



**TINLEY PARK PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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ANNUAL FINANCIAL REPORT

For the Year Ended February 28, 2019



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**TINLEY PARK, ILLINOIS**  
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**TINLEY PARK, ILLINOIS**  
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## **INDEPENDENT AUDITOR'S REPORT**

Members of the Board of Commissioners  
Tinley Park Park District  
Tinley Park, Illinois

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 Tinley Park Park District, Tinley Park, Illinois (the District), as of and for the year ended February 28, 2019, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the 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 Tinley Park Park District, Tinley Park, Illinois as of February 28, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

The District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information as discussed in Note 12 to the basic financial statements. Our opinion is not modified with respect to this matter.

As part of our audit of the 2019 financial statements, we also audited the adjustments described in Note 12 that were applied to restate the 2018 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2018 financial statements of the District other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2018 financial statements as a whole.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and the supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplemental information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Sikich LLP*

Naperville, Illinois  
September 3, 2019

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



# **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 452 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 19 buildings and over 272 acres of parkland and leases an additional 180 acres. The Park District provides recreational activities to an estimated population of 56,795.

## **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, 2019. 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 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 and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$35,321,052.
- Net position of governmental activities was \$28,207,328 and business type activities net position was \$7,113,724.
- Property taxes levied and collected were \$6,223,142 compared to the prior year of \$6,439,276 for a decrease of \$216,136.
- The District's governmental funds reported combined ending fund balances of \$5,111,607, an increase of \$37,927.
- The District's outstanding annual debt service requirements to maturity for general obligation debt, including interest decreased by \$2,170,620 to \$3,257,250.

## **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 District Management's Discussion and Analysis (Continued)

## Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the District's finances. The two new government-wide financial statements, Statement of Net Position and Statement of Activities represent an overview of the District as a whole, separating its operations between governmental and business type activities. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The *Statement of Net Position* presents information on all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

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

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government and recreation. Business type activities reflect the District's private sector-type operations, (fitness center, water park) 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 4-6 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.

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.

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

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.

The basic governmental fund financial statements are presented on pages 7-10 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 11-13 of this report.

### **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 14 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including budgetary comparison schedules for the General Fund and Recreation Fund (major special revenue fund) and schedules concerning the District's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 38 through 43 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual fund statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 45.

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

### Government-wide Financial Analysis

This District implemented the 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 position may be observed and used to discuss the changing financial position of the District as a whole.

### Statement of Net Position

As noted earlier, the District's combined net position for governmental activities at the end of the fiscal year is \$28,207,328 and business type activities is \$7,113,724.

	Governmental Activities	Business-Type Activities	Total
Current Assets	\$ 12,258,408	\$ 2,518,527	\$ 14,776,935
Capital Assets	28,293,994	4,727,099	33,021,093
<b>Total Assets</b>	<b>40,552,402</b>	<b>7,245,626</b>	<b>47,798,028</b>
<b>Deferred Outflows</b>	<b>984,150</b>	<b>-</b>	<b>984,150</b>
Current Liabilities	482,392	54,167	536,559
Noncurrent Liabilities	5,967,058	77,735	6,044,793
<b>Total Liabilities</b>	<b>6,449,450</b>	<b>131,902</b>	<b>6,581,352</b>
<b>Deferred Inflows</b>	<b>6,879,774</b>	<b>-</b>	<b>6,879,774</b>
<b>Net Position</b>			
Net investment in capital assets	25,059,125	4,664,126	29,723,251
Restricted	2,866,289	-	2,866,289
Unrestricted	281,914	2,449,598	2,731,512
<b>Total Net Position</b>	<b>\$ 28,207,328</b>	<b>\$ 7,113,724</b>	<b>\$ 35,321,052</b>

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

### Statement of Activities

The District's net position increased by \$1,971,735 only to be offset by a \$6,896,721 prior period adjustment for the accounting recognition of property taxes. Governmental activities accounted for \$1,967,414 of the increase and business-type activity increased \$4,321 as discussed further below.

	Governmental Activities	Business-Type Activities	Total
<b>Revenue and Transfers In</b>			
Charges for Services	\$ 1,361,853	\$ 2,275,810	\$ 3,637,663
Taxes	6,223,142	-	6,223,142
Investment Income	46,429	41,066	87,495
Miscellaneous	204,360	-	204,360
Transfers	500,000	-	500,000
<b>Total Revenue &amp; Transfers</b>	<b>\$ 8,335,784</b>	<b>\$ 2,316,876</b>	<b>\$ 10,652,660</b>
<b>Expenses and Transfers Out</b>			
<b>Governmental Activities</b>			
General Government	1,311,659	-	1,311,659
Recreation	4,985,115	-	4,985,115
Interest and Fiscal Charges	71,596	-	71,596
<b>Business-Type Activities</b>			
Fitness Center	-	864,575	864,575
Water Park	-	874,368	874,368
McCarthy Park	-	73,612	73,612
Transfers	-	500,000	500,000
<b>Total Expenses &amp; Transfers</b>	<b>6,368,370</b>	<b>2,312,555</b>	<b>8,680,925</b>
<b>Change in Net Position</b>	<b>1,967,414</b>	<b>4,321</b>	<b>1,971,735</b>
<b>Net Position, March 1</b>	<b>33,136,635</b>	<b>7,109,403</b>	<b>40,246,038</b>
<b>Prior Period Adjustment</b>	<b>(6,896,721)</b>	<b>-</b>	<b>(6,896,721)</b>
<b>Net Position, Restated</b>	<b>26,239,914</b>	<b>7,109,403</b>	<b>33,349,317</b>
<b>Net Position, February 28</b>	<b>28,207,328</b>	<b>7,113,724</b>	<b>35,321,052</b>

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

### **Governmental Activities**

As stated previously, governmental activities increased the District's net position by \$1,967,414 as revenues continued to exceed expenses.

- General Government and Recreation expenses decreased by \$248,217.
- Governmental Activities' net position was supported with a \$500,000 transfer from the Business-Type Activities
- Although the District's tax rate of .475 in comparison to the previous year's tax rate of .522 decreased, tax revenue totaled \$6,223,142 revenue; a decrease of \$310,243.
- Revenues from Services generated \$1,361,853; a decrease of \$3,912.
- General Government and Recreation expenses decreased by \$248,217.

### **Business-type Activities**

As previously stated, Business-type activities increased the district's net position by \$4,321 after taking into account the previously mentioned \$500,000 transfer from the Fitness Center Fund.

### **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 \$5,111,606. The total ending fund balances of governmental funds shows an increase of \$37,926 from the previous year.

### **Major Governmental Funds**

The General, Recreation, Recreation and Debt Service funds were reported as major funds for the fiscal year ending February 28, 2019.

The General fund balance as of February 28, 2019 was \$1,219,443, a decrease of \$9,621 from the prior year.

The Recreation fund balance was \$1,025,111, an increase of \$209,785 from the prior year.

The Debt Service fund balance was \$495,896 a decrease of \$50,248 over 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 net income of \$475,292 prior to the previously mentioned \$500,000 transfer in comparison to \$474,163 the previous year.

The Water Park had net income of \$19,783 in comparison to a net loss of \$43,471 the previous year mainly due \$42,329 increased operating revenue.

McCarthy Park/Tinley Junction had net income of \$9,243 in comparison to \$26,182 the previous year mainly due to \$18,343 decreased operating revenue.

### **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, 2019 was \$28,293,994 and \$4,727,099 respectively. The District has an annual playground and vehicle/equipment replacement schedule.

#### **Debt Administration**

As of February 28, 2019, the Park District has general obligation bond issues outstanding of \$3,257,250 (including interest). The fund balance of the Debt Service Fund amounted to \$495,896 as of February 28, 2019.

#### **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.

#### **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 DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION

February 28, 2019

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 6,421,314	\$ 2,518,527	\$ 8,939,841
Accounts receivable	-	-	-
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	5,837,094	-	5,837,094
Capital assets not being depreciated	4,876,686	-	4,876,686
Capital assets being depreciated (net of accumulated depreciation)	23,417,308	4,727,099	28,144,407
<b>Total assets</b>	<b>40,552,402</b>	<b>7,245,626</b>	<b>47,798,028</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	13,255	-	13,255
Pension items - IMRF	970,895	-	970,895
<b>Total deferred outflows of resources</b>	<b>984,150</b>	<b>-</b>	<b>984,150</b>
<b>Total assets and deferred outflows of resources</b>	<b>41,536,552</b>	<b>7,245,626</b>	<b>48,782,178</b>
<b>LIABILITIES</b>			
Accounts payable	105,548	7,300	112,848
Accrued interest payable	12,465	-	12,465
Accrued payroll	91,729	19,953	111,682
Unearned revenue	272,650	26,914	299,564
Noncurrent liabilities			
Due within one year	2,307,102	77,735	2,384,837
Due in more than one year	3,659,956	-	3,659,956
<b>Total liabilities</b>	<b>6,449,450</b>	<b>131,902</b>	<b>6,581,352</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	6,676,874	-	6,676,874
Pension items - IMRF	194,205	-	194,205
OPEB items	8,695	-	8,695
<b>Total deferred inflows of resources</b>	<b>6,879,774</b>	<b>-</b>	<b>6,879,774</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>13,329,224</b>	<b>131,902</b>	<b>13,461,126</b>
<b>NET POSITION</b>			
Net investment in capital assets	25,059,125	4,664,126	29,723,251
Restricted for			
Special recreation	557,757	-	557,757
Debt service	495,896	-	495,896
Capital projects	28,037	-	28,037
Insurance	246,824	-	246,824
Social security	955,342	-	955,342
Museum	529,996	-	529,996
Police program	52,437	-	52,437
Unrestricted	281,914	2,449,598	2,731,512
<b>TOTAL NET POSITION</b>	<b>\$ 28,207,328</b>	<b>\$ 7,113,724</b>	<b>\$ 35,321,052</b>

See accompanying notes to financial statements.



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended February 28, 2019

<b>FUNCTIONS/PROGRAMS</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 1,311,659	\$ -	\$ -	\$ -
Recreation	4,985,115	1,361,853	-	-
Interest and fiscal charges	71,596	-	-	-
Total governmental activities	6,368,370	1,361,853	-	-
Business-Type Activities				
Fitness Center	864,575	1,308,789	-	-
Water Park	874,368	886,159	-	-
McCarthy Park	73,612	80,862	-	-
Total business-type activities	1,812,555	2,275,810	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 8,180,925</b>	<b>\$ 3,637,663</b>	<b>\$ -</b>	<b>\$ -</b>

	<b>Net (Expenses) Revenue and Change in Net Position Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (1,311,659)	\$ -	\$ (1,311,659)
	(3,623,262)	-	(3,623,262)
	(71,596)	-	(71,596)
	(5,006,517)	-	(5,006,517)
	-	444,214	444,214
	-	11,791	11,791
	-	7,250	7,250
	-	463,255	463,255
	(5,006,517)	463,255	(4,543,262)
General Revenues			
Taxes			
Property and replacement	6,223,142	-	6,223,142
Investment income	46,429	41,066	87,495
Miscellaneous	204,360	-	204,360
Transfers	500,000	(500,000)	-
Total	6,973,931	(458,934)	6,514,997
CHANGE IN NET POSITION	1,967,414	4,321	1,971,735
NET POSITION, MARCH 1	33,136,635	7,109,403	40,246,038
Prior period adjustment	(6,896,721)	-	(6,896,721)
NET POSITION, MARCH 1, RESTATED	26,239,914	7,109,403	33,349,317
<b>NET POSITION, FEBRUARY 28</b>	<b>\$ 28,207,328</b>	<b>\$ 7,113,724</b>	<b>\$ 35,321,052</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

February 28, 2019

	General	Recreation	Debt Service	Nonmajor Governmental	Total Governmental
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
<b>ASSETS</b>					
Cash and investments	\$ 1,621,065	\$ 1,546,750	\$ 770,456	\$ 2,483,043	\$ 6,421,314
Accounts receivable	-	-	-	-	-
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	1,888,547	1,281,157	1,908,395	758,995	5,837,094
Total assets	3,509,612	2,827,907	2,678,851	3,242,038	12,258,408
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 3,509,612</b>	<b>\$ 2,827,907</b>	<b>\$ 2,678,851</b>	<b>\$ 3,242,038</b>	<b>\$ 12,258,408</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 86,759	\$ 18,789	\$ -	\$ -	\$ 105,548
Accrued payroll	43,158	45,880	-	2,691	91,729
Unearned program revenue	-	272,650	-	-	272,650
Unearned revenue	-	-	-	-	-
Total liabilities	129,917	337,319	-	2,691	469,927
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property tax revenue	2,160,252	1,465,477	2,182,955	868,190	6,676,874
Total deferred inflows of resources	2,160,252	1,465,477	2,182,955	868,190	6,676,874
Total liabilities and deferred inflows of resources	2,290,169	1,802,796	2,182,955	870,881	7,146,801
<b>FUND BALANCES</b>					
Nonspendable					
Working cash	-	-	-	764	764
Restricted					
Debt service	-	-	495,896	-	495,896
Special recreation	-	-	-	557,757	557,757
Insurance	-	-	-	246,824	246,824
Retirement	-	-	-	955,342	955,342
Museum	-	-	-	529,996	529,996
Police program	-	-	-	52,437	52,437
Capital projects	-	-	-	28,037	28,037
Unrestricted					
Assigned for recreation programs	-	1,025,111	-	-	1,025,111
Unassigned					
General Fund	1,219,443	-	-	-	1,219,443
Total fund balances	1,219,443	1,025,111	495,896	2,371,157	5,111,607
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3,509,612</b>	<b>\$ 2,827,907</b>	<b>\$ 2,678,851</b>	<b>\$ 3,242,038</b>	<b>\$ 12,258,408</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

February 28, 2019

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 5,111,607
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	28,293,994
Loss on bond refunding are not financial resources and, therefore, are not recorded in governmental funds	13,255
Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	776,690
Differences between assumption changes for the other postemployment plan are recognized as deferred inflows of resources on the statement of net position	(8,695)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	
General obligation bonds	(3,162,000)
Net pension liability - IMRF	(2,277,241)
Premium on general obligation bonds	(102,666)
Discount on general obligation bonds	16,542
Compensated absences	(124,048)
Interest payable	(12,465)
The total postemployment benefit liability is included in the governmental activities in the statement of net position	<u>(317,645)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 28,207,328</u></u>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended February 28, 2019

	General	Recreation	Debt Service	Nonmajor Governmental	Total Governmental
<b>REVENUES</b>					
Taxes	\$ 1,659,033	\$ 1,323,813	\$ 2,122,982	\$ 1,117,314	\$ 6,223,142
Charges for services	-	1,257,883	-	-	1,257,883
Rental fees	-	103,970	-	-	103,970
Investment income	7,982	27,080	-	11,367	46,429
Other	22,306	36,910	-	145,144	204,360
Total revenues	1,689,321	2,749,656	2,122,982	1,273,825	7,835,784
<b>EXPENDITURES</b>					
Current					
General government	1,164,426	-	-	147,233	1,311,659
Recreation	-	2,490,340	-	999,336	3,489,676
Capital outlay	572,077	118,314	-	740,395	1,430,786
Debt service					
Principal retirement	-	-	2,044,000	-	2,044,000
Interest and fiscal charges	-	-	129,230	-	129,230
Total expenditures	1,736,503	2,608,654	2,173,230	1,886,964	8,405,351
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(47,182)	141,002	(50,248)	(613,139)	(569,567)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	500,000	500,000
Total other financing sources (uses)	-	-	-	500,000	500,000
NET CHANGE IN FUND BALANCES	(47,182)	141,002	(50,248)	(113,139)	(69,567)
FUND BALANCES, MARCH 1	1,229,064	815,326	546,144	2,483,146	5,073,680
Prior period adjustment	37,561	68,783	-	1,150	107,494
FUND BALANCES, MARCH 1, RESTATED	1,266,625	884,109	546,144	2,484,296	5,181,174
<b>FUND BALANCES, FEBRUARY 28</b>	<b>\$ 1,219,443</b>	<b>\$ 1,025,111</b>	<b>\$ 495,896</b>	<b>\$ 2,371,157</b>	<b>\$ 5,111,607</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ (69,567)</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,279,702
Depreciation on capital assets is reported as an expense in the statement of activities	(1,272,222)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	(16,554)
Accrued interest	8,639
The amortization of discount on long-term debt does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	(16,542)
The amortization of premium on long-term debt does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	78,791
The amortization of the loss on refunding does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	(13,254)
The change in the Illinois Municipal Retirement Fund net pension liability, deferred inflows and deferred outflows are not a source or use of a financial resource	(75,162)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	2,044,000
The change in the total postemployment benefit liability and deferred inflows of resources are reported on the statement of activities	<u>19,583</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 1,967,414</u></b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

February 28, 2019

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,781,411	\$ 556,149	\$ 180,967	\$ 2,518,527
Total current assets	1,781,411	556,149	180,967	2,518,527
<b>NONCURRENT ASSETS</b>				
Capital assets				
Land and improvements	-	771,710	-	771,710
Buildings and improvements	23,448	5,078,902	-	5,102,350
Vehicles and equipment	521,851	748,599	-	1,270,450
Total capital assets	545,299	6,599,211	-	7,144,510
Less accumulated depreciation	(165,729)	(2,251,682)	-	(2,417,411)
Net capital assets	379,570	4,347,529	-	4,727,099
Total assets	2,160,981	4,903,678	180,967	7,245,626
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>CURRENT LIABILITIES</b>				
Accounts payable	4,300	3,000	-	7,300
Accrued payroll	19,717	193	43	19,953
Unearned revenue	26,914	-	-	26,914
Compensated absences	14,762	-	-	14,762
Installment contract payable	62,973	-	-	62,973
Total current liabilities	128,666	3,193	43	131,902
Total liabilities	128,666	3,193	43	131,902
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	316,597	4,347,529	-	4,664,126
Unrestricted	1,715,718	552,956	180,924	2,449,598
<b>TOTAL NET POSITION</b>	<b>\$ 2,032,315</b>	<b>\$ 4,900,485</b>	<b>\$ 180,924</b>	<b>\$ 7,113,724</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS

For the Year Ended February 28, 2019

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,094,362	\$ 720,975	\$ 57,559	\$ 1,872,896
Concession sales	-	140,637	15,187	155,824
Rental fees	18,800	14,785	-	33,585
Other income	195,627	9,762	8,116	213,505
Total operating revenues	1,308,789	886,159	80,862	2,275,810
<b>OPERATING EXPENSES</b>				
Salaries and wages	560,971	356,225	40,145	957,341
Insurance	49,423	10,109	-	59,532
Contractual services	35,745	23,238	3,723	62,706
Materials and supplies	36,975	126,542	25,737	189,254
Utilities	79,472	108,037	863	188,372
Repairs and maintenance	40,721	78,886	3,017	122,624
Depreciation	49,539	171,321	-	220,860
Other	6,544	10	127	6,681
Total operating expenses	859,390	874,368	73,612	1,807,370
OPERATING INCOME	449,399	11,791	7,250	468,440
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	31,081	7,992	1,993	41,066
Interest expense	(5,185)	-	-	(5,185)
Total non-operating revenues (expenses)	25,896	7,992	1,993	35,881
INCOME BEFORE TRANSFERS	475,295	19,783	9,243	504,321
<b>TRANSFERS</b>				
Transfers (out)	(500,000)	-	-	(500,000)
Total transfers	(500,000)	-	-	(500,000)
CHANGE IN NET POSITION	(24,705)	19,783	9,243	4,321
NET POSITION, MARCH 1	2,057,020	4,880,702	171,681	7,109,403
<b>NET POSITION, FEBRUARY 28</b>	<b>\$ 2,032,315</b>	<b>\$ 4,900,485</b>	<b>\$ 180,924</b>	<b>\$ 7,113,724</b>

See accompanying notes to financial statements.



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Year Ended February 28, 2019

	<b>Fitness Center</b>	<b>Water Park</b>	<b>Nonmajor McCarthy Park</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customer and users	\$ 1,111,320	\$ 876,397	\$ 72,746	\$ 2,060,463
Receipts from miscellaneous revenues	195,627	9,762	8,116	213,505
Payments to employees	(559,609)	(356,062)	(40,102)	(955,773)
Payments to suppliers	(271,411)	(348,709)	(33,467)	(653,587)
Net cash from operating activities	475,927	181,388	7,293	664,608
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to other funds	(500,000)	-	-	(500,000)
Net cash from noncapital financing activities	(500,000)	-	-	(500,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases and construction of capital assets	(42,617)	(207,571)	-	(250,188)
Principal paid on long-term debt	(80,382)	-	-	(80,382)
Interest paid on long-term debt	(5,185)	-	-	(5,185)
Net cash from capital and related financing activities	(128,184)	(207,571)	-	(335,755)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	31,081	7,992	1,993	41,066
Net cash from investing activities	31,081	7,992	1,993	41,066
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(121,176)	(18,191)	9,286	(130,081)
CASH AND CASH EQUIVALENTS, MARCH 1	1,902,587	574,340	171,681	2,648,608
<b>CASH AND CASH EQUIVALENTS, FEBRUARY 28</b>	<b>\$ 1,781,411</b>	<b>\$ 556,149</b>	<b>\$ 180,967</b>	<b>\$ 2,518,527</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 449,399	\$ 11,791	\$ 7,250	\$ 468,440
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation	49,539	171,321	-	220,860
Changes in assets and liabilities				
Accounts receivable	2,000	2,400	1,350	5,750
Accounts payable	(22,531)	(1,887)	-	(24,418)
Accrued payroll	1,616	163	43	1,822
Unearned revenue	(3,842)	(2,400)	(1,350)	(7,592)
Compensated absences	(254)	-	-	(254)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 475,927</b>	<b>\$ 181,388</b>	<b>\$ 7,293</b>	<b>\$ 664,608</b>

See accompanying notes to financial statements.

**TINLEY PARK PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

February 28, 2019

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

a. Financial Reporting Entity

The District is a municipal corporation governed by an elected five-member board. As required by GAAP, these financial statements present the District (the primary government). There are no component units that are required to be included in the District's reporting entity because of the significance of their operational or financial relationship with the District.

b. Fund Accounting

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

The District's funds are classified into the following categories: governmental and proprietary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the acquisition or construction of major capital assets other than those financed by proprietary funds (capital projects funds), the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term obligations (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the District not accounted for in another fund.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds).

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

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

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.

The District reports the following major governmental funds:

The Corporate Fund (General Fund) accounts for the resources traditionally associated with local government, except those accounted for in another fund. Included in these services are general administration and park maintenance. Financing is primarily provided from an annual property tax levy and Illinois personal property replacement taxes.

The Recreation Fund accounts for the operations of the District's recreational programs and concessions. Financing is provided from an annual property tax levy restricted by the state for recreation purposes and fees and charges for programs and activities assigned for recreation purposes.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements (Continued)

The Debt Service Fund accounts for the accumulation of funds that are restricted, committed or assigned for repayment of principal and interest on the District's general obligation debt where repayment is financed by an annual property tax levy.

The District reports the following major proprietary funds:

The Fitness Center Fund accounts for the operations of the Tinley Fitness Center.

The Water Park Fund accounts for the operations of the White Water Canyon water park.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual (within 60 days) are property taxes, interest revenue and charges for services.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., bike trails, paths, roads, bridges and similar items) and intangibles (software and easements) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of three years. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Capital Assets (Continued)

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20-50
Buildings	20-50
Improvements and equipment	5-20

g. Compensated Absences

Vested or accumulated vacation leave, including related Social Security and Medicare, that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental that will pay it in the fund financial statements to the extent that employees have retired or terminated at year end but have not been paid. The remainder is reported in the governmental or business-type activities. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. In accordance with the provisions of GASB Statement No. 16, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure is reported and a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as terminal leave at retirement.

Full-time employees begin to earn and are eligible for vacation after completing one year of employment with the District. Vacation leave is provided to full-time employees at the rate of two weeks for each year of service through five years, three weeks following five full years of employment, four weeks following ten full years of employment, five weeks following fifteen full years of employment and six weeks following twenty-five full years of employment. Vacation days are awarded on the first day of the year. Earned vacation time may not be carried over into the following year unless the Director approves an exception.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Compensated Absences (Continued)

Part-time employees begin to earn and are eligible for vacation after completing one year of employment with the District. Vacation leave is provided to part-time employees based on a percentage of hours worked the previous year. Employees receive vacation time equal to 4% of hours worked the previous year. Vacation days are awarded on the first day of the year and must be used within the calendar year in which it was given. Certain part-time employees with a start year of 1995 or earlier will receive time equal to 5% of hours worked the previous year.

h. Use of Estimates

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

i. Long-Term Obligations

In the government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Unamortized losses or gains on refundings, bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as expenses.

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

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

j. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or which are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal action to establish, modify or rescind commitments involves ordinances approved by the Board of Commissioners. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been retained by the District's Board of Commissioners. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

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

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

k. Interfund Transactions

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

All other interfund transactions, except reimbursements, are reported as transfers.



**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

1. Deferred Outflows/Inflows of Resources

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

**2. DEPOSITS AND INVESTMENTS**

The District categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District does not have any investments to report at fair value.

Permitted Deposits and Investments - Illinois Compiled Statutes (ILCS) and the District's investment policy authorize the District to invest in obligations issued by the United States Government, investments constituting direct obligations of any bank, short-term commercial paper of United States of America corporations with assets exceeding \$500 million, short-term obligations issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share accounts of credit unions chartered in the United States of America with its principal office located in Illinois, securities issued by The Illinois Funds, Illinois Park District Liquid Asset Fund (IPDLAF), Illinois Metropolitan Investment Fund (IMET) and other securities as allowed by the Illinois Public Funds Investment Act.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

IMET meets the criteria contained in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This allows the District to measure all of its investments in IMET at amortized cost.

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 objectives of the policy, in order of priority are: legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. 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.

Investments

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring its portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term securities.

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.

Concentration of credit risk is the risk that the District has a high percentage of their investments invested in one type of investment. The District’s investment policy requires diversification of investment to avoid unreasonable risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District’s investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**3. RECEIVABLES**

Taxes

Property taxes for 2018 attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills for the 2018 levy are prepared by Cook County and issued on or about February 1, 2019 and July 1, 2019 and are payable in two installments on or about March 1, 2019 and August 1, 2019. The first installment is an estimated bill and is 55% 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 County collects such taxes and remits them periodically. Since 2018 levy is intended to fund the 2020 fiscal year the levy has been recorded as a receivable and deferred inflow of resources.

**4. JOINT GOVERNED ORGANIZATION**

The District is a member of the South Suburban Special Recreation Association (SSSRA), which consists of ten member districts and recreation departments and provides recreation programs for physically and mentally challenged individuals and to share the expenses of such programs on a cooperative basis. The SSSRA's Board of Directors consists of one representative from each participating member. The Board of Directors is the governing body of SSSRA and is responsible for establishing all major policies and changes therein and for approving all budget, capital outlay, programming and master plans. The audited financial statements of SSSRA are available at 19910 80<sup>th</sup> Avenue, Tinley Park, IL 60487. The District is required to contribute 0.025% of its equalized assessed valuation on an annual basis. The District's required contribution for the fiscal year ended February 28, 2019 was \$286,053.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. CAPITAL ASSETS**

Capital asset activity for the year ended February 28, 2019 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 4,876,686	\$ -	\$ -	\$ 4,876,686
Construction in progress	64,561	-	64,561	-
Total capital assets not being depreciated	4,941,247	-	64,561	4,876,686
Capital assets being depreciated				
Land improvements	12,282,051	994,789	-	13,276,840
Buildings and improvements	21,704,541	152,201	-	21,856,742
Furniture, fixtures and equipment	4,217,632	92,001	-	4,309,633
Mobile equipment	450,189	105,272	-	555,461
Total capital assets being depreciated	38,654,413	1,344,263	-	39,998,676
Less accumulated depreciation for				
Land improvements	6,753,594	520,616	-	7,274,210
Buildings and improvements	6,314,490	472,190	-	6,786,680
Furniture, fixtures and equipment	1,979,046	242,984	-	2,222,030
Mobile equipment	262,016	36,432	-	298,448
Total accumulated depreciation	15,309,146	1,272,222	-	16,581,368
Total capital assets being depreciated, net	23,345,267	72,041	-	23,417,308
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 28,286,514</b>	<b>\$ 72,041</b>	<b>\$ 64,561</b>	<b>\$ 28,293,994</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets being depreciated				
Land improvements	\$ 730,775	\$ 40,935	\$ -	\$ 771,710
Building and improvements	5,094,350	8,000	-	5,102,350
Furniture, fixtures and equipment	1,069,197	201,253	-	1,270,450
Total capital assets being depreciated	6,894,322	250,188	-	7,144,510
Less accumulated depreciation for				
Land improvements	268,832	36,539	-	305,371
Building and improvements	1,438,496	105,756	-	1,544,252
Furniture, fixtures and equipment	489,223	78,565	-	567,788
Total accumulated depreciation	2,196,551	220,860	-	2,417,411
Total capital assets being depreciated, net	4,697,771	29,328	-	4,727,099
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 4,697,771</b>	<b>\$ 29,328</b>	<b>\$ -</b>	<b>\$ 4,727,099</b>

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**5. CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Recreation	<u>\$ 1,272,222</u>
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 1,272,225</u></u>

Depreciation expense was charged to business-type activities functions/programs of the primary government as follows:

<b>BUSINESS-TYPE ACTIVITIES</b>	
Fitness Center	\$ 49,539
Water Park	<u>171,321</u>
<b>TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES</b>	<u><u>\$ 220,860</u></u>

**6. RISK MANAGEMENT**

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

On July 1, 1999, the 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. Members can choose to provide any combination of coverages available to their employees and pay premiums accordingly.

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

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**6. RISK MANAGEMENT (Continued)**

Since June 1, 1992, the District has been a member of PDRMA Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain nonprofit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District.

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

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the 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.

**7. LONG-TERM DEBT**

During the fiscal year, the following changes occurred in long-term liabilities:

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds	\$ 5,206,000	\$ -	\$ 2,044,000	\$ 3,162,000	\$ 2,139,000
Unamortized premium	181,457	-	78,791	102,666	-
Unamortized discount	(33,084)	-	(16,542)	(16,542)	-
Net pension liability#	1,157,932	1,119,309	-	2,277,241	-
Compensated absences*	107,494	124,048	107,494	124,048	124,048
OPEB liability*	345,923	-	28,278	317,645	44,054
<b>TOTAL</b>	<b>\$ 6,965,722</b>	<b>\$ 1,243,357</b>	<b>\$ 2,242,021</b>	<b>\$ 5,967,058</b>	<b>\$ 2,307,102</b>

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion
<b>BUSINESS-TYPE ACTIVITIES</b>					
Installment agreement	\$ 143,355	\$ -	\$ 80,382	\$ 62,973	\$ 62,973
Compensated absences	15,016	14,762	15,016	14,762	14,762
<b>TOTAL</b>	<b>\$ 158,371</b>	<b>\$ 14,762</b>	<b>\$ 95,398</b>	<b>\$ 77,735</b>	<b>\$ 77,735</b>

#Primarily liquidated by the Illinois Municipal Retirement Fund.

\*Primarily liquidated by the Corporate Fund and Recreation Fund.

a. General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>						
General Obligation Bond Series 2012B Limited Tax Park Bonds, for \$5,622,000 with interest payments semiannually on June 15 and December 15. Interest is charged at 2%. The last principal payment is due on December 15, 2020	Debt Service	\$ 2,956,000	\$ -	\$ 949,000	\$ 2,007,000	\$ 984,000
General Obligation Refunding Park Bonds, Series 2015 for \$5,205,000 with interest payments semiannually on June 15 and December 15. Interest is charged at 3%. The last principal payment is due on December 15, 2019	Debt Service	2,250,000	-	1,095,000	1,155,000	1,155,000
<b>TOTAL</b>		<b>\$ 5,206,000</b>	<b>\$ -</b>	<b>\$ 2,044,000</b>	<b>\$ 3,162,000</b>	<b>\$ 2,139,000</b>

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

b. Annual debt service requirements to maturity are as follows:

Fiscal Year Ending February 28,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 2,139,000	\$ 74,790	\$ 2,213,790
2021	1,023,000	20,460	1,043,460
<b>TOTAL</b>	<b>\$ 3,162,000</b>	<b>\$ 95,250</b>	<b>\$ 3,257,250</b>

c. Prior Years' Debt Defeasance

In prior years, the District has defeased bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the District's government-wide financial statements. As of February 28, 2019, the amount of defeased debt outstanding amounted to \$3,595,000.

d. Installment Agreement

During the year ended February 28, 2017, the District entered into an Installment Contract to finance new fitness equipment for fitness center. The loan has an original principal balance of \$231,412 bearing interest at 4.99% and is payable in monthly payments of \$6,936 beginning December 14, 2016 and ending December 14, 2020.

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

Year Ending February 28,	Principal	Interest	Total
2020	\$ 62,973	\$ 1,280	\$ 64,253
<b>TOTAL</b>	<b>\$ 62,973</b>	<b>\$ 1,280</b>	<b>\$ 64,253</b>



**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. INTERFUND TRANSFERS**

Interfund transfers for the year ended February 28, 2019 were as follows:

- \$500,000 transferred to the Capital Projects Fund (nonmajor governmental) from the Fitness Center Fund for capital projects. This transfer will not be repaid.

**9. CONTINGENT LIABILITIES**

a. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**10. DEFINED BENEFIT PENSION PLAN**

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

Illinois Municipal Retirement Fund

*Plan Administration*

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

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

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2018 (most recent data available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	36
Inactive employees entitled to but not yet receiving benefits	66
Active employees	<u>60</u>
 TOTAL	 <u><u>162</u></u>

*Benefits Provided*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2018 was 11.54% of covered payroll. The employer contribution rate for the calendar year ending December 31, 2019 is 11.84% of covered payroll.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The District's net pension liability (asset) was measured as of December 31, 2018 (most recent data available) and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Asset valuation method	Market value of assets
Assumptions	
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.25%
Cost of living adjustments - Tier 1	3.00%
Cost of living adjustments - Tier 2	3.00% or ½ of the increase in the Consumer Price Index, whichever is less

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

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The discount rate used to measure the total pension liability at December 31, 2017 was 7.50%.

*Changes in the Net Pension Liability (Asset)*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2018	\$ 8,827,837	\$ 7,669,905	\$ 1,157,932
Changes for the period			
Service cost	208,734	-	208,734
Interest	658,055	-	658,055
Difference between expected and actual experience	57,711	-	57,711
Changes in assumptions*	292,520	-	292,520
Employer contributions	-	246,036	(246,036)
Employee contributions	-	96,800	(96,800)
Net investment income	-	(370,853)	370,853
Benefit payments and refunds	(316,263)	(316,263)	-
Other	-	125,728	(125,728)
Net changes	900,757	(218,552)	1,119,309
BALANCES AT DECEMBER 31, 2018	\$ 9,728,594	\$ 7,451,353	\$ 2,277,241

\*The discount rate was changed from 7.50% to 7.25%.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

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

For the year ended February 28, 2019, the District recognized pension expense of \$325,587.

At February 28, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 210,806	\$ 67,203
Assumption changes	213,482	127,002
Net difference between projected and actual earnings on pension plan investments	506,418	-
Employer contributions after the measurement date	40,189	-
<b>TOTAL</b>	<u>\$ 970,895</u>	<u>\$ 194,205</u>

\$40,189 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending February 28, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending February 28,</u>	
2020	\$ 237,514
2021	173,986
2022	134,638
2023	<u>190,363</u>
<b>TOTAL</b>	<u>\$ 736,501</u>

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 3,611,252	\$ 2,277,241	\$ 1,191,820

**11. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

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

b. Benefits Provided

The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan but can purchase a Medicare supplement plan from the District's insurance provider. Retirees are required to pay 100% of the active employee premium.

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

c. Membership

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

Inactive fund members or beneficiaries currently receiving benefits payments	3
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>31</u>
<b>TOTAL</b>	<u><u>34</u></u>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of September 30, 2018 using the following actuarial methods and assumptions.

Actuarial valuation date	September 30, 2018
Measurement date	September 30, 2018
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	4.18%
Healthcare cost trend rates	7.00% to 9.00% in fiscal 2018 based on type of plan, to an ultimate trend rate of 4.50%
Asset valuation method	N/A
Mortality rates	RP - 2014 rates adjusted to 2006 rates and improved generationally with MP-2017 improvement rates

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

e. Discount Rate

The discount rate of 4.18% was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax-exempt general obligation municipal bonds rated AA or better at September 30, 2018. The discount rate used to calculate the opening total OPEB liability was 3.64%.

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT OCTOBER 1, 2017	\$ 345,923
Changes for the period	
Service cost	13,234
Interest	12,271
Changes in assumptions	(9,729)
Implicit benefit payments	(44,054)
Net changes	(28,278)
BALANCES AT SEPTEMBER 30, 2018	\$ 317,645

Changes in assumptions - the discount rate was increased from 3.64% to 4.18%.

g. Rate Sensitivity

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

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB liability	\$ 335,862	\$ 317,645	\$ 300,393



**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 7.00% to 9.00% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.00% to 8.00%) or 1 percentage point higher (8.00% to 10.00%) than the current rate:

	1% Decrease (6.00% to 8.00%)	Current Healthcare Rate (7.00% to 9.00%)	1% Increase (8.00% to 10.00%)
Total OPEB liability	\$ 293,405	\$ 317,645	\$ 345,988

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

For the year ended February 28, 2019, the District recognized OPEB expense of \$24,471. At February 28, 2019, the District reported deferred inflows of resources related to OPEB from the following sources:

Changes in assumption	<u>\$ 8,695</u>
TOTAL	<u>\$ 8,695</u>

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

<u>Year Ending February 28,</u>	
2020	\$ (1,034)
2021	(1,034)
2022	(1,034)
2023	(1,034)
2024	(1,034)
Thereafter	<u>(3,525)</u>
TOTAL	<u>\$ (8,695)</u>

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**12. PRIOR PERIOD ADJUSTMENT**

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

	Governmental Activities	General Fund	Recreation Fund
NET POSITION/FUND BALANCE - FEBRUARY 28, 2018 (AS REPORTED)	\$ 33,136,635	\$ 1,229,064	\$ 815,326
Record opening total OPEB liability	(345,923)	-	-
Change in revenue recognition - property taxes	(6,550,798)	-	-
Report compensated absences in the governmental activities	-	37,561	68,783
Subtotal	(6,896,721)	37,561	68,783
NET POSITION/FUND BALANCE - FEBRUARY 28, 2018 (AS RESTATED)	\$ 26,239,914	\$ 1,266,625	\$ 884,109
			<u>Nonmajor Governmental</u>
FUND BALANCE - FEBRUARY 28, 2018 (AS REPORTED)			\$ 2,483,146
Report compensated absences in the governmental activities			1,150
Subtotal			1,150
FUND BALANCE - FEBRUARY 28, 2018 (RESTATED)			\$ 2,484,296

**REQUIRED SUPPLEMENTARY INFORMATION**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,565,500	\$ 1,632,963	\$ 67,463
Replacement taxes	25,500	26,070	570
Investment income	2,000	7,982	5,982
Other	1,000	22,306	21,306
	<hr/>		
Total revenues	1,594,000	1,689,321	95,321
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	628,493	579,281	(49,212)
Insurance	254,200	214,078	(40,122)
Contractual services	169,800	172,930	3,130
Materials and supplies	162,500	117,032	(45,468)
Utilities	77,500	57,455	(20,045)
Other	36,000	23,650	(12,350)
Capital outlay	895,000	572,077	(322,923)
	<hr/>		
Total expenditures	2,223,493	1,736,503	(486,990)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(629,493)	(47,182)	582,311
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	(149,000)	-	149,000
	<hr/>		
Total other financing sources (uses)	(149,000)	-	149,000
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (778,493)	(47,182)	\$ 731,311
<hr/>			
FUND BALANCE, MARCH 1		1,229,064	
Prior period adjustment		37,561	
		<hr/>	
FUND BALANCE, MARCH 1, RESTATED		1,266,625	
		<hr/>	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 1,219,443</b>	
		<hr/>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,172,000	\$ 1,323,813	\$ 151,813
Charges for services	1,197,000	1,257,883	60,883
Rental income and fees	80,000	103,970	23,970
Investment income	1,000	27,080	26,080
Donations	1,000	-	(1,000)
Other	35,000	36,910	1,910
	<hr/>		
Total revenues	2,486,000	2,749,656	263,656
<hr/>			
<b>EXPENDITURES</b>			
Recreation			
Current			
Salaries and wages	1,742,208	1,544,393	(197,815)
Insurance	254,200	221,272	(32,928)
Program expenditures	370,000	245,550	(124,450)
Contractual services	361,000	230,667	(130,333)
Materials and supplies	208,430	130,100	(78,330)
Utilities	158,000	117,391	(40,609)
Other	10,000	967	(9,033)
Capital outlay			
Equipment	338,600	118,314	(220,286)
	<hr/>		
Total expenditures	3,442,438	2,608,654	(833,784)
<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ (956,438)</u>	141,002	<u>\$ 1,097,440</u>
<hr/>			
FUND BALANCE, MARCH 1		815,326	
Prior period adjustment		<u>68,783</u>	
FUND BALANCE, MARCH 1, RESTATED		<u>884,109</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u><u>\$ 1,025,111</u></u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

<b>FISCAL YEAR ENDED FEBRUARY 28,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Actuarially determined contribution	\$ 242,622	\$ 247,404	\$ 256,213	\$ 250,425
Contributions in relation to the actuarially determined contribution	<u>242,623</u>	<u>247,404</u>	<u>305,298</u>	<u>250,425</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (49,085)</u>	<u>\$ -</u>
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,161,235
Contributions as a percentage of covered payroll	12.38%	12.21%	14.33%	11.59%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.50% compounded annually.

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

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

Last Four Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 192,245	\$ 216,069	\$ 216,167	\$ 208,734
Interest	533,647	587,396	613,038	658,055
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	183,330	(227,142)	316,023	57,711
Changes of assumptions	10,439	(20,971)	(252,865)	292,520
Benefit payments, including refunds of member contributions	(198,617)	(208,349)	(260,557)	(316,263)
Net change in total pension liability	721,044	347,003	631,806	900,757
Total pension liability - beginning	7,127,984	7,849,028	8,196,031	8,827,837
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 7,849,028</b>	<b>\$ 8,196,031</b>	<b>\$ 8,827,837</b>	<b>\$ 9,728,594</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 242,623	\$ 247,404	\$ 305,298	\$ 246,036
Contributions - member	88,794	91,453	95,840	96,800
Net investment income	30,505	426,266	1,089,841	(370,853)
Benefit payments, including refunds of member contributions	(198,617)	(208,349)	(260,557)	(316,263)
Other	(77,435)	18,506	(256,189)	125,728
Net change in plan fiduciary net position	85,870	575,280	974,233	(218,552)
Plan net position - beginning	6,034,522	6,120,392	6,695,672	7,669,905
<b>PLAN NET POSITION - ENDING</b>	<b>\$ 6,120,392</b>	<b>\$ 6,695,672</b>	<b>\$ 7,669,905</b>	<b>\$ 7,451,353</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 1,728,636</b>	<b>\$ 1,500,359</b>	<b>\$ 1,157,932</b>	<b>\$ 2,277,241</b>
Plan fiduciary net position as a percentage of the total pension liability	77.98%	81.69%	86.88%	76.59%
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,132,029
Employer's net pension liability as a percentage of covered payroll	88.21%	74.05%	54.37%	106.81%
Assumption Changes:				
2015 - Investment rate of return, retirement age, mortality				
2016 - Retirement age, mortality				
2017 - Inflation rates, salary rates, mortality				
2018 - Discount rate				

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

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Fiscal Year

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<b>MEASUREMENT DATE SEPTEMBER 30,</b>	<b>2018</b>
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 13,234
Interest	12,271
Changes of assumptions	(9,729)
Implicit benefit payments	<u>(44,054)</u>
Net change in total OPEB liability	(28,278)
Total OPEB liability - beginning	<u>345,923</u>
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u><u>\$ 317,645</u></u>
Covered payroll	\$ 1,678,017
Employer's total OPEB liability as a percentage of covered payroll	18.93%

In the September 30, 2018 valuation, the discount rate was increased from 3.64% to 4.18%.

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

(See independent auditor's report.)



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

February 28, 2019

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**BUDGETS**

The 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.

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. Budgets for the Enterprise Funds are legally adopted on the cash basis of accounting. 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 Board of Commissioners through a supplemental appropriation. No supplemental appropriations were made during the year ended February 28, 2019.

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

**MAJOR GOVERNMENTAL FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b>REVENUES</b>			
Property taxes	\$ 2,164,512	\$ 2,122,982	\$ (41,530)
Total revenues	<u>2,164,512</u>	<u>2,122,982</u>	<u>(41,530)</u>
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	2,044,000	2,044,000	-
Interest and fiscal charges	140,000	129,230	(10,770)
Total expenditures	<u>2,184,000</u>	<u>2,173,230</u>	<u>(10,770)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (19,488)</u>	(50,248)	<u>\$ (30,760)</u>
FUND BALANCE, MARCH 1		<u>546,144</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u>\$ 495,896</u>	

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

February 28, 2019

	<b>Special Revenue</b>		
	<b>Special Recreation</b>	<b>Liability Insurance</b>	<b>Social Security</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>ASSETS</b>			
Cash	\$ 622,350	\$ 271,459	\$ 420,555
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	448,972	171,235	-
Total assets	1,071,322	442,694	420,555
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
Total deferred outflows of resources	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,071,322</b>	<b>\$ 442,694</b>	<b>\$ 420,555</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accrued payroll	\$ -	\$ -	\$ -
Total liabilities	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property tax revenue	513,565	195,870	-
Total deferred inflows of resources	513,565	195,870	-
Total liabilities and deferred inflows of resources	513,565	195,870	-
<b>FUND BALANCES</b>			
Nonspendable			
Working cash	-	-	-
Restricted			
Special recreation	557,757	-	-
Insurance	-	246,824	-
Retirement	-	-	420,555
Museum	-	-	-
Police program	-	-	-
Capital projects	-	-	-
Total fund balances	557,757	246,824	420,555
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,071,322</b>	<b>\$ 442,694</b>	<b>\$ 420,555</b>

Special Revenue				Capital Projects	
Illinois Municipal Retirement	Museum	Police Program	Working Cash	Capital Projects	Total
\$ 534,787	\$ 534,635	\$ 70,456	\$ 764	\$ 28,037	\$ 2,483,043
-	32,244	106,544	-	-	758,995
534,787	566,879	177,000	764	28,037	3,242,038
-	-	-	-	-	-
-	-	-	-	-	-
\$ 534,787	\$ 566,879	\$ 177,000	\$ 764	\$ 28,037	\$ 3,242,038
\$ -	\$ -	\$ 2,691	\$ -	\$ -	\$ 2,691
-	-	2,691	-	-	2,691
-	36,883	121,872	-	-	868,190
-	36,883	121,872	-	-	868,190
-	36,883	124,563	-	-	870,881
-	-	-	764	-	764
-	-	-	-	-	557,757
-	-	-	-	-	246,824
534,787	-	-	-	-	955,342
-	529,996	-	-	-	529,996
-	-	52,437	-	-	52,437
-	-	-	-	28,037	28,037
534,787	529,996	52,437	764	28,037	2,371,157
\$ 534,787	\$ 566,879	\$ 177,000	\$ 764	\$ 28,037	\$ 3,242,038

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Special Revenue</b>		
	<b>Special Recreation</b>	<b>Liability Insurance</b>	<b>Social Security</b>
<b>REVENUES</b>			
Property taxes	\$ 466,034	\$ 176,951	\$ 31,470
Investment income	2,792	399	1,994
Other income	-	1,500	-
Total revenues	468,826	178,850	33,464
<b>EXPENDITURES</b>			
Current			
General government	-	147,233	-
Recreation	356,071	-	240,503
Capital outlay	-	-	-
Total expenditures	356,071	147,233	240,503
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	112,755	31,617	(207,039)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCES	112,755	31,617	(207,039)
FUND BALANCES, MARCH 1	445,002	215,207	627,594
Prior period adjustment	-	-	-
FUND BALANCES, MARCH 1, RESTATED	445,002	215,207	627,594
<b>FUND BALANCES, FEBRUARY 28</b>	<b>\$ 557,757</b>	<b>\$ 246,824</b>	<b>\$ 420,555</b>



Special Revenue				Capital Projects	
Illinois Municipal Retirement	Museum	Police Program	Working Cash	Capital Projects	Total
\$ 163,734	\$ 168,900	\$ 110,225	\$ -	\$ -	\$ 1,117,314
2,593	1,994	1,595	-	-	11,367
-	-	-	-	143,644	145,144
166,327	170,894	111,820	-	143,644	1,273,825
-	-	-	-	-	147,233
250,425	61,912	90,425	-	-	999,336
-	-	701	-	739,694	740,395
250,425	61,912	91,126	-	739,694	1,886,964
(84,098)	108,982	20,694	-	(596,050)	(613,139)
-	-	-	-	500,000	500,000
-	-	-	-	500,000	500,000
(84,098)	108,982	20,694	-	(96,050)	(113,139)
618,885	421,014	30,593	764	124,087	2,483,146
-	-	1,150	-	-	1,150
618,885	421,014	31,743	764	124,087	2,484,296
\$ 534,787	\$ 529,996	\$ 52,437	\$ 764	\$ 28,037	\$ 2,371,157

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 520,500	\$ 466,034	\$ (54,466)
Investment income	700	2,792	2,092
Total revenues	<u>521,200</u>	<u>468,826</u>	<u>(52,374)</u>
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	37,467	25,396	(12,071)
Contractual services	32,000	23,655	(8,345)
Materials and supplies	375,000	20,967	(354,033)
SSSRA co-payment	325,000	286,053	(38,947)
Total expenditures	<u>769,467</u>	<u>356,071</u>	<u>(413,396)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (248,267)</u>	112,755	<u>\$ 361,022</u>
FUND BALANCE, MARCH 1		<u>445,002</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u><u>\$ 557,757</u></u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 156,000	\$ 176,951	\$ 20,951
Investment income	100	399	299
Other	1,000	1,500	500
Total revenues	157,100	178,850	21,750
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	16,000	16,041	41
Insurance	176,000	130,192	(45,808)
Other	18,000	1,000	(17,000)
Total expenditures	210,000	147,233	(62,767)
NET CHANGE IN FUND BALANCE	\$ (52,900)	31,617	\$ 84,517
FUND BALANCE, MARCH 1		215,207	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 246,824</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 235,000	\$ 31,470	\$ (203,530)
Investment income	500	1,994	1,494
Total revenues	235,500	33,464	(202,036)
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	260,000	240,503	(19,497)
Total expenditures	260,000	240,503	(19,497)
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>\$ (24,500)</u></b>	<b>(207,039)</b>	<b><u>\$ (182,539)</u></b>
<b>FUND BALANCE, MARCH 1</b>		<u>627,594</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u><u>\$ 420,555</u></u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 340,000	\$ 163,734	\$ (176,266)
Investment income	650	2,593	1,943
Total revenues	340,650	166,327	(174,323)
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	282,000	250,425	(31,575)
Total expenditures	282,000	250,425	(31,575)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ 58,650	(84,098)	\$ (142,748)
<b>FUND BALANCE, MARCH 1</b>		618,885	
<b>FUND BALANCE, FEBRUARY 28</b>		\$ 534,787	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 147,526	\$ 168,900	\$ 21,374
Investment income	500	1,994	1,494
Total revenues	148,026	170,894	22,868
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	32,467	30,732	(1,735)
Contractual services	118,000	19,359	(98,641)
Materials and supplies	5,000	640	(4,360)
Utilities	33,050	11,181	(21,869)
Total expenditures	188,517	61,912	(126,605)
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>\$ (40,491)</u></b>	<b>108,982</b>	<b><u>\$ 149,473</u></b>
<b>FUND BALANCE, MARCH 1</b>		<u>421,014</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u><u>\$ 529,996</u></u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 96,000	\$ 110,225	\$ 14,225
Investment income	400	1,595	1,195
Total revenues	96,400	111,820	15,420
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	73,447	67,809	(5,638)
Materials and supplies	20,500	13,651	(6,849)
Utilities	8,000	8,760	760
Other	5,000	205	(4,795)
Capital outlay	6,000	701	(5,299)
Total expenditures	112,947	91,126	(21,821)
NET CHANGE IN FUND BALANCE	\$ (16,547)	20,694	\$ 37,241
FUND BALANCE, MARCH 1		30,593	
Prior period adjustment		1,150	
FUND BALANCE, MARCH 1, RESTATED		31,743	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 52,437</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current			
Recreation			
Other	1,000	-	(1,000)
Total expenditures	1,000	-	(1,000)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,000)</b>	-	<b>\$ 1,000</b>
<b>FUND BALANCE, MARCH 1</b>		764	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 764</b>	

(See independent auditor's report.)



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Other income	\$ 96,000	\$ 143,644	\$ 47,644
Total revenues	96,000	143,644	47,644
<b>EXPENDITURES</b>			
Capital outlay			
Parks	275,000	26,700	(248,300)
Playgrounds	30,000	8,160	(21,840)
Buildings	182,000	14,724	(167,276)
Major site development	728,000	694,385	(33,615)
Equipment purchase	80,000	(4,275)	(84,275)
Total expenditures	1,295,000	739,694	(555,306)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,199,000)	(596,050)	602,950
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	649,000	500,000	(149,000)
Total other financing sources (uses)	649,000	500,000	(149,000)
NET CHANGE IN FUND BALANCE	\$ (550,000)	(96,050)	\$ 453,950
FUND BALANCE, MARCH 1		124,087	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 28,037</b>	

(See independent auditor's report.)

## **PROPRIETARY FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
FITNESS CENTER FUND

For the Year Ended February 28, 2019

	Original and Final Budget	Actual	Variance Over (Under) Budget
<b>OPERATING REVENUES</b>			
Service fees	\$ 1,445,000	\$ 1,094,362	\$ (350,638)
Rental fees	16,000	18,800	2,800
Other income	5,000	195,627	190,627
Total operating revenues	1,466,000	1,308,789	(157,211)
<b>OPERATING EXPENSES</b>			
Salaries and wages	649,354	560,971	(88,383)
Insurance	55,000	49,423	(5,577)
Materials and supplies	46,000	36,975	(9,025)
Utilities and telephone	99,260	79,472	(19,788)
Contractual services	68,000	35,745	(32,255)
Building, equipment, and landscaping	280,000	40,721	(239,279)
Depreciation	-	49,539	49,539
Other expenses	109,000	6,544	(102,456)
Total operating expenses	1,306,614	859,390	(447,224)
<b>OPERATING INCOME</b>	<b>159,386</b>	<b>449,399</b>	<b>290,013</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	2,000	31,081	29,081
Interest expense	-	(5,185)	(5,185)
Total non-operating revenues (expenses)	2,000	25,896	23,896
<b>INCOME BEFORE TRANSFERS</b>	<b>161,386</b>	<b>475,295</b>	<b>313,909</b>
<b>TRANSFERS</b>			
Transfers (out)	(500,000)	(500,000)	-
Total transfers	(500,000)	(500,000)	-
<b>CHANGE IN NET POSITION</b>	<b>\$ (338,614)</b>	<b>(24,705)</b>	<b>\$ 313,909</b>
<b>NET POSITION, MARCH 1</b>		<b>2,057,020</b>	
<b>NET POSITION, FEBRUARY 28</b>		<b>\$ 2,032,315</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
WATER PARK FUND**

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Service fees	\$ 637,000	\$ 720,975	\$ 83,975
Concession sales	135,000	140,637	5,637
Rental fees	-	14,785	14,785
Other income	10,000	9,762	(238)
	<hr/>		
Total operating revenues	782,000	886,159	104,159
<hr/>			
<b>OPERATING EXPENSES</b>			
Salaries and wages	468,283	356,225	(112,058)
Insurance	6,600	10,109	3,509
Materials and supplies	150,000	126,542	(23,458)
Utilities and telephone	126,630	108,037	(18,593)
Contractual services	27,000	23,238	(3,762)
Building, equipment and landscaping	507,000	78,886	(428,114)
Depreciation	-	171,321	171,321
Other expenses	100,000	10	(99,990)
	<hr/>		
Total operating expenses	1,385,513	874,368	(511,145)
<hr/>			
OPERATING INCOME (LOSS)	(603,513)	11,791	615,304
<hr/>			
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	700	7,992	7,292
	<hr/>		
Total non-operating revenues (expenses)	700	7,992	7,292
<hr/>			
CHANGE IN NET POSITION	<u>\$ (602,813)</u>	19,783	<u>\$ 622,596</u>
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NET POSITION, MARCH 1		<u>4,880,702</u>	
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NET POSITION, FEBRUARY 28		<u>\$ 4,900,485</u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
MCCARTHY PARK FUND

For the Year Ended February 28, 2019

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 62,000	\$ 57,559	\$ (4,441)
Concession sales	30,000	15,187	(14,813)
Other income	2,500	8,116	5,616
Total revenues	94,500	80,862	(13,638)
<b>OPERATING EXPENSES</b>			
Salaries and wages	51,281	40,145	(11,136)
Contractual services	7,000	3,723	(3,277)
Materials and supplies	51,000	25,737	(25,263)
Utilities	4,630	863	(3,767)
Repairs and maintenance	60,200	3,017	(57,183)
Other	20,000	127	(19,873)
Total expenditures	194,111	73,612	(120,499)
OPERATING INCOME (LOSS)	(99,611)	7,250	106,861
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	500	1,993	1,493
Total non-operating revenues (expenses)	500	1,993	1,493
CHANGE IN NET POSITION	<u>\$ (99,111)</u>	9,243	<u>\$ 108,354</u>
NET POSITION, MARCH 1		<u>171,681</u>	
NET POSITION, FEBRUARY 28		<u>\$ 180,924</u>	

(See independent auditor's report.)

## **SUPPLEMENTAL INFORMATION**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION LIMITED TAX PARK BONDS, SERIES 2012**

February 28, 2019

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Date of issue	December 19, 2012
Interest rates	2%
Principal payment date	December 15
Interest payment date	June 15 and December 15
Payable from	Debt Service Fund

**FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 984,000	\$ 40,140	\$ 1,024,140
2021	1,023,000	20,460	1,043,460
<b>TOTAL</b>	<b>\$ 2,007,000</b>	<b>\$ 60,600</b>	<b>\$ 2,067,600</b>

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING PARK BONDS, SERIES 2015**

February 28, 2019

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Date of issue	August 5, 2015
Interest rates	3%
Principal payment date	December 15
Interest payment date	June 15 and December 15
Payable from	Debt Service Fund

**FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2020	\$ 1,155,000	\$ 34,650	\$ 1,189,650
<b>TOTAL</b>	<b>\$ 1,155,000</b>	<b>\$ 34,650</b>	<b>\$ 1,189,650</b>

(See independent auditor's report.)