



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

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ANNUAL FINANCIAL REPORT

For the Year Ended February 29, 2020



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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 29, 2020, 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 29, 2020, 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.

## **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

August 14, 2020

**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 29, 2020. 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 \$37,343,201.
- Net position of governmental activities was \$29,945,012 and business type activities net position was \$7,398,189.
- Property taxes levied and collected were \$6,544,675 compared to the prior year of \$6,223,141 for an increase of \$321,534.
- The District's governmental funds reported combined ending fund balances of \$5,137,978, an increase of \$26,371.
- The District's outstanding annual debt service requirements to maturity for general obligation debt, including interest decreased by \$2,213,790 to \$1,043,460.

## **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 and deferred outflows of resources and 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) 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.

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

The District has two kinds of funds:

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

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

The basic governmental fund financial statements are presented on pages 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.

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

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension 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 financial statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 45.

### 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 \$29,945,012 and business type activities is \$7,398,189.

Net Position	Governmental	Business Type	Total
Current Assets	\$ 11,706,159	\$ 3,027,064	\$ 14,733,223
Capital Assets	27,831,418	4,729,906	32,561,324
Total Assets	39,537,577	7,756,970	47,294,547
Deferred Outflows	323,748	-	323,748
Current Other Liabilities	804,546	70,964	875,510
Long Term Liabilities	2,933,275	287,817	3,221,092
Total Liabilities	3,737,821	358,781	4,096,602
Deferred Inflows	6,178,492	-	6,178,492
Net Investment in Capital Assets	26,784,542	4,639,490	31,424,032
Restricted Amounts	2,112,020	-	2,112,020
Unrestricted Net Position	1,048,450	2,758,699	3,807,149
Total Net Position	\$ 29,945,012	\$ 7,398,189	\$ 37,343,201

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

### Statement of Activities

The District's net position increased by \$2,022,151. Governmental activity accounted for \$1,737,686 of the increase and business-type activity increased \$284,465 as discussed further below.

	Governmental Activities	Business Type Activities	Total
Revenues and Transfers In			
Charges for Services	\$ 1,490,558	\$ 2,369,533	\$ 3,860,091
Taxes	6,544,675	-	6,544,675
Investment Income	78,532	69,804	148,336
Transfers	80,000		80,000
Miscellaneous	154,786	-	154,786
<b>Total Revenue &amp; Transfers</b>	<b>8,348,551</b>	<b>2,439,337</b>	<b>10,787,888</b>
Expenses & Transfers Out			
Governmental Activities			
General Government	1,315,231	-	1,315,231
Recreation	5,278,240	-	5,278,240
Interest on Long Term Debt	17,394	-	17,394
Business-Type Activities			
Fitness Center	-	950,714	950,714
Water Park	-	929,161	929,161
McCarthy Park	-	81,677	81,677
Transfers	-	80,000	80,000
Miscellaneous	-	113,320	113,320
<b>Total Expenses &amp; Transfers</b>	<b>6,610,865</b>	<b>2,154,872</b>	<b>8,765,737</b>
Change in Net Position	1,737,686	284,465	2,022,151
Net Position, March 1	28,207,326	7,113,724	35,321,050
Net Position February 29	\$ 29,945,012	\$ 7,398,189	\$ 37,343,201

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

### **Governmental Activities**

As stated previously, governmental activities increased the District's net position by \$1,737,865 as revenues continued to exceed expenses.

- Revenues from Services generated \$1,490,558; an increase of \$128,705.
- Tax revenue totaled \$6,544,675 revenue; an increase of \$321,534.
- Governmental Activities' net position was supported with a \$80,000 transfer from the Business Type Activities, a decrease of \$420,000.

### **Business-type Activities**

As previously stated, Business-type activities increased the district's net position by \$284,465 after taking into account the previously mentioned \$80,000 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 \$5,137,978. The total ending fund balances of governmental funds shows an increase of \$26,371 from the previous year.

### **Major Governmental Funds**

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

The General fund balance as of February 29, 2020 was \$1,803,207, an increase of \$583,764 from the prior year.

The Recreation fund balance was \$1,297,670, an increase of \$272,559 from the prior year.

The Debt Service fund balance was \$466,061 a decrease of \$29,835 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 \$325,928 prior to the previously mentioned \$80,000 transfer in comparison to \$475,292 the previous year.

The Water Park had net income of \$19,346 in comparison to \$19,783 the previous year.

McCarthy Park/Tinley Junction had net income of \$19,191 in comparison to \$9,243 the previous year mainly due to increased operating revenue.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

The District's investment in capital assets for governmental and business-type activities as of February 29, 2020 was \$27,831,418 and \$4,729,906 respectively. The District has an annual playground and vehicle/equipment replacement schedule. See note 5 to the financial statements for additional information on the District's capital assets.

#### **Debt Administration**

As of February 29, 2020, the Park District has general obligation bond issues outstanding of \$1,023,000. See note 7 to the financial statements for additional information on the District's long-term debt.

#### **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.

The COVID-19 pandemic in the United States has caused business disruption through mandated and voluntary closings of District locations. While there is considerable uncertainty around the lasting impact, District management, with the support of the Park Board, have responded with adjustments to operations to stabilize District finances. However, the duration and ultimate financial impact cannot be reasonably estimated at this time.

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

### **Contacting the District's Financial Management**

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the Business Manager at:

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



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION

February 29, 2020

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 6,604,611	\$ 3,027,064	\$ 9,631,675
Prepaid items	14,847	-	14,847
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	5,086,701	-	5,086,701
Capital assets not being depreciated	4,958,821	-	4,958,821
Capital assets being depreciated (net of accumulated depreciation)	22,872,597	4,688,517	27,561,114
<b>Total assets</b>	<b>39,537,577</b>	<b>7,715,581</b>	<b>47,253,158</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	-	-	-
Pension items - IMRF	304,829	-	304,829
Pension items - OPEB	18,919	-	18,919
<b>Total deferred outflows of resources</b>	<b>323,748</b>	<b>-</b>	<b>323,748</b>
<b>Total assets and deferred outflows of resources</b>	<b>39,861,325</b>	<b>7,715,581</b>	<b>47,576,906</b>
<b>LIABILITIES</b>			
Accounts payable	199,664	21,392	221,056
Accrued interest payable	3,410	-	3,410
Accrued payroll	83,848	27,893	111,741
Unearned revenue	517,624	21,679	539,303
Noncurrent liabilities			
Due within one year	1,172,046	116,733	1,288,779
Due in more than one year	1,761,229	171,084	1,932,313
<b>Total liabilities</b>	<b>3,737,821</b>	<b>358,781</b>	<b>4,096,602</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	5,767,045	-	5,767,045
Pension items - IMRF	373,834	-	373,834
OPEB items	37,613	-	37,613
<b>Total deferred inflows of resources</b>	<b>6,178,492</b>	<b>-</b>	<b>6,178,492</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>9,916,313</b>	<b>358,781</b>	<b>10,275,094</b>
<b>NET POSITION</b>			
Net investment in capital assets	26,784,542	4,598,101	31,382,643
Restricted for			
Special recreation	440,790	-	440,790
Debt service	466,061	-	466,061
Insurance	195,548	-	195,548
Social security	450,394	-	450,394
Museum	472,899	-	472,899
Police program	86,328	-	86,328
Working cash	764	-	764
Unrestricted	1,047,686	2,758,699	3,806,385
<b>TOTAL NET POSITION</b>	<b>\$ 29,945,012</b>	<b>\$ 7,356,800</b>	<b>\$ 37,301,812</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended February 29, 2020

<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	\$ 1,315,231	\$ -	\$ -	\$ -
Recreation	5,278,240	1,487,508	3,050	-
Interest and fiscal charges	17,394	-	-	-
Total governmental activities	6,610,865	1,487,508	3,050	-
Business-Type Activities				
Fitness Center	950,714	1,321,459	-	-
Water Park	929,161	949,746	-	-
McCarthy Park	81,677	98,328	-	-
Total business-type activities	1,961,552	2,369,533	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 8,572,417</b>	<b>\$ 3,857,041</b>	<b>\$ 3,050</b>	<b>\$ -</b>

<b>Net (Expenses) Revenue and Change in Net Position</b>			
<b>Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (1,315,231)	\$ -	\$ (1,315,231)
	(3,787,682)	-	(3,787,682)
	(17,394)	-	(17,394)
	<u>(5,120,307)</u>	-	<u>(5,120,307)</u>
	-	370,745	370,745
	-	20,585	20,585
	-	16,651	16,651
	-	407,981	407,981
	<u>(5,120,307)</u>	407,981	<u>(4,712,326)</u>
General Revenues			
Taxes			
Property and replacement	6,544,675	-	6,544,675
Investment income	78,532	69,804	148,336
Miscellaneous	154,786	(154,709)	77
Transfers	80,000	(80,000)	-
Total	<u>6,857,993</u>	<u>(164,905)</u>	<u>6,693,088</u>
CHANGE IN NET POSITION	1,737,686	243,076	1,980,762
NET POSITION, MARCH 1	<u>28,207,326</u>	<u>7,113,724</u>	<u>35,321,050</u>
<b>NET POSITION, FEBRUARY 29</b>	<u>\$ 29,945,012</u>	<u>\$ 7,356,800</u>	<u>\$ 37,301,812</u>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

February 29, 2020

	<u>General</u>	<u>Recreation</u>	<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
<b>ASSETS</b>					
Cash and investments	\$ 2,093,866	\$ 1,834,590	\$ 585,468	\$ 2,090,687	\$ 6,604,611
Prepaid items	14,847	-	-	-	14,847
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	1,837,934	1,175,808	892,771	1,180,188	5,086,701
Total assets	3,946,647	3,010,398	1,478,239	3,270,875	11,706,159
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 3,946,647</u>	<u>\$ 3,010,398</u>	<u>\$ 1,478,239</u>	<u>\$ 3,270,875</u>	<u>\$ 11,706,159</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 36,754	\$ 6,010	\$ -	\$ 156,900	\$ 199,664
Accrued payroll	22,929	56,022	-	4,897	83,848
Unearned program revenue	-	317,624	-	-	317,624
Unearned revenue	-	-	-	200,000	200,000
Total liabilities	59,683	379,656	-	361,797	801,136
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property tax revenue	2,083,757	1,333,072	1,012,178	1,338,038	5,767,045
Total deferred inflows of resources	2,083,757	1,333,072	1,012,178	1,338,038	5,767,045
Total liabilities and deferred inflows of resources	2,143,440	1,712,728	1,012,178	1,699,835	6,568,181
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	14,847	-	-	-	14,847
Restricted					
Debt service	-	-	466,061	-	466,061
Special recreation	-	-	-	440,790	440,790
Insurance	-	-	-	195,548	195,548
Retirement	-	-	-	450,394	450,394
Museum	-	-	-	472,899	472,899
Police program	-	-	-	86,328	86,328
Working cash	-	-	-	764	764
Unrestricted					
Assigned for recreation programs	-	1,297,670	-	-	1,297,670
Unassigned					
General Fund	1,788,360	-	-	-	1,788,360
Capital Projects Fund (deficit)	-	-	-	(75,683)	(75,683)
Total fund balances	1,803,207	1,297,670	466,061	1,571,040	5,137,978
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 3,946,647</u>	<u>\$ 3,010,398</u>	<u>\$ 1,478,239</u>	<u>\$ 3,270,875</u>	<u>\$ 11,706,159</u>

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 29, 2020

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 5,137,978
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	27,831,418
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	(69,005)
Differences between assumption changes for the other postemployment plan are recognized as deferred inflows of resources on the statement of net position	(18,694)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	
General obligation bonds	(1,023,000)
Net pension liability - IMRF	(1,500,951)
Premium on general obligation bonds	(23,876)
Compensated absences	(101,908)
Interest payable	(3,410)
The total postemployment benefit liability is included in the governmental activities in the statement of net position	<u>(283,540)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 29,945,012</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 29, 2020

	<b>General</b>	<b>Recreation</b>	<b>Debt Service</b>	<b>Nonmajor Governmental</b>	<b>Total Governmental</b>
<b>REVENUES</b>					
Taxes	\$ 2,158,267	\$ 1,441,706	\$ 2,184,609	\$ 760,093	\$ 6,544,675
Charges for services	-	1,394,370	-	-	1,394,370
Rental fees	-	93,138	-	-	93,138
Investment income	10,160	52,004	-	16,368	78,532
Donations	-	3,050	-	-	3,050
Other income	20,138	42,642	-	92,006	154,786
Total revenues	<u>2,188,565</u>	<u>3,026,910</u>	<u>2,184,609</u>	<u>868,467</u>	<u>8,268,551</u>
<b>EXPENDITURES</b>					
Current					
General government	1,152,963	-	-	162,268	1,315,231
Recreation	-	2,633,728	-	1,308,985	3,942,713
Capital outlay	231,838	80,623	-	537,331	849,792
Debt service					
Principal retirement	-	-	2,139,000	-	2,139,000
Interest and fiscal charges	-	-	75,444	-	75,444
Total expenditures	<u>1,384,801</u>	<u>2,714,351</u>	<u>2,214,444</u>	<u>2,008,584</u>	<u>8,322,180</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>803,764</u>	<u>312,559</u>	<u>(29,835)</u>	<u>(1,140,117)</u>	<u>(53,629)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	340,000	340,000
Transfers (out)	(220,000)	(40,000)	-	-	(260,000)
Total other financing sources (uses)	<u>(220,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>340,000</u>	<u>80,000</u>
NET CHANGE IN FUND BALANCES	583,764	272,559	(29,835)	(800,117)	26,371
FUND BALANCES, MARCH 1	<u>1,219,443</u>	<u>1,025,111</u>	<u>495,896</u>	<u>2,371,157</u>	<u>5,111,607</u>
<b>FUND BALANCES, FEBRUARY 29</b>	<u>\$ 1,803,207</u>	<u>\$ 1,297,670</u>	<u>\$ 466,061</u>	<u>\$ 1,571,040</u>	<u>\$ 5,137,978</u>

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 29, 2020

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$	26,371
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		890,189
Depreciation on capital assets is reported as an expense in the statement of activities		(1,233,291)
Loss on disposal of capital assets is reported as an expense in the statement of activities		(119,474)
The change in certain liabilities are reported as expenses on the statement of activities		
Compensated absences		22,140
Accrued interest		9,056
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		78,790
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		(69,405)
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		2,139,000
The change in the total postemployment benefit liability and deferred inflows of resources are reported on the statement of activities		24,106
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b>1,737,686</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

February 29, 2020

	<b>Fitness Center</b>	<b>Water Park</b>	<b>Nonmajor McCarthy Park</b>	<b>Total</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 2,072,942	\$ 753,547	\$ 200,575	\$ 3,027,064
Total current assets	2,072,942	753,547	200,575	3,027,064
<b>NONCURRENT ASSETS</b>				
Capital assets				
Land and improvements	-	771,709	-	771,709
Buildings and improvements	23,448	5,078,902	-	5,102,350
Vehicles and equipment	599,560	734,921	-	1,334,481
Total capital assets	623,008	6,585,532	-	7,208,540
Less accumulated depreciation	(108,235)	(2,411,788)	-	(2,520,023)
Net capital assets	514,773	4,173,744	-	4,688,517
Total assets	2,587,715	4,927,291	200,575	7,715,581
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>CURRENT LIABILITIES</b>				
Accounts payable	16,392	5,000	-	21,392
Accrued payroll	24,973	2,460	460	27,893
Unearned revenue	21,679	-	-	21,679
Compensated absences	26,317	-	-	26,317
Installment contract payable	90,416	-	-	90,416
Total current liabilities	179,777	7,460	460	187,697
<b>NONCURRENT LIABILITIES</b>				
Installment contract payable	171,084	-	-	171,084
Total noncurrent liabilities	171,084	-	-	171,084
Total liabilities	350,861	7,460	460	358,781
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	424,357	4,173,744	-	4,598,101
Unrestricted	1,812,497	746,087	200,115	2,758,699
<b>TOTAL NET POSITION</b>	<b>\$ 2,236,854</b>	<b>\$ 4,919,831</b>	<b>\$ 200,115</b>	<b>\$ 7,356,800</b>

See accompanying notes to financial statements.



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 29, 2020

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,095,462	\$ 767,799	\$ 69,163	\$ 1,932,424
Concession sales	-	151,286	16,147	167,433
Rental fees	18,080	11,905	-	29,985
Other income	207,917	18,756	13,018	239,691
Total operating revenues	1,321,459	949,746	98,328	2,369,533
<b>OPERATING EXPENSES</b>				
Salaries and wages	599,313	372,173	40,383	1,011,869
Insurance	52,541	11,847	-	64,388
Contractual services	85,410	22,700	6,905	115,015
Materials and supplies	42,181	113,091	28,610	183,882
Utilities	81,736	97,647	610	179,993
Repairs and maintenance	38,135	141,825	5,169	185,129
Depreciation	43,585	169,878	-	213,463
Total operating expenses	942,901	929,161	81,677	1,953,739
OPERATING INCOME	378,558	20,585	16,651	415,794
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	57,095	10,169	2,540	69,804
Loss on disposal of equipment	(143,301)	(11,408)	-	(154,709)
Interest expense	(7,813)	-	-	(7,813)
Total non-operating revenues (expenses)	(94,019)	(1,239)	2,540	(92,718)
INCOME BEFORE TRANSFERS	284,539	19,346	19,191	323,076
<b>TRANSFERS</b>				
Transfers (out)	(80,000)	-	-	(80,000)
Total transfers	(80,000)	-	-	(80,000)
CHANGE IN NET POSITION	204,539	19,346	19,191	243,076
NET POSITION, MARCH 1	2,032,315	4,900,485	180,924	7,113,724
<b>NET POSITION, FEBRUARY 29</b>	<b>\$ 2,236,854</b>	<b>\$ 4,919,831</b>	<b>\$ 200,115</b>	<b>\$ 7,356,800</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended February 29, 2020

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customer and users	\$ 1,108,307	\$ 930,990	\$ 85,310	\$ 2,124,607
Receipts from miscellaneous revenues	207,917	18,756	13,018	239,691
Payments to employees	(582,502)	(369,907)	(39,966)	(992,375)
Payments to suppliers	(287,911)	(385,100)	(41,294)	(714,305)
Net cash from operating activities	445,811	194,739	17,068	657,618
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to other funds	(80,000)	-	-	(80,000)
Net cash from noncapital financing activities	(80,000)	-	-	(80,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases and construction of capital assets	(322,089)	(7,500)	-	(329,589)
Proceeds from issuance of long-term debt	280,699	-	-	280,699
Principal paid on long-term debt	(82,172)	-	-	(82,172)
Interest paid on long-term debt	(7,813)	-	-	(7,813)
Net cash from capital and related financing activities	(131,375)	(7,500)	-	(138,875)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	57,095	10,169	2,540	69,804
Net cash from investing activities	57,095	10,169	2,540	69,804
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>				
	291,531	197,408	19,608	508,547
<b>CASH AND CASH EQUIVALENTS, MARCH 1</b>				
	1,781,411	556,139	180,967	2,518,517
<b>CASH AND CASH EQUIVALENTS, FEBRUARY 29</b>				
	\$ 2,072,942	\$ 753,547	\$ 200,575	\$ 3,027,064
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income	\$ 378,558	\$ 20,585	\$ 16,651	\$ 415,794
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation	43,585	169,878	-	213,463
Changes in assets and liabilities				
Accounts payable	12,092	2,010	-	14,102
Accrued payroll	5,256	2,266	417	7,939
Unearned revenue	(5,235)	-	-	(5,235)
Compensated absences	11,555	-	-	11,555
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 445,811</b>	<b>\$ 194,739</b>	<b>\$ 17,068</b>	<b>\$ 657,618</b>

See accompanying notes to financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

February 29, 2020

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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 being 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.

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



**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 (Continued)

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.

l. 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

**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 (Continued)

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.

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.

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

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 2019 attach as an enforceable lien on January 1, 2019, 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, 2020 and July 1, 2020 and are payable in two installments on or about March 1, 2020 and August 1, 2020. 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 2019 levy is intended to fund the 2021 fiscal year the levy has been recorded as a receivable and deferred inflow of resources.

**4. JOINTLY 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 29, 2020 was \$320,269.

**5. CAPITAL ASSETS**

Capital asset activity for the year ended February 29, 2020 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	-	82,135	-	82,135
<b>Total capital assets not being depreciated</b>	<b>4,876,686</b>	<b>82,135</b>	<b>-</b>	<b>4,958,821</b>

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

**5. CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended February 29, 2020 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
(Continued)				
Capital assets being depreciated				
Land improvements	\$ 13,276,840	\$ 162,210	\$ 52,177	\$ 13,386,873
Buildings and improvements	21,856,742	168,004	12,631	22,012,115
Furniture, fixtures and equipment	4,309,633	448,981	200,646	4,557,968
Mobile equipment	555,461	28,859	64,295	520,025
Total capital assets being depreciated	39,998,676	808,054	329,749	40,476,981
Less accumulated depreciation for				
Land improvements	7,274,210	499,921	25,120	7,749,011
Buildings and improvements	6,786,680	467,701	3,945	7,250,436
Furniture, fixtures and equipment	2,222,030	228,903	122,893	2,328,040
Mobile equipment	298,448	36,766	58,317	276,897
Total accumulated depreciation	16,581,368	1,233,291	210,275	17,604,384
Total capital assets being depreciated, net	23,417,308	(425,237)	119,474	22,872,597
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>				
	<u>\$ 28,293,994</u>	<u>\$ (343,102)</u>	<u>\$ 119,474</u>	<u>\$ 27,831,418</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets being depreciated				
Land improvements	\$ 771,709	\$ -	\$ -	\$ 771,709
Building and improvements	5,102,350	41,389	-	5,143,739
Furniture, fixtures and equipment	1,270,451	288,200	224,170	1,334,481
Total capital assets being depreciated	7,144,510	329,589	224,170	7,249,929
Less accumulated depreciation for				
Land improvements	305,371	36,539	-	341,910
Building and improvements	1,544,252	106,239	-	1,650,491
Furniture, fixtures and equipment	567,788	70,684	110,850	527,622
Total accumulated depreciation	2,417,411	213,462	110,850	2,520,023
Total capital assets being depreciated, net	4,727,099	116,127	113,320	4,729,906
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>				
	<u>\$ 4,727,099</u>	<u>\$ 116,127</u>	<u>\$ 113,320</u>	<u>\$ 4,729,906</u>

**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:

GOVERNMENTAL ACTIVITIES	
Recreation	<u>\$ 1,233,291</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,233,291</u>

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

BUSINESS-TYPE ACTIVITIES	
Fitness Center	\$ 43,585
Water Park	<u>169,878</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 213,463</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			Balances	
	January 1, Restated	Additions	Reductions	December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds	\$ 3,162,000	\$ -	\$ 2,139,000	\$ 1,023,000	\$ 1,023,000
Unamortized premium	102,666	-	78,790	23,876	-
Unamortized discount	(16,542)	-	(16,542)	-	-
Net pension liability*	2,277,241	-	776,290	1,500,951	-
Compensated absences*	124,048	101,908	124,048	101,908	101,908
OPEB liability*	317,645	9,949	44,054	283,540	47,138
<b>TOTAL</b>	<b>\$ 5,967,058</b>	<b>\$ 111,857</b>	<b>\$ 3,145,640</b>	<b>\$ 2,933,275</b>	<b>\$ 1,172,046</b>

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

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

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
<b>BUSINESS-TYPE</b>					
<b>ACTIVITIES</b>					
2017 Installment agreement	\$ 62,973	\$ -	\$ 62,973	\$ -	\$ -
2019 Installment agreement	-	280,699	19,199	261,500	90,416
Compensated absences	14,762	26,317	14,762	26,317	26,317
<b>TOTAL</b>	<b>\$ 77,735</b>	<b>\$ 307,016</b>	<b>\$ 96,934</b>	<b>\$ 287,817</b>	<b>\$ 116,733</b>

\*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</b>						
<b>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	\$ 2,007,000	\$ -	\$ 984,000	\$ 1,023,000	\$ 1,023,000
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	1,155,000	-	1,155,000	-	-
<b>TOTAL</b>		<b>\$ 3,162,000</b>	<b>\$ -</b>	<b>\$ 2,139,000</b>	<b>\$ 1,023,000</b>	<b>\$ 1,023,000</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
2021	\$ 1,023,000	\$ 20,460	\$ 1,043,460
<b>TOTAL</b>	<b>\$ 1,023,000</b>	<b>\$ 20,460</b>	<b>\$ 1,043,460</b>

c. 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, 2019.

During the year ended February 29, 2019, the District entered into an Installment Contract to finance new fitness equipment for fitness center. The loan has an original principal balance of \$280,699 bearing interest at 10% and is payable in monthly payments of \$8,577 beginning December 15, 2019 and ending November 15, 2022.

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

Year Ending February 28,	Principal	Interest	Total
2021	\$ 90,416	\$ 12,511	\$ 102,927
2022	95,682	7,245	102,927
2023	75,402	1,794	77,196
<b>TOTAL</b>	<b>\$ 261,500</b>	<b>\$ 21,550</b>	<b>\$ 283,050</b>

**8. INTERFUND TRANSFERS**

Interfund transfers for the year ended February 29, 2020 were as follows:

- \$340,000 transferred to the Capital Projects Fund (nonmajor governmental) from the Fitness Center Fund (\$80,000), the General fund (\$220,000) and the Recreation Fund (\$40,00) for capital projects. These transfers will not be repaid.

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

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**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.

*Plan Membership*

At December 31, 2019 (most recent data available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	39
Inactive employees entitled to but not yet receiving benefits	74
Active employees	58
 TOTAL	 171

**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)

*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 11.84% of covered payroll. The employer contribution rate for the calendar year ending December 31, 2019 is 13.05% of covered payroll.

*Actuarial Assumptions*

The District's net pension liability (asset) was measured as of December 31, 2019 (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.

**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 (Continued)*

Actuarial valuation date	December 31, 2019
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, 2018 was 7.25%.

*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, 2019	\$ 9,728,594	\$ 7,451,353	\$ 2,277,241
Changes for the period			
Service cost	229,249	-	229,249
Interest	700,686	-	700,686
Difference between expected and actual experience	46,634	-	46,634
Changes in assumptions*	-	-	-
Employer contributions	-	260,198	(260,198)
Employee contributions	-	98,893	(98,893)
Net investment income	-	1,349,224	(1,349,224)
Benefit payments and refunds	(357,159)	(357,159)	-
Other	-	44,544	(44,544)
Net changes	619,410	1,395,700	(776,290)
BALANCES AT DECEMBER 31, 2019	\$ 10,348,004	\$ 8,847,053	\$ 1,500,951

**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 29, 2020, the District recognized pension expense of \$334,244.

At February 29, 2020, 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	\$ 127,593	\$ 13,890
Assumption changes	132,406	56,046
Net difference between projected and actual earnings on pension plan investments	-	303,898
Employer contributions after the measurement date	44,830	-
<b>TOTAL</b>	<u>\$ 304,829</u>	<u>\$ 373,834</u>

\$44,830 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, 2021. 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>	
2021	\$ 26,126
2022	(13,222)
2023	34,725
2024	<u>(161,464)</u>
<b>TOTAL</b>	<u>\$ (113,835)</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	\$ 2,899,801	\$ 1,500,951	\$ 360,681

**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, 2019 (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>29</u>
<b>TOTAL</b>	<b><u><u>32</u></u></b>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of September 30, 2019 using the following actuarial methods and assumptions.

Actuarial valuation date	September 30, 2019
Measurement date	September 30, 2019
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	2.66%
Healthcare cost trend rates	7.00% to 8.00% in fiscal 2019 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)

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

e. Discount Rate

The discount rate of 2.66% 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 at February 28, 2019 was 4.18%.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT OCTOBER 1, 2018	<u>\$ 345,923</u>
Changes for the period	
Service cost	13,234
Interest	12,271
Changes in assumptions	(9,729)
Implicit benefit payments	<u>(44,054)</u>
Net changes	<u>(28,278)</u>
BALANCES AT SEPTEMBER 30, 2019	<u>\$ 317,645</u>

Changes in assumptions - the discount rate was decreased from 4.18% to 2.66%; valuation-year per capita health costs and retiree contribution rates were modified; trend rates on per capita health costs and contribution rates were modified; and the percent of future retirees assumed to have an eligible spouse who opts for coverage was changed, and the age spread between husband and wife was decreased.

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 2.66% 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 (1.66%) or 1 percentage point higher (3.66%) than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Total OPEB liability	\$ 301,399	\$ 283,540	\$ 266,518

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

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

	1% Decrease (6% to 7%)	Current Healthcare Rate (7% to 8%)	1% Increase (7% to 9%)
Total OPEB liability	\$ 257,350	\$ 283,540	\$ 314,587

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

For the year ended February 29, 2020, the District recognized OPEB expense of (\$24,106). At February 29, 2020, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 29,952
Assumption changes	18,919	7,661
<b>TOTAL</b>	<b>\$ 18,919</b>	<b>\$ 37,613</b>

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

Year Ending February 28,	
2021	\$ (2,349)
2022	(2,349)
2023	(2,349)
2024	(2,349)
2025	(2,349)
Thereafter	(6,949)
<b>TOTAL</b>	<b>\$ (18,694)</b>

**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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 2,002,553	\$ 2,124,586	\$ 122,033
Replacement taxes	25,000	33,681	8,681
Investment income	8,000	10,160	2,160
Other	20,000	20,138	138
Total revenues	2,055,553	2,188,565	133,012
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	635,557	555,122	(80,435)
Insurance	261,000	164,623	(96,377)
Contractual services	215,100	207,895	(7,205)
Materials and supplies	170,000	137,281	(32,719)
Utilities	78,500	56,162	(22,338)
Other	37,500	31,880	(5,620)
Capital outlay	927,200	231,838	(695,362)
Total expenditures	2,324,857	1,384,801	(940,056)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(269,304)	803,764	1,073,068
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	(550,000)	(220,000)	330,000
Total other financing sources (uses)	(550,000)	(220,000)	330,000
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ (819,304)</u>	583,764	<u>\$ 1,403,068</u>
<b>FUND BALANCE, MARCH 1</b>			
		<u>1,219,443</u>	
<b>FUND BALANCE, FEBRUARY 29</b>			
		<u>\$ 1,803,207</u>	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,358,497	\$ 1,441,706	\$ 83,209
Charges for services	989,000	1,394,370	405,370
Rental income and fees	88,000	93,138	5,138
Investment income	25,000	52,004	27,004
Donations	-	3,050	3,050
Other	35,000	42,642	7,642
<b>Total revenues</b>	<b>2,495,497</b>	<b>3,026,910</b>	<b>531,413</b>
<b>EXPENDITURES</b>			
Recreation			
Current			
Salaries and wages	1,812,547	1,591,518	(221,029)
Insurance	261,000	234,656	(26,344)
Program expenditures	387,000	313,754	(73,246)
Contractual services	380,800	262,748	(118,052)
Materials and supplies	219,400	121,133	(98,267)
Utilities	158,000	109,061	(48,939)
Other	9,000	858	(8,142)
Capital outlay			
Equipment	435,300	80,623	(354,677)
<b>Total expenditures</b>	<b>3,663,047</b>	<b>2,714,351</b>	<b>(948,696)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,167,550)</b>	<b>312,559</b>	<b>1,480,109</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	(100,000)	(40,000)	60,000
<b>Total other financing sources (uses)</b>	<b>(100,000)</b>	<b>(40,000)</b>	<b>60,000</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (1,267,550)</b>	<b>272,559</b>	<b>\$ 1,480,109</b>
<b>FUND BALANCE, MARCH 1</b>		<b>1,025,111</b>	
<b>FUND BALANCE, FEBRUARY 29</b>		<b>\$ 1,297,670</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

Last Five Fiscal Years

<b>FISCAL YEAR ENDED FEBRUARY 29,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Actuarially determined contribution	\$ 242,622	\$ 247,404	\$ 256,213	\$ 250,425	\$ 264,839
Contributions in relation to the actuarially determined contribution	<u>242,623</u>	<u>247,404</u>	<u>305,298</u>	<u>250,425</u>	<u>264,839</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (49,085)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,161,235	\$ 2,201,712
Contributions as a percentage of covered payroll	12.38%	12.21%	14.33%	11.59%	12.03%

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 24 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 Five Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 192,245	\$ 216,069	\$ 216,167	\$ 208,734	\$ 229,249
Interest	533,647	587,396	613,038	658,055	700,686
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	183,330	(227,142)	316,023	57,711	46,634
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)	(357,159)
Net change in total pension liability	721,044	347,003	631,806	900,757	619,410
Total pension liability - beginning	7,127,984	7,849,028	8,196,031	8,827,837	9,728,594
<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>\$ 10,348,004</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 242,623	\$ 247,404	\$ 305,298	\$ 246,036	\$ 260,198
Contributions - member	88,794	91,453	95,840	96,800	98,893
Net investment income	30,505	426,266	1,089,841	(370,853)	1,349,224
Benefit payments, including refunds of member contributions	(198,617)	(208,349)	(260,557)	(316,263)	(357,159)
Other	(77,435)	18,506	(256,189)	125,728	44,544
Net change in plan fiduciary net position	85,870	575,280	974,233	(218,552)	1,395,700
Plan net position - beginning	6,034,522	6,120,392	6,695,672	7,669,905	7,451,353
<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>\$ 8,847,053</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>					
Plan fiduciary net position as a percentage of the total pension liability	77.98%	81.69%	86.88%	76.59%	85.50%
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,132,029	\$ 2,197,619
Employer's net pension liability as a percentage of covered payroll	88.21%	74.05%	54.37%	106.81%	68.30%
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 Two Fiscal Years

<b>MEASUREMENT DATE SEPTEMBER 30,</b>	<b>2018</b>	<b>2019</b>
<b>TOTAL OPEB LIABILITY</b>		
Service cost	\$ 13,234	\$ 12,563
Interest	12,271	12,818
Differences between expected and actual experience	-	(33,522)
Changes of assumptions	(9,729)	21,174
Implicit benefit payments	(44,054)	(47,138)
Net change in total OPEB liability	(28,278)	(34,105)
Total OPEB liability - beginning	345,923	317,645
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 317,645</b>	<b>\$ 283,540</b>
Covered payroll	\$ 1,678,017	\$ 1,697,427
Employer's total OPEB liability as a percentage of covered payroll	18.93%	16.70%

Changes in Assumptions

**2019:** Discount rate was decreased from 4.18% to 2.66%; Valuation-year per capita health costs and retiree contribution rates were updated; trend rates on per capital health costs and contribution rates were modified; and the percent of future retirees assumed to have an eligible spouse who opts for coverage was changed, and the age spread between husband and wife was decreased.

**2018:** 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 29, 2020

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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 29, 2020.

**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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 2,062,892	\$ 2,184,609	\$ 121,717
Total revenues	2,062,892	2,184,609	121,717
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	2,152,210	2,139,000	(13,210)
Interest and fiscal charges	74,790	75,444	654
Total expenditures	2,227,000	2,214,444	(12,556)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (164,108)</b>	<b>(29,835)</b>	<b>\$ 134,273</b>
<b>FUND BALANCE, MARCH 1</b>		<b>495,896</b>	
<b>FUND BALANCE, FEBRUARY 29</b>		<b>\$ 466,061</b>	

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

February 29, 2020

	<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	\$ 518,972	\$ 210,442	\$ 205,518
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	489,431	106,745	212,130
Total assets	1,008,403	317,187	417,648
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
Total deferred outflows of resources	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,008,403</b>	<b>\$ 317,187</b>	<b>\$ 417,648</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 11,826	\$ -	\$ -
Accrued payroll	895	617	-
Unearned revenue	-	-	-
Total liabilities	12,721	617	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property tax revenue	554,892	121,022	240,503
Total deferred inflows of resources	554,892	121,022	240,503
Total liabilities and deferred inflows of resources	567,613	121,639	240,503
<b>FUND BALANCES</b>			
Restricted			
Special recreation	440,790	-	-
Insurance	-	195,548	-
Retirement	-	-	177,145
Museum	-	-	-
Police program	-	-	-
Working cash	-	-	-
Unassigned (deficit)	-	-	-
Total fund balances (deficit)	440,790	195,548	177,145
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,008,403</b>	<b>\$ 317,187</b>	<b>\$ 417,648</b>

Illinois Municipal Retirement	Special Revenue			Capital Projects		Total
	Museum	Police Program	Working Cash	Capital Projects		
\$ 303,940	\$ 478,071	\$ 104,038	\$ 764	\$ 268,942	\$ 2,090,687	
229,468	26,269	116,145	-	-	1,180,188	
533,408	504,340	220,183	764	268,942	3,270,875	
-	-	-	-	-	-	
-	-	-	-	-	-	
\$ 533,408	\$ 504,340	\$ 220,183	\$ 764	\$ 268,942	\$ 3,270,875	
\$ -	\$ 449	\$ -	\$ -	\$ 144,625	\$ 156,900	
-	1,209	2,176	-	-	4,897	
-	-	-	-	200,000	200,000	
-	1,658	2,176	-	344,625	361,797	
260,159	29,783	131,679	-	-	1,338,038	
260,159	29,783	131,679	-	-	1,338,038	
260,159	31,441	133,855	-	344,625	1,699,835	
-	-	-	-	-	440,790	
-	-	-	-	-	195,548	
273,249	-	-	-	-	450,394	
-	472,899	-	-	-	472,899	
-	-	86,328	-	-	86,328	
-	-	-	764	-	764	
-	-	-	-	(75,683)	(75,683)	
273,249	472,899	86,328	764	(75,683)	1,571,040	
\$ 533,408	\$ 504,340	\$ 220,183	\$ 764	\$ 268,942	\$ 3,270,875	

(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 29, 2020

	<b>Special Revenue</b>		
	<b>Special Recreation</b>	<b>Liability Insurance</b>	<b>Social Security</b>
<b>REVENUES</b>			
Property taxes	\$ 504,992	\$ 108,985	\$ -
Investment income	3,556	507	2,540
Other income	-	1,500	-
Total revenues	<u>508,548</u>	<u>110,992</u>	<u>2,540</u>
<b>EXPENDITURES</b>			
Current			
General government	-	162,268	-
Recreation	625,515	-	245,950
Capital outlay	-	-	-
Total expenditures	<u>625,515</u>	<u>162,268</u>	<u>245,950</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(116,967)</u>	<u>(51,276)</u>	<u>(243,410)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(116,967)	(51,276)	(243,410)
<b>FUND BALANCES, MARCH 1</b>	<u>557,757</u>	<u>246,824</u>	<u>420,555</u>
<b>FUND BALANCES (DEFICIT), FEBRUARY 29</b>	<u>\$ 440,790</u>	<u>\$ 195,548</u>	<u>\$ 177,145</u>



Special Revenue				Capital Projects	
Illinois Municipal Retirement	Museum	Police Program	Working Cash	Capital Projects	Total
\$ -	\$ 26,161	\$ 119,955	\$ -	\$ -	\$ 760,093
3,301	2,541	2,031	-	1,892	16,368
-	-	-	-	90,506	92,006
3,301	28,702	121,986	-	92,398	868,467
-	-	-	-	-	162,268
264,839	85,799	86,882	-	-	1,308,985
-	-	1,213	-	536,118	537,331
264,839	85,799	88,095	-	536,118	2,008,584
(261,538)	(57,097)	33,891	-	(443,720)	(1,140,117)
-	-	-	-	340,000	340,000
-	-	-	-	340,000	340,000
(261,538)	(57,097)	33,891	-	(103,720)	(800,117)
534,787	529,996	52,437	764	28,037	2,371,157
\$ 273,249	\$ 472,899	\$ 86,328	\$ 764	\$ (75,683)	\$ 1,571,040

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 476,074	\$ 504,992	\$ 28,918
Investment income	2,500	3,556	1,056
Total revenues	478,574	508,548	29,974
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	45,522	21,029	(24,493)
Contractual services	32,000	26,512	(5,488)
Materials and supplies	472,500	257,705	(214,795)
SSSRA co-payment	360,000	320,269	(39,731)
Total expenditures	910,022	625,515	(284,507)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (431,448)	(116,967)	\$ 314,481
<b>FUND BALANCE, MARCH 1</b>		557,757	
<b>FUND BALANCE, FEBRUARY 29</b>		\$ 440,790	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ -	\$ 108,985	\$ 108,985
Investment income	350	507	157
Other	1,000	1,500	500
Total revenues	1,350	110,992	109,642
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	16,853	17,226	373
Insurance	176,000	144,817	(31,183)
Other	18,000	225	(17,775)
Total expenditures	210,853	162,268	(48,585)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (209,503)	(51,276)	\$ 158,227
<b>FUND BALANCE, MARCH 1</b>			
		246,824	
<b>FUND BALANCE, FEBRUARY 29</b>			
		\$ 195,548	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Investment income	\$ 1,700	\$ 2,540	\$ 840
Total revenues	1,700	2,540	840
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	260,457	245,950	(14,507)
Total expenditures	260,457	245,950	(14,507)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (258,757)</b>	<b>(243,410)</b>	<b>\$ 15,347</b>
<b>FUND BALANCE, MARCH 1</b>		<b>420,555</b>	
<b>FUND BALANCE, FEBRUARY 29</b>		<b>\$ 177,145</b>	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Investment income	\$ 2,300	\$ 3,301	\$ 1,001
Total revenues	2,300	3,301	1,001
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	286,000	264,839	(21,161)
Total expenditures	286,000	264,839	(21,161)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (283,700)</b>	<b>(261,538)</b>	<b>\$ 22,162</b>
<b>FUND BALANCE, MARCH 1</b>		<b>534,787</b>	
<b>FUND BALANCE, FEBRUARY 29</b>		<b>\$ 273,249</b>	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 14,032	\$ 26,161	\$ 12,129
Investment income	1,800	2,541	741
Total revenues	15,832	28,702	12,870
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	33,538	33,439	(99)
Contractual services	197,400	35,309	(162,091)
Materials and supplies	5,000	1,041	(3,959)
Utilities	34,000	16,010	(17,990)
Total expenditures	269,938	85,799	(184,139)
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>\$ (254,106)</u></b>	<b><u>(57,097)</u></b>	<b><u>\$ 197,009</u></b>
<b>FUND BALANCE, MARCH 1</b>		<u>529,996</u>	
<b>FUND BALANCE, FEBRUARY 29</b>		<u><u>\$ 472,899</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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 112,976	\$ 119,955	\$ 6,979
Investment income	1,400	2,031	631
Total revenues	114,376	121,986	7,610
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	73,482	65,335	(8,147)
Materials and supplies	23,500	13,960	(9,540)
Utilities	11,000	7,285	(3,715)
Other	5,000	302	(4,698)
Capital outlay	8,000	1,213	(6,787)
Total expenditures	120,982	88,095	(32,887)
NET CHANGE IN FUND BALANCE	\$ (6,606)	33,891	\$ 40,497
FUND BALANCE, MARCH 1		52,437	
<b>FUND BALANCE, FEBRUARY 29</b>		<b>\$ 86,328</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 29, 2020

	<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 29</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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Intergovernmental	\$ 200,000	\$ -	\$ (200,000)
Investment income	-	1,892	1,892
Other income	130,000	90,506	(39,494)
Total revenues	330,000	92,398	(237,602)
<b>EXPENDITURES</b>			
Capital outlay			
Parks	322,000	9,659	(312,341)
Playgrounds	267,500	204,518	(62,982)
Buildings	263,000	165,331	(97,669)
Major site development	275,000	156,610	(118,390)
Equipment purchase	80,000	-	(80,000)
Total expenditures	1,207,500	536,118	(671,382)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(877,500)	(443,720)	433,780
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	850,000	340,000	(510,000)
Total other financing sources (uses)	850,000	340,000	(510,000)
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ (27,500)</u>	(103,720)	<u>\$ (76,220)</u>
<b>FUND BALANCE, MARCH 1</b>			
		<u>28,037</u>	
<b>FUND BALANCE (DEFICIT), FEBRUARY 29</b>			
		<u>\$ (75,683)</u>	

(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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Service fees	\$ 1,276,000	\$ 1,095,462	\$ (180,538)
Rental fees	14,000	18,080	4,080
Other income	1,000	207,917	206,917
	1,291,000	1,321,459	30,459
<b>OPERATING EXPENSES</b>			
Salaries and wages	668,272	599,313	(68,959)
Insurance	41,000	52,541	11,541
Materials and supplies	46,000	42,181	(3,819)
Utilities and telephone	100,000	81,736	(18,264)
Contractual services	94,000	85,410	(8,590)
Building, equipment and landscaping	305,000	38,135	(266,865)
Depreciation	-	43,585	43,585
Other expenses	100,000	-	(100,000)
	1,354,272	942,901	(411,371)
<b>OPERATING INCOME (LOSS)</b>	<b>(63,272)</b>	<b>378,558</b>	<b>441,830</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	30,000	57,095	27,095
Interest expense	-	(7,813)	(7,813)
Loss on disposal of capital assets	-	(143,301)	(143,301)
	30,000	(94,019)	(124,019)
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(33,272)</b>	<b>284,539</b>	<b>317,811</b>
<b>TRANSFERS</b>			
Transfers (out)	(200,000)	(80,000)	120,000
	(200,000)	(80,000)	120,000
<b>CHANGE IN NET POSITION</b>	<b>\$ (233,272)</b>	<b>204,539</b>	<b>\$ 437,811</b>
<b>NET POSITION, MARCH 1</b>		<b>2,032,315</b>	
<b>NET POSITION, FEBRUARY 29</b>		<b>\$ 2,236,854</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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Service fees	\$ 700,000	\$ 767,799	\$ 67,799
Concession sales	140,000	151,286	11,286
Rental fees	16,000	11,905	(4,095)
Other income	10,000	18,756	8,756
Total operating revenues	866,000	949,746	83,746
<b>OPERATING EXPENSES</b>			
Salaries and wages	481,340	372,173	(109,167)
Insurance	10,500	11,847	1,347
Materials and supplies	151,000	113,091	(37,909)
Utilities and telephone	122,000	97,647	(24,353)
Contractual services	25,000	22,700	(2,300)
Building, equipment and landscaping	251,000	141,825	(109,175)
Depreciation	-	169,878	169,878
Other expenses	100,000	-	(100,000)
Total operating expenses	1,140,840	929,161	(211,679)
<b>OPERATING INCOME (LOSS)</b>			
	(274,840)	20,585	295,425
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	7,100	10,169	3,069
Loss on disposal of capital assets	-	(11,408)	(11,408)
Total non-operating revenues (expenses)	7,100	(1,239)	(8,339)
<b>CHANGE IN NET POSITION</b>			
	<u>\$ (267,740)</u>	19,346	<u>\$ 287,086</u>
<b>NET POSITION, MARCH 1</b>			
		<u>4,900,485</u>	
<b>NET POSITION, FEBRUARY 29</b>			
		<u>\$ 4,919,831</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 29, 2020

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 58,000	\$ 69,163	\$ 11,163
Concession sales	17,000	16,147	(853)
Other income	8,000	13,018	5,018
Total revenues	83,000	98,328	15,328
<b>OPERATING EXPENSES</b>			
Salaries and wages	51,345	40,383	(10,962)
Contractual services	9,400	6,905	(2,495)
Materials and supplies	51,000	28,610	(22,390)
Utilities	4,800	610	(4,190)
Repairs and maintenance	60,200	5,169	(55,031)
Other	18,000	-	(18,000)
Total expenses	194,745	81,677	(113,068)
OPERATING INCOME (LOSS)	(111,745)	16,651	128,396
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	1,800	2,540	740
Total non-operating revenues (expenses)	1,800	2,540	740
CHANGE IN NET POSITION	\$ (109,945)	19,191	\$ 129,136
NET POSITION, MARCH 1		180,924	
NET POSITION, FEBRUARY 29		\$ 200,115	

(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 29, 2020

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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>
2021	\$ 1,023,000	\$ 20,460	\$ 1,043,460
<b>TOTAL</b>	<b>\$ 1,023,000</b>	<b>\$ 20,460</b>	<b>\$ 1,043,460</b>

(See independent auditor's report.)