



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

---

ANNUAL FINANCIAL REPORT

For the Year Ended February 28, 2021



SIKICH.COM

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT .....	1-2
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS</b>	
Management’s Discussion and Analysis.....	MD&A 1-8
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	3
Statement of Activities .....	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	7
Statement of Revenues, Expenditures and Changes in Fund Balances .....	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	9
Proprietary Funds	
Statement of Net Position .....	10
Statement of Revenues, Expenses and Changes in Fund Net Position.....	11
Statement of Cash Flows .....	12
Notes to Financial Statements .....	13-37

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

	<u>Page(s)</u>
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)</b>	
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund .....	38
Recreation Fund.....	39
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions .....	40
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios.....	41
Other Postemployment Benefit Plan	
Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios.....	42
Notes to Required Supplementary Information .....	43
 <b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>	
<b>MAJOR GOVERNMENTAL FUNDS</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Debt Service Fund .....	44
Capital Projects Fund .....	45
 <b>NONMAJOR GOVERNMENTAL FUNDS</b>	
Combining Balance Sheet .....	46-47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	48-49
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Special Recreation Fund.....	50
Liability Insurance Fund.....	51
Social Security Fund.....	52
Illinois Municipal Retirement Fund .....	53
Museum Fund .....	54
Police Program Fund .....	55
Working Cash Fund.....	56

**TINLEY PARK DISTRICT**  
**TINLEY PARK, ILLINOIS**  
TABLE OF CONTENTS (Continued)

---

Page(s)

COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES (Continued)

PROPRIETARY FUNDS

Schedule of Revenues, Expenses and Changes in Net Position -  
Budget and Actual

Fitness Center Fund .....	57
Water Park Fund .....	58
McCarthy Park Fund .....	59

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

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Tinley Park Park District, Tinley Park, Illinois (the District), as of and for the year ended February 28, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Tinley Park Park District, Tinley Park, Illinois as of February 28, 2021, 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 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.

*Sikich LLP*

Naperville, Illinois  
July 15, 2021

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

# **Tinley Park Park District Management's Discussion and Analysis**

The Tinley Park-Park District was organized in 1967. The District encompasses an area of approximately 452 acres located primarily in southwestern Cook County. A five member Board of Commissioners elected at large for four-year terms governs the District. The District owns 19 buildings and over 272 acres of parkland and leases an additional 180 acres. The Park District provides recreational activities to an estimated population of 56,795.

## **Introduction**

The Park District's Management's Discussion and Analysis (MD&A) provides an overview of the District's financial activities for the year ended February 28, 2021. 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 \$38,056,281.
- Net position of governmental activities was \$31,334,490 and business-type activities net position was \$6,721,791.
- Property taxes levied and collected were \$5,619,094 compared to the prior year of \$6,544,675 for a decrease of \$925,581.
- The District's governmental funds reported combined ending fund balances of \$5,153,445 an increase of \$15,467.
- The District's outstanding long term annual debt service requirements to maturity for general obligation debt, including interest decreased by \$1,043,460 to \$0.

## **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 3-5 of this report.

## Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the district's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of this report.

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

The District has two kinds of funds:

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

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

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

The basic governmental fund financial statements are presented on pages 6-9 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 10-12 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 13 of this report.

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

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Other supplementary information includes detail by fund for receivables, payables, transfers and payments within the reporting entity. 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 are presented in a subsequent section of this report beginning on page 44.

### Government-wide Financial Analysis

Over time, as year to year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as a whole.

### Statement of Net Position

As noted earlier, the District's combined net position for governmental activities at the end of the fiscal year is \$31,334,490 and business-type activities is \$6,721,791.

Financial Position	Governmental	Business Type	Total
Current Assets	12,485,394	2,346,976	14,832,370
Capital Assets	27,983,933	4,591,099	32,575,032
Total Assets	<u>40,469,327</u>	<u>6,938,075</u>	<u>47,407,402</u>
Deferred Outflows	<u>297,368</u>	-	<u>297,368</u>
Current Other Liabilities	1,430,253	25,751	1,456,004
Long Term Liabilities	1,308,281	190,533	1,498,814
Total Liabilities	<u>2,738,534</u>	<u>216,284</u>	<u>2,954,818</u>
Deferred Inflows	<u>6,693,671</u>	-	<u>6,693,671</u>
Net investment in capital assets	26,953,033	4,420,015	31,373,048
Restricted Amounts	2,295,364	-	2,295,364
Unrestricted Net Position	<u>2,086,093</u>	<u>2,301,776</u>	<u>4,387,869</u>
Total Net Position	<u><u>31,334,490</u></u>	<u><u>6,721,791</u></u>	<u><u>38,056,281</u></u>

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

### Statement of Activities

The District's net position increased by \$754,468. Whereas, Governmental activity accounted for an increase of \$1,389,477, Business-type activity decreased \$635,009 as discussed further below.

	Governmental Activities	Business-Type Activities	Total
<b>Revenues and Transfers In</b>			
Charges for Services	\$ 450,449	\$ 391,592	\$ 842,041
Operating Grants and Contributions	530	-	530
Capital Grants and Contributions	241,137	39,167	280,304
Taxes	5,619,094	-	5,619,094
Investment Income	38,252	35,182	73,434
Miscellaneous	132,540	-	132,540
<b>Total Revenue &amp; Transfers</b>	<b>6,482,002</b>	<b>465,941</b>	<b>6,947,943</b>
<b>Expenses &amp; Transfers Out</b>			
<b>Governmental Activities</b>			
General Government	1,384,002	-	1,384,002
Recreation	3,701,529	-	3,701,529
Interest on Long Term Debt	6,994	-	6,994
<b>Business-Type Activities</b>			
Fitness Center	-	659,472	659,472
Water Park	-	376,707	376,707
McCarthy Park	-	64,771	64,771
<b>Total Expenses &amp; Transfers</b>	<b>5,092,525</b>	<b>1,100,950</b>	<b>6,193,475</b>
<b>Change in Net Position</b>	<b>1,389,477</b>	<b>(635,009)</b>	<b>754,468</b>
<b>Net Position, March 1</b>	<b>29,945,013</b>	<b>7,356,800</b>	<b>37,301,813</b>
<b>Net Position, February 29</b>	<b>31,334,490</b>	<b>6,721,791</b>	<b>38,056,281</b>

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

### **Governmental Activities**

As stated previously, governmental activities increased the District's net position by \$1,389,477 as revenues continued to exceed expenses but at a much smaller rate than prior to Covid-19.

- Revenues from Services generated \$450,449; a decrease of \$1,049,109.
- Tax revenue totaled \$5,619,094 revenue; a decrease of \$925,581.
- Recreation expenses totaled \$3,649,614; a decrease of \$1,570,256.

### **Business-type Activities**

As previously stated, Business-type activities decreased the district's net position by \$635,009 mainly due to the Covid 19 restrictions which shut down the Water Park and significantly reduced the income at the Fitness Center.

### **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 \$5,153,445. The total ending fund balances of governmental funds shows an increase of \$15,467 from the previous year.

### **Major Governmental Funds**

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

The General fund balance as of February 28, 2021 was \$2,465,568 an increase of \$662,361 from the prior year.

The Recreation fund balance was \$960,114, a decrease of \$337,556 from the prior year.

The Debt Service fund balance was (\$567,601) a decrease of \$1,033,662 over the prior year mainly due to the issuance of short term bonds.

The Capital Projects fund balance was \$660,205, an increase of \$735,888 from the prior year due to the timing of transfers in to the fund along with the issuance of short-term debt recorded in the fund.

## **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. All funds were significantly impacted by Covid 19.

The Fitness Center reported a net loss of (\$262,022) in comparison to net income of \$204,539 the previous year.

The Water Park had a net loss of (\$369,461) in comparison to \$19,346 the previous year.

McCarthy Park/Tinley Junction had net income of (\$3,526) in comparison to \$19,191 the previous year.

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

#### **Capital Assets**

The District's investment in capital assets for governmental and business-type activities as of February 29, 2021 was \$27,983,933 and \$4,591,099 respectively. The District has an annual playground and vehicle/equipment replacement schedule.

#### **Debt Administration**

As of February 29, 2021 the Park District has no long-term general obligation bond issues and short term bond issues of \$1,030,900.

#### **Factors Bearing on the District's Future**

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

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

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

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

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

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION

February 28, 2021

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 7,011,781	\$ 2,346,976	\$ 9,358,757
Prepaid items	-	-	-
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	5,432,476	-	5,432,476
Grant receivables	41,137	-	41,137
Capital assets not being depreciated	5,946,173	-	5,946,173
Capital assets being depreciated (net of accumulated depreciation)	22,037,760	4,591,099	26,628,859
<b>Total assets</b>	<b>40,469,327</b>	<b>6,938,075</b>	<b>47,407,402</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension items - IMRF	244,063	-	244,063
Pension items - OPEB	53,305	-	53,305
<b>Total deferred outflows of resources</b>	<b>297,368</b>	<b>-</b>	<b>297,368</b>
<b>Total assets and deferred outflows of resources</b>	<b>40,766,695</b>	<b>6,938,075</b>	<b>47,704,770</b>
<b>LIABILITIES</b>			
Accounts payable	43,682	2,360	46,042
Accrued payroll	71,599	23,391	94,990
Unearned revenue	284,072	-	284,072
Short-term bonds	1,030,900	-	1,030,900
Noncurrent liabilities			
Due within one year	162,330	115,131	277,461
Due in more than one year	1,145,951	75,402	1,221,353
<b>Total liabilities</b>	<b>2,738,534</b>	<b>216,284</b>	<b>2,954,818</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	5,901,696	-	5,901,696
Pension items - IMRF	746,702	-	746,702
OPEB items	45,273	-	45,273
<b>Total deferred inflows of resources</b>	<b>6,693,671</b>	<b>-</b>	<b>6,693,671</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>9,432,205</b>	<b>216,284</b>	<b>9,648,489</b>
<b>NET POSITION</b>			
Net investment in capital assets	26,953,033	4,420,015	31,373,048
Restricted for			
Special recreation	365,379	-	365,379
Capital projects	660,205	-	660,205
Insurance	175,019	-	175,019
Social security	527,147	-	527,147
Museum	430,086	-	430,086
Police program	136,764	-	136,764
Working cash	764	-	764
Unrestricted	2,086,093	2,301,776	4,387,869
<b>TOTAL NET POSITION</b>	<b>\$ 31,334,490</b>	<b>\$ 6,721,791</b>	<b>\$ 38,056,281</b>

See accompanying notes to financial statements.



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended February 28, 2021

<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	\$ 1,384,002	\$ -	\$ -	\$ 241,137
Recreation	3,701,529	450,449	530	-
Interest and fiscal charges	6,994	-	-	-
Total governmental activities	5,092,525	450,449	530	241,137
Business-Type Activities				
Fitness Center	659,472	326,780	-	39,167
Water Park	376,707	4,180	-	-
McCarthy Park	64,771	60,632	-	-
Total business-type activities	1,100,950	391,592	-	39,167
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 6,193,475</b>	<b>\$ 842,041</b>	<b>\$ 530</b>	<b>\$ 280,304</b>

<b>Net (Expenses) Revenue and Change in Net Position Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (1,142,865)	\$ -	\$ (1,142,865)
	(3,250,550)	-	(3,250,550)
	(6,994)	-	(6,994)
	<u>(4,400,409)</u>	<u>-</u>	<u>(4,400,409)</u>
	-	(293,525)	(293,525)
	-	(372,527)	(372,527)
	-	(4,139)	(4,139)
	<u>-</u>	<u>(670,191)</u>	<u>(670,191)</u>
	<u>(4,400,409)</u>	<u>(670,191)</u>	<u>(5,070,600)</u>
General Revenues			
Taxes			
Property and replacement	5,619,094	-	5,619,094
Investment income	38,252	35,182	73,434
Miscellaneous	132,540	-	132,540
Total	<u>5,789,886</u>	<u>35,182</u>	<u>5,825,068</u>
CHANGE IN NET POSITION	1,389,477	(635,009)	754,468
NET POSITION, MARCH 1	<u>29,945,013</u>	<u>7,356,800</u>	<u>37,301,813</u>
<b>NET POSITION, FEBRUARY 28</b>	<u>\$ 31,334,490</u>	<u>\$ 6,721,791</u>	<u>\$ 38,056,281</u>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

February 28, 2021

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
<b>ASSETS</b>						
Cash and investments	\$ 2,692,146	\$ 1,202,739	\$ 545,616	\$ 819,068	\$ 1,752,212	\$ 7,011,781
Prepaid items	-	-	-	-	-	-
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	1,960,724	1,214,118	953,050	-	1,304,584	5,432,476
Grants receivable	-	-	-	41,137	-	41,137
Total assets	4,652,870	2,416,857	1,498,666	860,205	3,056,796	12,485,394
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 4,652,870</b>	<b>\$ 2,416,857</b>	<b>\$ 1,498,666</b>	<b>\$ 860,205</b>	<b>\$ 3,056,796</b>	<b>\$ 12,485,394</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 33,333	\$ 10,000	\$ -	\$ -	\$ 349	\$ 43,682
Accrued payroll	23,891	43,686	-	-	4,022	71,599
Unearned program revenue	-	84,072	-	-	-	84,072
Unearned revenue	-	-	-	200,000	-	200,000
Short-term Bonds	-	-	1,030,900	-	-	1,030,900
Total liabilities	57,224	137,758	1,030,900	200,000	4,371	1,430,253
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable property tax revenue	2,130,078	1,318,985	1,035,367	-	1,417,266	5,901,696
Total deferred inflows of resources	2,130,078	1,318,985	1,035,367	-	1,417,266	5,901,696
Total liabilities and deferred inflows of resources	2,187,302	1,456,743	2,066,267	200,000	1,421,637	7,331,949
<b>FUND BALANCES</b>						
Restricted						
Capital Projects	-	-	-	660,205	-	660,205
Special recreation	-	-	-	-	365,379	365,379
Insurance	-	-	-	-	175,019	175,019
Retirement	-	-	-	-	527,147	527,147
Museum	-	-	-	-	430,086	430,086
Police program	-	-	-	-	136,764	136,764
Working cash	-	-	-	-	764	764
Unrestricted						
Assigned for recreation programs	-	960,114	-	-	-	960,114
Unassigned						
General Fund	2,465,568	-	-	-	-	2,465,568
Debt service (deficit)	-	-	(567,601)	-	-	(567,601)
Total fund balances (deficit)	2,465,568	960,114	(567,601)	660,205	1,635,159	5,153,445
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 4,652,870</b>	<b>\$ 2,416,857</b>	<b>\$ 1,498,666</b>	<b>\$ 860,205</b>	<b>\$ 3,056,796</b>	<b>\$ 12,485,394</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

February 28, 2021

---

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 5,153,445
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	27,983,933
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	(502,639)
Differences between assumption changes for the other postemployment plan are recognized as deferred inflows of resources on the statement of net position	8,032
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds	
Net pension liability - IMRF	(888,292)
Compensated absences	(110,953)
The total postemployment benefit liability is included in the governmental activities in the statement of net position	<u>(309,036)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 31,334,490</u></u></b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended February 28, 2021

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
<b>REVENUES</b>						
Taxes	\$ 2,021,398	\$ 1,238,249	\$ 1,040,717	\$ -	\$ 1,318,730	\$ 5,619,094
Charges for services	-	434,897	-	-	-	434,897
Rental fees	-	15,552	-	-	-	15,552
Investment income	3,064	29,970	-	973	4,245	38,252
Intergovernmental	-	-	-	241,137	-	241,137
Donations	-	530	-	-	-	530
Other income	21,465	15,449	-	94,126	1,500	132,540
<b>Total revenues</b>	<b>2,045,927</b>	<b>1,734,647</b>	<b>1,040,717</b>	<b>336,236</b>	<b>1,324,475</b>	<b>6,482,002</b>
<b>EXPENDITURES</b>						
Current						
General government	1,239,700	-	-	-	144,302	1,384,002
Recreation	-	1,695,524	-	-	1,191,737	2,887,261
Capital outlay	143,866	54,779	-	939,348	-	1,137,993
Debt service						
Principal retirement	-	-	1,023,000	-	-	1,023,000
Interest and fiscal charges	-	-	34,279	-	-	34,279
<b>Total expenditures</b>	<b>1,383,566</b>	<b>1,750,303</b>	<b>1,057,279</b>	<b>939,348</b>	<b>1,336,039</b>	<b>6,466,535</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>662,361</b>	<b>(15,656)</b>	<b>(16,562)</b>	<b>(603,112)</b>	<b>(11,564)</b>	<b>15,467</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	1,339,000	-	1,339,000
Transfers (out)	-	(321,900)	(1,017,100)	-	-	(1,339,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(321,900)</b>	<b>(1,017,100)</b>	<b>1,339,000</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>662,361</b>	<b>(337,556)</b>	<b>(1,033,662)</b>	<b>735,888</b>	<b>(11,564)</b>	<b>15,467</b>
<b>FUND BALANCES (DEFICIT), MARCH 1</b>	<b>1,803,207</b>	<b>1,297,670</b>	<b>466,061</b>	<b>(75,683)</b>	<b>1,646,723</b>	<b>5,137,978</b>
<b>FUND BALANCES (DEFICIT), FEBRUARY 28</b>	<b>\$ 2,465,568</b>	<b>\$ 960,114</b>	<b>\$ (567,601)</b>	<b>\$ 660,205</b>	<b>\$ 1,635,159</b>	<b>\$ 5,153,445</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

---

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$	15,467
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities		1,395,971
Depreciation on capital assets is reported as an expense in the statement of activities		(1,239,031)
Loss on disposal of capital assets is reported as an expense in the statement of activities		(4,425)
The change in certain liabilities are reported as expenses on the statement of activities		
Compensated absences		(9,045)
Accrued interest		3,409
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		23,876
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		179,025
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		1,023,000
The change in the total postemployment benefit liability and deferred inflows of resources are reported on the statement of activities		1,230
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b>1,389,477</b>

See accompanying notes to financial statements.

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

February 28, 2021

	<b>Fitness Center</b>	<b>Water Park</b>	<b>Nonmajor McCarthy Park</b>	<b>Total</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,607,226	\$ 542,646	\$ 197,104	\$ 2,346,976
Total current assets	1,607,226	542,646	197,104	2,346,976
<b>NONCURRENT ASSETS</b>				
Capital assets				
Land and improvements	76,274	771,709	-	847,983
Buildings and improvements	64,837	5,085,724	-	5,150,561
Vehicles and equipment	610,235	734,921	-	1,345,156
Total capital assets	751,346	6,592,354	-	7,343,700
Less accumulated depreciation	(170,962)	(2,581,639)	-	(2,752,601)
Net capital assets	580,384	4,010,715	-	4,591,099
Total assets	2,187,610	4,553,361	197,104	6,938,075
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>CURRENT LIABILITIES</b>				
Accounts payable	1,900	460	-	2,360
Accrued payroll	20,345	2,531	515	23,391
Unearned revenue	-	-	-	-
Compensated absences	19,449	-	-	19,449
Installment contract payable	95,682	-	-	95,682
Total current liabilities	137,376	2,991	515	140,882
<b>NONCURRENT LIABILITIES</b>				
Installment contract payable	75,402	-	-	75,402
Total noncurrent liabilities	75,402	-	-	75,402
Total liabilities	212,778	2,991	515	216,284
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	409,300	4,010,715	-	4,420,015
Unrestricted	1,565,532	539,655	196,589	2,301,776
<b>TOTAL NET POSITION</b>	<b>\$ 1,974,832</b>	<b>\$ 4,550,370</b>	<b>\$ 196,589</b>	<b>\$ 6,721,791</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 28, 2021

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ 236,598	\$ -	\$ 48,097	\$ 284,695
Concession sales	-	-	11,613	11,613
Rental fees	(1,198)	-	423	(775)
Other income	91,380	4,180	499	96,059
Total operating revenues	326,780	4,180	60,632	391,592
<b>OPERATING EXPENSES</b>				
Salaries and wages	427,066	71,794	38,413	537,273
Insurance	55,341	13,207	-	68,548
Contractual services	45,819	22,726	9,121	77,666
Materials and supplies	21,634	12,156	14,768	48,558
Utilities	30,528	33,163	275	63,966
Repairs and maintenance	3,846	53,809	2,194	59,849
Depreciation	62,726	169,852	-	232,578
Total operating expenses	646,960	376,707	64,771	1,088,438
OPERATING INCOME (LOSS)	(320,180)	(372,527)	(4,139)	(696,846)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	31,503	3,066	613	35,182
Interest expense	(12,512)	-	-	(12,512)
Total non-operating revenues (expenses)	18,991	3,066	613	22,670
INCOME BEFORE CAPITAL CONTRIBUTIONS	(301,189)	(369,461)	(3,526)	(674,176)
<b>CAPITAL CONTRIBUTIONS</b>				
Capital contributions	39,167	-	-	39,167
Total capital contributions	39,167	-	-	39,167
CHANGE IN NET POSITION	(262,022)	(369,461)	(3,526)	(635,009)
NET POSITION, MARCH 1	2,236,854	4,919,831	200,115	7,356,800
<b>NET POSITION, FEBRUARY 28</b>	<b>\$ 1,974,832</b>	<b>\$ 4,550,370</b>	<b>\$ 196,589</b>	<b>\$ 6,721,791</b>

See accompanying notes to financial statements.



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended February 28, 2021

	Fitness Center	Water Park	Nonmajor McCarthy Park	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customer and users	\$ 213,721	\$ -	\$ 60,133	\$ 273,854
Receipts from miscellaneous revenues	91,380	4,180	499	96,059
Payments to employees	(438,562)	(71,724)	(38,358)	(548,644)
Payments to suppliers	(171,660)	(139,601)	(26,358)	(337,619)
Net cash from operating activities	(305,121)	(207,145)	(4,084)	(516,350)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases and construction of capital assets	(89,170)	(6,822)	-	(95,992)
Principal paid on long-term debt	(90,416)	-	-	(90,416)
Interest paid on long-term debt	(12,512)	-	-	(12,512)
Net cash from capital and related financing activities	(192,098)	(6,822)	-	(198,920)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	31,503	3,066	613	35,182
Net cash from investing activities	31,503	3,066	613	35,182
NET INCREASE IN CASH AND CASH EQUIVALENTS	(465,716)	(210,901)	(3,471)	(680,088)
CASH AND CASH EQUIVALENTS, MARCH 1	2,072,942	753,547	200,575	3,027,064
<b>CASH AND CASH EQUIVALENTS, FEBRUARY 28</b>	<b>\$ 1,607,226</b>	<b>\$ 542,646</b>	<b>\$ 197,104</b>	<b>\$ 2,346,976</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (320,180)	\$ (372,527)	\$ (4,139)	\$ (696,846)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	62,726	169,852	-	232,578
Changes in assets and liabilities				
Accounts payable	(14,492)	(4,540)	-	(19,032)
Accrued payroll	(4,628)	70	55	(4,503)
Unearned revenue	(21,679)	-	-	(21,679)
Compensated absences	(6,868)	-	-	(6,868)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (305,121)</b>	<b>\$ (207,145)</b>	<b>\$ (4,084)</b>	<b>\$ (516,350)</b>

See accompanying notes to financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

February 28, 2021

---

**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)

---

**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)

---

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

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)

---

**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)

---

**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. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
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)

---

**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)

---

**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)

---

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

l. 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.

m. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases* to February 28, 2023.

**2. DEPOSITS AND INVESTMENTS**

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

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

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

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

---

**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.

As of February 28, 2021, the District had the following investments subject to interest rate risk:

	Investment Maturities (in Years)			
	Fair Value	Less than 1	1-5	More than 10
Municipal bond	\$ 1,030,900	\$ 1,030,900	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 1,030,900</b>	<b>\$ 1,030,900</b>	<b>\$ -</b>	<b>\$ -</b>

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. The Illinois Funds and IMET are rated AAA

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

---

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

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. The Illinois Funds are not subject to custodial credit risk.

**3. RECEIVABLES**

Property taxes for 2020 attach as an enforceable lien on January 1, 2020, 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 2020 levy are prepared by Cook County and issued on or about February 1, 2021 and July 1, 2021 and are payable in two installments on or about March 1, 2021 and August 1, 2021. 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 2020 levy is intended to fund the 2022 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 0.03% of its equalized assessed valuation on an annual basis. The District's required contribution for the fiscal year ended February 28, 2021 was \$394,660.

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

**5. CAPITAL ASSETS**

Capital asset activity for the year ended February 28, 2021, 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	987,352	-	1,069,487
Total capital assets not being depreciated	4,958,821	987,352	-	5,946,173
Capital assets being depreciated				
Land improvements	13,386,873	139,109	-	13,525,982
Buildings and improvements	22,012,115	152,890	-	22,165,005
Furniture, fixtures and equipment	4,557,968	79,751	-	4,637,719
Mobile equipment	520,025	36,869	125,021	431,873
Total capital assets being depreciated	40,476,981	408,619	125,021	40,760,579
Less accumulated depreciation for				
Land improvements	7,749,011	479,146	-	8,228,157
Buildings and improvements	7,250,436	473,870	-	7,724,306
Furniture, fixtures and equipment	2,328,040	245,734	-	2,573,774
Mobile equipment	276,897	40,281	120,596	196,582
Total accumulated depreciation	17,604,384	1,239,031	120,596	18,722,819
Total capital assets being depreciated, net	22,872,597	(830,412)	4,425	22,037,760
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 27,831,418</b>	<b>\$ 156,940</b>	<b>\$ 4,425</b>	<b>\$ 27,983,933</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets being depreciated				
Land improvements	\$ 771,709	\$ 76,274	\$ -	\$ 847,983
Building and improvements	5,143,739	6,822	-	5,150,561
Furniture, fixtures and equipment	1,334,481	10,675	-	1,345,156
Total capital assets being depreciated	7,249,929	93,771	-	7,343,700
Less accumulated depreciation for				
Land improvements	341,910	39,122	-	381,032
Building and improvements	1,650,491	107,591	-	1,758,082
Furniture, fixtures and equipment	527,622	85,865	-	613,487
Total accumulated depreciation	2,520,023	232,578	-	2,752,601
Total capital assets being depreciated, net	4,729,906	(138,807)	-	4,591,099
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 4,729,906</b>	<b>\$ (138,807)</b>	<b>\$ -</b>	<b>\$ 4,591,099</b>

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

---

**5. CAPITAL ASSETS (Continued)**

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

GOVERNMENTAL ACTIVITIES	
Recreation	<u>\$ 1,239,031</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,239,031</u>

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

BUSINESS-TYPE ACTIVITIES	
Fitness Center	\$ 62,726
Water Park	<u>169,852</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 232,578</u>

**6. RISK MANAGEMENT**

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

On July 1, 1999, the District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Members can choose to provide any combination of coverages available to their employees and pay premiums accordingly.

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

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

**6. RISK MANAGEMENT (Continued)**

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

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

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

**7. LONG-TERM DEBT**

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

	Balances January 1,	Additions	Reductions	Balances December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds	\$ 1,023,000	\$ -	\$ 1,023,000	\$ -	\$ -
Unamortized premium	23,876	-	23,876	-	-
Net pension liability*	1,500,951	-	612,659	888,292	-
Compensated absences*	101,908	110,953	101,908	110,953	110,953
OPEB liability*	283,540	25,496	-	309,036	51,377
<b>TOTAL</b>	<b>\$ 2,933,275</b>	<b>\$ 136,449</b>	<b>\$ 1,761,443</b>	<b>\$ 1,308,281</b>	<b>\$ 162,330</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 ACTIVITIES</b>					
2019 Installment agreement	\$ 261,500	\$ -	\$ 90,416	\$ 171,084	\$ 95,682
Compensated absences	26,317	19,449	26,317	19,449	19,449
<b>TOTAL</b>	<b>\$ 287,817</b>	<b>\$ 19,449</b>	<b>\$ 116,733</b>	<b>\$ 190,533</b>	<b>\$ 115,131</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 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	\$ 1,023,000	\$ -	\$ 1,023,000	\$ -	\$ -
<b>TOTAL</b>		<b>\$ 1,023,000</b>	<b>\$ -</b>	<b>\$ 1,023,000</b>	<b>\$ -</b>	<b>\$ -</b>

b. Installment Agreement

During the year ended February 28, 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.

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

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

b. Installment Agreement (Continued)

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

Year Ending February 28,	Principal	Interest	Total
2022	\$ 95,682	\$ 7,245	\$ 102,927
2023	75,402	1,794	77,196
<b>TOTAL</b>	<b>\$ 171,084</b>	<b>\$ 9,039</b>	<b>\$ 180,123</b>

**8. SHORT-TERM DEBT**

General Obligation Limited Tax Park Bonds, Series 2020

On November 4, 2020, the District issued \$1,030,900 of General Obligation Limited Tax Park Bonds, Series 2020. The bonds carry an interest rate 0.50% and will be retired on October 1, 2021. As the bonds are short-term in nature, they were treated as a liability of the Debt Service Fund.

	March 1	Additions	Deductions	February 28
2020 General Obligation Limited Tax Park Bonds	\$ -	\$ 1,030,900	\$ -	\$ 1,030,900

Additionally, on November 4, 2020, the District authorized the issuance \$1,030,900 of General Obligation Limited Tax Park Bonds, Series 2021. The bonds will be issued on November 17, 2021. They will carry an interest rate of 0.50% and will be retired on October 1, 2022.

**9. INTERFUND TRANSFERS**

Interfund transfers for the year ended February 28, 2021 were as follows:

- \$1,339,000 transferred to the Capital Projects Fund from the Debt Service fund (\$1,017,100) and the Recreation Fund (\$321,900) for capital projects. These transfers will not be repaid.



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

---

**10. 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.

**11. DEFINED BENEFIT PENSION PLAN**

Illinois Municipal Retirement Fund

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).

*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, 2020 (most recent data available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	81
Active employees	50
<b>TOTAL</b>	<b>177</b>

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

---

**11. 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 fiscal year ended February 28, 2021 was 13.04% of covered payroll.

*Actuarial Assumptions*

The District's net pension liability (asset) was measured as of December 31, 2020 (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)

---

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

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Asset valuation method	Fair Value
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Cost of living adjustments	3.00%

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements were projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements were projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements were projected using scale MP-2020.

*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, 2020 was 7.25%.

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

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

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 10,348,004	\$ 8,847,053	\$ 1,500,951
Changes for the period			
Service cost	227,981	-	227,981
Interest	742,180	-	742,180
Difference between expected and actual experience	178,776	-	178,776
Changes in assumptions*	(105,274)	-	(105,274)
Employer contributions	-	256,376	(256,376)
Employee contributions	-	90,028	(90,028)
Net investment income	-	1,207,888	(1,207,888)
Benefit payments and refunds	(450,063)	(450,063)	-
Other	-	102,030	(102,030)
Net changes	593,600	1,206,259	(612,659)
BALANCES AT DECEMBER 31, 2019	\$ 10,941,604	\$ 10,053,312	\$ 888,292

There were changes in assumptions related to the inflation rate, salary increases, and mortality rates.

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

---

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

Illinois Municipal Retirement Fund (Continued)

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

For the year ended February 28, 2021, the District recognized pension expense of \$73,217.

At February 28, 2021, 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	\$ 151,019	\$ -
Assumption changes	52,349	71,406
Net difference between projected and actual earnings on pension plan investments	-	675,296
Employer contributions after the measurement date	40,695	-
<b>TOTAL</b>	<u>\$ 244,063</u>	<u>\$ 746,702</u>

\$40,695 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 ended February 28, 2022. 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>	
2022	\$ (102,883)
2023	(54,936)
2024	(272,207)
2025	<u>(113,308)</u>
<b>TOTAL</b>	<u>\$ (543,334)</u>

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

---

**11. 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 (asset) of the District calculated using the discount rate of 7.25% as well as what the District’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) 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 (asset)	\$ 2,263,428	\$ 888,292	\$ (204,254)

**12. 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)

---

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

c. Membership

At September 30, 2020 (the measurement date), membership consisted of:

Inactive fund members or beneficiaries currently receiving benefits payments	4
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>30</u>
<b>TOTAL</b>	<b><u><u>34</u></u></b>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of September 30, 2020 using the following actuarial methods and assumptions.

Actuarial valuation date	September 30, 2020
Measurement date	September 30, 2020
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	2.21%
Healthcare cost trend rates	7.00% to 8.00% in fiscal 2020 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)

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

e. Discount Rate

The discount rate of 2.21% 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, 2020. The discount rate used to calculate the opening total OPEB liability at February 28, 2020 was 2.66%.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT OCTOBER 1, 2019	\$ 283,540
Changes for the period	
Service cost	14,472
Interest	7,612
Differences between expected and actual experience	40,987
Changes in assumptions	(13,719)
Benefit payments, including refunds of member contributions	<u>(23,856)</u>
Net changes	<u>25,496</u>
BALANCES AT SEPTEMBER 30, 2020	<u>\$ 309,036</u>

Changes in assumptions - the discount rate was decreased from 2.66 % to 2.21%; 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 excise tax was removed.

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 2.21% 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 (1.21%) or 1 percentage point higher (3.21%) than the current rate:



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

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

g. Rate Sensitivity (Continued)

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 326,204	\$ 309,036	\$ 292,173

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 (8% to 9%)
Total OPEB liability	\$ 282,797	\$ 309,036	\$ 340,112

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

For the year ended February 28, 2021, the District recognized OPEB expense of (\$1,230). At February 28, 2021, 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	\$ 36,641	\$ 26,382
Assumption changes	16,664	18,891
<b>TOTAL</b>	<b>\$ 53,305</b>	<b>\$ 45,273</b>

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

---

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

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending</u> <u>February 28,</u>		
2022	\$	542
2023		542
2024		542
2025		542
2026		542
Thereafter		<u>5,322</u>
 TOTAL	 \$	 <u>8,032</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 2,083,757	\$ 1,992,433	\$ (91,324)
Replacement taxes	26,000	28,965	2,965
Investment income	10,000	3,064	(6,936)
Other	20,000	21,465	1,465
Total revenues	2,139,757	2,045,927	(93,830)
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	710,500	564,911	(145,589)
Insurance	239,500	213,178	(26,322)
Contractual services	319,821	283,850	(35,971)
Materials and supplies	180,500	106,208	(74,292)
Utilities	68,500	59,617	(8,883)
Other	49,520	11,936	(37,584)
Capital outlay	798,500	143,866	(654,634)
Total expenditures	2,366,841	1,383,566	(983,275)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(227,084)	662,361	889,445
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	(321,900)	-	321,900
Total other financing sources (uses)	(321,900)	-	321,900
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ (548,984)</u>	662,361	<u>\$ 1,211,345</u>
<b>FUND BALANCE, MARCH 1</b>			
		<u>1,803,207</u>	
<b>FUND BALANCE, FEBRUARY 28</b>			
		<u>\$ 2,465,568</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 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,333,072	\$ 1,238,249	\$ (94,823)
Charges for services	1,051,000	434,897	(616,103)
Rental income and fees	88,000	15,552	(72,448)
Investment income	50,000	29,970	(20,030)
Donations	-	530	530
Other	40,000	15,449	(24,551)
	<hr/>		
Total revenues	2,562,072	1,734,647	(827,425)
<b>EXPENDITURES</b>			
Recreation			
Current			
Salaries and wages	1,814,813	1,068,027	(746,786)
Insurance	261,000	230,860	(30,140)
Program expenditures	425,000	89,437	(335,563)
Contractual services	307,931	149,772	(158,159)
Materials and supplies	193,200	69,415	(123,785)
Utilities	120,000	87,582	(32,418)
Other	9,000	431	(8,569)
Capital outlay			
Equipment	263,000	54,779	(208,221)
	<hr/>		
Total expenditures	3,393,944	1,750,303	(1,643,641)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(831,872)	(15,656)	816,216
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer (out)	-	(321,900)	(321,900)
	<hr/>		
Total other financing sources (uses)	-	(321,900)	(321,900)
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ (831,872)</u>	<u>(337,556)</u>	<u>\$ 494,316</u>
<b>FUND BALANCE, MARCH 1</b>			
		<u>1,297,670</u>	
<b>FUND BALANCE, FEBRUARY 28</b>			
		<u>\$ 960,114</u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

<b>FISCAL YEAR ENDED FEBRUARY 28,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Actuarially determined contribution	\$ 242,622	\$ 247,404	\$ 256,213	\$ 250,425	\$ 264,839	\$ 252,243
Contributions in relation to the actuarially determined contribution	242,623	247,404	305,298	250,425	264,839	252,243
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ (49,085)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,161,235	\$ 2,201,712	\$ 1,934,338
Contributions as a percentage of covered payroll	12.38%	12.21%	14.33%	11.59%	12.03%	13.04%

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 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% 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 Six Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>TOTAL PENSION LIABILITY</b>						
Service cost	\$ 192,245	\$ 216,069	\$ 216,167	\$ 208,734	\$ 229,249	\$ 227,981
Interest	533,647	587,396	613,038	658,055	700,686	742,180
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	183,330	(227,142)	316,023	57,711	46,634	178,776
Changes of assumptions	10,439	(20,971)	(252,865)	292,520	-	(105,274)
Benefit payments, including refunds of member contributions	(198,617)	(208,349)	(260,557)	(316,263)	(357,159)	(450,063)
Net change in total pension liability	721,044	347,003	631,806	900,757	619,410	593,600
Total pension liability - beginning	7,127,984	7,849,028	8,196,031	8,827,837	9,728,594	10,348,004
<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>\$ 10,941,604</b>
<b>PLAN FIDUCIARY NET POSITION</b>						
Contributions - employer	\$ 242,623	\$ 247,404	\$ 305,298	\$ 246,036	\$ 260,198	\$ 256,376
Contributions - member	88,794	91,453	95,840	96,800	98,893	90,028
Net investment income	30,505	426,266	1,089,841	(370,853)	1,349,224	1,207,888
Benefit payments, including refunds of member contributions	(198,617)	(208,349)	(260,557)	(316,263)	(357,159)	(450,063)
Other	(77,435)	18,506	(256,189)	125,728	44,544	102,030
Net change in plan fiduciary net position	85,870	575,280	974,233	(218,552)	1,395,700	1,206,259
Plan net position - beginning	6,034,522	6,120,392	6,695,672	7,669,905	7,451,353	8,847,053
<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>\$ 10,053,312</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 1,728,636</b>	<b>\$ 1,500,359</b>	<b>\$ 1,157,932</b>	<b>\$ 2,277,241</b>	<b>\$ 1,500,951</b>	<b>\$ 888,292</b>
Plan fiduciary net position as a percentage of the total pension liability	77.98%	81.69%	86.88%	76.59%	85.50%	91.88%
Covered payroll	\$ 1,959,791	\$ 2,026,239	\$ 2,129,788	\$ 2,132,029	\$ 2,197,619	\$ 1,964,578
Employer's net pension liability as a percentage of covered payroll	88.21%	74.05%	54.37%	106.81%	68.30%	45.22%
Assumption Changes:						
2015 - Investment rate of return, retirement age, mortality						
2016 - Retirement age, mortality						
2017 - Inflation rates, salary rates, mortality						
2018 - Discount rate						
2019 - None						
2020 - Retirement age, mortality						

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

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

Last Three Fiscal Years

<b>MEASUREMENT DATE SEPTEMBER 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>TOTAL OPEB LIABILITY</b>			
Service cost	\$ 13,234	\$ 12,563	\$ 14,472
Interest	12,271	12,818	7,612
Differences between expected and actual experience	-	(33,522)	40,987
Changes of assumptions	(9,729)	21,174	(13,719)
Implicit benefit payments	(44,054)	(47,138)	(23,856)
Net change in total OPEB liability	(28,278)	(34,105)	25,496
Total OPEB liability - beginning	345,923	317,645	283,540
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 317,645</b>	<b>\$ 283,540</b>	<b>\$ 309,036</b>
Covered payroll	\$ 1,678,017	\$ 1,697,427	\$ 1,571,188
Employer's total OPEB liability as a percentage of covered payroll	18.93%	16.70%	19.67%

Changes in Assumptions:

2020: Discount rate was decreased from 2.66% to 2.21%; 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 excise tax was removed.

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 28, 2021

---

**BUDGETS**

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

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

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

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Budgets for the Enterprise Funds are legally adopted on the cash basis of accounting. Because the level of legal control is at the individual fund level, expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation at the fund level must be approved by the Board of Commissioners through a supplemental appropriation. No supplemental appropriations were made during the year ended February 28, 2021.

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

**MAJOR GOVERNMENTAL FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property taxes	\$ 1,062,786	\$ 1,040,717	\$ (22,069)
Total revenues	1,062,786	1,040,717	(22,069)
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	1,047,612	1,023,000	(24,612)
Interest and fiscal charges	20,460	34,279	13,819
Total expenditures	1,068,072	1,057,279	(10,793)
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(5,286)	(16,562)	(11,276)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(1,017,100)	(1,017,100)
Total other financing sources (uses)	-	(1,017,100)	(1,017,100)
<b>NET CHANGE IN FUND BALANCE</b>	\$ (5,286)	(1,033,662)	\$ (1,028,376)
<b>FUND BALANCE, MARCH 1</b>		466,061	
<b>FUND BALANCE (DEFICIT), FEBRUARY 28</b>		\$ (567,601)	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Intergovernmental	\$ 400,000	\$ 241,137	\$ (158,863)
Investment income	1,600	973	(627)
Other income	87,000	94,126	7,126
Total revenues	488,600	336,236	(152,364)
<b>EXPENDITURES</b>			
Capital outlay			
Parks	435,000	50,726	(384,274)
Playgrounds	266,500	5,104	(261,396)
Buildings	184,000	34,797	(149,203)
Major site development	925,000	848,721	(76,279)
Total expenditures	1,810,500	939,348	(871,152)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,321,900)</b>	<b>(603,112)</b>	<b>718,788</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	1,321,900	1,339,000	17,100
Total other financing sources (uses)	1,321,900	1,339,000	17,100
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>735,888</b>	<b>\$ 735,888</b>
<b>FUND BALANCE (DEFICIT), MARCH 1</b>		<b>(75,683)</b>	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 660,205</b>	

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

February 28, 2021

	<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	\$ 411,032	\$ 186,097	\$ 265,506
Property taxes receivable (net, where applicable, of allowances for uncollectibles)	525,694	120,365	239,195
Grants receivable	-	-	-
Total assets	936,726	306,462	504,701
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
Total deferred outflows of resources	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 936,726</b>	<b>\$ 306,462</b>	<b>\$ 504,701</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued payroll	247	682	-
Unearned revenue	-	-	-
Total liabilities	247	682	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable property tax revenue	571,100	130,761	259,856
Total deferred inflows of resources	571,100	130,761	259,856
Total liabilities and deferred inflows of resources	571,347	131,443	259,856
<b>FUND BALANCES</b>			
Restricted			
Special recreation	365,379	-	-
Insurance	-	175,019	-
Retirement	-	-	244,845
Museum	-	-	-
Police program	-	-	-
Working cash	-	-	-
Total fund balances	365,379	175,019	244,845
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 936,726</b>	<b>\$ 306,462</b>	<b>\$ 504,701</b>

<b>Special Revenue</b>				
<b>Illinois Municipal Retirement</b>	<b>Museum</b>	<b>Police Program</b>	<b>Working Cash</b>	<b>Total</b>
\$ 304,651	\$ 434,276	\$ 149,886	\$ 764	\$ 1,752,212
258,745	29,622	130,963	-	1,304,584
-	-	-	-	-
563,396	463,898	280,849	764	3,056,796
-	-	-	-	-
-	-	-	-	-
\$ 563,396	\$ 463,898	\$ 280,849	\$ 764	\$ 3,056,796
\$ -	\$ 349	\$ -	\$ -	\$ 349
-	1,283	1,810	-	4,022
-	-	-	-	-
-	1,632	1,810	-	4,371
281,094	32,180	142,275	-	1,417,266
281,094	32,180	142,275	-	1,417,266
281,094	33,812	144,085	-	1,421,637
-	-	-	-	365,379
-	-	-	-	175,019
282,302	-	-	-	527,147
-	430,086	-	-	430,086
-	-	136,764	-	136,764
-	-	-	764	764
282,302	430,086	136,764	764	1,635,159
\$ 563,396	\$ 463,898	\$ 280,849	\$ 764	\$ 3,056,796

(See independent auditor's report.)



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Special Revenue</b>		
	<b>Special Recreation</b>	<b>Liability Insurance</b>	<b>Social Security</b>
<b>REVENUES</b>			
Property taxes	\$ 533,111	\$ 122,164	\$ 240,748
Intergovernmental	-	-	-
Investment income	1,072	109	765
Other income	-	1,500	-
Total revenues	<u>534,183</u>	<u>123,773</u>	<u>241,513</u>
<b>EXPENDITURES</b>			
Current			
General government	-	144,302	-
Recreation	609,594	-	173,813
Capital outlay	-	-	-
Total expenditures	<u>609,594</u>	<u>144,302</u>	<u>173,813</u>
NET CHANGE IN FUND BALANCES	(75,411)	(20,529)	67,700
FUND BALANCES, MARCH 1	<u>440,790</u>	<u>195,548</u>	<u>177,145</u>
<b>FUND BALANCES, FEBRUARY 28</b>	<u><u>\$ 365,379</u></u>	<u><u>\$ 175,019</u></u>	<u><u>\$ 244,845</u></u>

<b>Special Revenue</b>				
<b>Illinois Municipal Retirement</b>	<b>Museum</b>	<b>Police Program</b>	<b>Working Cash</b>	<b>Total</b>
\$ 260,377	\$ 29,958	\$ 132,372	\$ -	\$ 1,318,730
-	-	-	-	-
919	767	613	-	4,245
-	-	-	-	1,500
261,296	30,725	132,985	-	1,324,475
-	-	-	-	144,302
252,243	73,538	82,549	-	1,191,737
-	-	-	-	-
252,243	73,538	82,549	-	1,336,039
9,053	(42,813)	50,436	-	(11,564)
273,249	472,899	86,328	764	1,646,723
\$ 282,302	\$ 430,086	\$ 136,764	\$ 764	\$ 1,635,159

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 554,892	\$ 533,111	\$ (21,781)
Investment income	3,500	1,072	(2,428)
Total revenues	558,392	534,183	(24,209)
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	43,600	8,661	(34,939)
Contractual services	32,000	26,951	(5,049)
Materials and supplies	602,000	179,322	(422,678)
SSSRA co-payment	411,319	394,660	(16,659)
Total expenditures	1,088,919	609,594	(479,325)
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ (530,527)</u>	(75,411)	<u>\$ 455,116</u>
<b>FUND BALANCE, MARCH 1</b>		<u>440,790</u>	
<b>FUND BALANCE, FEBRUARY 28</b>		<u>\$ 365,379</u>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 121,022	\$ 122,164	\$ 1,142
Investment income	350	109	(241)
Other	-	1,500	1,500
Total revenues	121,372	123,773	2,401
<b>EXPENDITURES</b>			
Current			
General government			
Salaries and wages	18,000	17,319	(681)
Insurance	176,000	124,983	(51,017)
Other	18,000	2,000	(16,000)
Total expenditures	212,000	144,302	(67,698)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (90,628)	(20,529)	\$ 70,099
<b>FUND BALANCE, MARCH 1</b>		195,548	
<b>FUND BALANCE, FEBRUARY 28</b>		\$ 175,019	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 240,503	\$ 240,748	\$ 245
Investment income	2,500	765	(1,735)
Total revenues	243,003	241,513	(1,490)
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	260,457	173,813	(86,644)
Total expenditures	260,457	173,813	(86,644)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (17,454)	67,700	\$ 85,154
<b>FUND BALANCE, MARCH 1</b>		177,145	
<b>FUND BALANCE, FEBRUARY 28</b>		\$ 244,845	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 260,159	\$ 260,377	\$ 218
Investment income	3,000	919	(2,081)
Total revenues	263,159	261,296	(1,863)
<b>EXPENDITURES</b>			
Current			
Recreation			
Benefits	286,000	252,243	(33,757)
Total expenditures	286,000	252,243	(33,757)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (22,841)	9,053	\$ 31,894
<b>FUND BALANCE, MARCH 1</b>		273,249	
<b>FUND BALANCE, FEBRUARY 28</b>		\$ 282,302	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 29,783	\$ 29,958	\$ 175
Investment income	2,500	767	(1,733)
Total revenues	32,283	30,725	(1,558)
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	36,200	32,453	(3,747)
Contractual services	206,000	28,292	(177,708)
Materials and supplies	4,000	479	(3,521)
Utilities	27,500	12,314	(15,186)
Total expenditures	273,700	73,538	(200,162)
<b>NET CHANGE IN FUND BALANCE</b>			
	\$ (241,417)	(42,813)	\$ 198,604
<b>FUND BALANCE, MARCH 1</b>		472,899	
<b>FUND BALANCE, FEBRUARY 28</b>		\$ 430,086	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 131,679	\$ 132,372	\$ 693
Investment income	2,000	613	(1,387)
Total revenues	133,679	132,985	(694)
<b>EXPENDITURES</b>			
Current			
Recreation			
Salaries and wages	78,300	63,705	(14,595)
Materials and supplies	24,100	11,800	(12,300)
Utilities	11,000	6,459	(4,541)
Other	7,670	585	(7,085)
Capital outlay	8,000	-	(8,000)
Total expenditures	129,070	82,549	(46,521)
NET CHANGE IN FUND BALANCE	\$ 4,609	50,436	\$ 45,827
FUND BALANCE, MARCH 1		86,328	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 136,764</b>	

(See independent auditor's report.)



**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<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>-</b>	<b>\$ 1,000</b>
<b>FUND BALANCE, MARCH 1</b>		764	
<b>FUND BALANCE, FEBRUARY 28</b>		<b>\$ 764</b>	

(See independent auditor's report.)

**PROPRIETARY FUNDS**

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Service fees	\$ 1,285,000	\$ 236,598	\$ (1,048,402)
Rental fees	14,000	(1,198)	(15,198)
Other income	5,000	91,380	86,380
Total operating revenues	1,304,000	326,780	(977,220)
<b>OPERATING EXPENSES</b>			
Salaries and wages	756,859	427,066	(329,793)
Insurance	60,000	55,341	(4,659)
Materials and supplies	59,000	21,634	(37,366)
Utilities and telephone	96,000	30,528	(65,472)
Contractual services	98,000	45,819	(52,181)
Building, equipment and landscaping	455,000	3,846	(451,154)
Depreciation	-	62,726	62,726
Total operating expenses	1,524,859	646,960	(877,899)
OPERATING INCOME (LOSS)	(220,859)	(320,180)	(99,321)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	55,000	31,503	(23,497)
Capital contribution	-	39,167	39,167
Interest expense	-	(12,512)	(12,512)
Total non-operating revenues (expenses)	55,000	58,158	3,158
CHANGE IN NET POSITION	\$ (165,859)	(262,022)	\$ (96,163)
NET POSITION, MARCH 1		2,236,854	
<b>NET POSITION, FEBRUARY 28</b>		<b>\$ 1,974,832</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Service fees	\$ 720,000	\$ -	\$ (720,000)
Concession sales	145,000	-	(145,000)
Rental fees	13,000	-	(13,000)
Other income	10,000	4,180	(5,820)
Total operating revenues	888,000	4,180	(883,820)
<b>OPERATING EXPENSES</b>			
Salaries and wages	509,400	71,794	(437,606)
Insurance	13,000	13,207	207
Materials and supplies	153,000	12,156	(140,844)
Utilities and telephone	112,000	33,163	(78,837)
Contractual services	28,000	22,726	(5,274)
Building, equipment and landscaping	257,000	53,809	(203,191)
Depreciation	-	169,852	169,852
Other expenses	68,440	-	(68,440)
Total operating expenses	1,140,840	376,707	(764,133)
OPERATING INCOME (LOSS)	(252,840)	(372,527)	(119,687)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	10,000	3,066	(6,934)
Total non-operating revenues (expenses)	10,000	3,066	(6,934)
CHANGE IN NET POSITION	\$ (242,840)	(369,461)	\$ (126,621)
NET POSITION, MARCH 1		4,919,831	
<b>NET POSITION, FEBRUARY 28</b>		<b>\$ 4,550,370</b>	

(See independent auditor's report.)

**TINLEY PARK DISTRICT  
TINLEY PARK, ILLINOIS**

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

For the Year Ended February 28, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under) Budget</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 65,000	\$ 48,097	\$ (16,903)
Rental fees	-	423	423
Concession sales	16,000	11,613	(4,387)
Other income	8,000	499	(7,501)
Total operating revenues	89,000	60,632	(28,368)
<b>OPERATING EXPENSES</b>			
Salaries and wages	56,900	38,413	(18,487)
Contractual services	13,957	9,121	(4,836)
Materials and supplies	50,000	14,768	(35,232)
Utilities	3,800	275	(3,525)
Repairs and maintenance	73,900	2,194	(71,706)
Other	-	-	-
Total operating expenses	198,557	64,771	(133,786)
OPERATING INCOME (LOSS)	(109,557)	(4,139)	105,418
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	2,000	613	(1,387)
Total non-operating revenues (expenses)	2,000	613	(1,387)
CHANGE IN NET POSITION	\$ (107,557)	(3,526)	\$ 104,031
NET POSITION, MARCH 1		200,115	
NET POSITION, FEBRUARY 29		\$ 196,589	

(See independent auditor's report.)