

Hampshire Township Park District
Hampshire, Illinois

Annual Financial Report

Year Ended
April 30, 2018

Roger E. Wooten, CPA

**Hampshire Park District
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Year Ended April 30, 2018**

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Roger E. Wooten, CPA

10297 Morgan Road
Garden Prairie, IL 61038
630-272-1019

Independent Auditor's Report

The Board of Trustees
Hampshire Township Park District
Hampshire, Illinois

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hampshire Township Park District, Illinois (the District), as of and for the year ended April 30, 2018, which collectively comprise the Hampshire Township Park District, Illinois's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

As described in Note 1(C), these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than Corporately accepted accounting principles.

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 Hampshire Township Park District, Illinois, as of April

30, 2018 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles Corporately accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Hampshire Township Park District, Illinois' basic financial statements. The accompanying supplementary information listed as individual fund financial schedules and statistical information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



Garden Prairie, Illinois
October 26, 2018

Hampshire Township Park District Management's Discussion and Analysis

Introduction

The Hampshire Township Park District (the District) offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2018. This discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's recent activities resulting in net position changes, (4) identify any material deviations from the financial plan (the budget), and (5) identify any individual fund issues or concerns.

The major components of the financial statements are the statement of net position and the statement of activities. The statement of net position shows the total assets and liabilities of the District. The statement of activities reflects the total operations of the District for the past year, shown first net of revenues from taxes, interest and miscellaneous items and then in total.

Financial Highlights

- The District's total net position exceeded its total liabilities at the close of the most recent fiscal year by \$3,357,972.
- Recreation Revenue increased over the past year by \$81,062 resulting in total recreation revenues of \$1,093,594. Recreation expenditures were \$939,206.
- Property taxes levied and collected were \$513,261 compared to the prior year of \$490,101 for an increase of \$23,146.
- At April 30, 2018, the District's governmental fund financial statements reported combined ending fund balances of \$765,129, a decrease of \$711,344 from the prior year.
- The District continues to have the ability to devote resources towards maintaining, improving and expanding its parks, playgrounds and facilities. In fiscal 2018, capital outlay for the District was \$895,556.
- The District's outstanding long-term debt decreased by \$59,000 to total \$1,956,000 as of April 30, 2018.

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.

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the District's finances. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

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

The *Statement of Activities* presents changes in the District's net position during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on the revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues (governmental activities), such as grants, from other functions, that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The District's business-type activities are the recreation center and programs. Governmental activities include Corporate government and parks.

The government-wide financial statements are presented on pages 8 and 9 of this report.

Condensed Statement of Net Position

	<u>March 31, 2018</u>	<u>March 31, 2017</u>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Current assets	765,129	1,547,352
Capital assets (net)	<u>4,553,302</u>	<u>3,797,369</u>
Total assets	<u>5,318,431</u>	<u>5,344,721</u>
Deferred outflows of resources		
Current Liabilities	59,000	59,000
Noncurrent Liabilities	<u>1,956,000</u>	<u>1,956,000</u>
Total liabilities	<u>2,015,000</u>	<u>2,015,000</u>
Net Position:		
Invested in capital assets	2,597,302	1,782,369
Restricted	7,388	440,629
Unrestricted	<u>753,282</u>	<u>1,106,723</u>
Total net position	<u><u>3,357,972</u></u>	<u><u>3,329,721</u></u>

Condensed Statement of Activities

	April 1, 2017 - March 31, 2018	April 1, 2016 - March 31, 2017
	Governmental Activities	Governmental Activities
Revenues		
Program revenues:		
Charges for services	\$1,032,914	\$952,927
Grants and contributions	9,909	197,700
Taxes:		
Property taxes	491,687	458,897
Replacement taxes	3,169	5,020
Impact Fees	222,196	289,079
Transition Fees	63,308	68,615
Interest	3,088	85,008
Total revenues	1,826,271	2,057,246
Expenses		
General government		
Corporate	241,393	210,192
Interest /Fees	2,979	1,765
Recreation	1,418,950	1,584,423
Total expenses	1,663,322	1,796,380
Change in net position	162,949	260,866

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 is provided in the form of combining statements in a later section of this report.

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 Corporate fund and major special revenue funds. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 10 through 14 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 15 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

Major funds are reported in the basic financial statements as discussed. Individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 25.

Government-wide Financial Analysis

The District's combined total position was \$3,357,972, which includes \$2,597,302 net investment in capital assets. The total revenues were \$1,826,271, while the total expenditures were \$2,537,615, which included \$2,979 of interest and charges on long-term debt.

Financial Analysis of the District's Funds

Governmental Funds

As discussed, governmental 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 \$765,129. Of this yearend total, \$4,826 is unreserved and undesignated, indicating availability for continuing the District's operations.

The total ending fund balances of governmental funds show a decrease of \$711,344 from the prior year.

Major Governmental Funds

The Corporate, Recreation, Debt Service and Capital Projects funds are the primary operating funds of the District.

The fund balance of the Corporate Fund as of April 30, 2018 was \$4,826, a decrease of \$151,815 from the prior year. The fund balance of the Recreation Fund was \$360,784 a decrease of \$91,612 from the prior year. The Debt Service Fund balance was \$1,670 up \$725 from the prior year. The Capital Projects Fund decreased \$294,976 to \$6,988 at the end of the year.

Corporate and Recreation Funds Budgetary Highlights

The Corporate and Recreation funds are reported as major funds, both accounting for approximately 76% of the revenues of the routine operations of the District.

Revenues in the Corporate fund were \$289,578, which was \$34,224 over budget. Expenditures were \$241,393 which was \$4,412 over budget. The net budget variance was a favorable \$29,812. The fund balance decreased to \$4,826 after transfers to other funds.

Revenues in the recreation fund were \$1,093,594, which was \$130,996 over budget. Expenditures were \$939,206 which was \$52,837 under budget. The net budget variance was a favorable \$183,833. The fund balance decreased to \$360,784 at the end of the year from \$452,396 in the prior year due to net revenue.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets, net of accumulated depreciation as of April 30, 2018 was \$5,245,418. This was a result of an increase of net additions in capital assets of \$895,556 and depreciation expense of \$139,622.

Debt Administration

As of April 30, 2018, the District has outstanding debt of \$1,956,000. The fund balance of the Debt Service Fund amounted to \$1,670 as of April 30, 2018.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that would adversely affect its financial health in the near future. The Equalized Assessed Value on property has stabilized and continues to rise.

The District continues to allocate Illinois personal property taxes to support Corporate district expenses.

Request for Information

This financial report is designed to provide a Corporate overview of the District's finances for all those with an interest in the District. If you have any questions about this report or would like to request additional information, please contact, Executive Director for the Hampshire Township Park District located at 390 South Avenue, Hampshire, IL 60140.

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Net Position
April 30, 2018

ASSETS

Current Assets	
Cash & investments	\$ 456,676
Cash Held in Trust	308,453
Total Current Assets	765,129
Non - Current Assets	
Capital assets	
Land	1,098,287
Other capital assets, net of depreciation	3,455,015
Total Non - Current Assets	4,553,302
Total Assets	5,318,431

LIABILITIES

Current Liabilities	
Bonds payable	4,459
Bonds payable	60,000
Non - Current Liabilities	
Bonds Payable	1,896,000
Total Liabilities	1,960,459

NET POSITION

Invested in capital assets, net of related debt	2,597,302
Restricted for Orris Ruth Park	7,388
Unrestricted	753,282
Total Net Position	3,357,972

The accompanying notes are an integral part of this statement

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Activities
For the Year Ended April 30, 2018

FUNCTIONS/ PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUES & CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental Activities				
General Government	\$ 241,393			\$ (241,393)
Recreation	1,418,950	\$ 1,032,914	\$ 9,909	(376,127)
Interest	2,979			(2,979)
Total Governmental Activities	<u>1,663,322</u>	<u>1,032,914</u>	<u>9,909</u>	<u>(620,499)</u>

General revenues

Property taxes	491,687
Replacement Taxes	3,169
Impact Fees	222,196
Transition Fees	63,308
Investment earnings	3,088
Total general revenues	<u>783,448</u>

Change in Net Assets

162,949

Net position - beginning of year

3,195,023

Net position - end of year

\$ 3,357,972

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Assets, Liabilities and Fund Balances
All Governmental Fund Types
April 30, 2018

	<u>General</u>	<u>Recreation</u>	<u>Special Recreation</u>	<u>Debt Service</u>	<u>Impact Fees</u>	<u>Capital Projects</u>	<u>Insurance</u>	<u>Total</u>
Assets								
Cash & Cash Equivalent	\$ 4,826	\$360,784	\$71,412	\$1,670		\$6,988	\$ 10,996	\$ 456,676
Cash Held in Trust					308,453			308,453
Total Assets	<u>\$ 4,826</u>	<u>\$ 360,784</u>	<u>\$ 71,412</u>	<u>\$ 1,670</u>	<u>\$ 308,453</u>	<u>\$ 6,988</u>	<u>\$ 10,996</u>	<u>\$ 765,129</u>
Fund Balance								
Reserved, Designated					7,388			7,388
Unreserved, Undesignated	\$ 4,826							4,826
Unreserved, Designated		\$ 360,784	\$ 71,412	\$ 1,670	\$ 301,065	\$ 6,988	\$ 10,996	752,915
Total Fund Equity	<u>4,826</u>	<u>360,784</u>	<u>71,412</u>	<u>1,670</u>	<u>308,453</u>	<u>6,988</u>	<u>10,996</u>	<u>765,129</u>

Amounts reported for governmental activities in the statement of net assets, liabilities and fund balances are different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	4,553,302
Liabilities not considered in the Government Funds Statements	(4,459)
Bonds payable is not reported on the fund Governmental funds statements .	(1,956,000)
	<u>\$ 3,357,972</u>

The accompanying notes are an integral part of this statement

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
All Governmental Fund Types
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the year ended April 30, 2018

REVENUE	<u>Corporate</u>	<u>Recreation</u>	<u>Special Recreation</u>	<u>Debt Service</u>	<u>Impact Fees</u>	<u>Capital Projects</u>	<u>Insurance</u>	<u>Total</u>
Real Estate Taxes	\$242,489	\$70,441	\$105,001	\$33,679			\$ 40,077	\$491,687
Replacement Taxes	3,169							3,169
Program Fees		236,138						236,138
Youth Education		780,395						780,395
Impact Fees					27,196	195,000		222,196
Transition Fees	31,950				31,358			63,308
Grants	0					9,909		9,909
Donations						0		
Interest	2,880	0			208			3,088
Facility Rental	4,660							4,660
Miscellaneous Income	4,430	6,620				671		11,721
	<u>289,578</u>	<u>1,093,594</u>	<u>105,001</u>	<u>33,679</u>	<u>58,762</u>	<u>205,580</u>	<u>40,077</u>	<u>1,826,271</u>
EXPENDITURES								
Current:								
Salaries & Wages	140,221	191,107						331,328
General Expenses	63,102	36,802			226,950		22,716	349,570
Direct Program Expenses		115,824	9,622					125,446
Direct Youth Education		595,473						595,473
Park Maintenance	21,846							21,846
Building Expenses	16,224							16,224
Contractual Expenses			47,197				21,021	68,218
Capital Expenditures			0			895,556		895,556
Principal retirement				130,975				130,975
Interest & fiscal charges				2,979	0		0	2,979
	<u>241,393</u>	<u>939,206</u>	<u>56,819</u>	<u>133,954</u>	<u>226,950</u>	<u>895,556</u>	<u>43,737</u>	<u>2,537,615</u>
Excess (deficiency) of revenues over expenditures before other financing	48,185	154,388	48,182	(100,275)	(168,188)	(689,976)	(3,660)	(711,344)
Other Financing Sources - Transfers	(200,000)	(246,000)	(50,000)	101,000	0	395,000		0
Excess (deficiency) of revenues over expenditures	<u>(151,815)</u>	<u>(91,612)</u>	<u>(1,818)</u>	<u>725</u>	<u>(168,188)</u>	<u>(294,976)</u>	<u>(3,660)</u>	<u>(711,344)</u>
Fund Balances								
Beginning of year	156,641	452,396	73,230	945	476,641	301,964	14,656	1,476,473
End of year	<u>\$4,826</u>	<u>\$360,784</u>	<u>\$71,412</u>	<u>\$1,670</u>	<u>\$308,453</u>	<u>\$6,988</u>	<u>10,996</u>	<u>\$765,129</u>

The accompanying notes are an integral part of this statement

HAMPSHIRE TOWNSHIP PARK DISTRICT
 Cash Basis of Accounting
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the year ended April 30, 2018

Net Change in Fund Balance - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$	(711,344)
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		(139,622)
Purchase of Capital Assets is considered an expenditure in the fund financial statements		895,556
Principal payments on Bonds and Debt Certificates are considered an expenditure in the fund financial statements		118,359
Change in Net Assets of Governmental Activities (Statement of Activities)	\$	<u><u>162,949</u></u>

The accompanying notes are an integral part of this statement.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Hampshire Township Park District is an Illinois local government located in Kane County. The following significant accounting policies are presented to assist the reader in evaluating the financial statements.

A. Adoption of New Accounting Standard

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." Certain of the significant changes in the Statement include the following:

The Financial Statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Park District's overall financial position and results of operations.

Financial Statements prepared using the cash basis of accounting for all of the Park District's activities.

A change in the fund financial statements is to focus on the major funds.

These and other changes have been reflected in the accompanying statements (including notes to the financial statements). The Park District implemented the requirements of GASB 34 in the fiscal year ending April 30, 2005.

B. Government Wide, Fund Financial Statements and Basis of Accounting

The Park District's financial statements (i.e. the Statement of Net Assets and the Statement of Activities) include all government activities, organizations and functions for which the board of commissioners has oversight responsibility. Therefore, they include all of the Governmental Funds of the District whose expenditures are approved by the Board.

Separate financial statements are provided for all major funds. There are no nonmajor funds.

The government wide financial statements are reported using the cash basis of accounting, which is an other comprehensive basis of accounting. Revenues are recorded when received and expenses are recorded when paid. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

The financial transactions of the Park District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund

equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Park District:

Governmental Funds

The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. Governmental fund financial statements are reported using cash basis accounting, which is an other comprehensive basis of accounting. Under this basis, revenues are recognized in the accounting period in which they are received. Expenditures are recognized in the accounting period in which the fund liability is paid. The following is a description of the governmental funds of the Park District:

- a. General Fund is the general operating fund of the Park District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special Revenue Funds are used to account for the proceed of specific revenue sources that are legally restricted to expenditures for a particular purpose.

The Park District reports the following major governmental funds:

General Fund is the general operating fund of the Park District. It is used to account for all financial resources except those required to be accounted for in another fund.

Recreation Fund is used to account for the collection of funds relating to recreational activities and the accumulation of the costs related to all recreational activities. These collections of funds are classified as program revenues.

Capital Projects Fund is used to account for the purchase or construction of major capital facilities.

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest and related costs.

Insurance Fund is used to account for the accumulation of resources for, and the payment of, insurance costs.

Special Recreation Fund is used to account for the accumulation of resources for, and the payment of, special recreation costs.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Park District's accounts are maintained, and the financial statements reflect, the cash basis of accounting. Therefore, receivables, payables, and other accrued items, which may be material in amount, are not reflected in these statements. As such, these statements reflect compliance, principally, with the cash basis of accounting. All internal activity in the government-wide statement of activities has been eliminated.

D. Budgets

The Park District's budget is prepared on the cash basis of accounting which does not differ significantly from the basis of accounting required by generally accepted accounting principles.

Appropriations lapse at year end and there were no modifications to the ordinance as originally passed. The appropriations represent the legal spending limit. To obtain greater budgetary control, the Board also approves an operating budget. A summary of the differences by fund between the appropriations ordinance and operating budget is presented below:

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Total Appropriations</u>
Corporate	\$255,354	\$306,493
Recreation	1,012,043	1,166,624
Capital	895,556	907,716
Debt Service	133,954	135,882
Insurance	43,737	48,517
Special Recreation	56,819	58,975
Totals	<u>\$2,397,463</u>	<u>\$2,624,207</u>

E. Cash and Investments

The Park District's cash and cash equivalents consist of bank deposits and investment in the Illinois Park District Liquid Asset Fund (an investment pool for park districts). Investments in certificates of deposit are recorded at cost plus interest credited to the account. These investments have been authorized by the Park Board.

Custodial credit risk and interest rate risk with financial institutions is the risk that in the event of bank failure, the Park District's deposits may not be returned to it. All of the Park District's deposits were covered by either FDIC or collateral at April 30, 2018.

F. Property Taxes

It is the Park District's intention that property taxes generated from the 2017 property tax levy be used to finance the operating budget for the year ended April 30, 2018. Therefore, property tax receipts represent the receipts generated by the 2018 property tax levy.

The Park District's property tax is levied on or before the third Tuesday in December each year on all taxable real property located in the Park District. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments in June and September. The Park District receives significant amounts of these tax receipts within one month of these due dates.

G. Accumulated Unpaid Vacation and Sick Pay

Vacation Pay – Full-time employees hired between January 1 and June 30 are eligible for 5 vacation days after 6 months of continuous employment. On January 1 of the next calendar year, employees hired during this time frame are eligible for 10 days' vacation. These vacation days must be used by December 31 or be forfeited without compensation.

Sick Pay – Full-time employees are granted 1 sick day per month or 12 sick days per calendar year. Unused sick pay at termination will not be paid.

H. Social Security

All employees are covered under social security. The Park District paid \$53,429 in social security and Medicare taxes for the year ended April 30, 2018.

NOTE 2 PROPERTY AND EQUIPMENT

Capital assets, which include land, buildings, building improvements, and equipment, are reported in the government-wide financial statements. The Park District defines capital assets as assets with an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated assets are stated at estimated fair market value as of the date of acquisition.

The cost of normal maintenance and repair that do not add to the values of the asset or materially extend the useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except land and construction in progress which are not depreciated, are being depreciated using the straight line method over the following useful lives. The capitalization threshold for all equipment is \$2,500 and for all buildings and improvements is \$10,000.

Office Furn., Equip. and Vehicles	5-7 years
Recreation Equipment	7 years
Maintenance Equipment	7 years
Improvements	20 years
Daycare	7-20 years
Buildings	40 years
Leasehold Improvements	50 years

Capital assets in the governmental fund financial statements are reported as expenditures when incurred. A summary of general fixed assets is as follows:

<u>Governmental Activities:</u>	<u>Balance 5/1/17</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 4/30/18</u>
Capital assets, not being depreciated:				
Land - 30.65 Acres	\$ 674,000			\$ 674,000
Land - 1.6 Acres	41,000			41,000
Land - 7.1 Acres	131,287			131,287
Land - 3.15 Acres	252,000			252,000
Total capital assets, not being depreciated	<u>\$ 1,098,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,098,287</u>
<u>Governmental Activities:</u>	<u>Balance 5/1/17</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 4/30/18</u>
Capital assets, being depreciated:				
Buildings & Improvements	\$ 2,533,463			\$ 2,533,463
Maintenance Equipment	139,664			139,664
Recreation Equipment	638,703	895,556		1,534,259
Office Equipment	121,403			121,403
Daycare	380,000			380,000
Leasehold Improvements	800,000			800,000
Total capital assets, being depreciated	<u>\$ 4,613,233</u>	<u>\$ 895,556</u>	<u>\$ -</u>	<u>\$ 5,508,789</u>
Total all Fixed Assets	<u>\$ 5,711,520</u>	<u>\$ 895,556</u>	<u>\$ -</u>	<u>\$ 6,607,076</u>
<u>Governmental Activities:</u>	<u>Balance 5/1/17</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 4/30/18</u>
Accumulated Depreciation:				
Buildings & Improvements	\$ 770,125	\$ 71,586		\$ 841,711
Maintenance Equipment	138,714	950		139,664
Recreation Equipment	638,703	29,852		668,555
Office Equipment	121,404	0		121,404
Leasehold Improvements	161,334	16,000		177,334
Daycare	83,873	21,233		105,106
Total Accumulated Depreciation	<u>\$ 1,914,153</u>	<u>\$ 139,621</u>	<u>\$ -</u>	<u>\$ 2,053,774</u>
Total capital assets, being depreciated, net	<u>\$ 2,699,080</u>	<u>\$ 755,935</u>		<u>\$ 3,455,015</u>
Governmental Assets, Net	<u>\$ 3,797,367</u>	<u>\$ 755,935</u>		<u>\$ 4,553,302</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities:	
General Government	\$ 48,867
Recreation	<u>90,754</u>
Total depreciation expense governmental activities	<u>\$ 139,621</u>

NOTE 3 LONG-TERM DEBT

A summary of the changes in general long-term debt is as follows:

4/30/2018	<u>4/30/2017</u>	<u>ISSUED</u>	<u>PAYMENTS</u>	<u>4/30/2018</u>	CURRENT 2018
GENERAL OBLIGATION					
Alternative Revenue					
2015 MATURES 2034	1,875,000		30,000	1,845,000	59,000
 GENERAL OBLIGATION					
Series 2016	140,000		29,000	111,000	
Matures in 2021					
	<u>2,015,000</u>	0	<u>59,000</u>	<u>1,956,000</u>	<u>59,000</u>

The annual requirements on all General Obligation debt to maturity as of April 30, 2018 are as follows:

Year Ending April 30,	Principal	Interest	Total
2019	60,000	73,266	133,266
2020	61,000	71,516	132,516
2021	62,000	69,766	131,766
2022	118,000	83,016	201,016
2023	105,000	64,320	169,320
2024	105,000	61,170	166,170
2025	110,000	57,810	167,810
2026	110,000	54,180	164,180
2027	115,000	50,385	165,385
2028	120,000	46,245	166,245
2029	125,000	41,745	166,745
2030	130,000	36,870	166,870
2031	135,000	31,670	166,670
2032	140,000	26,135	166,135
2033	145,000	20,255	165,255
2034	155,000	14,020	169,020
2035	160,000	7,200	167,200
Totals	<u>\$1,956,000</u>	<u>\$809,569</u>	<u>\$2,765,569</u>

Note 4 – Retirement Fund Commitments
(a) Illinois Municipal Retirement Fund

Pension Plan

Plan Description. The District’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 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 (RSI). That report may be obtained On-line at www.imrf.org.

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2017 was 9.36 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for the calendar year 2017 was \$55,701, (If you made additional payment toward your unfunded amount, add this payment to you monthly contributions, based on payroll and recalculate the percentage of APC contributed.)

Three-Year Trend Information for the Regular Plan

Calendar Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/17	55,701	100%	0
12/31/16	52,647	100%	0
12/31/15	55,103	100%	0

The required contribution for 2017 was determined as part of the December 31, 2015 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2015 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit,

and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2015 is being amortized as a level percentage of projected payroll on an open 26 year basis.

Funded Status and Funding Progress. As of December 31, 2017, the most recent actuarial valuation date, the Regular plan was 79.21 percent funded. The actuarial accrued liability for benefits was \$908,530 and the actuarial value of assets was \$719,639, resulting in an under-funded actuarial accrued liability (UAAL) of \$188,891. The covered payroll for calendar year 2017 (annual payroll of active employees covered by the plan) was \$595,100 and the ratio of the UAAL to the covered payroll was 32 percent.

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

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL)-Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
12/30/17	719,639	908,530	188,891	79.21%	595,100	31.74%
12/31/16	599,963	802,861	202,898	74.73%	558,294	36.34%
12/31/15	502,716	712,306	209,590	70.58%	514,980	40.70%

On a market value basis, the actuarial value of assets as of December 31, 2017 is \$764,833. On a market basis, the funded ratio would be 84.18%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Hampshire Township Park District. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

SUPPLEMENTAL INFORMATION

HAMPSHIRE TOWNSHIP PARK DISTRICT
 Cash Basis of Accounting
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budgetary Comparison Statement
 For the year ended April 30, 2018

CORPORATE FUND	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
REVENUE				
Real Estate Taxes	\$241,659	\$241,659	\$242,489	\$830
Replacement Taxes	3,500	3,500	3,169	(331)
Interest	60	60	2,880	2,820
Facility Rental	5,105	5,105	4,660	(445)
Transition Fees	5,000	5,000	31,950	26,950
Grants	0	0	0	0
Miscellaneous	30	30	4,430	4,400
	255,354	255,354	289,578	34,224
EXPENDITURES				
Salaries & Wages	143,625	143,625	140,221	(3,404)
General Expenses	42,223	42,223	63,102	20,879
Park Maintenance	35,331	35,331	21,846	(13,485)
Building Expenses	15,802	15,802	16,224	422
Total Expenditures	236,981	236,981	241,393	4,412
Excess (deficiency) of revenues over expenditures	18,373	18,373	48,185	\$ 29,812
Transfers out	(220,000)	(220,000)	(280,000)	
Transfer from Impact Fees			80,000	
Fund Balances				
Beginning of year			156,641	
End of year			\$ 4,826	

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison Statement
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
RECREATION FUND				
REVENUE				
Real Estate Taxes	\$70,467	\$70,467	\$70,441	(\$26)
Program Fees	202,150	202,150	236,138	33,988
Youth Education	687,476	687,476	780,395	92,919
Interest	5	5	-	(5)
Miscellaneous	2,500	2,500	6,620	4,120
	<u>962,598</u>	<u>962,598</u>	<u>1,093,594</u>	<u>130,996</u>
EXPENDITURES				
General Salaries & Wages	206,059	206,059	191,107	(14,952)
General Expenses	27,662	27,662	36,802	9,140
Direct Program Expenses	96,369	96,369	115,824	19,455
Direct Youth Education	661,953	661,953	595,473	(66,480)
	<u>992,043</u>	<u>992,043</u>	<u>939,206</u>	<u>(52,837)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (29,445)</u>	<u>\$ (29,445)</u>	154,388	<u>\$ 183,833</u>
Transfer to Bond Fund	\$ (20,000)	\$ (20,000)	(126,000)	
Transfer to Capital Fund			(120,000)	
Fund Balances				
Beginning of year			452,396	
End of year			<u>\$ 360,784</u>	

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
 Cash Basis of Accounting
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budgetary Comparison Statement
 For the year ended April 30, 2018

SPECIAL RECREATION FUND	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
REVENUE				
Real Estate Taxes	\$ 104,788	\$ 104,788	\$ 105,001	\$ 213
Inclusion Reimbursements	944	944		
Total Revenues	105,732	105,732		
EXPENDITURES				
Direct Program Expenses	12,919	12,919	9,622	(3,297)
Membership Dues	47,197	47,197	47,197	0
Capital Expenditures		15,000	0	(15,000)
	60,116	75,116	56,819	(18,297)
Excess (deficiency) of revenues over expenditures	\$ 44,672	\$ 30,616	48,182	\$ 18,510
Transfer to Bond Fund	(35,000)	(35,000)	(50,000)	
Fund Balances		(4,384)		
Beginning of year			73,230	
End of year			\$ 71,412	

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HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison Statement
For the year ended April 30, 2018

DEBT SERVICE	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		(Under)
 REVENUE				
Real Estate Taxes	\$ 33,559	\$ 33,559	\$ 33,679	\$ 120
Transfers	134,692	134,692	101,000	(33,692)
	168,251	168,251	134,679	(33,572)
 EXPENDITURES				
Principal retirement				-
General Obligation Bonds	29,000	29,000	30,000	(1,000)
Debt Certificaties	100,620	100,620	100,975	(355)
Interest & fiscal charges	4,559	4,559	2,979	1,580
	134,179	134,179	133,954	225
Excess (deficiency) of revenues over expenditures before other financing	34,072	34,072	725	(33,797)
 Other Financing Sources -				
 Fund Balances				
Beginning of year			945	
End of year			\$ 1,670	

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HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison Statement
For the year ended April 30, 2018

	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
IMPACT FEES FUND				
REVENUE				
Impact Fees	\$320,000	\$320,000	\$27,196	(\$292,804)
Transition Fees			31,358	31,358
Interest	15	15	208	193
	<u>320,015</u>	<u>320,015</u>	<u>58,762</u>	<u>(261,253)</u>
EXPENDITURES				
General Expenses	0	0	226,950	226,950
Excess (deficiency) of revenues over expenditures before other financing	<u>320,015</u>	<u>320,015</u>	<u>(168,188)</u>	<u>(488,203)</u>
Other Financing Sources - Transfers	(250,000)	(250,000)		
Excess (deficiency) of revenues over expenditures	<u>\$ 70,015</u>	<u>\$ 70,015</u>	<u>(168,188)</u>	
Fund Balances				
Beginning of year			476,641	
End of year			<u>\$ 308,453</u>	

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison Statement
For the year ended April 30, 2018

CAPITAL PROJECT FUND	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final		
REVENUE				
Impact Fees	\$ 200,000	\$ 200,000	\$ 195,000	\$ (5,000)
Grants	197,609	197,609	9,909	
Foundation Donation				
Miscellaneous			671	\$ 671
Total Revenue	397,609	397,609	205,580	(4,329)
EXPENDITURES				
Capital Expenditures	505,932	505,932	895,556	389,624
Excess (deficiency) of revenues over expenditures before other financing				
	(108,323)	(108,323)	(689,976)	380,966
Transfers	20,000	20,000	395,000	
Fund Balances				
Beginning of year			301,964	
End of year			\$ 6,988	

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
Cash Basis of Accounting
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison Statement
For the year ended April 30, 2018

INSURANCE FUND	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
REVENUE				
Real Estate Taxes	39,492	39,492	40,077	\$ 585
	39,492	39,492	40,077	585
EXPENDITURES				
Contractual Services	19,861	19,861	21,021	1,160
Risk Management Expenses	22,740	22,740	22,716	(24)
	42,601	42,601	43,737	1,136
Excess (deficiency) of revenues over expenditures	\$ (3,109) \$ (3,109)		(3,660)	\$ (551)
Fund Balances				
Beginning of year			14,656	
End of year			\$ 10,996	

The accompanying notes are an integral part of this statement.

HAMPSHIRE TOWNSHIP PARK DISTRICT
PROPERTY TAX ASSESSED VALUATIONS,
RATES, EXTENSIONS, AND COLLECTIONS

Tax Levy Year	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Valuation	\$283,834,373	\$261,972,461	\$233,239,916	\$220,479,502	\$228,778,742	\$248,595,499	\$269,410,875	\$286,703,714	\$310,068,803
Tax Rates									
General	0.089063	0.092246	0.100157	0.102426	0.094629	0.0844	0.0756	0.0687	0.0613
Recreation	0.025971	0.026899	0.029206	0.029867	0.028068	0.0250	0.0224	0.0201	0.0179
Debt Service	0.011722	0.012861	0.011297	0.012437	0.012444	0.0119	0.0093	0.0091	0.0086
Handicapped	0.040000	0.040000	0.040000	0.040000	0.040000	0.0400	0.0400	0.0400	0.0400
Liability Insurance	0.014555	0.015075	0.016367	0.016737	0.015753	0.0141	0.0129	0.0133	0.0119
	<u>0.181311</u>	<u>0.187081</u>	<u>0.197027</u>	<u>0.201467</u>	<u>0.190894</u>	<u>0.1754</u>	<u>0.1602</u>	<u>0.1512</u>	<u>0.1397</u>
Tax Extensions									
General	252,791	241,659	233,606	225,828	216,491	209,815	203,675	196,965	190,072
Recreation	73,715	70,468	68,120	65,851	64,214	62,149	60,348	57,627	55,502
Debt Service	33,271	33,692	26,349	27,421	28,469	29,583	25,055	26,090	26,666
Handicapped	113,534	104,789	93,296	88,192	91,511	99,438	107,764	114,681	124,028
Liability Insurance	41,312	39,492	38,174	36,902	36,040	35,052	34,754	38,132	36,898
	<u>\$514,623</u>	<u>\$490,101</u>	<u>\$459,546</u>	<u>\$444,193</u>	<u>\$436,725</u>	<u>\$436,037</u>	<u>\$431,596</u>	<u>\$433,496</u>	<u>\$433,166</u>
Collections	513,261	490,116	458,551	444,094	434,759	434,140	430,664	\$ 432,098	\$ 431,903
Percent Collected	99.7%	100.0%	99.8%	100.0%	99.5%	99.6%	99.8%	99.7%	99.7%

The accompanying notes are an integral part of this statement.