

**Tinley Park Park District  
Tinley Park, Illinois  
Annual Financial Report  
For The Year Ended February 29, 2012**

**Tinley Park Park District**  
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KNUTTE & ASSOCIATES, P.C.

Certified Public Accountants

7900 S. Cass Avenue

Darien, Illinois 60561

(630) 960-3317

FAX (630) 960-9960

[www.knutte.com](http://www.knutte.com)

## INDEPENDENT AUDITORS' REPORT

To 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 as of and for the year ended February 29, 2012, which collectively comprise the District's financial statements, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Tinley Park Park District, as of February 29, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

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

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. The Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending February 29, 2012 and, in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Tinley Park Park District's basic financial statements. The combining and individual fund financial schedules for the year ended February 29, 2012 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 schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended February 29, 2012 and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

*Knuttle & Associates, P.C.*

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

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

### **Introduction**

The Park District's Management's Discussion and Analysis (MD&A) provides an overview of the District's financial activities for the year ended February 29, 2012. Please read it as a narrative introduction to the financial statements that follow. This report is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position, identify any material deviations from the approved budget and identify individual fund issues or concerns.

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

### **Financial Highlights**

- The District's total assets exceeded its total liabilities at the close of the most recent fiscal year by \$31,690,454.
- Net assets of governmental activities were \$24,519,790 and business type activities assets were \$7,170,664.
- Property taxes levied and collected were \$5,833,844 compared to the prior year of \$5,687,178 for an increase of \$146,666.
- The District's governmental funds reported combined ending fund balances of \$5,767,531, a decrease of \$198,011. The decrease is primarily due to expenditures related to site development at McCarthy Park, Moose Park and Vogt Woods.
- The District continues to have the ability to devote resources toward maintaining, improving and expanding its parks, playgrounds and facilities. The District spent \$308,277 on capital improvements.
- The District's outstanding long-term debt decreased by \$1,635,000 to \$ 10,305,000.

### **Overview of the Financial Statements**

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

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

### **Government-wide Financial Statements**

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

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

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

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

The government-wide financial statements are presented on pages 11-12 of this report.

### **Fund Financial Statements**

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

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

The District has two kinds of funds:

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

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

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

The basic governmental fund financial statements are presented on pages 13 - 14 of this report.

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

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

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

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

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.



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

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Other supplementary information includes detail by fund for receivables, payables, transfers and payments within the reporting entity. Supplementary information can be found on pages 43 through 65 of this report.

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

### Government-wide Financial Analysis

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

### Statement of Net Assets

As noted earlier, the District's combined net assets for governmental activities increased to \$24,519,790 and business type activities increased to \$7,170,664.

Current Assets	12,366,588	406,496	12,773,084
Capital Assets	23,122,333	6,956,392	30,078,725
Total Assets	35,488,921	7,362,888	42,851,809
Current Other Liabilities	2,244,131	192,224	2,436,355
Long Term Liabilities	8,725,000	0	8,725,000
Total Liabilities	10,969,131	192,224	11,161,355
Net Assets Invested in Capital Assets, Net of Related Debt	12,817,333	6,956,392	19,773,725
Unrestricted Net Assets	11,702,457	214,272	11,916,729
Total Net Assets	24,519,790	7,170,664	31,690,454

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

### Statement of Activities

The District's net assets increased by \$1,656,368 during the current fiscal year as governmental activity net assets increased \$1,627,522 and business-type activity increased \$28,846 as discussed further below.

	Governmental Activities	Business Type Activities	Total
<b>Revenues</b>			
Charges for Services	\$ 1,147,381	\$ 1,259,589	\$ 2,406,970
Operating Grants and Contributions	325	0	325
Rental Income	0	0	0
Property Taxes	6,013,078	0	6,013,078
Replacement Taxes	25,951	0	25,951
Interest Income	9,773	2,200	11,973
Miscellaneous	109,832	22,421	132,253
<b>Total Revenue</b>	<b>7,306,340</b>	<b>1,284,210</b>	<b>8,590,550</b>
<b>Expenses</b>			
<b>Governmental Activities</b>			
General Government	2,530,763	0	2,530,763
Recreation	2,749,130	0	2,749,130
Interest on Long Term Debt	398,925	0	398,925
<b>Business-Type Activities</b>	<b>0</b>	<b>1,255,364</b>	<b>1,255,364</b>
<b>Total Expenses</b>	<b>5,678,818</b>	<b>1,255,364</b>	<b>6,934,182</b>
Increase/ Decrease In Net Assets	1,627,522	28,846	1,656,368
Net Assets Beginning of Year	22,892,268	7,141,818	30,034,086
Net Assets 2/29/2012	24,519,790	7,170,664	31,690,454

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

### **Governmental Activities**

As stated previously, governmental activities increased the District's net assets by \$1,627,522. This is primarily due to payment of bond principal.

- Ø Property taxes increased by \$146,666. The District's tax rate is .3590.
- Ø Program Fees increased by \$42,821.
- Ø Total expenditures increased by \$178,592 from \$7,146,525 in 2011 to \$7,325,117 in 2012.

### **Business-type Activities**

As previously stated, Business-type activities increased the district's net assets by \$28,846.

### **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 \$5,767,531. The total ending fund balances of governmental funds shows a decrease of \$198,011 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 98, 2012 was \$1,370,835, a decrease of \$41,484 from the prior year.

The Recreation fund balance was \$630,434, a decrease of \$35,029 from the prior year.

The Special Recreation fund balance was \$462,420, a decrease of \$48,826 over the prior year.

The Debt Service fund balance was \$700,638, an increase of \$53,764 over the prior year.

The Capital Projects fund balance was \$1,720,139, a decrease of \$238,920 from the prior year.

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

### **Proprietary Funds**

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

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

The Fitness Center had a decrease in operating income of \$27,757 totaling \$474,284 in 2012. The operating expenses decreased by \$2,090.

The Water Park had an increase in operating income of \$14,107 totaling \$745,594 in 2012. The operating expenses decreased by \$3,953.

Operating income for McCarthy Park/Tinley Junction decreased by \$1,406 in 2012 totaling \$64,332. The operating expenses increased by \$2,109.

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

#### **Capital Assets**

The District's investment in capital assets, net of related debt for governmental and business-type activities as of February 29, 2012 was \$12,817,333 and \$6,956,392, respectively. The District has an annual playground and vehicle/equipment replacement schedule. This resulted in updating three playground sites, purchasing a new groundmaster mower and purchasing a new top dresser.

#### **Debt Administration**

As of February 29, 2012 the Park District has general obligation bond issues outstanding of \$10,305,000. The fund balance of the Debt Service Fund amounted to \$700,638 as of February 29, 2012.

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

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

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

**Contacting the District's Financial Management**

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

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

**Tinley Park Park District  
Statement of Net Assets  
February 29, 2012**

	<b>Governmental Activities</b>	<b>Business Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 6,721,976	\$ 812,258	\$ 7,534,234
Taxes Receivable	5,146,056	0	5,146,056
Accounts Receivable	68,588	19,238	87,826
Prepaid Expense	4,968	0	4,968
Interfund Receivable/Payable	425,000	(425,000)	0
<b>Total Current Assets</b>	<b>12,366,588</b>	<b>406,496</b>	<b>12,773,084</b>
<b>Non-Current Assets</b>			
Capital Assets			
Capital Assets Not Being Depreciated	4,355,565	42,120	4,397,685
Other Capital Assets, Net of Depreciation	18,766,768	6,914,272	25,681,040
<b>Total Non Current Assets</b>	<b>23,122,333</b>	<b>6,956,392</b>	<b>30,078,725</b>
<b>TOTAL ASSETS</b>	<b>35,488,921</b>	<b>7,362,888</b>	<b>42,851,809</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	188,140	17,191	205,331
Bonds Payable	1,580,000	0	1,580,000
Accrued Payroll	78,831	15,532	94,363
Accrued Vacation	89,664	8,707	98,371
Unearned Program Revenue	307,496	135,586	443,082
Unearned Partnership Revenue	0	12,208	12,208
Security Deposit	0	3,000	3,000
<b>Total Current Liabilities</b>	<b>2,244,131</b>	<b>192,224</b>	<b>2,436,355</b>
<b>Non Current Liabilities</b>			
Bonds Payable	8,725,000	0	8,725,000
<b>Total Non Current Liabilities</b>	<b>8,725,000</b>	<b>0</b>	<b>8,725,000</b>
<b>TOTAL LIABILITIES</b>	<b>10,969,131</b>	<b>192,224</b>	<b>11,161,355</b>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	12,817,333	6,956,392	19,773,725
Unrestricted Net Assets	11,702,457	214,272	11,916,729
<b>TOTAL NET ASSETS</b>	<b>\$ 24,519,790</b>	<b>\$ 7,170,664</b>	<b>\$ 31,690,454</b>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Statement of Activities  
February 29, 2012**

	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets			
	Expenses	Charges For Services	Operating Grants and Contributions	Governmental Activities	Business Activities	Total
<b>FUNCTIONS/PROGRAMS</b>						
<b>Governmental Activities</b>						
General Government	2,530,763	0	0	(2,530,763)	0	(2,530,763)
Recreation	2,749,130	1,147,381	325	(1,601,424)	0	(1,601,424)
Interest on Long-Term Debt	398,925	0	0	(398,925)	0	(398,925)
<b>Total Governmental Activities</b>	<b>5,678,818</b>	<b>1,147,381</b>	<b>325</b>	<b>(4,531,112)</b>	<b>0</b>	<b>(4,531,112)</b>
<b>Business Type Activities</b>						
Fitness Center Fund	521,921	468,634	0	0	(53,287)	(53,287)
Water Park Fund	672,005	728,523	0	0	56,518	56,518
McCarthy Park Fund	61,438	62,432	0	0	994	994
<b>Total Business Type Activities</b>	<b>1,255,364</b>	<b>1,259,589</b>	<b>0</b>	<b>0</b>	<b>4,225</b>	<b>4,225</b>
<b>TOTAL</b>	<b>\$ 6,934,182</b>	<b>\$ 2,406,970</b>	<b>\$ 325</b>			
<b>GENERAL REVENUES</b>						
Taxes						
Property taxes levied for general purposes				6,013,078	0	6,013,078
Replacement taxes for general purposes				25,951	0	25,951
Interest Income				9,773	2,200	11,973
Miscellaneous				109,832	22,421	132,253
<b>TOTAL GENERAL REVENUES</b>				<b>6,158,634</b>	<b>24,621</b>	<b>6,183,255</b>
<b>CHANGE IN NET ASSETS</b>				<b>1,627,522</b>	<b>28,846</b>	<b>1,656,368</b>
<b>NET ASSETS,</b>						
<b>BEGINNING OF YEAR</b>				<b>22,892,268</b>	<b>7,141,818</b>	<b>30,034,086</b>
<b>END OF YEAR</b>				<b>\$ 24,519,790</b>	<b>\$ 7,170,664</b>	<b>\$ 31,690,454</b>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Governmental Funds  
Balance Sheet  
February 29, 2012**

	<b>General</b>	<b>Recreation</b>	<b>Special Recreation</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>ASSETS</b>							
Cash	\$ 1,670,521	\$ 764,448	\$ 554,128	\$ 954,266	\$ 1,772,006	\$ 1,006,607	\$ 6,721,976
Taxes Receivable	1,331,926	856,308	585,080	1,654,497	0	718,245	5,146,056
Accounts Receivable	0	37,594	0	0	30,994	0	68,588
Prepaid Expenditures	0	4,968	0	0	0	0	4,968
Due From Other Funds	0	425,000	0	0	0	0	425,000
<b>TOTAL ASSETS</b>	<b>3,002,447</b>	<b>2,088,318</b>	<b>1,139,208</b>	<b>2,608,763</b>	<b>1,803,000</b>	<b>1,724,852</b>	<b>12,366,588</b>
<b>LIABILITIES</b>							
Accounts Payable	30,500	67,759	1,925	0	82,861	5,095	188,140
Accrued Payroll	24,145	47,184	93	0	0	7,409	78,831
Accrued Vacation	40,862	47,868	0	0	0	934	89,664
Deferred Property Taxes	1,536,105	987,577	674,770	1,908,125	0	828,349	5,934,926
Deferred Program Revenues	0	307,496	0	0	0	0	307,496
<b>TOTAL LIABILITIES</b>	<b>1,631,612</b>	<b>1,457,884</b>	<b>676,788</b>	<b>1,908,125</b>	<b>82,861</b>	<b>841,787</b>	<b>6,599,057</b>
<b>FUND BALANCES</b>							
Non-Spendable	0	4,968	0	0	0	0	4,968
Restricted	0	450,466	262,420	700,638	0	883,065	2,296,589
Committed	100,000	175,000	200,000	0	814,000	0	1,289,000
Assigned	0	0	0	0	906,139	0	906,139
Unassigned	1,270,835	0	0	0	0	0	1,270,835
<b>TOTAL FUND BALANCE</b>	<b>1,370,835</b>	<b>630,434</b>	<b>462,420</b>	<b>700,638</b>	<b>1,720,139</b>	<b>883,065</b>	<b>5,767,531</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 3,002,447</b>	<b>\$ 2,088,318</b>	<b>\$ 1,139,208</b>	<b>\$ 2,608,763</b>	<b>\$ 1,803,000</b>	<b>\$ 1,724,852</b>	

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

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

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

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

23,122,333  
5,934,926  
(10,305,000)

**NET ASSETS OF GOVERNMENTAL FUNDS**

**\$ 24,519,790**

See Accompanying Notes to the Financial Statements



**Tinley Park Park District  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For The Year Ended February 29, 2012**

	General	Recreation	Special Recreation	Debt Service	Capital Projects	Other Governmental Funds	Total
<b>REVENUES</b>							
Property Taxes	\$ 1,477,129	\$ 949,661	\$ 649,159	\$ 1,961,159	\$ 0	\$ 796,736	\$ 5,833,844
Replacement Taxes	25,951	0	0	0	0	0	25,951
Program Fees	0	1,085,480	0	0	0	0	1,085,480
Rental Fees	0	61,901	0	0	0	0	61,901
Impact Fees	0	0	0	0	325	0	325
Interest Income	1,004	1,000	433	1,530	4,876	930	9,773
Other	213	43,963	0	0	64,156	1,500	109,832
<b>TOTAL REVENUES</b>	<b>1,504,297</b>	<b>2,142,005</b>	<b>649,592</b>	<b>1,962,689</b>	<b>69,357</b>	<b>799,166</b>	<b>7,127,106</b>
<b>EXPENDITURES</b>							
General	1,545,781	0	0	0	0	0	1,545,781
Recreation Program	0	2,177,034	0	0	0	0	2,177,034
Liability Insurance	0	0	0	0	0	125,739	125,739
Special Recreation	0	0	698,418	0	0	0	698,418
Municipal Retirement	0	0	0	0	0	372,917	372,917
Museum	0	0	0	0	0	105,601	105,601
Police Program	0	0	0	0	0	82,425	82,425
Debt Service							
Principal	0	0	0	1,510,000	0	0	1,510,000
Interest	0	0	0	398,925	0	0	398,925
Capital Improvements	0	0	0	0	308,277	0	308,277
<b>TOTAL EXPENDITURES</b>	<b>1,545,781</b>	<b>2,177,034</b>	<b>698,418</b>	<b>1,908,925</b>	<b>308,277</b>	<b>686,682</b>	<b>7,325,117</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(41,484)</b>	<b>(35,029)</b>	<b>(48,826)</b>	<b>53,764</b>	<b>(238,920)</b>	<b>112,484</b>	<b>(198,011)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	0	0	0	0	0	245,000	245,000
Transfers Out	0	0	0	0	0	(245,000)	(245,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(41,484)</b>	<b>(35,029)</b>	<b>(48,826)</b>	<b>53,764</b>	<b>(238,920)</b>	<b>112,484</b>	<b>(198,011)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>1,412,319</b>	<b>665,463</b>	<b>511,246</b>	<b>646,874</b>	<b>1,959,059</b>	<b>770,581</b>	<b>5,965,542</b>
<b>END OF YEAR</b>	<b>\$ 1,370,835</b>	<b>\$ 630,434</b>	<b>\$ 462,420</b>	<b>\$ 700,638</b>	<b>\$ 1,720,139</b>	<b>\$ 883,065</b>	<b>\$ 5,767,531</b>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
**For The Year Ended February 29, 2012**

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Net Change in Fund Balances - Total Governmental Funds (Combined Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ (198,011)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statements.	(984,982)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	1,121,281
Property tax revenues in the Statement of Activities that do not provide current financial resources are reported as deferred property tax revenue in the fund financial statements.	179,234
Payments of bond principal are treated as an expenditure in the fund financial statements.	<u>1,510,000</u>
Change in Net Assets of Governmental Activities (Statement of Activities)	<u>\$ 1,627,522</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Proprietary Funds  
Statement of Fund Net Assets  
February 29, 2012**

	<b>Fitness Center</b>	<b>Water Park</b>	<b>Other Proprietary Fund McCarthy</b>	<b>Total</b>
<b>CURRENT ASSETS</b>				
Cash	\$ 94,368	\$ 628,733	\$ 89,157	\$ 812,258
Accounts Receivable	19,238	0	0	19,238
<b>TOTAL CURRENT ASSETS</b>	<b>113,606</b>	<b>628,733</b>	<b>89,157</b>	<b>831,496</b>
<b>NON-CURRENT ASSETS</b>				
Capital Assets				
Capital Assets Not Being Depreciated	42,120	0	0	42,120
Other Capital Assets, Net of Depreciation	2,723,643	4,190,629	0	6,914,272
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,765,763</b>	<b>4,190,629</b>	<b>0</b>	<b>6,956,392</b>
<b>TOTAL ASSETS</b>	<b>2,879,369</b>	<b>4,819,362</b>	<b>89,157</b>	<b>7,787,888</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	13,218	3,973	0	17,191
Accrued Payroll	13,250	2,282	0	15,532
Accrued Vacation	8,426	281	0	8,707
Interfund Payable	425,000	0	0	425,000
Unearned Program Revenue	135,586	0	0	135,586
Unearned Partnership Revenue	9,000	2,458	750	12,208
Security Deposit	3,000	0	0	3,000
<b>Total Current Liabilities</b>	<b>607,480</b>	<b>8,994</b>	<b>750</b>	<b>617,224</b>
<b>TOTAL LIABILITIES</b>	<b>607,480</b>	<b>8,994</b>	<b>750</b>	<b>617,224</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	2,765,763	4,190,629	0	6,956,392
Unrestricted	(493,874)	619,739	88,407	214,272
<b>TOTAL NET ASSETS</b>	<b>\$ 2,271,889</b>	<b>\$ 4,810,368</b>	<b>\$ 88,407</b>	<b>\$ 7,170,664</b>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
For The Year Ended February 29, 2012**

	Fitness Center	Water Park	Other Proprietary Fund McCarthy	Total
<b>OPERATING REVENUES</b>				
Service Fees	\$ 419,865	\$ 593,422	\$ 43,775	\$ 1,057,062
Concession Sales	0	122,396	18,657	141,053
Rental Fees	48,769	12,705	0	61,474
Interest Income	100	2,000	100	2,200
Other Income	5,550	15,071	1,800	22,421
<b>TOTAL OPERATING REVENUES</b>	<u>474,284</u>	<u>745,594</u>	<u>64,332</u>	<u>1,284,210</u>
<b>DIRECT OPERATING EXPENSES</b>				
Salaries	269,450	303,370	28,851	601,671
Utilities	62,329	78,440	1,500	142,269
Supplies	16,023	59,103	18,676	93,802
Repairs and Maintenance	11,718	22,964	1,507	36,189
Advertising	1,478	2,159	347	3,984
Concessions	0	44,368	1,033	45,401
Conferences	0	8,101	0	8,101
Equipment Repair	5,613	0	2,117	7,730
Service Contracts	14,571	5,616	764	20,951
Site Improvements	669	0	6,506	7,175
Insurance	34,057	2,901	0	36,958
Depreciation	96,814	131,417	0	228,231
Capital Improvements	0	12,469	0	12,469
Miscellaneous	4,886	1,097	137	6,120
<b>TOTAL DIRECT OPERATING EXPENSES</b>	<u>517,608</u>	<u>672,005</u>	<u>61,438</u>	<u>1,251,051</u>
<b>OPERATING INCOME (LOSS)</b>	(43,324)	73,589	2,894	33,159
<b>NON-OPERATING EXPENSES</b>				
Installment Contract Interest	(4,313)	0	0	(4,313)
<b>TOTAL NON-OPERATING EXPENSES</b>	<u>(4,313)</u>	<u>0</u>	<u>0</u>	<u>(4,313)</u>
<b>CHANGE IN FUND NET ASSETS</b>	(47,637)	73,589	2,894	28,846
<b>NET ASSETS</b>				
<b>BEGINNING OF YEAR</b>	<u>2,319,526</u>	<u>4,736,779</u>	<u>85,513</u>	<u>7,141,818</u>
<b>END OF YEAR</b>	<u>\$ 2,271,889</u>	<u>\$ 4,810,368</u>	<u>\$ 88,407</u>	<u>\$ 7,170,664</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended February 29, 2012**

	<u>Fitness Center</u>	<u>Water Park</u>	<u>Other Proprietary Fund McCarthy</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received From Customers	\$ 458,717	\$ 747,594	\$ 64,516	\$ 1,270,827
Interest Received	100	2,000	100	2,200
Cash Payments to Suppliers and Employees	(370,618)	(541,811)	(61,509)	(973,938)
<b>NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES</b>	<u>88,199</u>	<u>207,783</u>	<u>3,107</u>	<u>299,089</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(48,158)	(99,994)	0	(148,152)
Interest Paid on Installment Contract	(4,313)	0	0	(4,313)
Principal Payments on Debt	(125,000)	0	0	(125,000)
<b>NET CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(177,471)</u>	<u>(99,994)</u>	<u>0</u>	<u>(277,465)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(89,272)	107,789	3,107	21,624
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>183,640</u>	<u>520,944</u>	<u>86,050</u>	<u>790,634</u>
<b>END OF YEAR</b>	<u>\$ 94,368</u>	<u>\$ 628,733</u>	<u>\$ 89,157</u>	<u>\$ 812,258</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District  
Proprietary Funds  
Statement of Cash Flows (Continued)  
For The Year Ended February 29, 2012**

	<u>Fitness Center</u>	<u>Water Park</u>	<u>Other Proprietary Fund McCarthy</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (43,324)	\$ 73,589	\$ 2,894	\$ 33,159
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities				
Depreciation	96,814	131,417	0	228,231
Changes in Certain Assets and Liabilities				
Accounts Receivable	(1,211)	4,000	284	3,073
Accounts Payable	(5,371)	(2,823)	(71)	(8,265)
Accrued Payroll	2,547	1,600	0	4,147
Due to Other Funds	50,000	0	0	50,000
Unearned Program Revenue	(14,256)	0	0	(14,256)
Security Deposit	3,000	0	0	3,000
Total Adjustments	<u>131,523</u>	<u>134,194</u>	<u>213</u>	<u>265,930</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 88,199</u>	<u>\$ 207,783</u>	<u>\$ 3,107</u>	<u>\$ 299,089</u>

See Accompanying Notes to the Financial Statements

**Tinley Park Park District**  
**Notes To The Financial Statements**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

B. Changes in Accounting Methods

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (GASB 34). The Tinley Park Park District implemented GASB 34 effective March 1, 2004. As a result, an entirely new financial presentation format is provided.

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Changes in Accounting Methods (Continued)

The implementation of GASB 34 adds two "Government-Wide" financial statements as basic financial statements required for all governmental units. They are the Statement of Net Assets, which presents the financial condition of the governmental activities of the Park District at fiscal year end, and the Statement of Activities, which presents a comparison between direct expenses and program revenues for each program or function of the Park District's governmental activities.

The reporting model for GASB 34 classifies funds as either governmental activities, business activities, or fiduciary funds. Further, all non-fiduciary funds are classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

Both new statements are prepared on the full accrual basis. Previously, in accordance with accounting standards for governmental units, the Park District used the modified accrual basis of accounting for certain funds. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

C. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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



**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS

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

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

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

Governmental Funds (Governmental Activities)

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

General Fund

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

Special Revenue Funds

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

Funds included in this fund category are:

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Governmental Funds (Governmental Activities) (Continued)

Debt Service Fund

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

Capital Projects Fund

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

PROPRIETARY FUND TYPES

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

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

The Park District reports the following major governmental funds:

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

MAJOR FUNDS (CONTINUED)

The Park District reports the following major business activity funds:

- The Fitness Center
- The Water Park

NON-MAJOR FUNDS

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

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

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

- McCarthy Park

D. Basis of Accounting

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

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

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

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

E. Measurement Focus

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

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

F. Use of Estimates

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

G. Budgetary Data

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Budgetary Data (Continued)

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

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

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Because the level of legal control is at the individual fund level, expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation at the fund level must be approved by the Park District Board through a supplemental appropriation. No supplemental appropriations were made during the year ending February 29, 2012.

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

H. Accrued Vacation

As of February 29, 2012, and February 28, 2011, the amount of accumulated vacation and paid time off is, \$98,371 and \$96,786, respectively, reflecting an increase of \$1,585. This liability is accounted for as a governmental activity or a business activity on the Government-Wide Statement of Net Assets and in the Fund Financial Statements, depending on the individual fund incurring the liability. Historically, the governmental activities liability has been paid from the General and Recreation Funds and the business activities liability has been paid from the Fitness Center. The liability is expected to be paid within one year of the balance sheet date.

I. Cash, Cash Equivalents, and Investments

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

J. Interfund Receivables/Payables

Amounts due to and due from other funds may arise during the course of the Park District's operations because of numerous transactions between funds to finance operations, provide services, construct assets and service debt. At February 29, 2012, the Park District Recreation Fund had an interfund receivable and the Fitness Fund had an interfund payable of \$425,000.

K. Transfers

During the normal course of Park operations, transfers between funds may arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Typical expenses in the category are general administrative and maintenance expenses. During the year ended February 29, 2012, \$245,000 was transferred from the Social Security Fund to the Illinois Municipal Retirement Fund.

L. Inventories

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

M. Prepaid Expenses/Expenditures

Payments made to vendors for services that will benefit periods beyond February 29, 2012 are recorded as prepaid expenses/expenditures.

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

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

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

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

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

FUND FINANCIAL STATEMENTS

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

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets (Continued)

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

O. Long Term Liabilities

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

P. Property Taxes

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

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

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

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

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

The levy becomes an enforceable lien against the property as of January 1 of the levy year. The 2011 levy has been estimated and recorded as a receivable at February 29, 2012.



**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. GASB Pronouncements

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

R. Equity Classifications

GOVERNMENT -WIDE FINANCIAL STATEMENTS

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

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

FUND FINANCIAL STATEMENTS

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

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

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

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Equity Classifications (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

Fund	General	Recreation	Special Recreation	Debt Service	Capital Projects	Non-Major Funds	Total
Non-spendable							
Prepaid Items	\$ 0	\$ 4,968	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,968
Restricted							
Recreation	0	450,466	0	0	0	0	450,466
Special Recreation	0	0	262,420	0	0	0	262,420
Debt Service	0	0	0	700,638	0	0	700,638
Insurance	0	0	0	0	0	94,627	94,627
Social Security	0	0	0	0	0	286,970	286,970
Retirement	0	0	0	0	0	221,871	221,871
Museum	0	0	0	0	0	148,153	148,153
Police	0	0	0	0	0	130,680	130,680
Working Cash	0	0	0	0	0	764	764
Committed							
Capital Expenditures	100,000	175,000	200,000	0	814,000	0	1,289,000
Assigned	0	0	0	0	906,139	0	906,139
Unassigned	1,270,835	0	0	0	0	0	1,270,835
	<u>\$ 1,370,835</u>	<u>\$ 630,434</u>	<u>\$ 462,420</u>	<u>\$ 700,638</u>	<u>\$ 1,720,139</u>	<u>\$ 883,065</u>	<u>\$ 5,767,531</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

Bank Deposits

At February 29, 2012, the carrying amount of the Park District's deposits was \$7,534,234 and the bank balance was \$7,535,987. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

Also at February 29, 2012, the Park District maintained a balance in the Illinois Funds and PMA Financial Network, Inc. These pooled investments with other park districts are similar in nature to a money market fund and consists primarily of certificates of deposit, U.S. Government securities, commercial paper, and corporate bonds. Because individual securities are not owned by the Park District, amounts invested in the Illinois Funds and in the PMA Financial Network, Inc. are not categorized.

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

	Carrying Amount	Bank Balance
Category #1	\$ 600,746	\$ 602,499
Category #2	0	0
Category #3	0	0
Illinois Funds	2,752,774	2,752,774
PMA Financial Network	4,180,714	4,180,714
	<u>\$ 7,534,234</u>	<u>\$ 7,535,987</u>

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Bank Deposits (Continued)

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

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

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

Investments

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

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

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

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

None of the funds of the district had an excess of actual expenditures over the legally enacted budget amount for the year ended February 29, 2012.

NOTE 4 – CAPITAL ASSETS

A summary of the changes in the capital assets of the governmental activities for the year ended February 29, 2012 follows. Total depreciation expense for the year charged for governmental activities was \$984,982. Of this amount, \$63,479 was charged for general governmental functions, and \$921,503 was charged to the recreation function.

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

NOTE 4 – CAPITAL ASSETS (CONTINUED)

	Balance February 28, 2011	Additions	Retirements	Balance February 29, 2012
<b>Assets Not Subject to Depreciation</b>				
Land	\$ 4,344,365	\$ 0	\$ 0	\$ 4,344,365
Construction in Progress	11,200	0	0	11,200
<b>Assets Subject to Depreciation</b>				
Land Improvements	9,930,353	283,929	0	10,214,282
Buildings and Improvements	13,900,043	229,897	0	14,129,940
Furniture, Fixtures, Equipment	4,176,912	607,455	0	4,784,367
Mobile Equipment	487,346	0	0	487,346
Subtotal	<u>32,850,219</u>	<u>1,121,281</u>	<u>0</u>	<u>33,971,500</u>
<b>Less Accumulated Depreciation</b>				
Corporate	(239,685)	(63,479)	0	(303,164)
Recreation	(9,624,500)	(921,503)	0	(10,546,003)
Subtotal	<u>(9,864,185)</u>	<u>(984,982)</u>	<u>0</u>	<u>(10,849,167)</u>
<b>Net Capital Assets</b>	<u>\$ 22,986,034</u>	<u>\$ 136,299</u>	<u>\$ 0</u>	<u>\$ 23,122,333</u>

A summary of changes in the capital assets of the Enterprise Funds (Business Activities) for the year ended February 29, 2012 follows. Depreciation expense charged for business activities was \$228,231. Depreciation was charged to individual funds as follows: Fitness Center, \$96,814; Water Park, \$131,417.

	Balance February 28, 2011	Additions	Retirements	Balance February 29, 2012
<b>Assets Not Subject to Depreciation</b>				
Land	\$ 42,120	\$ 0	\$ 0	\$ 42,120
<b>Assets Subject to Depreciation</b>				
Land Improvements	458,682	0	0	458,682
Buildings and Improvements	8,622,118	99,994	0	8,722,112
Furniture, Fixtures, Equipment	706,235	48,158	0	754,393
Subtotal	<u>9,829,155</u>	<u>148,152</u>	<u>0</u>	<u>9,977,307</u>
<b>Less Accumulated Depreciation</b>				
Fitness Center	(1,739,124)	(96,814)	0	(1,835,938)
Water Park	(1,053,560)	(131,417)	0	(1,184,977)
Subtotal	<u>(2,792,684)</u>	<u>(228,231)</u>	<u>0</u>	<u>(3,020,915)</u>
<b>Net Capital Assets</b>	<u>\$ 7,036,471</u>	<u>\$ (80,079)</u>	<u>\$ 0</u>	<u>\$ 6,956,392</u>

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

NOTE 5 – DEBT COMMITMENTS

A. Debt Transactions

The Park District enters into debt transactions to finance additions of and major improvements to recreational facilities. A summary of changes in debt commitments for the year ended February 29, 2012 is as follows:

	Balance 2/28/11	New Debt	Principal Paid	Balance 2/29/12	Amount Due Within One Year
Governmental Activities					
General Obligation Bonds					
July, 2004	\$ 1,135,000	\$ 0	\$ 285,000	\$ 850,000	\$ 295,000
October, 2005	8,635,000	0	745,000	7,890,000	795,000
February, 2009	2,045,000	0	480,000	1,565,000	490,000
Subtotal					
Governmental Activities	11,815,000	0	1,510,000	10,305,000	1,580,000
Business Activities					
Installment Contracts					
April, 2004	125,000	0	125,000	0	0
Subtotal					
Business Activities	125,000	0	125,000	0	0
Total Debt	<u>\$ 11,940,000</u>	<u>\$ 0</u>	<u>\$ 1,635,000</u>	<u>\$ 10,305,000</u>	<u>\$ 1,580,000</u>

B. Annual Debt Service Requirements

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

Year Ending	Principal	Interest	Total
2013	1,580,000	352,690	1,932,690
2014	1,640,000	304,435	1,944,435
2015	1,715,000	252,975	1,967,975
2016	945,000	198,820	1,143,820
2017	1,015,000	164,328	1,179,328
2018 - 2020	3,410,000	259,142	3,669,142
Total	<u>\$ 10,305,000</u>	<u>\$ 1,532,390</u>	<u>\$ 11,837,390</u>

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

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NOTE 5 – DEBT COMMITMENTS (CONTINUED)

C. Prior Years' Debt Defeasance

In prior years, the Park District has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of February 29, 2012, the amount of defeased debt outstanding amounted to \$8,425,000.

NOTE 6 - RISK MANAGEMENT

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

Since June 1, 1992, the Tinley Park Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2011 through January 1, 2012.

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
<b>1. Property</b>					
Property/Bldg/Contents				PDRMA Reinsurers:	P070110
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members	Various Reinsurers	
All losses annual aggregate		\$3,000,000	Declaration 11	through	
Flood/except Zones A&V	\$1,000	\$100,000	\$250,000,000/occurrence/annual aggregate	the Public Entity	
Flood, Zones A&V	\$1,000	\$250,000	\$200,000,000/occurrence/annual aggregate	Property Reinsurance	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate	Program (PEPIP)	
Auto Physical Damage					
Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of Construction/Builders Risk	\$1,000	Included	\$25,000,000		
Business interruption, Rental			\$100,000,000/reported values		
Income, Tax Income Combined	\$1,000		\$500,000/\$2,500,000/non-reported values		

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

**NOTE 6 - RISK MANAGEMENT (CONTINUED)**

Coverage	Member Deductible	PDRMA Self- Insured Retention	Limits	Insurance Company	Policy Number
Service Interruption	24 hours	N/A	\$10,000,000		
<b>OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT</b>					
Boiler and Machinery			\$100,000,000 Equip. Breakdown	Travelers	BME10525L478
Property Damage	\$1,000	\$9,000	Property damage - included	Indemnity Co. of Illinois	
Business Income	48 hours	N/A	Included		
<b>OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT</b>					
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000	National Union	01-423-88-11
Seasonal Employees	\$1,000	\$9,000	\$1,000,000	Fire Insurance Co.	
Blanket Bond	\$1,000	\$24,000	\$2,000,000		
<b>2. Workers Compensation</b>	N/A	\$500,000	Statutory	PDRMA Reinsurers:	WC01011
Employer's Liability		\$500,000	\$3,500,000 Employer's Liability	Government Entities Mutual, Safety National Casualty Corp	GEM-0003- A11001 SP-4043456
<b>3. Liability</b>					
General	None	\$500,000	\$21,500,000/occurrence/annual aggregate	PDRMA Reinsurers:	L0010111
Auto Liability	None	Included	Included	Government Entities	GEM-0003-
Employment Practices	None	Included	\$21,500,000/occurrence/annual aggregate	Mutual, Markel	A11001
Public Officials' Liability	None	Included	Annual aggregate per member	Everest	71RE200001-111
Law Enforcement Liability	None	Included	Included	Reinsurance Co.	
Uninsured/Underinsured Motorists	None	Included	\$1,000,000/occurrence		
<b>4. Pollution Liability</b>					
Liability- third party	None	\$25,000	\$5,000,000/occurrence	XL Enviornmental Insurance	PEC 2535803
Property- first party	\$1,000	\$24,000	\$10,000,000 general aggregate		
<b>5. Outbreak Expense</b>					
	24 hours	N/A	\$15,000 per day \$450,000 per location \$1 million aggregate policy limit	Markel	
<b>6. Volunteer Medical Accident</b>					
	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
<b>7. Underground Storage Tank Liability</b>					
	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

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NOTE 6 - RISK MANAGEMENT (CONTINUED)

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

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

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

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

The following represents a summary of PDRMA's balance sheet at December 31, 2010 and the statement of revenues and expenses for the period ending December 31, 2010. The Tinley Park Park District's portion of the overall equity of the pool is 0.283% or \$85,895.

Assets	\$	52,487,014
Liabilities	\$	22,092,590
Member Balances	\$	30,394,424
Revenues	\$	20,242,941
Expenditures	\$	19,455,018

Since 97% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, Member Balances are adjusted annually as more recent loss information becomes available.

NOTE 7 - HEALTH INSURANCE

On July 1, 1999 the Tinley Park Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$200,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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



**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 7 - HEALTH INSURANCE (CONTINUED)

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

The following represents a summary of PDRMA's balance sheet at December 31, 2010, and the statement of revenues and expenses for the period ending December 31, 2010.

Assets	\$	9,475,140
Liabilities	\$	3,693,110
Member Balances	\$	5,782,030
Revenues	\$	19,191,466
Expenditures	\$	21,027,975

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

NOTE 8 - DEFICIT FUND BALANCE

At February 29, 2012 none of the funds has a deficit fund balance.

NOTE 9 – INTERFUND RECEIVABLES/PAYABLES

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

NOTE 10 – ILLINOIS MUNICIPAL RETIRMENT AND SOCIAL SECURITY FUNDS

In past years, the Illinois Municipal Retirement and Social Security Funds have been combined as a single fund on the financial statements. For the year ended February 29, 2012, both funds have been separated as the funds are being levied separately beginning with the 2011 tax levy.

NOTE 11 - RETIREMENT FUND COMMITMENT

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

**Tinley Park Park District  
Notes To The Financial Statements (Continued)  
For the Year Ended February 29, 2012**

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NOTE 11 - RETIREMENT FUND COMMITMENT (CONTINUED)

*Funding Policy.* As set by statute, the Park District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate from calendar year 2011 was 11.90 percent of annual covered payroll. The Park District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Annual Pension Cost.* For the fiscal year ending December 31, 2011, The Park District's annual pension cost of \$198,044 for the Regular plan was equal to the District's required and actual contributions.

**Three-Year Trend Information for the Regular Plan**

<u>Actual Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/11	\$ 198,044	100%	\$ 0
12/31/10	185,132	100%	0
12/31/09	166,334	100%	0

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the Park District Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Funded Status and Funding Progress.* As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 61.77 percent funded. The actuarial accrued liability for benefits was \$3,358,311 and the actuarial value of assets was \$2,074,570, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,283,741. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$1,664,233 and the ratio of the UAAL to the covered payroll was 77 percent.

NOTE 12 – OTHER POST EMPLOYEMENT BENEFITS

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

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Membership in the plan consisted of the following as of:

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

A. Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008						
12/31/2009						
12/31/2010	0	261,701	261,701	0.00%		

B. Annual OPEB Cost and Net OPEB Obligation

Adjustment to annual required contribution	<u>0</u>
Annual OPEB Cost	33,010
Contributions made	<u>0</u>
Increase (decrease) in net OPEB obligation	33,010
Net OPEB obligation beginning of year	<u>0</u>
Net OPEB obligation end of year	<u><u>33,010</u></u>

**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

C. Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Actuarial Percentage of Annual OPEB Cash Contributed	Net OPEB Obligation
12/31/2008			
12/31/2009			
12/31/2010	33,010	0%	33,010

D. Annual Required Contribution

	February 28, 2011	February 28, 2010
Service Cost	\$ 23,090	\$ 23,639
Amortization	8,723	7,799
Interest	1,591	1,572
Annual Required Contribution	<u>\$ 33,404</u>	<u>\$ 33,010</u>

E. Funding policy and actuarial assumptions

Contribution rates:

District	
Plan members	0.00%

Actuarial valuation date	12/31/2010
Actuarial cost method	Entry Age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market

Actuarial assumptions:

Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate

Mortality, Turnover, Disability, Retirement Ages	Same rates utilized for IMRF
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Percentage of Active Employees Assumed to Elect Benefit	100%
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**Tinley Park Park District**  
**Notes To The Financial Statements (Continued)**  
**For the Year Ended February 29, 2012**

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NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

E. Funding policy and actuarial assumptions (Continued)

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

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

F. GASB 45 Summary as of February 28, 2010

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

NOTE 13 - SUBSEQUENT EVENTS

The date to which events occurring after February 29, 2012, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is May 4, 2012, the date the financial statements were issued.

**Tinley Park Park District  
 Required Supplementary Information  
 For the Year Ended February 29, 2012**

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

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2011	\$ 2,074,570	\$ 3,358,311	\$ 1,283,741	61.77%	\$ 1,664,233	77.14%
12/31/2010	2,373,452	3,563,954	1,190,502	66.60%	1,648,551	72.22%
12/31/2009	2,148,401	3,202,856	1,054,455	67.08%	1,632,331	64.60%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$1,937,603. On a market basis, the funded ratio would be 57.70%.

**Tinley Park Park District  
 General Fund  
 Budgetary Comparison Schedule  
 For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 1,466,434	\$ 1,466,434	\$ 1,477,129	\$ 10,695
Personal Property Replacement Taxes	20,000	20,000	25,951	5,951
Interest Income	1,000	1,000	1,004	4
Other	566	566	213	(353)
<b>TOTAL REVENUES</b>	<u>1,488,000</u>	<u>1,488,000</u>	<u>1,504,297</u>	<u>16,297</u>
<b>EXPENDITURES</b>				
Administrative	501,000	501,000	418,659	82,341
Maintenance	1,544,000	1,544,000	1,127,122	416,878
<b>TOTAL EXPENDITURES</b>	<u>2,045,000</u>	<u>2,045,000</u>	<u>1,545,781</u>	<u>499,219</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (557,000)</u>	<u>\$ (557,000)</u>	(41,484)	<u>\$ 515,516</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,412,319</u>	
<b>END OF YEAR</b>			<u>\$ 1,370,835</u>	

**Tinley Park Park District  
 Recreation Fund  
 Budgetary Comparison Schedule  
 For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 942,785	\$ 942,785	\$ 949,661	\$ 6,876
Program Fees	1,006,000	1,006,000	1,085,480	79,480
Rental Fees	55,000	55,000	61,901	6,901
Interest Income	1,000	1,000	1,000	0
Other	3,215	3,215	43,963	40,748
<b>TOTAL REVENUES</b>	<u>2,008,000</u>	<u>2,008,000</u>	<u>2,142,005</u>	<u>134,005</u>
<b>TOTAL EXPENDITURES</b>	<u>2,906,000</u>	<u>2,906,000</u>	<u>2,177,034</u>	<u>728,966</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (898,000)</u>	<u>\$ (898,000)</u>	(35,029)	<u>\$ 862,971</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>			<u>665,463</u>	
<b>END OF YEAR</b>			<u>\$ 630,434</u>	



**Tinley Park Park District  
Special Recreation Fund  
Budgetary Comparison Schedule  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 647,567	\$ 647,567	\$ 649,159	\$ 1,592
Interest Income	433	433	433	0
<b>TOTAL REVENUES</b>	<u>648,000</u>	<u>648,000</u>	<u>649,592</u>	<u>1,592</u>
<b>EXPENDITURES</b>				
Payroll	40,000	40,000	17,807	22,193
Service Contracts	24,000	24,000	21,918	2,082
Equipment Purchase	1,000	1,000	0	1,000
Playground Equipment	405,000	405,000	252,895	152,105
SSSRA Co-Payment	426,000	426,000	405,798	20,202
<b>TOTAL EXPENDITURES</b>	<u>896,000</u>	<u>896,000</u>	<u>698,418</u>	<u>197,582</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (248,000)</u>	<u>\$ (248,000)</u>	<u>(48,826)</u>	<u>\$ 199,174</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>511,246</u>	
<b>END OF YEAR</b>			<u>\$ 462,420</u>	

**Tinley Park Park District  
General Fund  
Schedule of Expenditures  
Budget and Actual  
For The Year Ended February 29, 2012**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Administrative				
Payroll	\$ 238,000	\$ 238,000	\$ 226,935	\$ 11,065
Postage	4,000	4,000	2,050	1,950
Telephone	13,000	13,000	5,261	7,739
Conference/Education	19,000	19,000	13,388	5,612
Office Repairs	1,000	1,000	0	1,000
Dues/Membership	8,000	8,000	6,476	1,524
Legal Fees/Notice	40,000	40,000	11,655	28,345
Commissioner Reimbursement	2,500	2,500	21	2,479
Hospital/Life Insurance	150,000	150,000	134,558	15,442
Public Relations	4,500	4,500	1,480	3,020
Office Supplies	10,000	10,000	7,489	2,511
Office Equipment	7,000	7,000	6,310	690
Operating Supplies	1,000	1,000	366	634
Contingency	3,000	3,000	2,670	330
<b>Total Administrative</b>	<b>501,000</b>	<b>501,000</b>	<b>418,659</b>	<b>82,341</b>
Maintenance				
Payroll	312,000	312,000	312,886	(886)
Building Maintenance	27,000	27,000	25,482	1,518
Ground Maintenance	32,000	32,000	30,945	1,055
Service Contracts	119,000	119,000	113,993	5,007
Equipment Maintenance	20,000	20,000	13,721	6,279
Vehicle Maintenance	8,000	8,000	7,027	973
Rental Equipment	3,000	3,000	1,197	1,803
Refuse Disposal	8,000	8,000	7,040	960
Utilities	54,000	54,000	40,287	13,713
Stock Supplies	79,000	79,000	74,387	4,613
Equipment	23,000	23,000	19,554	3,446
Gasoline	36,000	36,000	29,543	6,457
Playground Repair Parts	12,000	12,000	6,622	5,378
Vehicle/Equipment Purchase	103,000	103,000	92,412	10,588
Park/Playground Equipment	5,000	5,000	4,038	962
Site Improvements	331,000	331,000	219,234	111,766
Site Development	170,000	170,000	128,254	41,746
Future Capital Projects	200,000	200,000	0	200,000
Contingency	2,000	2,000	500	1,500
<b>Total Maintenance</b>	<b>1,544,000</b>	<b>1,544,000</b>	<b>1,127,122</b>	<b>416,878</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,045,000</b>	<b>\$ 2,045,000</b>	<b>\$ 1,545,781</b>	<b>\$ 499,219</b>

**Tinley Park Park District  
Recreation Fund  
Schedule of Expenditures  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Payroll	\$ 1,301,000	\$ 1,301,000	\$ 1,091,102	\$ 209,898
Postage	6,000	6,000	3,966	2,034
Telephone	12,000	12,000	7,509	4,491
Conference/Education	23,000	23,000	13,702	9,298
Dues/Membership	7,000	7,000	6,983	17
Employee Reimbursement	1,500	1,500	39	1,461
Hospital/Life Insurance	150,000	150,000	127,959	22,041
Contingency	4,000	4,000	1,943	2,057
Event Services	108,000	108,000	44,077	63,923
Service Contracts	78,500	78,500	55,810	22,690
Vehicle Maintenance	4,000	4,000	194	3,806
Utilities	192,000	192,000	155,181	36,819
Printing	56,000	56,000	39,848	16,152
Brochure	18,000	18,000	16,155	1,845
Equipment Rental	9,000	9,000	4,130	4,870
Equipment Repair	4,000	4,000	206	3,794
Contracted Instructors	205,000	205,000	174,754	30,246
Bus Rental	45,000	45,000	19,370	25,630
Tour Planning Services	5,000	5,000	0	5,000
Officials/Referees	71,000	71,000	64,471	6,529
Marketing/Advertising	18,000	18,000	3,424	14,576
Office Supplies	14,000	14,000	13,989	11
Office Equipment	10,000	10,000	8,634	1,366
Publications/Periodicals	2,000	2,000	422	1,578
Operating Supplies	6,000	6,000	2,852	3,148
Program Supplies	87,000	87,000	56,721	30,279
Program Equipment	36,000	36,000	10,787	25,213
Gasoline	5,000	5,000	4,821	179
Paper Products	7,000	7,000	1,179	5,821
Athletic Supplies	8,000	8,000	4,281	3,719
Coaches Expense	4,000	4,000	424	3,576
League Awards	45,000	45,000	41,048	3,952
Athletic Equipment	24,000	24,000	11,374	12,626
First Aid Supplies	3,000	3,000	811	2,189
League Uniforms	33,000	33,000	27,017	5,983
Tournament/Association Fees	14,000	14,000	12,147	1,853
Vehicle/Equipment Purchase	83,000	83,000	29,594	53,406
Site Development	204,000	204,000	120,110	83,890
Scholarship	3,000	3,000	0	3,000
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,906,000</u>	<u>\$ 2,906,000</u>	<u>\$ 2,177,034</u>	<u>\$ 728,966</u>

**Tinley Park Park District  
Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 1,928,470	\$ 1,928,470	\$ 1,961,159	\$ 32,689
Interest Income	1,530	1,530	1,530	0
<b>TOTAL REVENUES</b>	<u>1,930,000</u>	<u>1,930,000</u>	<u>1,962,689</u>	<u>32,689</u>
<b>EXPENDITURES</b>				
Bond Principal	1,916,000	1,916,000	1,510,000	406,000
Bond Interest	0	0	398,925	(398,925)
<b>TOTAL EXPENDITURES</b>	<u>1,916,000</u>	<u>1,916,000</u>	<u>1,908,925</u>	<u>7,075</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 14,000</u>	<u>\$ 14,000</u>	53,764	<u>\$ 39,764</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>646,874</u>	
<b>END OF YEAR</b>			<u>\$ 700,638</u>	

**Tinley Park Park District  
Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Impact Fees	\$ 1,000	\$ 1,000	\$ 325	\$ (675)
Interest Income	15,000	15,000	4,876	(10,124)
Other	64,000	64,000	64,156	156
<b>TOTAL REVENUES</b>	<u>80,000</u>	<u>80,000</u>	<u>69,357</u>	<u>(10,643)</u>
<b>EXPENDITURES</b>				
Parks	275,000	275,000	118,613	156,387
Playgrounds	423,000	423,000	89,678	333,322
Equipment Purchase	216,000	216,000	99,986	116,014
<b>TOTAL EXPENDITURES</b>	<u>914,000</u>	<u>914,000</u>	<u>308,277</u>	<u>605,723</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (834,000)</u>	<u>\$ (834,000)</u>	<u>(238,920)</u>	<u>\$ 595,080</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>1,959,059</u>	
<b>END OF YEAR</b>			<u>\$ 1,720,139</u>	

**Tinley Park Park District  
Fitness Center Fund  
Schedule of Revenues, Expenses, and Changes in Fund Net Assets  
Budget and Actual  
For The Year Ended February 29, 2012**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>OPERATING REVENUES</b>				
Service Fees	\$ 520,000	\$ 520,000	\$ 419,865	\$ (100,135)
Rental Fees	50,000	50,000	48,769	(1,231)
Interest Income	100	100	100	0
Other Income	3,900	3,900	5,550	1,650
<b>TOTAL OPERATING REVENUES</b>	<b>574,000</b>	<b>574,000</b>	<b>474,284</b>	<b>(99,716)</b>
<b>DIRECT OPERATING EXPENSES</b>				
Salaries	302,000	302,000	269,450	32,550
Utilities	75,500	75,500	62,329	13,171
Supplies	23,000	23,000	16,023	6,977
Repairs and Maintenance	25,000	25,000	11,718	13,282
Advertising	8,000	8,000	1,478	6,522
Equipment Repair	10,000	10,000	5,613	4,387
Service Contracts	15,000	15,000	14,571	429
Site Improvements	105,000	105,000	669	104,331
Insurance	37,000	37,000	34,057	2,943
Depreciation	0	0	96,814	(96,814)
Miscellaneous	56,500	56,500	4,886	51,614
<b>TOTAL DIRECT OPERATING EXPENSES</b>	<b>657,000</b>	<b>657,000</b>	<b>517,608</b>	<b>139,392</b>
<b>OPERATING LOSS</b>	<b>(83,000)</b>	<b>(83,000)</b>	<b>(43,324)</b>	<b>39,676</b>
<b>NON OPERATING INCOME (EXPENSE)</b>				
Transfers	125,000	125,000	0	(125,000)
Installment Contract Interest	(130,000)	(130,000)	(4,313)	125,687
<b>TOTAL NON OPERATING EXPENSE</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>(4,313)</b>	<b>687</b>
<b>CHANGE IN FUND NET ASSETS</b>	<b>\$ (88,000)</b>	<b>\$ (88,000)</b>	<b>(47,637)</b>	<b>\$ 40,363</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>			<b>2,319,526</b>	
<b>END OF YEAR</b>			<b>\$ 2,271,889</b>	

**Tinley Park Park District  
Water Park Fund  
Schedule of Revenues, Expenses, and Changes in Fund Net Assets  
Budget and Actual  
For The Year Ended February 29, 2012**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>OPERATING REVENUES</b>				
Service Fees	\$ 610,000	\$ 610,000	\$ 593,422	\$ (16,578)
Concession Sales	120,000	120,000	122,396	2,396
Rental Fees	16,000	16,000	12,705	(3,295)
Interest Income	2,000	2,000	2,000	0
Other Income	7,000	7,000	15,071	8,071
<b>TOTAL OPERATING REVENUES</b>	<u>755,000</u>	<u>755,000</u>	<u>745,594</u>	<u>(9,406)</u>
<b>DIRECT OPERATING EXPENSES</b>				
Salaries	406,000	406,000	303,370	102,630
Utilities	112,000	112,000	78,440	33,560
Supplies	56,000	56,000	59,103	(3,103)
Repairs and Maintenance	41,000	41,000	22,964	18,036
Advertising	7,000	7,000	2,159	4,841
Concessions	55,000	55,000	44,368	10,632
Conferences	12,000	12,000	8,101	3,899
Service Contracts	8,000	8,000	5,616	2,384
Insurance	3,000	3,000	2,901	99
Depreciation	0	0	131,417	(131,417)
Capital Improvements	431,000	431,000	12,469	418,531
Miscellaneous	101,000	101,000	1,097	99,903
<b>TOTAL DIRECT OPERATING EXPENSES</b>	<u>1,232,000</u>	<u>1,232,000</u>	<u>672,005</u>	<u>559,995</u>
<b>CHANGE IN FUND NET ASSETS</b>	<u>\$ (477,000)</u>	<u>\$ (477,000)</u>	73,589	<u>\$ 550,589</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>			<u>4,736,779</u>	
<b>END OF YEAR</b>			<u>\$ 4,810,368</u>	

**Tinley Park Park District  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 February 29, 2012**

	<b>Special Revenue Funds</b>					<b>Permanent Fund</b>	
	<b>Liability Insurance</b>	<b>Social Security</b>	<b>Illinois</b>		<b>Police Program</b>	<b>Working Cash</b>	<b>Total</b>
			<b>Municipal Retirement</b>	<b>Museum</b>			
<b>ASSETS</b>							
Cash	\$ 112,192	\$ 328,981	\$ 248,717	\$ 172,450	\$ 143,503	\$ 764	\$ 1,006,607
Taxes Receivable	114,452	274,052	175,127	109,201	45,413	0	718,245
<b>TOTAL ASSETS</b>	<u>226,644</u>	<u>603,033</u>	<u>423,844</u>	<u>281,651</u>	<u>188,916</u>	<u>764</u>	<u>1,724,852</u>
<b>LIABILITIES</b>							
Accounts Payable	20	0	0	2,319	2,756	0	5,095
Accrued Payroll	0	0	0	5,238	2,171	0	7,409
Accrued Vacation	0	0	0	0	934	0	934
Deferred Property Taxes	131,997	316,063	201,973	125,941	52,375	0	828,349
<b>TOTAL LIABILITIES</b>	<u>132,017</u>	<u>316,063</u>	<u>201,973</u>	<u>133,498</u>	<u>58,236</u>	<u>0</u>	<u>841,787</u>
<b>FUND BALANCES</b>							
Fund Balances							
Restricted	94,627	286,970	221,871	148,153	130,680	764	883,065
<b>TOTAL FUND BALANCES</b>	<u>94,627</u>	<u>286,970</u>	<u>221,871</u>	<u>148,153</u>	<u>130,680</u>	<u>764</u>	<u>883,065</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 226,644</u>	<u>\$ 603,033</u>	<u>\$ 423,844</u>	<u>\$ 281,651</u>	<u>\$ 188,916</u>	<u>\$ 764</u>	<u>\$ 1,724,852</u>



**Tinley Park Park District  
Non-Major Governmental Funds  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
For The Year Ended February 29, 2012**

	Special Revenue Funds					Permanent Fund	Total
	Liability Insurance	Social Security	Illinois Municipal Retirement	Museum	Police Program	Working Cash	
<b>REVENUES</b>							
Property Taxes	\$ 126,930	\$ 498,335	\$ 0	\$ 121,106	\$ 50,365	\$ 0	\$ 796,736
Interest Income	100	459	0	271	100	0	930
Other	1,500	0	0	0	0	0	1,500
<b>TOTAL REVENUES</b>	<u>128,530</u>	<u>498,794</u>	<u>0</u>	<u>121,377</u>	<u>50,465</u>	<u>0</u>	<u>799,166</u>
<b>EXPENDITURES</b>							
Liability Insurance	125,739	0	0	0	0	0	125,739
Municipal Retirement	0	349,788	23,129	0	0	0	372,917
Museum	0	0	0	105,601	0	0	105,601
Police Program	0	0	0	0	82,425	0	82,425
<b>TOTAL EXPENDITURES</b>	<u>125,739</u>	<u>349,788</u>	<u>23,129</u>	<u>105,601</u>	<u>82,425</u>	<u>0</u>	<u>686,682</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>2,791</u>	<u>149,006</u>	<u>(23,129)</u>	<u>15,776</u>	<u>(31,960)</u>	<u>0</u>	<u>112,484</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	0	0	245,000	0	0	0	245,000
Transfers Out	0	(245,000)	0	0	0	0	(245,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>(245,000)</u>	<u>245,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>2,791</u>	<u>(95,994)</u>	<u>221,871</u>	<u>15,776</u>	<u>(31,960)</u>	<u>0</u>	<u>112,484</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>91,836</u>	<u>382,964</u>	<u>0</u>	<u>132,377</u>	<u>162,640</u>	<u>764</u>	<u>770,581</u>
<b>END OF YEAR</b>	<u>\$ 94,627</u>	<u>\$ 286,970</u>	<u>\$ 221,871</u>	<u>\$ 148,153</u>	<u>\$ 130,680</u>	<u>\$ 764</u>	<u>\$ 883,065</u>

**Tinley Park Park District  
 Liability Insurance Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual  
 For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 126,011	\$ 126,011	\$ 126,930	\$ 919
Interest Income	100	100	100	0
Miscellaneous Income	889	889	1,500	611
<b>TOTAL REVENUES</b>	<u>127,000</u>	<u>127,000</u>	<u>128,530</u>	<u>1,530</u>
<b>EXPENDITURES</b>				
Safety Coordinator	12,000	12,000	11,490	510
Loss/Repairs	20,000	20,000	0	20,000
Insurance Premiums	160,000	160,000	114,249	45,751
<b>TOTAL EXPENDITURES</b>	<u>192,000</u>	<u>192,000</u>	<u>125,739</u>	<u>66,261</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (65,000)</u>	<u>\$ (65,000)</u>	2,791	<u>\$ 67,791</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>91,836</u>	
<b>END OF YEAR</b>			<u>\$ 94,627</u>	

**Tinley Park Park District  
Social Security Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 494,541	\$ 494,541	\$ 498,335	\$ 3,794
Interest Income	459	459	459	0
<b>TOTAL REVENUES</b>	<u>495,000</u>	<u>495,000</u>	<u>498,794</u>	<u>3,794</u>
<b>EXPENDITURES</b>				
IMRF Contributions	220,000	220,000	173,028	46,972
Social Security	193,000	193,000	176,760	16,240
<b>TOTAL EXPENDITURES</b>	<u>413,000</u>	<u>413,000</u>	<u>349,788</u>	<u>63,212</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>82,000</u>	<u>82,000</u>	<u>149,006</u>	<u>67,006</u>
<b>OTHER FINANCING USES</b>				
Transfers Out	0	0	(245,000)	(245,000)
<b>TOTAL OTHER FINANCING USES</b>	<u>0</u>	<u>0</u>	<u>(245,000)</u>	<u>(245,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 82,000</u>	<u>\$ 82,000</u>	<u>(95,994)</u>	<u>\$ (177,994)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>382,964</u>	
<b>END OF YEAR</b>			<u>\$ 286,970</u>	

**Tinley Park Park District**  
**Illinois Municipal Retirement Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**No Legally Adopted Budget**  
**For The Year Ended February 29, 2012**

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<b>TOTAL REVENUES</b>	<u>\$ 0</u>
<b>EXPENDITURES</b>	
IMRF Contributions	<u>23,129</u>
<b>TOTAL EXPENDITURES</b>	<u>23,129</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES</b>	<u>(23,129)</u>
<b>OTHER FINANCING SOURCES</b>	
Transfers In	<u>245,000</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>245,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	221,871
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>0</u>
<b>END OF YEAR</b>	<u><u>\$ 221,871</u></u>

**Tinley Park Park District  
Museum Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 120,229	\$ 120,229	\$ 121,106	\$ 877
Interest Income	271	271	271	0
<b>TOTAL REVENUES</b>	<u>120,500</u>	<u>120,500</u>	<u>121,377</u>	<u>877</u>
<b>EXPENDITURES</b>				
Payroll	26,000	26,000	18,074	7,926
Telephone	2,000	2,000	1,797	203
Building Maintenance	8,000	8,000	1,936	6,064
Grounds Maintenance	1,000	1,000	155	845
Service Contracts	15,000	15,000	11,528	3,472
Refuse Disposal	1,000	1,000	180	820
Utilities	34,000	34,000	11,821	22,179
Operating Supplies	3,000	3,000	1,171	1,829
Site Improvements	109,000	109,000	58,939	50,061
Other	1,000	1,000	0	1,000
<b>TOTAL EXPENDITURES</b>	<u>200,000</u>	<u>200,000</u>	<u>105,601</u>	<u>94,399</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (79,500)</u>	<u>\$ (79,500)</u>	15,776	<u>\$ 95,276</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>132,377</u>	
<b>END OF YEAR</b>			<u>\$ 148,153</u>	

**Tinley Park Park District  
Police Program Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual  
For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Property Taxes	\$ 50,000	\$ 50,000	\$ 50,365	\$ 365
Interest Income	100	100	100	0
<b>TOTAL REVENUES</b>	<u>50,100</u>	<u>50,100</u>	<u>50,465</u>	<u>365</u>
<b>EXPENDITURES</b>				
Payroll	64,000	64,000	52,411	11,589
Telephone	7,000	7,000	5,953	1,047
Conference/Education	4,000	4,000	0	4,000
Alarm/Monitoring	11,000	11,000	10,455	545
Contingency	1,000	1,000	33	967
Vehicle Maintenance	5,000	5,000	1,819	3,181
Equipment	2,000	2,000	1,237	763
Gasoline	10,000	10,000	9,938	62
Uniforms	1,000	1,000	579	421
<b>TOTAL EXPENDITURES</b>	<u>105,000</u>	<u>105,000</u>	<u>82,425</u>	<u>22,575</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (54,900)</u>	<u>\$ (54,900)</u>	<u>(31,960)</u>	<u>\$ 22,940</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>162,640</u>	
<b>END OF YEAR</b>			<u>\$ 130,680</u>	

**Tinley Park Park District**  
**Permanent Fund**  
**Working Cash Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For The Year Ended February 29, 2012**

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

**Tinley Park Park District  
 McCarthy Park Fund  
 Schedule of Revenues, Expenses, and Changes in Fund Net Assets  
 Budget and Actual  
 For The Year Ended February 29, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>OPERATING REVENUES</b>				
Service Fees	\$ 62,000	\$ 62,000	\$ 43,775	\$ (18,225)
Concession Sales	26,000	26,000	18,657	(7,343)
Interest Income	100	100	100	0
Other Income	0	0	1,800	1,800
<b>TOTAL OPERATING REVENUES</b>	<u>88,100</u>	<u>88,100</u>	<u>64,332</u>	<u>(23,768)</u>
<b>DIRECT OPERATING EXPENSES</b>				
Salaries	46,000	46,000	28,851	17,149
Utilities	5,000	5,000	1,500	3,500
Supplies	36,000	36,000	18,676	17,324
Repairs and Maintenance	6,000	6,000	1,507	4,493
Advertising	3,000	3,000	347	2,653
Concessions	5,000	5,000	1,033	3,967
Equipment Repair	5,000	5,000	2,117	2,883
Service Contracts	4,000	4,000	764	3,236
Site Improvements	27,000	27,000	6,506	20,494
Miscellaneous	22,000	22,000	137	21,863
<b>TOTAL DIRECT OPERATING EXPENSES</b>	<u>159,000</u>	<u>159,000</u>	<u>61,438</u>	<u>97,562</u>
<b>CHANGE IN FUND NET ASSETS</b>	<u>\$ (70,900)</u>	<u>\$ (70,900)</u>	2,894	<u>\$ 73,794</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>			<u>85,513</u>	
<b>END OF YEAR</b>			<u>\$ 88,407</u>	



**Tinley Park Park District**  
**Bond Issue Dated July, 2004**  
**February 29, 2012**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2013	\$ 295,000	\$ 30,395	\$ 325,395
2014	310,000	20,070	330,070
2015	245,000	9,065	254,065
	<u>\$ 850,000</u>	<u>\$ 59,530</u>	<u>\$ 909,530</u>

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

**Tinley Park Park District  
 Bond Issue Dated October, 2005  
 February 29, 2012**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2013	\$ 795,000	\$ 289,540	\$ 1,084,540
2014	835,000	260,920	1,095,920
2015	890,000	230,860	1,120,860
2016	945,000	198,820	1,143,820
2017	1,015,000	164,327	1,179,327
2018	1,070,000	126,773	1,196,773
2019	1,135,000	87,182	1,222,182
2020	1,205,000	45,188	1,250,188
	<u>\$ 7,890,000</u>	<u>\$ 1,403,610</u>	<u>\$ 9,293,610</u>

Original Issue \$9,995,000  
 Denomination: \$5,000  
 Bonds Due: December 15  
 Interest Dates: June 15 and December 15  
 Interest Rates: 3.00% to 3.75%  
 Paying Agent: Amalgamated Bank  
 Purpose: Recreation Center Project

**Tinley Park Park District  
 Bond Issue Dated February, 2009  
 February 29, 2012**

Fiscal Year	Bonds Issued	Interest Payable In Future Years	Levy Provision
2013	\$ 490,000	\$ 32,755	\$ 522,755
2014	495,000	23,445	518,445
2015	580,000	13,050	593,050
	<u>\$ 1,565,000</u>	<u>\$ 69,250</u>	<u>\$ 1,634,250</u>

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

**Tinley Park Park District  
Computation of Legal Debt Margin  
February 29, 2012**

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2010 ASSESSED VALUATION	<u>\$ 1,664,709,034</u>
STATUTORY DEBT LIMITATION 2.875% of Assessed Valuation	47,860,385
Outstanding Bonds	<u>10,305,000</u>
LEGAL DEBT MARGIN	<u>\$ 37,555,385</u>