	0	236,078
TOTAL LIABILITIES	<u>118,173</u>	<u>356,408</u>	<u>467</u>	<u>0</u>	<u>39,838</u>	<u>5,117</u>	<u>520,003</u>
DEFERRED INFLOWS							
Deferred Property Taxes	1,517,350	1,106,079	560,675	2,071,086	0	927,743	6,182,933
TOTAL DEFERRED INFLOWS	<u>1,517,350</u>	<u>1,106,079</u>	<u>560,675</u>	<u>2,071,086</u>	<u>0</u>	<u>927,743</u>	<u>6,182,933</u>
FUND BALANCES							
Non-Spendable	0	0	0	0	0	764	764
Restricted	0	928,804	83,670	664,606	0	982,710	2,659,790
Committed	1,566,000	104,000	280,000	0	1,013,000	183,000	3,146,000
Unassigned	221,698	0	0	0	(564,918)	0	(343,220)
TOTAL FUND BALANCE	<u>1,787,698</u>	<u>1,032,804</u>	<u>363,670</u>	<u>664,606</u>	<u>448,082</u>	<u>1,166,474</u>	<u>5,463,334</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 3,423,221</u>	<u>\$ 2,495,291</u>	<u>\$ 924,812</u>	<u>\$ 2,735,692</u>	<u>\$ 487,920</u>	<u>\$ 2,099,334</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.

29,066,219
6,182,933
(12,707,000)
(167,133)

NET POSITION OF GOVERNMENTAL FUNDS

\$ 27,838,353

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, 2014

	<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>
REVENUES							
Property Taxes	\$ 1,476,304	\$ 1,065,665	\$ 539,679	\$ 2,053,442	\$ 0	\$ 893,846	\$ 6,028,936
Replacement Taxes	28,688	0	0	0	0	0	28,688
Program Fees	0	1,156,780	0	0	0	0	1,156,780
Rental Fees	0	62,522	0	0	0	0	62,522
Impact Fees	0	0	0	0	2,575	0	2,575
Interest Income	999	1,000	210	1,791	9,370	2,041	15,411
Other	356	56,993	0	0	80,430	2,263	140,042
TOTAL REVENUES	<u>1,506,347</u>	<u>2,342,960</u>	<u>539,889</u>	<u>2,055,233</u>	<u>92,375</u>	<u>898,150</u>	<u>7,434,954</u>
EXPENDITURES							
General	1,389,601	0	0	0	0	0	1,389,601
Recreation Program	0	2,129,673	0	0	0	0	2,129,673
Liability Insurance	0	0	0	0	0	123,964	123,964
Special Recreation	0	0	552,102	0	0	0	552,102
Municipal Retirement	0	0	0	0	0	416,642	416,642
Museum	0	0	0	0	0	139,092	139,092
Police Program	0	0	0	0	0	88,038	88,038
Debt Service							
Principal	0	0	0	1,640,000	0	0	1,640,000
Interest	0	0	0	418,158	0	0	418,158
Fees	0	0	0	0	0	0	0
Capital Improvements	0	0	0	0	4,865,626	0	4,865,626
TOTAL EXPENDITURES	<u>1,389,601</u>	<u>2,129,673</u>	<u>552,102</u>	<u>2,058,158</u>	<u>4,865,626</u>	<u>767,736</u>	<u>11,762,896</u>
NET CHANGE IN FUND BALANCES	116,746	213,287	(12,213)	(2,925)	(4,773,251)	130,414	(4,327,942)
FUND BALANCE, BEGINNING OF YEAR	<u>1,670,952</u>	<u>819,517</u>	<u>375,883</u>	<u>667,531</u>	<u>5,221,333</u>	<u>1,036,060</u>	<u>9,791,276</u>
END OF YEAR	<u>\$ 1,787,698</u>	<u>\$ 1,032,804</u>	<u>\$ 363,670</u>	<u>\$ 664,606</u>	<u>\$ 448,082</u>	<u>\$ 1,166,474</u>	<u>\$ 5,463,334</u>

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, 2014

Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ (4,327,942)
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.	(986,585)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	5,454,778
Losses from the sale of capital assets are treated as an expenditure in the fund financial statements.	(12,776)
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.	148,116
Payments of bond principal are treated as an expenditure in the fund financial statements.	1,640,000
Bond Premiums are considered an Other Financing Source in the fund financial statements.	<u>23,876</u>
Change in Net Position of Governmental Activities (Statement of Activities)	<u><u>\$ 1,939,467</u></u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Proprietary Funds
Statement of Fund Net Position
February 28, 2014**

	Fitness Center	Water Park	Other Proprietary Fund McCarthy	Total
CURRENT ASSETS				
Cash	\$ 238,829	\$ 770,583	\$ 99,902	\$ 1,109,314
Accounts Receivable	2,769	0	0	2,769
Capital Assets				
Capital Assets Not Being Depreciated	42,120	0	0	42,120
Other Capital Assets, Net of Depreciation	2,672,240	4,112,450	0	6,784,690
Total Capital Assets	2,714,360	4,112,450	0	6,826,810
TOTAL ASSETS	<u>2,955,958</u>	<u>4,883,033</u>	<u>99,902</u>	<u>7,938,893</u>
DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
LIABILITIES				
Accounts Payable	18,067	846	26	18,939
Accrued Payroll	7,795	0	0	7,795
Accrued Vacation	7,456	489	0	7,945
Deferred Program Revenue	191,514	0	0	191,514
Interfund Payable	425,000	0	0	425,000
Installment Contract Payable				
Due Within One Year	68,107	0	0	68,107
Due in More Than One Year	115,019	0	0	115,019
TOTAL LIABILITIES	<u>832,958</u>	<u>1,335</u>	<u>26</u>	<u>834,319</u>
DEFERRED INFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET POSITION				
Net Investment in Capital Assets	2,531,234	4,112,450	0	6,643,684
Unrestricted Amounts	(408,234)	769,248	99,876	460,890
TOTAL NET POSITION	<u>\$ 2,123,000</u>	<u>\$ 4,881,698</u>	<u>\$ 99,876</u>	<u>\$ 7,104,574</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, 2014**

	Fitness Center	Water Park	Other Proprietary Fund McCarthy	Total
OPERATING REVENUES				
Service Fees	\$ 532,978	\$ 587,338	\$ 50,941	\$ 1,171,257
Concession Sales	0	110,180	20,241	130,421
Rental Fees	27,162	14,340	2,768	44,270
Interest Income	500	2,000	500	3,000
Other Income	9,257	19,966	3,270	32,493
TOTAL OPERATING REVENUES	569,897	733,824	77,720	1,381,441
DIRECT OPERATING EXPENSES				
Salaries	324,663	315,226	27,892	667,781
Utilities	66,419	77,348	1,200	144,967
Supplies	30,462	39,661	25,052	95,175
Repairs and Maintenance	13,997	31,271	2,514	47,782
Advertising	5,240	4,682	2,026	11,948
Concessions	0	40,956	808	41,764
Conferences	0	9,007	0	9,007
Equipment Repair	1,609	0	596	2,205
Service Contracts	15,894	9,226	1,304	26,424
Site Improvements	4,226	0	2,687	6,913
Insurance	25,929	3,020	0	28,949
Depreciation	95,060	143,055	0	238,115
Capital Improvements	0	91,124	0	91,124
Miscellaneous	51,855	1,530	162	53,547
TOTAL DIRECT OPERATING EXPENSES	635,354	766,106	64,241	1,465,701
CHANGE IN FUND NET POSITION	(65,457)	(32,282)	13,479	(84,260)
NET POSITION				
BEGINNING OF YEAR	2,188,457	4,913,980	86,397	7,188,834
END OF YEAR	\$ 2,123,000	\$ 4,881,698	\$ 99,876	\$ 7,104,574

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Proprietary Funds
Statement of Cash Flows
For The Year Ended February 28, 2014**

	<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	\$ 654,374	\$ 729,366	\$ 76,470	\$ 1,460,210
Interest Received	500	2,000	500	3,000
Interest Paid	(2,465)	0	0	(2,465)
Cash Payments to Suppliers and Employees	(494,483)	(629,631)	(65,063)	(1,189,177)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	<u>157,926</u>	<u>101,735</u>	<u>11,907</u>	<u>271,568</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from Installment Contracts	210,273	0	0	210,273
Repayments of Installment Contracts	(27,147)	0	0	(27,147)
Acquisition of Capital Assets	(185,044)	(49,410)	0	(234,454)
NET CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,918)</u>	<u>(49,410)</u>	<u>0</u>	<u>(51,328)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	156,008	52,325	11,907	220,240
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>82,821</u>	<u>718,258</u>	<u>87,995</u>	<u>889,074</u>
END OF YEAR	<u>\$ 238,829</u>	<u>\$ 770,583</u>	<u>\$ 99,902</u>	<u>\$ 1,109,314</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, 2014

	<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 OPERATING ACTIVITIES				
Change in Fund Net Position	\$ (65,457)	\$ (32,282)	\$ 13,479	\$ (84,260)
Adjustments to Reconcile Change in Fund Net Position to Net Cash Provided By Operating Activities				
Depreciation	95,060	143,055	0	238,115
Loss on Sale of Assets	43,809	0	0	43,809
Changes in Certain Assets, Deferred Outflows, Liabilities and Deferred Inflows				
Accounts Receivable	4,574	0	0	4,574
Accounts Payable	7,906	(5,677)	(822)	1,407
Accrued Payroll	(6,903)	(1,051)	0	(7,954)
Accrued Vacation	(1,466)	148	0	(1,318)
Deferred Program Revenue	89,403	0	0	89,403
Deferred Partnership Revenue	(9,000)	(2,458)	(750)	(12,208)
Security Deposit	0	0	0	0
Total Adjustments	<u>223,383</u>	<u>134,017</u>	<u>(1,572)</u>	<u>355,828</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 157,926</u>	<u>\$ 101,735</u>	<u>\$ 11,907</u>	<u>\$ 271,568</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District
Notes To The Financial Statements
For the Year Ended February 28, 2014**

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, 2014

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, 2014

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, 2014

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.

MAJOR FUNDS

The Park District reports the following major governmental funds:

- The General Fund, which accounts for the park district's primary operating activities.
- The Recreation Fund, which accounts for the operations of the recreation programs offered to residents. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.
- The 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, 2014**

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, 2014

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, 2014

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, 2014.

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, 2014 and 2013, the amount of accumulated vacation and paid time off is, \$100,022 and \$101,498, respectively, reflecting a decrease of \$1,476. 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, 2014

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 270 days) of U.S. corporations with assets over \$500 million dollars rated in the highest classification by at least two rating agencies.
4. Insured accounts of an Illinois credit union chartered under United States or Illinois law.
5. Money market mutual funds with portfolios of securities issued or guaranteed by the U.S. Government or agreements to repurchase these same types of obligations.
6. Illinois Park District Liquid Asset Fund Plus and the Illinois Funds Money Market Fund.
7. Repurchase agreements, which must meet instrument transaction requirements of Illinois law. The Park District does not invest in repurchase agreements.

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, 2014, 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, 2014.

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, 2014 are recorded as prepaid expenses/expenditures.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

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, 2014

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 2013 levy has been estimated and recorded as a receivable at February 28, 2014.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014

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. The board, which possesses the highest level of decision-making authority, establishes, modifies and rescinds commitments through a majority vote.
- Assigned – consists of resources which have limitations resulting from intended use. Management establishes assignments of fund balances pursuant to board discussion and consent.
- 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, 2014

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							
Working Cash							
Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 764	\$ 764
Restricted							
Recreation	0	928,804	0	0	0	0	928,804
Special Recreation	0	0	83,670	0	0	0	83,670
Debt Service	0	0	0	664,606	0	0	664,606
Insurance	0	0	0	0	0	134,055	134,055
Social Security	0	0	0	0	0	520,290	520,290
Retirement	0	0	0	0	0	263,668	263,668
Museum	0	0	0	0	0	32,380	32,380
Police	0	0	0	0	0	32,317	32,317
Committed							
Capital Expenditures	1,566,000	104,000	280,000	0	1,013,000	183,000	3,146,000
Assigned	0	0	0	0	0	0	0
Unassigned	221,698	0	0	0	(564,918)	0	(343,220)
	<u>\$ 1,787,698</u>	<u>\$ 1,032,804</u>	<u>\$ 363,670</u>	<u>\$ 664,606</u>	<u>\$ 448,082</u>	<u>\$ 1,166,474</u>	<u>\$ 5,463,334</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

Bank Deposits

At February 28, 2014, the carrying amount of the Park District's deposits was \$7,415,538 and the bank balance was \$7,581,473. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

Also at February 28, 2014, 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	\$ 310,269	\$ 476,204
Category #2	0	0
Category #3	0	0
Illinois Funds	2,588,877	2,588,877
PMA Financial Network	4,516,392	4,516,392
	<u>\$ 7,415,538</u>	<u>\$ 7,581,473</u>

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014

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

None of the funds of the District had expenditures over the legally enacted budget amount for the year ended February 28, 2014.

NOTE 4 – CAPITAL ASSETS

A summary of the changes in the capital assets of the governmental activities for the year ended February 28, 2014 follows. Total depreciation expense for the year charged for governmental activities was \$986,585. Of this amount, \$77,220 was charged for general governmental functions, and \$909,365 was charged to the recreation function.

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014

NOTE 4 – CAPITAL ASSETS (CONTINUED)

	Balance February 28,				Balance February 28,
	2013	Additions	Retirements	Reclassifications	2014
Assets Not Subject to Depreciation					
Land	\$ 4,344,365	\$ 0	\$ 0	\$ 0	\$ 4,344,365
Construction in Progress	2,026,770	12,185	0	(2,008,809)	30,146
Assets Subject to Depreciation					
Land Improvements	10,383,532	301,156	0	0	10,684,688
Buildings and Improvements	14,162,836	4,622,407	0	2,008,809	20,794,052
Furniture, Fixtures, Equipment	3,631,415	469,623	(47,991)	0	4,053,047
Mobile Equipment	357,735	49,407	(101,905)	0	305,237
Subtotal	34,906,653	5,454,778	(149,896)	0	40,211,535
Less Accumulated Depreciation					
Corporate	(320,262)	(77,220)	22,286	0	(375,196)
Recreation	(9,975,589)	(909,365)	114,834	0	(10,770,120)
Subtotal	(10,295,851)	(986,585)	137,120	0	(11,145,316)
Net Capital Assets	\$ 24,610,802	\$ 4,468,193	\$ (12,776)	\$ 0	\$ 29,066,219

A summary of changes in the capital assets of the Enterprise Funds (Business Activities) for the year ended February 28, 2014 follows. Depreciation expense charged for business activities was \$238,115. Depreciation was charged to individual funds as follows: Fitness Center, \$95,060; Water Park, \$143,055.

	Balance February 28,			Balance February 28,
	2013	Additions	Retirements	2014
Assets Not Subject to Depreciation				
Land	\$ 42,120	\$ 0	\$ 0	\$ 42,120
Assets Subject to Depreciation				
Land Improvements	545,738	23,881	0	569,619
Buildings and Improvements	8,722,115	12,450	0	8,734,565
Furniture, Fixtures, Equipment	595,024	198,122	(57,707)	735,439
Subtotal	9,904,997	234,453	(57,707)	10,081,743
Less Accumulated Depreciation				
Fitness Center	(1,710,411)	(95,060)	13,898	(1,791,573)
Water Park	(1,320,305)	(143,055)	0	(1,463,360)
Subtotal	(3,030,716)	(238,115)	13,898	(3,254,933)
Net Capital Assets	\$ 6,874,281	\$ (3,662)	\$ (43,809)	\$ 6,826,810

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

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 bond commitments for the year ended February 28, 2014 is as follows:

	Balance 2/28/13	New Debt	Principal Paid	Balance 2/28/14	Amount Due Within One Year
General Obligation Bonds					
July, 2004	\$ 555,000	\$ 0	\$ 310,000	\$ 245,000	\$ 245,000
October, 2005	7,095,000	0	835,000	6,260,000	890,000
February, 2009	1,075,000	0	495,000	580,000	580,000
December, 2012	5,622,000	0	0	5,622,000	0
Total Debt	\$ 14,347,000	\$ 0	\$ 1,640,000	\$ 12,707,000	\$ 1,715,000

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
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	2,084,000	146,303	2,230,303
2020 - 2021	3,212,000	105,788	3,317,788
Total	\$ 12,707,000	\$ 1,392,547	\$ 14,099,547

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, 2014, the amount of defeased debt outstanding amounted to \$7,015,000.

D. Installment Agreement

During the year ended February 28, 2014, the Park District entered into an Installment Contract to finance new fitness equipment for the newly built fitness center. The loan has an original principal balance of \$210,273 bearing interest at 6.7%, and is payable in monthly payments of \$6,308 beginning December 15, 2013 and ending September 15, 2016.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

NOTE 5 – DEBT COMMITMENTS (CONTINUED)

D. Installment Agreement (Continued)

A summary of changes in the Installment Contract Payable for the year ended February 28, 2014 is as follows:

	Balance 2/28/13	New Debt	Principal Paid	Balance 2/28/14	Amount Due Within One Year
Installment Note Payable	\$ 0	\$ 210,273	\$ 27,147	\$ 183,126	\$ 68,107
Total Debt	\$ 0	\$ 210,273	\$ 27,147	\$ 183,126	\$ 68,107

Annual debt service requirements to maturity for installment contracts payable, including interest, are as follows:

Year Ending	Principal	Interest	Total
2015	68,107	7,595	75,702
2016	71,585	4,117	75,702
2017	43,434	725	44,159
Total	\$ 183,126	\$ 12,437	\$ 195,563

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, 2014 through January 1, 2015.

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
Property/Bldg/Contents				PDRMA Reinsurers:	P070113
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		

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

NOTE 6 - RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
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	01-770-96-51
Seasonal Employees	\$1,000	\$9,000	\$1,000,000	Fire Insurance Co.	
Blanket Bond	\$1,000	\$24,000	\$2,000,000		
2. Workers Compensation					
Employer's Liability	N/A	\$500,000	Statutory	PDRMA Reinsurers:	WC01014
		\$500,000	\$3,500,000 Employer's Liability	Government Entities Mutual (GEM)	GEM-0003- B14001
3. Liability					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA Reinsurers:	L010113
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Government Entities	GEM-0003-
Employment Practices	None	\$500,000	\$21,500,000/occurrence	Mutual, Markel	A14001
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence	Starr Indemnity and Liability Co.	8090020
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/occurrence		
4. Pollution Liability					
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. Outbreak Expense					
	24 hours	N/A	\$15,000 per day \$1 million aggregate policy limit	Great American	

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

NOTE 6 - RISK MANAGEMENT (CONTINUED)

<u>Coverage</u>	<u>Member Deductible</u>	<u>PDRMA Self-Insured Retention</u>	<u>Limits</u>	<u>Insurance Company</u>	<u>Policy Number</u>
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	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	
8. <u>Unemployment Compensation</u>	N/A	N/A	Statutory	Self-funded	
9. <u>Information Security and Privacy</u>					
<u>Insurance with Electronic Media Liability Coverage</u>					
Various - See Plan Document	None	\$100,000	Various per Occurrence	Beazley Lloyds	C121280
Data Protection & Business Interruption	\$1,000	\$100,000	\$2,000,000/occurrence/annual aggregate	Syndicate AFB2623/623	

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.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

NOTE 6 - RISK MANAGEMENT (CONTINUED)

The following represents a summary of PDRMA's balance sheet at December 31, 2013 and the statement of revenues and expenses for the period ending December 31, 2013. The Tinley Park Park District's portion of the overall equity of the pool is 0.361% or \$145,489.

Assets	\$	60,509,769
Liabilities	\$	20,225,423
Member Balances	\$	40,284,346
Revenues	\$	20,737,466
Expenditures	\$	17,177,774

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 \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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

As a member of the PDRMA Health Program, the 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, 2013, and the statement of revenues and expenses for the period ending December 31, 2013.

Assets	\$	12,590,279
Liabilities	\$	5,373,024
Member Balances	\$	7,217,255
Revenues	\$	29,398,825
Expenditures	\$	28,975,036

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.

**Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014**

NOTE 8 - DEFICIT FUND BALANCE

At February 28, 2014 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
	<u>\$ 425,000</u>	<u>\$ 425,000</u>

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, 2014, both funds have been separated as the funds are being levied separately beginning with the 2013 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.

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 2013 was 12.56 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. The Park District’s required contribution for calendar year 2013 was \$216,148.

Three-Year Trend Information for the Regular Plan

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2013	\$ 216,148	100%	\$ 0
12/31/2012	203,177	100%	0
12/31/2011	198,044	100%	0

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014

NOTE 11 - RETIREMENT FUND COMMITMENT (CONTINUED)

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, 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, 2011 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, 2013, the most recent actuarial valuation date, the Regular plan was 71.29 percent funded. The actuarial accrued liability for benefits was \$4,170,509 and the actuarial value of assets was \$2,973,334, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,197,175. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$1,720,927 and the ratio of the UAAL to the covered payroll was 70 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:

Membership in the plan consisted of the following as of:

	February 28, 2013	February 28, 2014
Retirees and beneficiaries receiving benefits	0	1
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	11	13
Active nonvested plan members	17	16
Total	<u>28</u>	<u>30</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)
2/28/2014	\$ 0	\$ 474,455	\$ 474,455	0.00%		
2/28/2013	0	261,701	261,701	0.00%		
2/28/2012	0	261,701	261,701	0.00%		

Tinley Park Park District
Notes To The Financial Statements (Continued)
For the Year Ended February 28, 2014

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

B. Annual OPEB Cost and Net OPEB Obligation

	February 28, 2013	February 28, 2014
Annual required Contribution	0	33,404
Interest on net OPEB Obligation	0	4,033
Adjustment to annual required contribution	0	(3,361)
Annual OPEB Cost	<u>0</u>	<u>34,076</u>
Contributions made	<u>0</u>	<u>(17,689)</u>
Increase (decrease) in net OPEB obligation	0	16,387
Net OPEB obligation beginning of year	<u>0</u>	<u>100,816</u>
Net OPEB obligation end of year	<u><u>100,816</u></u>	<u><u>117,203</u></u>

C. Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Actuarial Percentage of Annual OPEB Cash Contributed	Net OPEB Obligation
2/28/2014	34,076	51.9%	\$ 117,203
2/28/2013	0	0%	100,816
2/29/2012	33,955	0%	66,965

D. Annual Required Contribution

	February 28, 2014	February 28, 2015
Service Cost	\$ 23,090	\$ 38,994
Amortization	8,723	15,815
Interest	1,591	2,192
Annual Required Contribution	<u><u>\$ 33,404</u></u>	<u><u>\$ 57,001</u></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)

E. Funding policy and actuarial assumptions (Continued)

Contribution rates:

District	
Plan members	0.00%

Actuarial valuation date	2/28/2014
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*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	7.50% initial 5.50% ultimate
Mortality, Turnover, Disability, Retirement Ages	Similar rates utilized for IMRF
Percentage of Active Employees	100%

F. GASB 45 Summary as of February 28, 2014

<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>
All	38,994	362,925	111,530	474,455	57,001	17,689	29	1	30

NOTE 13 - SUBSEQUENT EVENTS

The date to which events occurring after February 28, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is April 28, 2014, 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)
12/31/2013	\$ 2,973,334	\$ 4,170,509	\$ 1,197,175	71.29%	\$ 1,720,927	69.57%
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%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$3,511,611. On a market basis, the funded ratio would be 84.20%.

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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 1,562,037	\$ 1,562,037	\$ 1,476,304	\$ (85,733)
Personal Property Replacement Taxes	20,000	20,000	28,688	8,688
Interest Income	1,000	1,000	999	(1)
Other	934	934	356	(578)
TOTAL REVENUES	<u>1,583,971</u>	<u>1,583,971</u>	<u>1,506,347</u>	<u>(77,624)</u>
EXPENDITURES				
Administrative	522,000	522,000	448,581	73,419
Maintenance	2,085,000	2,085,000	941,020	1,143,980
TOTAL EXPENDITURES	<u>2,607,000</u>	<u>2,607,000</u>	<u>1,389,601</u>	<u>1,217,399</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,023,029)</u>	<u>\$ (1,023,029)</u>	116,746	<u>\$ 1,139,775</u>
FUND BALANCE, BEGINNING OF YEAR			<u>1,670,952</u>	
END OF YEAR			<u>\$ 1,787,698</u>	

**Tinley Park Park District
Recreation Fund
Budgetary Comparison Schedule
For The Year Ended February 28, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 1,052,807	\$ 1,052,807	\$ 1,065,665	\$ 12,858
Program Fees	1,000,000	1,000,000	1,156,780	156,780
Rental Fees	55,000	55,000	62,522	7,522
Interest Income	1,000	1,000	1,000	0
Other	13,747	13,747	56,993	43,246
TOTAL REVENUES	<u>2,122,554</u>	<u>2,122,554</u>	<u>2,342,960</u>	<u>220,406</u>
TOTAL EXPENDITURES	<u>2,931,000</u>	<u>2,931,000</u>	<u>2,129,673</u>	<u>801,327</u>
NET CHANGE IN FUND BALANCE	<u>\$ (808,446)</u>	<u>\$ (808,446)</u>	213,287	<u>\$ 1,021,733</u>
FUND BALANCES, BEGINNING OF YEAR			<u>819,517</u>	
END OF YEAR			<u>\$ 1,032,804</u>	

**Tinley Park Park District
Special Recreation Fund
Budgetary Comparison Schedule
For The Year Ended February 28, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 604,222	\$ 604,222	\$ 539,679	\$ (64,543)
Interest Income	210	210	210	0
TOTAL REVENUES	<u>604,432</u>	<u>604,432</u>	<u>539,889</u>	<u>(64,543)</u>
EXPENDITURES				
Payroll	40,000	40,000	21,899	18,101
Service Contracts	24,000	24,000	21,440	2,560
Equipment Purchase	10,000	10,000	8,702	1,298
Playground Equipment	500,000	500,000	156,115	343,885
SSSRA Co-Payment	374,000	374,000	343,946	30,054
TOTAL EXPENDITURES	<u>948,000</u>	<u>948,000</u>	<u>552,102</u>	<u>395,898</u>
NET CHANGE IN FUND BALANCE	<u>\$ (343,568)</u>	<u>\$ (343,568)</u>	(12,213)	<u>\$ 331,355</u>
FUND BALANCE, BEGINNING OF YEAR			<u>375,883</u>	
END OF YEAR			<u>\$ 363,670</u>	

**Tinley Park Park District
General Fund
Schedule of Expenditures
Budget and Actual
For The Year Ended February 28, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Administrative				
Payroll	\$ 254,000	\$ 254,000	\$ 236,577	\$ 17,423
Postage	4,000	4,000	1,926	2,074
Telephone	11,000	11,000	6,525	4,475
Conference/Education	19,000	19,000	11,677	7,323
Office Repairs	1,000	1,000	365	635
Dues/Membership	9,000	9,000	8,219	781
Legal Fees/Notice	35,000	35,000	20,623	14,377
Commissioner Reimbursement	2,500	2,500	0	2,500
Hospital/Life Insurance	159,000	159,000	148,280	10,720
Public Relations	4,500	4,500	1,100	3,400
Office Supplies	10,000	10,000	7,538	2,462
Office Equipment	7,000	7,000	3,334	3,666
Operating Supplies	1,000	1,000	0	1,000
Contingency	5,000	5,000	2,417	2,583
Total Administrative	<u>522,000</u>	<u>522,000</u>	<u>448,581</u>	<u>73,419</u>
Maintenance				
Payroll	314,000	314,000	292,590	21,410
Building Maintenance	29,000	29,000	19,749	9,251
Ground Maintenance	32,000	32,000	13,590	18,410
Service Contracts	117,000	117,000	109,087	7,913
Equipment Maintenance	20,000	20,000	15,870	4,130
Vehicle Maintenance	8,000	8,000	4,218	3,782
Rental Equipment	3,000	3,000	419	2,581
Refuse Disposal	8,000	8,000	6,732	1,268
Utilities	56,000	56,000	43,965	12,035
Stock Supplies	85,000	85,000	83,491	1,509
Equipment	23,000	23,000	22,365	635
Gasoline	42,000	42,000	25,025	16,975
Playground Repair Parts	12,000	12,000	2,683	9,317
Vehicle/Equipment Purchase	16,000	16,000	10,937	5,063
Park/Playground Equipment	13,000	13,000	4,121	8,879
Site Improvements	100,000	100,000	19,188	80,812
Site Development	805,000	805,000	264,800	540,200
Future Capital Projects	400,000	400,000	0	400,000
Contingency	2,000	2,000	2,190	(190)
Total Maintenance	<u>2,085,000</u>	<u>2,085,000</u>	<u>941,020</u>	<u>1,143,980</u>
TOTAL EXPENDITURES	<u><u>\$ 2,607,000</u></u>	<u><u>\$ 2,607,000</u></u>	<u><u>\$ 1,389,601</u></u>	<u><u>\$ 1,217,399</u></u>

**Tinley Park Park District
Recreation Fund
Schedule of Expenditures
Budget and Actual
For The Year Ended February 28, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
EXPENDITURES				
Payroll	\$ 1,374,000	\$ 1,374,000	\$ 1,193,627	\$ 180,373
Postage	6,000	6,000	3,930	2,070
Telephone	9,000	9,000	8,302	698
Conference/Education	23,000	23,000	15,113	7,887
Dues/Membership	9,000	9,000	5,913	3,087
Employee Reimbursement	1,500	1,500	0	1,500
Hospital/Life Insurance	160,000	160,000	139,656	20,344
Contingency	5,000	5,000	4,269	731
Event Services	99,000	99,000	59,684	39,316
Service Contracts	76,500	76,500	53,012	23,488
Vehicle Maintenance	4,000	4,000	382	3,618
Utilities	184,000	184,000	131,779	52,221
Printing	58,000	58,000	36,790	21,210
Brochure	20,000	20,000	18,089	1,911
Equipment Rental	9,000	9,000	3,965	5,035
Equipment Repair	4,000	4,000	1,454	2,546
Contracted Instructors	205,000	205,000	151,913	53,087
Bus Rental	43,000	43,000	19,421	23,579
Tour Planning Services	5,000	5,000	0	5,000
Officials/Referees	75,000	75,000	57,565	17,435
Marketing/Advertising	18,000	18,000	5,891	12,109
Office Supplies	14,000	14,000	14,688	(688)
Office Equipment	10,000	10,000	6,724	3,276
Publications/Periodicals	2,000	2,000	500	1,500
Operating Supplies	6,000	6,000	3,470	2,530
Program Supplies	87,000	87,000	55,374	31,626
Program Equipment	32,000	32,000	10,392	21,608
Gasoline	6,000	6,000	3,163	2,837
Paper Products	7,000	7,000	1,505	5,495
Athletic Supplies	9,000	9,000	4,552	4,448
Coaches Expense	3,000	3,000	689	2,311
League Awards	47,000	47,000	30,601	16,399
Athletic Equipment	24,000	24,000	16,340	7,660
First Aid Supplies	3,000	3,000	65	2,935
League Uniforms	34,000	34,000	26,576	7,424
Tournament/Association Fees	19,000	19,000	11,546	7,454
Vehicle/Equipment Purchase	47,000	47,000	16,788	30,212
Site Development	190,000	190,000	15,945	174,055
Scholarship	3,000	3,000	0	3,000
TOTAL EXPENDITURES	\$ 2,931,000	\$ 2,931,000	\$ 2,129,673	\$ 801,327

**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, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 1,942,068	\$ 1,942,068	\$ 2,053,442	\$ 111,374
Interest Income	1,791	1,791	1,791	0
TOTAL REVENUES	<u>1,943,859</u>	<u>1,943,859</u>	<u>2,055,233</u>	<u>111,374</u>
EXPENDITURES				
Bond Principal	1,952,000	1,952,000	1,640,000	312,000
Bond Interest	0	0	418,158	(418,158)
Bond Fees	113,000	113,000	0	113,000
TOTAL EXPENDITURES	<u>2,065,000</u>	<u>2,065,000</u>	<u>2,058,158</u>	<u>6,842</u>
NET CHANGE IN FUND BALANCE	<u>\$ (121,141)</u>	<u>\$ (121,141)</u>	(2,925)	<u>\$ 118,216</u>
FUND BALANCE, BEGINNING OF YEAR			<u>667,531</u>	
END OF YEAR			<u>\$ 664,606</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, 2014**

	<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	\$ 2,575	\$ 1,575
Interest Income	15,000	15,000	9,370	(5,630)
Grants	50,000	50,000	0	(50,000)
Other	64,000	64,000	80,430	16,430
TOTAL REVENUES	<u>130,000</u>	<u>130,000</u>	<u>92,375</u>	<u>(37,625)</u>
EXPENDITURES				
Parks	277,000	277,000	66,730	210,270
Playgrounds	145,000	145,000	84,573	60,427
Buildings	105,000	105,000	23,564	81,436
Bettenhausen Recreation Center	5,197,000	5,197,000	4,617,858	579,142
Major Site Development	183,000	183,000	0	183,000
Equipment Purchase	123,000	123,000	72,901	50,099
TOTAL EXPENDITURES	<u>6,030,000</u>	<u>6,030,000</u>	<u>4,865,626</u>	<u>1,164,374</u>
NET CHANGE IN FUND BALANCE	<u>\$ (5,900,000)</u>	<u>\$ (5,900,000)</u>	<u>(4,773,251)</u>	<u>\$ 1,126,749</u>
FUND BALANCE, BEGINNING OF YEAR			<u>5,221,333</u>	
END OF YEAR			<u>\$ 448,082</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, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING REVENUES				
Service Fees	\$ 622,000	\$ 622,000	\$ 532,978	\$ (89,022)
Rental Fees	32,000	32,000	27,162	(4,838)
Interest Income	500	500	500	0
Other Income	4,500	4,500	9,257	4,757
TOTAL OPERATING REVENUES	<u>659,000</u>	<u>659,000</u>	<u>569,897</u>	<u>(89,103)</u>
DIRECT OPERATING EXPENSES				
Salaries	405,000	405,000	324,663	80,337
Utilities	74,500	74,500	66,419	8,081
Supplies	28,500	28,500	30,462	(1,962)
Repairs and Maintenance	15,000	15,000	13,997	1,003
Advertising	8,000	8,000	5,240	2,760
Equipment Purchase	10,000	10,000	1,609	8,391
Service Contracts	19,000	19,000	15,894	3,106
Site Improvements	100,000	100,000	4,226	95,774
Insurance	38,000	38,000	25,929	12,071
Depreciation	0	0	95,060	(95,060)
Miscellaneous	27,000	27,000	51,855	(24,855)
TOTAL DIRECT OPERATING EXPENSES	<u>725,000</u>	<u>725,000</u>	<u>635,354</u>	<u>89,646</u>
CHANGE IN FUND NET POSITION	<u>\$ (66,000)</u>	<u>\$ (66,000)</u>	<u>(65,457)</u>	<u>\$ 543</u>
NET POSITION, BEGINNING OF YEAR			<u>2,188,457</u>	
END OF YEAR			<u>\$ 2,123,000</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, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
OPERATING REVENUES				
Service Fees	\$ 615,000	\$ 615,000	\$ 587,338	\$ (27,662)
Concession Sales	120,000	120,000	110,180	(9,820)
Rental Fees	16,000	16,000	14,340	(1,660)
Interest Income	2,000	2,000	2,000	0
Other Income	7,000	7,000	19,966	12,966
TOTAL OPERATING REVENUES	760,000	760,000	733,824	(26,176)
DIRECT OPERATING EXPENSES				
Salaries	408,000	408,000	315,226	92,774
Utilities	111,000	111,000	77,348	33,652
Supplies	79,000	79,000	39,661	39,339
Repairs and Maintenance	41,000	41,000	31,271	9,729
Advertising	7,000	7,000	4,682	2,318
Concessions	58,000	58,000	40,956	17,044
Conferences	13,000	13,000	9,007	3,993
Service Contracts	12,000	12,000	9,226	2,774
Insurance	3,000	3,000	3,020	(20)
Depreciation	0	0	143,055	(143,055)
Capital Improvements	204,000	204,000	91,124	112,876
Miscellaneous	101,000	101,000	1,530	99,470
TOTAL DIRECT OPERATING EXPENSES	1,037,000	1,037,000	766,106	270,894
CHANGE IN FUND NET POSITION	\$ (277,000)	\$ (277,000)	(32,282)	\$ 244,718
NET POSITION, BEGINNING OF YEAR			4,913,980	
END OF YEAR			\$ 4,881,698	

**Tinley Park Park District
Non-Major Governmental Funds
Combining Balance Sheet
February 28, 2014**

	Special Revenue Funds					Permanent Fund	Total
	Liability Insurance	Social Security	Illinois		Police Program	Working Cash	
			Municipal Retirement	Museum			
ASSETS							
Cash	\$ 152,921	\$ 552,380	\$ 305,620	\$ 236,596	\$ 41,705	\$ 764	\$ 1,289,986
Taxes Receivable	128,970	219,368	286,785	123,052	51,173	0	809,348
TOTAL ASSETS	<u>281,891</u>	<u>771,748</u>	<u>592,405</u>	<u>359,648</u>	<u>92,878</u>	<u>764</u>	<u>2,099,334</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>281,891</u>	<u>771,748</u>	<u>592,405</u>	<u>359,648</u>	<u>92,878</u>	<u>764</u>	<u>2,099,334</u>
LIABILITIES							
Accounts Payable	0	0	0	3,215	271	0	3,486
Accrued Payroll	0	0	0	0	599	0	599
Accrued Vacation	0	0	0	0	1,032	0	1,032
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,215</u>	<u>1,902</u>	<u>0</u>	<u>5,117</u>
DEFERRED INFLOWS							
Deferred Property Taxes	147,836	251,458	328,737	141,053	58,659	0	927,743
TOTAL DEFERRED INFLOWS	<u>147,836</u>	<u>251,458</u>	<u>328,737</u>	<u>141,053</u>	<u>58,659</u>	<u>0</u>	<u>927,743</u>
FUND BALANCES							
Fund Balances							
Non-Spendable	0	0	0	0	0	764	764
Restricted	134,055	520,290	263,668	32,380	32,317	0	982,710
Committed	0	0	0	183,000	0	0	183,000
TOTAL FUND BALANCES	<u>134,055</u>	<u>520,290</u>	<u>263,668</u>	<u>215,380</u>	<u>32,317</u>	<u>764</u>	<u>1,166,474</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 281,891</u>	<u>\$ 771,748</u>	<u>\$ 592,405</u>	<u>\$ 359,648</u>	<u>\$ 92,878</u>	<u>\$ 764</u>	<u>\$ 2,099,334</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, 2014**

	Special Revenue Funds					Permanent Fund	Total
	Liability Insurance	Social Security	Illinois Municipal Retirement	Museum	Police Program	Working Cash	
REVENUES							
Property Taxes	\$ 142,434	\$ 290,443	\$ 268,554	\$ 135,899	\$ 56,516	\$ 0	\$ 893,846
Interest Income	100	538	296	107	1,000	0	2,041
Other	1,500	0	0	0	763	0	2,263
TOTAL REVENUES	<u>144,034</u>	<u>290,981</u>	<u>268,850</u>	<u>136,006</u>	<u>58,279</u>	<u>0</u>	<u>898,150</u>
EXPENDITURES							
Liability Insurance	123,964	0	0	0	0	0	123,964
Social Security	0	192,720	0	0	0	0	192,720
Municipal Retirement	0	0	223,922	0	0	0	223,922
Museum	0	0	0	139,092	0	0	139,092
Police Program	0	0	0	0	88,038	0	88,038
TOTAL EXPENDITURES	<u>123,964</u>	<u>192,720</u>	<u>223,922</u>	<u>139,092</u>	<u>88,038</u>	<u>0</u>	<u>767,736</u>
NET CHANGE IN FUND BALANCES	20,070	98,261	44,928	(3,086)	(29,759)	0	130,414
FUND BALANCE, BEGINNING OF YEAR	<u>113,985</u>	<u>422,029</u>	<u>218,740</u>	<u>218,466</u>	<u>62,076</u>	<u>764</u>	<u>1,036,060</u>
END OF YEAR	<u>\$ 134,055</u>	<u>\$ 520,290</u>	<u>\$ 263,668</u>	<u>\$ 215,380</u>	<u>\$ 32,317</u>	<u>\$ 764</u>	<u>\$ 1,166,474</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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 140,716	\$ 140,716	\$ 142,434	\$ 1,718
Interest Income	100	100	100	0
Miscellaneous Income	169	169	1,500	1,331
TOTAL REVENUES	<u>140,985</u>	<u>140,985</u>	<u>144,034</u>	<u>3,049</u>
EXPENDITURES				
Safety Coordinator	12,000	12,000	12,494	(494)
Loss/Repairs	20,000	20,000	0	20,000
Insurance Premiums	155,000	155,000	111,470	43,530
TOTAL EXPENDITURES	<u>187,000</u>	<u>187,000</u>	<u>123,964</u>	<u>63,036</u>
NET CHANGE IN FUND BALANCE	<u>\$ (46,015)</u>	<u>\$ (46,015)</u>	20,070	<u>\$ 66,085</u>
FUND BALANCE, BEGINNING OF YEAR			<u>113,985</u>	
END OF YEAR			<u>\$ 134,055</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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 286,939	\$ 286,939	\$ 290,443	\$ 3,504
Interest Income	538	538	538	0
TOTAL REVENUES	<u>287,477</u>	<u>287,477</u>	<u>290,981</u>	<u>3,504</u>
EXPENDITURES				
Social Security	<u>216,000</u>	<u>216,000</u>	<u>192,720</u>	<u>23,280</u>
TOTAL EXPENDITURES	<u>216,000</u>	<u>216,000</u>	<u>192,720</u>	<u>23,280</u>
NET CHANGE IN FUND BALANCE	<u>\$ 71,477</u>	<u>\$ 71,477</u>	98,261	<u>\$ 26,784</u>
FUND BALANCE, BEGINNING OF YEAR			<u>422,029</u>	
END OF YEAR			<u>\$ 520,290</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 265,313	\$ 265,313	\$ 268,554	\$ 3,241
Interest Income	296	296	296	0
TOTAL REVENUES	<u>265,609</u>	<u>265,609</u>	<u>268,850</u>	<u>3,241</u>
EXPENDITURES				
IMRF Contributions	<u>235,000</u>	<u>235,000</u>	<u>223,922</u>	<u>11,078</u>
TOTAL EXPENDITURES	<u>235,000</u>	<u>235,000</u>	<u>223,922</u>	<u>11,078</u>
NET CHANGE IN FUND BALANCE	<u>\$ 30,609</u>	<u>\$ 30,609</u>	44,928	<u>\$ 14,319</u>
FUND BALANCE, BEGINNING OF YEAR			<u>218,740</u>	
END OF YEAR			<u>\$ 263,668</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, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 134,259	\$ 134,259	\$ 135,899	\$ 1,640
Interest Income	107	107	107	0
TOTAL REVENUES	<u>134,366</u>	<u>134,366</u>	<u>136,006</u>	<u>1,640</u>
EXPENDITURES				
Payroll	26,000	26,000	21,121	4,879
Telephone	4,000	4,000	3,033	967
Building Maintenance	8,000	8,000	5,162	2,838
Grounds Maintenance	1,000	1,000	360	640
Service Contracts	15,000	15,000	9,112	5,888
Utilities	33,000	33,000	12,795	20,205
Operating Supplies	3,000	3,000	412	2,588
Site Improvements	168,000	168,000	87,097	80,903
Other	1,000	1,000	0	1,000
TOTAL EXPENDITURES	<u>259,000</u>	<u>259,000</u>	<u>139,092</u>	<u>119,908</u>
NET CHANGE IN FUND BALANCE	<u>\$ (124,634)</u>	<u>\$ (124,634)</u>	<u>(3,086)</u>	<u>\$ 121,548</u>
FUND BALANCE, BEGINNING OF YEAR			<u>218,466</u>	
END OF YEAR			<u>\$ 215,380</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, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 55,834	\$ 55,834	\$ 56,516	\$ 682
Interest Income	1,000	1,000	1,000	0
Other	0	0	763	763
TOTAL REVENUES	56,834	56,834	58,279	1,445
EXPENDITURES				
Payroll	71,000	71,000	55,391	15,609
Telephone	7,000	7,000	6,107	893
Conference/Education	4,000	4,000	0	4,000
Alarm/Monitoring	11,000	11,000	10,294	706
Contingency	1,000	1,000	0	1,000
Vehicle Maintenance	5,000	5,000	2,696	2,304
Equipment	12,000	12,000	750	11,250
Gasoline	12,000	12,000	12,000	0
Uniforms	1,000	1,000	800	200
TOTAL EXPENDITURES	124,000	124,000	88,038	35,962
NET CHANGE IN FUND BALANCE	\$ (67,166)	\$ (67,166)	(29,759)	\$ 37,407
FUND BALANCE, BEGINNING OF YEAR			<u>62,076</u>	
END OF YEAR			<u>\$ 32,317</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, 2014

	<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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES				
Service Fees	\$ 59,000	\$ 59,000	\$ 50,941	\$ (8,059)
Concession Sales	24,000	24,000	20,241	(3,759)
Rental Fees	0	0	2,768	2,768
Interest Income	500	500	500	0
Other Income	1,500	1,500	3,270	1,770
TOTAL OPERATING REVENUES	<u>85,000</u>	<u>85,000</u>	<u>77,720</u>	<u>(7,280)</u>
DIRECT OPERATING EXPENSES				
Salaries	43,000	43,000	27,892	15,108
Utilities	5,000	5,000	1,200	3,800
Supplies	36,000	36,000	25,052	10,948
Repairs and Maintenance	5,500	5,500	2,514	2,986
Advertising	3,000	3,000	2,026	974
Concessions	5,000	5,000	808	4,192
Equipment Repair	5,000	5,000	596	4,404
Service Contracts	3,000	3,000	1,304	1,696
Site Improvements	24,500	24,500	2,687	21,813
Miscellaneous	22,000	22,000	162	21,838
TOTAL DIRECT OPERATING EXPENSES	<u>152,000</u>	<u>152,000</u>	<u>64,241</u>	<u>87,759</u>
CHANGE IN FUND NET POSITION	<u>\$ (67,000)</u>	<u>\$ (67,000)</u>	13,479	<u>\$ 80,479</u>
NET POSITION, BEGINNING OF YEAR			<u>86,397</u>	
END OF YEAR			<u>\$ 99,876</u>	

Tinley Park Park District
Bond Issue Dated July, 2004
February 28, 2014

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2015	\$ 245,000	\$ 9,065	\$ 254,065
	<u>\$ 245,000</u>	<u>\$ 9,065</u>	<u>\$ 254,065</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, 2014**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
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>\$ 6,260,000</u>	<u>\$ 853,150</u>	<u>\$ 7,113,150</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, 2014**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2015	\$ 580,000	\$ 13,050	\$ 593,050
	<u>\$ 580,000</u>	<u>\$ 13,050</u>	<u>\$ 593,050</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, 2014

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
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>\$ 517,280</u>	<u>\$ 6,139,280</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, 2014**

2012 ASSESSED VALUATION	<u>\$ 1,347,778,696</u>
STATUTORY DEBT LIMITATION 2.875% of Assessed Valuation	38,748,638
Outstanding Bonds	<u>12,707,000</u>
LEGAL DEBT MARGIN	<u>\$ 26,041,638</u>