

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020**



**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2020

Prepared by:

Finance Department
Mari-Lynn Peters, Director of Finance

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HIGHLAND PARK, ILLINOIS
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HIGHLAND PARK, ILLINOIS
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INTRODUCTORY SECTION

PARK DISTRICT OF HIGHLAND PARK

HIGHLAND PARK, ILLINOIS

LIST OF PRINCIPAL OFFICIALS

December 31, 2020

BOARD OF PARK COMMISSIONERS

Barnett Ruttenberg, President

Brian Kaplan, Vice President

Calvin A. Bernstein, Commissioner

Terry Grossberg, Commissioner

Lori Flores Weisskopf, Commissioner

ADMINISTRATIVE

Brian Romes, Executive Director

Mari-Lynn Peters, Director of Finance

Donna Dunn, Director of Human Resources and Risk Management

Daniel Voss, Director of Parks

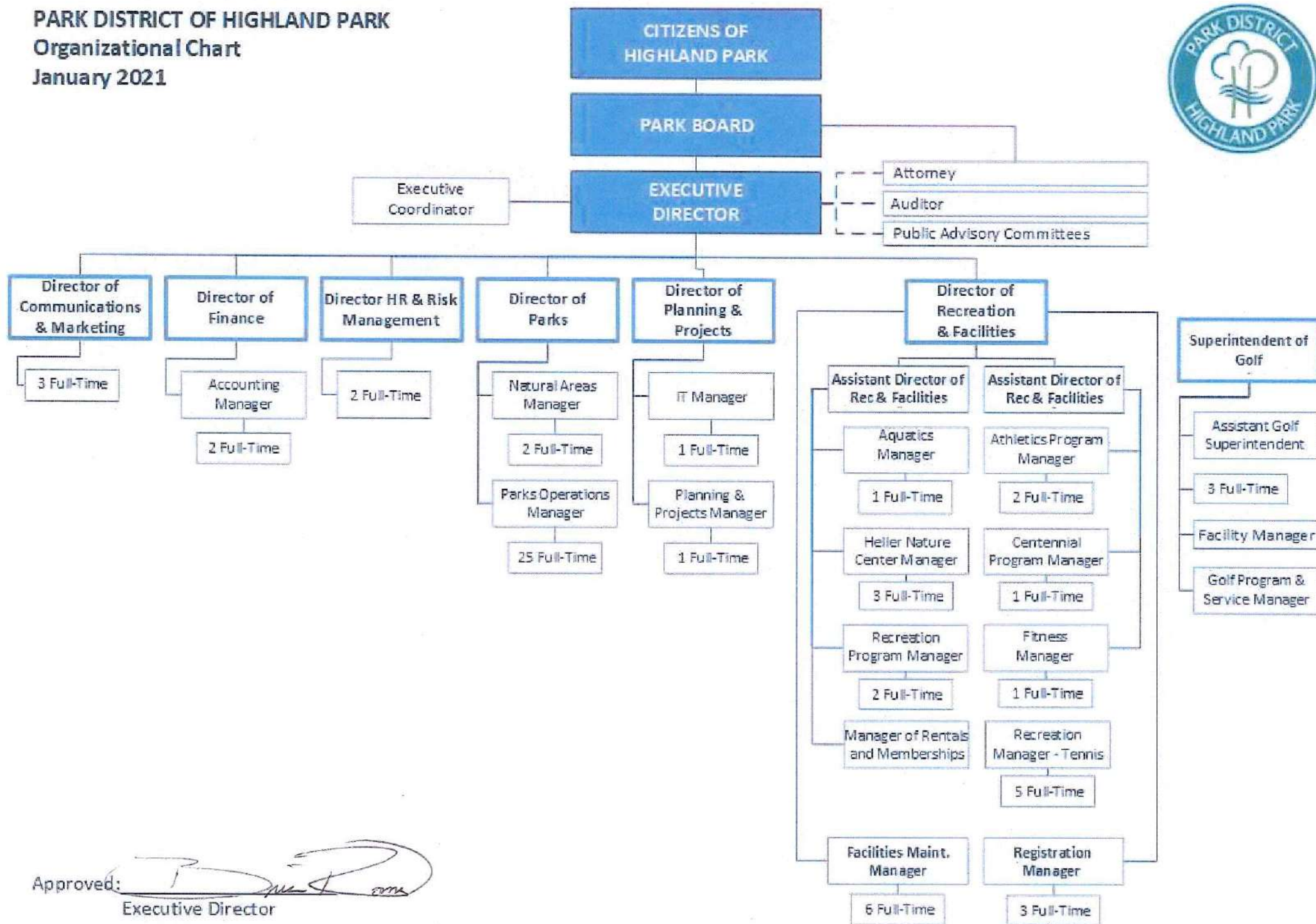
Liz Gogola, Director of Communications

Mitch Carr, Director of Recreation and Facilities

Jeff Smith, Director of Planning, Projects, and IT

Chris Maliszewski, Assistant Director of Recreation and Facilities

PARK DISTRICT OF HIGHLAND PARK
Organizational Chart
January 2021



Approved: 
 Executive Director

Date: January 12, 2021



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Park District of Highland Park
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO



636 Ridge Road
Highland Park, IL 60035
847.831.3810 | pdhp.org

May 28, 2021

To: Board of Park Commissioners and Citizens of the Park District of Highland Park

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that is established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the Park District of Highland Park’s financial statements for the year ended December 31, 2020. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Park District of Highland Park

The District was founded in 1909 and is located in the City of Highland Park, Illinois along the north shore of Lake Michigan. The District serves the City of Highland Park and a small portion of the Village of Deerfield. The District owns and/or operates more than 800 acres of land with 45 park areas, while also helping other municipal agencies manage some land and is located approximately 25 miles north of Chicago.

The Park District operates under a Board-Director form of government serving a population of approximately 29,000. Educational services for the residents of the District are provided by North Shore School District 112 and Township High School District 113. Route 41 traverses the District and Interstate 94 is along its western boundary. METRA rail service to downtown Chicago is available with stations in Deerfield, Highland Park, Ft. Sheridan, and Highwood.

The District usually offers over 3,000 programs annually. However, due to the pandemic during 2020, only 2,160 programs were offered with limited enrollment, due to social distancing standards mandated by the Centers for Disease Control. These programs include athletics, pre-school, art and dance, ice skating, tennis, swimming, golf, gymnastics, and tennis. The District also offers general youth and adult variety programs throughout its facilities and parks. To support programs and services to the community, the District maintains approximately 800 acres of parkland, natural areas and beaches and recreation amenities including baseball and softball fields (including backstops - 23), outdoor basketball courts (full and half - 16), football/soccer fields (15), indoor/outdoor tennis courts (38), pickleball courts (8), disc golf courses (2), and fishing areas (4). The District operates 10 recreation facilities ranging from an ice center to a nature center.

The Comprehensive Annual Financial Report, which follows this transmittal letter, includes all funds of governmental operations and component units based on financial accountability. The accompanying financial statements include only those funds of the Park District, as there are no other organizations for which it has financial accountability. The Park District participates in the Illinois Municipal Retirement Fund (IMRF), the Northern Suburban Special Recreation Association (NSSRA), and the Park District Risk Management Agency (PDRMA). These organizations are not included in this report. However, such statements are available upon request from their respective business offices.

The Board of Park Commissioners is required to adopt a final budget and appropriation ordinance by no later than three months after the close of the fiscal year. This annual budget serves as the foundation for the Park District of Highland Park's financial planning and control. The budget is prepared by fund and state law prohibits further appropriation at any time within the same fiscal year. The Board of Commissioners has the authority, after the first six months of the fiscal year, to make transfers between various items in any fund in the appropriation ordinance with a two-thirds (2/3) vote. Additionally, if circumstances warrant it, a supplemental budget and appropriations ordinance can be prepared. Transfers cannot exceed 10%, in the aggregate, of the total amount appropriated for the fund or item that is having funds reallocated.

Local Economy

The City of Highland Park has a well-established reputation as a preeminent community located in the northern corridor of the Chicago metropolitan area. The area encompassing the Park District of Highland Park is an outstanding place in which to live and work as the city has a large residential base and a successful downtown. The residents of Highland Park receive excellent municipal and educational services. From an educational standpoint, over one-third of its residents have an advanced degree and an additional third have a bachelor's degree. This is well above the norm for the County (Lake) as well as the State of Illinois.

From a pure economic position, the District serves a highly affluent community as the median value of homes is \$567,500 as opposed to a state average of \$223,455. The median household income of \$231,170 is approximately 355% higher than the state's median household income.

Long-term Planning

GreenPrint 2024, the District's comprehensive master plan, was adopted at the December 2015 Regular Board Meeting. It establishes a clear set of goals, best practices and standards for all Park District facilities, open space, and programs. Since adoption, numerous initiatives have been addressed including the creation of the Parks Foundation of Highland Park and Athletic Field Master Plan. Major capital repair and replacement initiatives from the Park District's Capital Plan were completed in 2020 including a compressor replacement and new ice rink refrigeration system at Centennial Ice Arena, roof replacement at Deer Creek Racquet Club, filtration restoration at Hidden Creek Aqua Park, and shoreline protection project at Rosewood Beach.

Working with the City of Highland Park, the District purchased the Highland Park Country Club property in 2018 and began the transformation to a passive recreational open space. This conversion project will create a large natural open area with walking paths and nature play amenities in the center of town for all to enjoy. Construction began in 2020 and is anticipated to be completed in 2021.

During 2019, a community Attitude and Interest Survey was completed. Information obtained from the survey was used to update GreenPrint 2024 to ensure that resources are aligned with current and future resident needs, community values, and the District's changing demographics.

Other Information

Independent Audit: The District is required by Illinois Compiled Statutes to have an annual audit conducted by an independent certified public accountant selected by the Board of Park Commissioners. The audit firm, Sikich LLP, Certified Public Accountants' report on the general-purpose financial statements and combining and individual fund statements and schedules are included in the financial section of this report.

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District of Highland Park for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the thirty first consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In 2020, the Park District of Highland Park received the following awards:

- IPRA Outstanding Program of the Year for ParkSchool
- IPRA 1st Place Photography – Nature Landscape
- IPRA 2nd Place Integrated Photography Marketing

Affiliations: The District is a member of the National Recreation and Park Association (NRPA), the Illinois Association of Park Districts (IAPD), the Illinois Park and Recreation Association (IPRA), the Park District Risk Management Agency (PDRMA) and the Northern Suburban Special Recreation Association (NSSRA).

The timely preparation of this comprehensive financial report was made possible by the dedicated staff of the entire Park District and coordinated by the Finance staff. We would like to express our sincere appreciation for their contributions not only to this report, but also to their commitment of abiding to policies and procedures to ensure the high integrity of the information presented in this financial report. We thank the Board of Park Commissioners for their leadership and support as it relates to the financial operations and policies of the District.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Romes", with a large, sweeping loop at the end.

Brian Romes
Executive Director

A handwritten signature in black ink, appearing to read "Mari-Lynn Peters", with a long, horizontal flourish extending to the right.

Mari-Lynn Peters
Director of Finance

FINANCIAL SECTION

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Park District of Highland Park
Highland Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Park District of Highland Park, Highland Park, Illinois (the District), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Park District of Highland Park, Highland Park, Illinois, as of December 31, 2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have 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.

Sikich LLP

Naperville, Illinois

May 28, 2021

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

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Our discussion and analysis of the Park District of Highland Park's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the transmittal letter, which begins on page iv and the District's financial statements, which begin on page 4.

FINANCIAL HIGHLIGHTS

- The Park District of Highland Park's net position increased \$3,605,687, which is approximately 6.4% greater than the prior year, as a result of operations.
- During the year, government-wide revenues for the primary government totaled \$19,733,424 while expenses totaled \$16,127,737, resulting in an increase to net position of \$3,605,687.
- The Park District of Highland Park's net position totaled \$59,587,478 on December 31, 2020, which includes \$37,659,759 net investment in capital assets, \$782,043 subject to external restrictions, and \$21,145,676 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported excess revenue for the year of \$1,380,845 exclusive of net transfers out of \$622,769. The net change in fund balance of \$758,076 brings the fund balance in the General Fund to \$4,062,334, resulting in an increase of 22.9%.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4 - 5) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements begin on page 6. For governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 4 - 5 of this report.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, 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 is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

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USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and government and recreation services. There are no business-type activities reported by the District.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the District are reported as governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-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 facilitate the comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Recreation Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds, and the Special Recreation Fund, the District's only nonmajor fund.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 6 - 11 of this report.

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

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USING THIS ANNUAL REPORT – Continued

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12 - 33 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's IMRF employee pension obligations, as well as budgetary comparison schedules for the General Fund and Recreation Fund. These items can be found on pages 34-39.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$59,587,478.

		Net Position	
		2020	2019
Current and Other Assets	\$	45,913,175	37,466,249
Capital Assets		54,723,278	53,645,017
Total Assets		100,636,453	91,111,266
Deferred outflows		345,535	688,372
Total Assets/Deferred Outflows		100,981,988	91,799,638
Long-Term Debt		21,335,207	16,641,196
Other Liabilities		2,006,228	3,374,738
Total Liabilities		23,341,435	20,015,934
Deferred Inflows		18,053,075	15,801,913
Total Liabilities/Deferred Inflows		41,394,510	35,817,847
Net Investment in Capital Assets		37,659,759	37,782,923
Restricted		782,043	487,832
Unrestricted		21,145,676	17,711,036
Total Net Position		59,587,478	55,981,791

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

A large portion of the District's net position, \$37,659,759 or 63.2%, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$782,043 or 1.3%, of the District's net position represents resources that are subject to external restrictions on how they may be used. Essentially, these restrictions represent property taxes levied for a specific purpose. The remaining 35.5%, or \$21,145,676, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

		Changes in Net Position	
		2020	2019
Revenues			
Program Revenues			
Charges for Services		5,812,200	9,609,804
Capital Grants/Contributions		364,868	1,094,905
General Revenues			
Property Taxes		12,911,897	12,963,247
Replacement Taxes		156,195	174,765
Other General Revenues		488,264	534,230
Total Revenues		19,733,424	24,376,951
Expenses			
General Government		4,182,223	6,105,515
Recreation		11,438,717	14,865,902
Interest on Long-Term Debt		506,797	435,463
Total Expenses		16,127,737	21,406,880
Change in Net Position		3,605,687	2,970,071
Net Position - Beginning		55,981,791	53,011,720
Net Position - Ending		59,587,478	55,981,791

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

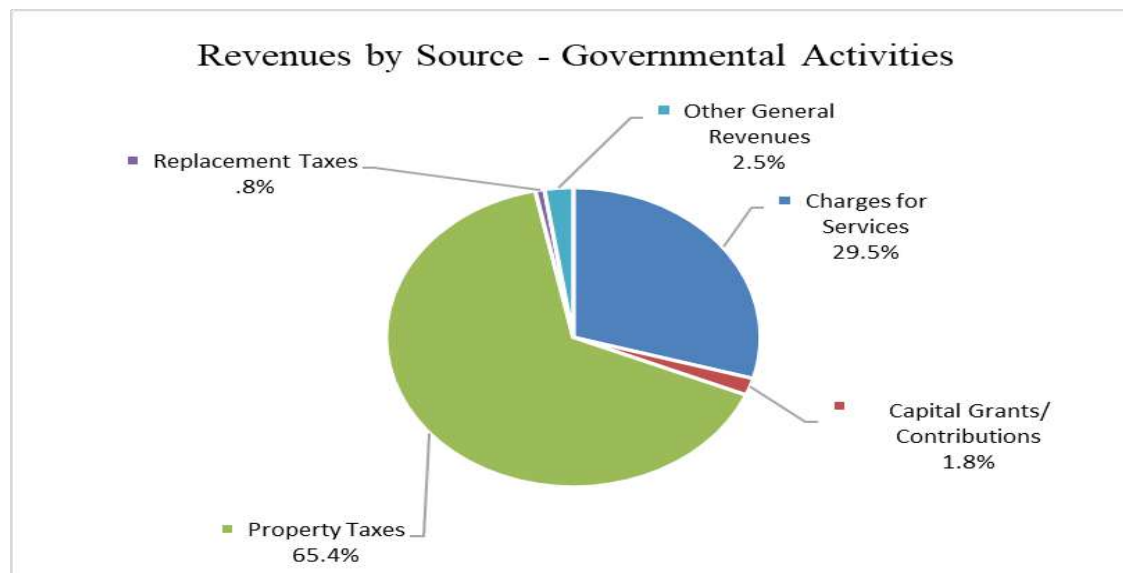
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the District's governmental activities increased by 6.4% to \$59,587,478 at December 31, 2020 compared to \$55,981,791 at December 31, 2019. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$21,145,676 at December 31, 2020.

Governmental Activities

Revenues for governmental activities totaled \$19,733,424, while the cost of all governmental functions totaled \$16,127,737. This resulted in a gain of \$3,605,687. For the year ended December 31, 2019, revenue of \$24,376,951 exceeded expenses of \$21,406,880, resulting in a surplus of \$2,970,071. During 2020, revenues decreased significantly due to closure caused by the Coronavirus Pandemic, delayed and diminished tax collections, and reduced capital grants and contributions. With the complete closure of all facilities and programming cessation beginning on March 14, 2020, coupled with gradual limited re-opening and reduced programming, the District took in \$3,797,604 less in charges for services than in 2019. Additionally, while the tax extension increased year over year, due dates for property taxes were delayed and tax collections for 2020 carried into April 2021. Over \$300,000 in property taxes related to 2020 were collected in April of 2021 and the decrease from 2019 versus 2020 financials is \$51,350. Grants and contributions were also significantly diminished in 2020, with grants being suspended and donations falling off. The large gain was still achieved due to expenses being significantly reduced in payroll as salaries were frozen, open positions were not filled and several staff were furloughed. Additionally, having facilities closed and programming eliminated, the expenses normally attributed to their functions were greatly reduced or eliminated. Some facilities that annually lose money, like the outdoor aquatic center, were never opened, thus saving even more.

The following chart graphically depicts the major revenue sources of the District. This graph illustrates that more than half of the District's revenues come from property tax.



PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

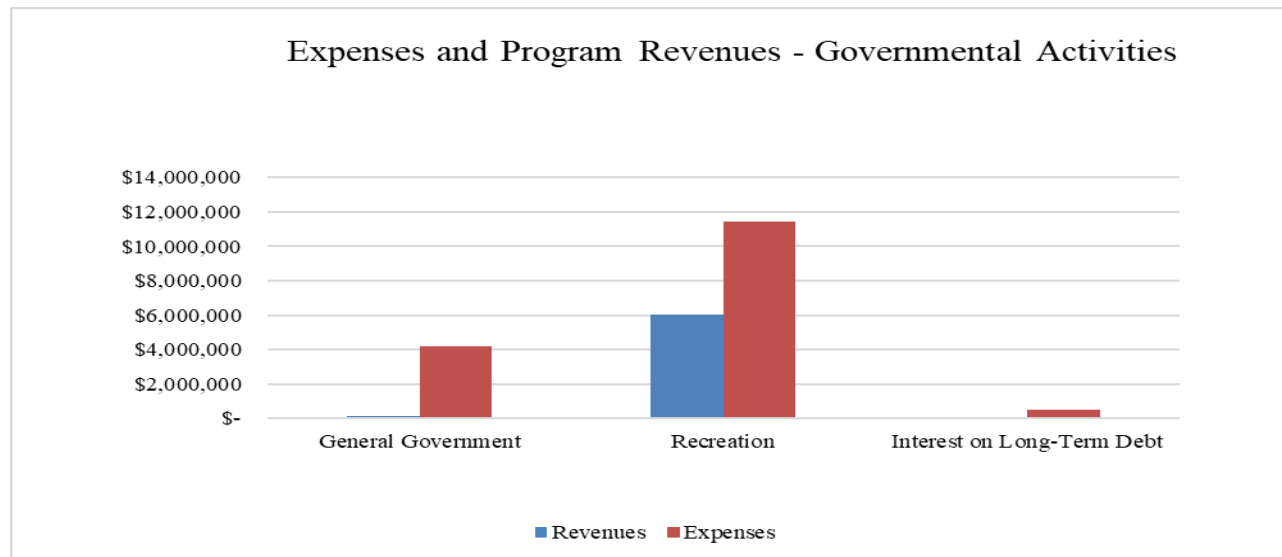
Management's Discussion and Analysis December 31, 2020

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GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The Expenses and Program Revenues Chart identifies those governmental functions where program expenses greatly exceed revenues. Although in the government-wide statements expenses normally exceed revenues, general revenues such as property and replacement taxes support the general government expenses, a portion of recreation expenses, and interest expenses. During 2020, staff controlled spending resulting in a favorable savings compared to budget.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The ending fund balance when the District's Governmental Funds combined is \$21,274,142 which is \$5,648,084, or 36.1%, more than last year's total of \$15,626,058. Of that amount, \$16,984,159, of the total is committed, assigned, or unassigned. The District's intent is to remain true to its fund balance policy that is discussed in the Notes to the Financial Statements, by transferring a portion of the excess balances to the Capital Projects Fund to assure that the District's existing assets are well maintained moving forward. The District transferred \$1,000,000 from the Recreation Fund to the Capital Projects Fund in excess fund balance.

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS – Continued

Governmental Funds – Continued

The General Fund is the chief operating fund of the District. At December 31, 2020, unassigned fund balance in the General Fund was \$4,053,385, which represents 99.8% of the total fund balance of the General Fund. The fund balance increased during the year. The District was prudent with all spending as a result of the Coronavirus pandemic and its potential effect on cash flows. Many staff were furloughed, wages were frozen, and positions remained unfilled in order to minimize expenses and maximize cash on hand.

The Recreation Fund reported a net positive change in fund balance at December 31, 2020 of \$261,669, increasing the fund balance to \$4,976,709. This is an increase of 5.5%. This increase was intentionally caused in an effort to maximize cash on hand by limiting the amount transferred to the capital fund at year end. Due to the pandemic, the District reacted by maintaining larger than usual operating cash on hand until operations could return to normal in order to ensure that all debt service requirements would be funded, as well as any emergency maintenance at facilities or properties. Additionally, facilities that habitually lose money, such as the outdoor water park, never opened and contributed to a greater bottom line. Most special events were cancelled, thus saving thousands more in expenses. Finally, as a result of closures and limited programming, related expenses to these activities, including payroll, significantly curtailed expenditures for the year.

The Debt Service Fund reported a decrease of \$158,750, to \$6,142, and was due to significant property tax receipts coming into the District late, in April of 2021, as a result of Lake County pushing back tax payment deadlines because of the Coronavirus Pandemic. The fund balance in the Debt Service Fund is restricted for future debt service payments.

The Capital Projects Fund reported an increase in fund balance of \$4,302,505 to \$11,421,433. This increase is due to a deliberate reduction of use of reserve for capital expenditures as cash flows were unpredictable during 2020. Because of the Coronavirus pandemic, facility closures, and limited programming and operations occurred during 2020. Not only did the District limit capital spending, a stay at home order was in place for part of the year and no one was able to perform the work.

GENERAL FUND BUDGETARY HIGHLIGHTS

During 2020, the District did not revise the annual operating budget of the General Fund. The fund is reported as a major fund, and accounts for the routine park operations of the District. The overall performance of the fund was less than budgeted. The actual revenues for the year total \$5,716,885, compared to budgeted revenue of \$6,030,865. The \$313,980 difference was mainly due to the over budgeting of property taxes and investment income. Due to the pandemic, Lake County pushed back property tax due dates, and in turn caused \$127,112 of general fund taxes to be collected in the second quarter of 2021. Additionally, the pandemic caused minimal interest rates on investments and due to cash flow uncertainty, the District stayed liquid with cash on hand. Expenditures had a favorable budget variance by \$1,382,285 and this was due to over budgeting related to staffing and services. The District furloughed several employees during the pandemic and did not fill open staff positions. Pay rates were

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS – Continued

General Fund Budgetary Highlights - Continued

also frozen. Furthermore, services such as dog park passes, and picnic permits dropped off as people quarantined at home or were afraid to come out to the parks.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2020 was \$54,723,278 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, equipment, and vehicles.

		Capital Assets - Net of Depreciation	
		2020	2019
Land	\$	3,748,634	3,748,634
Construction in Progress		1,719,377	446,504
Buildings		25,443,667	26,065,300
Improvements		18,704,260	19,639,567
Equipment		4,837,701	3,369,502
Vehicles		269,639	375,510
Total		54,723,278	53,645,017

This year's major additions included:

Construction in Progress	\$	1,272,873
Buildings		195,200
Improvements		416,780
Equipment		2,000,752
Total		3,885,605

Additional information on the District's capital assets can be found in note 4 on page 21 of this report.

PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

Management's Discussion and Analysis December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the District had total outstanding debt of \$19,170,000 as compared to \$15,335,000 the previous year, an increase of 25%. The following is a comparative statement of outstanding debt:

		Long-Term	
		Debt Outstanding	
		2020	2019
General Obligation Bonds		\$ 19,170,000	15,335,000

Additional information on the District's long-term debt can be found in Note 5 on pages 22 - 23 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Through conservative efforts to maintain its reserves and careful financial planning, the District's financial position continues to remain strong. Many trends and economic factors which can affect the future operations of the District are considered during budgeting and long-range planning. The District is committed to maintaining reserves and is continually reviewing ways to improve its capital assets and strong financial position to provide residents with excellent programs and facilities. A community Attitude and Interest Survey was completed in 2019. The information received from this study will be used for future programming and capital planning, to align the District's resources with the needs of the community. There are several additional major factors that the Park District has been dealing with and will address in the upcoming budget year as well:

- The continuing negative effect of the tax cap on the District's property tax revenue.
- Systematic increase in the minimum wage over the next several years.
- Rising group health insurance costs.
- Increased competition from private industry for participants and users.
- COVID-19 implications.
- Determining where administrative staff, gymnastics program, etc. should be housed.
- Additional capital funding.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Director, Park District of Highland Park, 636 Ridge Road, Highland Park, IL 60035.

BASIC FINANCIAL STATEMENTS

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2020

	Governmental Activities
ASSETS	
Cash and investments	\$ 22,528,798
Receivables (net, where applicable, of allowances for uncollectibles)	
Property taxes	13,343,906
Grants	136,924
Programs	299,110
Other	4,471
Prepaid expenses	67,936
Inventory	12,528
Net pension asset	9,519,502
Capital assets not being depreciated	5,468,011
Capital assets being depreciated (net of accumulated depreciation)	<u>49,255,267</u>
Total assets	<u>100,636,453</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	186,003
OPEB items	<u>159,532</u>
Total deferred outflows of resources	<u>345,535</u>
Total assets and deferred outflows of resources	<u>100,981,988</u>
LIABILITIES	
Accounts payable	811,911
Accrued payroll	198,362
Accrued interest payable	25,687
Unearned revenue	970,268
Noncurrent liabilities	
Due within one year	2,619,713
Due in more than one year	<u>18,715,494</u>
Total liabilities	<u>23,341,435</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	13,138,990
Pension items - IMRF	4,829,195
OPEB items	<u>84,890</u>
Total deferred inflows of resources	<u>18,053,075</u>
Total liabilities and deferred inflows of resources	<u>41,394,510</u>
NET POSITION	
Net investment in capital assets	37,659,759
Restricted for	
Debt service	6,142
Special recreation	775,901
Unrestricted	<u>21,145,676</u>
TOTAL NET POSITION	<u><u>\$ 59,587,478</u></u>

See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
General government	\$ 4,182,223	\$ -	\$ -	\$ 124,745	\$ (4,057,478)
Recreation	11,438,717	5,812,200	227,775	12,348	(5,386,394)
Interest and fiscal charges	506,797	-	-	-	(506,797)
Total governmental activities	16,127,737	5,812,200	227,775	137,093	(9,950,669)
TOTAL PRIMARY GOVERNMENT	\$ 16,127,737	\$ 5,812,200	\$ 227,775	\$ 137,093	(9,950,669)
General Revenues					
Taxes					
Property					
Intergovernmental					
Replacement					
Investment income					
Other					
Total					
CHANGE IN NET POSITION					
NET POSITION, JANUARY 1					
NET POSITION, DECEMBER 31					

See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2020

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and investments	\$ 4,274,561	\$ 5,866,237	\$ -	\$ 11,624,440	\$ 763,560	\$ 22,528,798
Receivables (net, where applicable, of allowances for uncollectibles)						
Taxes	5,758,577	5,444,452	1,646,235	-	494,642	13,343,906
Grants	-	-	-	136,924	-	136,924
Programs	-	299,110	-	-	-	299,110
Other	1,614	-	-	2,857	-	4,471
Inventory	-	12,528	-	-	-	12,528
Due from other funds	18,384	-	-	-	-	18,384
Prepaid items	8,949	27,364	-	-	31,623	67,936
Total assets	10,062,085	11,649,691	1,646,235	11,764,221	1,289,825	36,412,057
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 10,062,085	\$ 11,649,691	\$ 1,646,235	\$ 11,764,221	\$ 1,289,825	\$ 36,412,057

(This statement is continued on the following page.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2020

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 213,792	\$ 288,030	\$ -	\$ 307,788	\$ 2,301	\$ 811,911
Accrued payroll	99,135	99,227	-	-	-	198,362
Unearned program revenue	-	921,793	-	-	-	921,793
Unearned revenue	13,475	-	-	35,000	-	48,475
Due to other funds	-	-	18,384	-	-	18,384
Total liabilities	326,402	1,309,050	18,384	342,788	2,301	1,998,925
DEFERRED INFLOWS OF RESOURCES						
Unavailable property tax revenue	5,673,349	5,363,932	1,621,709	-	480,000	13,138,990
Total deferred inflows of resources	5,673,349	5,363,932	1,621,709	-	480,000	13,138,990
Total liabilities and deferred inflows of resources	5,999,751	6,672,982	1,640,093	342,788	482,301	15,137,915
FUND BALANCES						
Nonspendable						
Prepaid items	8,949	27,364	-	-	31,623	67,936
Inventory	-	12,528	-	-	-	12,528
Restricted	-	-	6,142	3,427,476	775,901	4,209,519
Committed	-	4,936,817	-	-	-	4,936,817
Assigned	-	-	-	7,993,957	-	7,993,957
Unassigned	4,053,385	-	-	-	-	4,053,385
Total fund balances	4,062,334	4,976,709	6,142	11,421,433	807,524	21,274,142
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 10,062,085</u>	<u>\$ 11,649,691</u>	<u>\$ 1,646,235</u>	<u>\$ 11,764,221</u>	<u>\$ 1,289,825</u>	<u>\$ 36,412,057</u>

See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

December 31, 2020

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 21,274,142
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	54,723,278
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Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(4,643,192)
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Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings for the Other Postemployment Benefit Plan are recognized as deferred outflows and inflows of resources on the statement of net position	74,642
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Net pension assets are not financial resources and are not reported in governmental funds	9,519,502
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Long-term liabilities (assets) are not due and payable in the current period and, therefore, are not reported in governmental funds	
General obligation bonds	(12,340,000)
Debt certificates	(6,830,000)
Total OPEB liability	(842,943)
Premium on general obligation bonds	(1,320,995)
Accrued interest	(25,687)
Compensated absences	(1,269)

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 59,587,478</u></u>
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See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

For the Year Ended December 31, 2020

	<u>General</u>	<u>Recreation</u>
REVENUES		
Taxes	\$ 5,524,826	\$ 5,075,062
Charges for services	22,057	5,790,143
Donations	-	12,348
Intergovernmental - grants	13,941	227,775
Investment income	104,273	-
Miscellaneous	51,788	144,939
	<hr/>	<hr/>
Total revenues	5,716,885	11,250,267
	<hr/>	<hr/>
EXPENDITURES		
Current		
General government	4,336,040	-
Recreation	-	9,042,706
Capital outlay	-	11,738
Debt service		
Principal retirement	-	-
Interest and fiscal charges	-	-
	<hr/>	<hr/>
Total expenditures	4,336,040	9,054,444
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,380,845	2,195,823
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Proceeds from issuance of bonds	-	-
Premium on bond issuance	-	-
Transfers in	-	-
Transfers (out)	(622,769)	(1,934,154)
	<hr/>	<hr/>
Total other financing sources (uses)	(622,769)	(1,934,154)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	758,076	261,669
	<hr/>	<hr/>
FUND BALANCES, JANUARY 1	3,304,258	4,715,040
	<hr/>	<hr/>
FUND BALANCES, DECEMBER 31	\$ 4,062,334	\$ 4,976,709
	<hr/>	<hr/>

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental
\$ 1,545,487	\$ -	\$ 922,717	\$ 13,068,092
-	-	-	5,812,200
-	-	-	12,348
-	110,804	-	352,520
-	23,378	-	127,651
-	163,886	-	360,613
1,545,487	298,068	922,717	19,733,424
-	407,286	-	4,743,326
-	-	349,134	9,391,840
-	4,066,731	-	4,078,469
2,610,000	-	-	2,610,000
651,160	-	-	651,160
3,261,160	4,474,017	349,134	21,474,795
(1,715,673)	(4,175,949)	573,583	(1,741,371)
-	6,445,000	-	6,445,000
-	944,455	-	944,455
1,556,923	1,088,999	-	2,645,922
-	-	(88,999)	(2,645,922)
1,556,923	8,478,454	(88,999)	7,389,455
(158,750)	4,302,505	484,584	5,648,084
164,892	7,118,928	322,940	15,626,058
\$ 6,142	\$ 11,421,433	\$ 807,524	\$ 21,274,142

See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 5,648,084
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Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,885,605
Depreciation on capital assets is reported as an expense in the statement of activities	(2,795,344)
The loss on disposal of capital assets is reported as an expense in the statement of activities	(12,000)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	1,466
Accrued interest	(6,822)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding on the statement of net position	
Bonds payable	(6,445,000)
Premium on bonds payable	(944,455)
The amortization of premium on long-term debt does not provide current financial resources and, therefore, is not reported as revenue in the governmental funds	151,185
The change in the Illinois Municipal Retirement Fund net pension asset, deferred inflows and deferred outflows are not a source or use of a financial resource	1,516,985
The change in the total OPEB liability, deferred inflows and deferred outflows are not a source or use of a financial resource	(4,017)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	<u>2,610,000</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,605,687</u></u>
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See accompanying notes to financial statements.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The District is a body corporate and politic established under Illinois Compiled Statutes (ILCS) incorporated in 1909. The District operates under a Board-Manager form of government, providing recreation and other services to the residents of the City of Highland Park including recreation programs, park management, capital development and general administration. The District has a separately elected board. The District is considered to be a primary government as defined by GASB Statement No. 14 and No. 61, since it is legally separate and fiscally independent. The accompanying basic financial statements present the District only since the District does not have component units. The Parks Foundation of Highland Park, while a potential component unit, is not significant to the District and, therefore, has been excluded from its reporting entity.

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary. The District does not have any proprietary or fiduciary funds.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted, committed or assigned monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds restricted for the servicing of governmental long-term debt (debt service funds). The General Fund (corporate) is used to account for all activities of the government not accounted for in some other fund.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of material interfund activity, other than interfund service transactions, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support. The District does not report any business-type activities.

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

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

The District reports the following major governmental funds:

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

The Recreation Fund, a special revenue fund, is used to account for revenue and expenditures related to recreation programs funded by a tax levy and user fees.

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

The Debt Service Fund is used to account for the accumulation of resources for and the payment of principal and interest on governmental activities long-term debt.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of these activities/funds are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Program revenues consist of user fees and other charges for services, operating grants and capital grants.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services.

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments

Investments with maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of December 31, 2020, all of the District's investments are in 2a7-like investment pools amended by the SEC in 2014.

f. Inventories

Inventories consist of amounts available for resale and are accounted for using the consumption method. Inventories are valued at cost on the first-in/first-out (FIFO) method.

g. Prepaid Expenses/Items

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid expenses/items using the consumption method. Such amounts are offset by nonspendable fund balance for prepaid expenses/items in the fund financial statements.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., bike trails, paths and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$10,000 - \$250,000, tangible in nature and have an estimated useful life in excess of one year. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25 - 35
Improvements	10 - 20
Equipment	3 - 15
Vehicles	5 - 10

i. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

j. Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement or resignation. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Property Taxes

The District's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible one-half in June and one-half in September of the following year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes which have been levied but are not due before the end of the fiscal year are recorded as receivable. The entire receivable is offset by unavailable/deferred property tax revenue as they are intended to finance the subsequent fiscal year.

l. Net Position/Fund Balances

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Commissioners. The Board of Commissioners would also take action to modify or rescind committed fund balance, if applicable. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Executive Director and Director of Finance through the approved fund balance policy of the District. Any residual fund balance in the General Fund is reported as unassigned. Deficit fund balances in other governmental funds are also reported as unassigned.

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

The District's policy manual states that the General Fund should maintain a minimum assigned fund balance level of three to four months and unassigned fund balance of four months of annual budgeted expenditures not including capital, debt service, and interfund transfers. The District's policy manual states that the Recreation Fund should maintain a minimum assigned fund balance equal to 25% of budgeted expenditures not including capital, debt service and interfund transfers. Fund balances in excess of said levels may be transferred to the Capital Projects Fund at the discretion of the Board.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Net Position/Fund Balances (Continued)

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

m. Deferred Outflows/Inflows of Resources

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

n. Interfund Transactions

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

o. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other fund" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

p. Use of Estimates

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases* to December 31, 2022.

2. DEPOSITS AND INVESTMENTS

ILCS and the District's investment policy authorize the District to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds, the Illinois Metropolitan Investment Fund and the Illinois Park District Liquid Asset Fund.

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.

The Illinois Park District Liquid Asset Fund allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

Deposits with Financial Institutions

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 with a fair value of 102% of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments

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 and The Illinois Park District Liquid Asset Fund. The Illinois Park District Liquid Asset Fund is rated AAAM.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. The District's investment policy does not address custodial credit risk for investments.

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy limits concentration risk by diversifying investments by limiting investments to avoid overconcentration of securities from a specific issuer or business sector, limiting investments in securities that have higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

3. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the District.

- The property tax lien date is January 1;
- The annual tax levy ordinance for 2020 was passed December 15, 2020;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2020 are normally received monthly beginning in May and generally ending by November 2021.

The 2020 tax levy, which attached as an enforceable lien on property as of January 1, 2020, has been recorded as a receivable as of December 31, 2020, as the tax was levied by the District in December 2020.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 3,748,634	\$ -	\$ -	\$ 3,748,634
Construction in progress	446,504	1,290,573	17,700	1,719,377
Total capital assets not being depreciated	4,195,138	1,290,573	17,700	5,468,011
Capital assets being depreciated				
Buildings	38,744,333	195,200	-	38,939,533
Improvements	32,122,389	416,780	-	32,539,169
Equipment	6,543,523	2,000,752	18,000	8,526,275
Vehicles	1,200,277	-	-	1,200,277
Total capital assets being depreciated	78,610,522	2,612,732	18,000	81,205,254
Less accumulated depreciation for				
Buildings	12,679,033	816,833	-	13,495,866
Improvements	12,482,822	1,352,087	-	13,834,909
Equipment	3,174,021	520,553	6,000	3,688,574
Vehicles	824,767	105,871	-	930,638
Total accumulated depreciation	29,160,643	2,795,344	6,000	31,949,987
Total capital assets being depreciated, net	49,449,879	(182,612)	12,000	49,255,267
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 53,645,017</u>	<u>\$ 1,107,961</u>	<u>\$ 29,700</u>	<u>\$ 54,723,278</u>

Depreciation expense was charged to functions/programs of the District's governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Recreation	<u>\$ 2,795,344</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,795,344</u>

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

The following is a summary of changes in long-term debt for governmental activities for the year ended December 31, 2020:

	Fund Debt Retired By	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
GOVERNMENTAL ACTIVITIES						
General obligation bonds	Debt Service	\$ 7,175,000	\$ 6,445,000	\$ 1,280,000	\$ 12,340,000	\$ 1,190,000
Premium on bonds	N/A	527,725	944,455	151,185	1,320,995	-
Debt certificate	Debt Service	8,160,000	-	1,330,000	6,830,000	1,365,000
Compensated absences	General and Recreation	2,735	-	1,466	1,269	-
Total OPEB liability	General and Recreation	775,736	67,207	-	842,943	64,713
TOTAL GOVERNMENTAL ACTIVITIES		\$ 16,641,196	\$ 7,456,662	\$ 2,762,651	\$ 21,335,207	\$ 2,619,713

Long-term debt at December 31, 2020 is comprised of the following:

General Obligation Bonds

The District uses general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

	Total Outstanding	Current Portion
2017 General Obligation Limited Tax Park Bond \$8,635,000 General Obligation Limited Tax Park Bond, Series 2017, due in annual installments of \$85,000 to \$1,060,000 through December 15, 2028 with interest payable semiannually on June 15 and December 15 at 3% to 4%.	\$ 6,210,000	\$ 1,030,000
2020 General Obligation Limited Tax Park Bond \$6,445,000 General Obligation Limited Tax Park Bond, Series 2020, due in annual installments of \$315,000 to \$830,000 through December 15, 2033 with interest payable semiannually on June 15 and December 15 at 3% to 5%.	6,130,000	160,000
TOTAL BONDS	\$ 12,340,000	\$ 1,190,000

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Certificates

The District issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates are direct obligations and pledge the full faith and credit of the District. Debt certificates currently outstanding are as follows:

	Total Outstanding	Current Portion
\$6,770,000 General Obligation Limited Tax Refunding Debt Certificate of 2012, due in annual installments of \$35,000 to \$825,000 through December 15, 2023 with interest payable semiannually on June 15 and December 15 at 2% to 3%.	\$ 2,405,000	\$ 780,000
\$8,755,000 Debt Certificate of 2013, due in annual installments of \$505,000 to \$685,000 through December 15, 2027 with interest payable semiannually on June 15 and December 15 at 2% to 3%.	4,425,000	585,000
TOTAL DEBT CERTIFICATES	\$ 6,830,000	\$ 1,365,000

Debt Service to Maturity

The annual requirements to amortize to maturity serial debt outstanding as of December 31, 2020, are as follows:

Fiscal Year Ending December 31,	General Obligation Bonds		Debt Certificates	
	Principal	Interest	Principal	Interest
2021	\$ 1,190,000	\$ 425,200	\$ 1,365,000	\$ 191,288
2022	1,250,000	386,300	1,400,000	154,725
2023	1,330,000	334,400	1,440,000	115,725
2024	1,400,000	286,300	630,000	75,600
2025	855,000	234,600	645,000	59,850
2026-2030	3,900,000	760,250	1,350,000	61,044
2031-2033	2,415,000	146,400	-	-
TOTAL	\$ 12,340,000	\$ 2,573,450	\$ 6,830,000	\$ 658,232

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES

Interfund Transfers

Individual fund interfund transfers are as follows:

	Transfers In	Transfers Out
MAJOR GOVERNMENTAL FUNDS		
General Fund	\$ -	\$ 622,769
Recreation Fund	-	1,934,154
Debt Service Fund	1,556,923	-
Capital Projects Fund	1,088,999	-
Total Major Governmental Funds	2,645,922	2,556,923
NONMAJOR GOVERNMENTAL FUNDS		
Special Recreation Fund	-	88,999
Total Nonmajor Governmental Funds	-	88,999
TOTAL	\$ 2,645,922	\$ 2,645,922

The transfers resulted from:

- \$1,556,923 transferred to the Debt Service Fund from the General Fund and the Recreation Fund is to subsidize debt costs. The amount will not be repaid.
- \$1,088,999 transferred to the Capital Projects Fund from the Recreation Fund and the Special Recreation Fund is for purchases of capital assets. The amounts will not be repaid.

7. JOINT GOVERNED ORGANIZATION - NORTH SUBURBAN SPECIAL RECREATION ASSOCIATION

The District is a member of the North Suburban Special Recreation Association (NSSRA), which was organized by several area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each member district's contribution is based upon a formula set out in the operating agreement.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. JOINT GOVERNED ORGANIZATION - NORTH SUBURBAN SPECIAL RECREATION ASSOCIATION (Continued)

NSSRA's Board of Directors consists of one member from each participating district. The Board of Directors is the governing body of NSSRA and is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlay, programming and master plans. The District is not financially accountable for the activities of NSSRA and, accordingly, NSSRA has not been included in the accompanying financial statements. The financial statements of NSSRA may be obtained from the Association administrative offices at 3104 MacArthur Blvd. Northbrook, Illinois 60062.

8. RISK MANAGEMENT

The District is exposed to various risks of loss to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; natural disasters; and employee health.

Since 1984, the District has been a member of the Park District Risk Management Agency (PDRMA), a joint risk management pool of park and forest preserve districts and special recreation associations through which employee health, property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

Each member assumes the first \$1,000 of property claims each occurrence and has self-insurance retentions at various amounts.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Risk Manager and a Treasurer.

The District does not exercise any control over the activities of PDRMA beyond its representation on the Board of Directors.

Initial contributions are determined in advance of each membership year based on the individual member's expenditures as defined in the by-laws of PDRMA, assessment factors based on past member experience and the funding needs for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure that adequate funds are available to meet the obligations applicable to the membership year. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District. The District is not aware of any additional amounts owed to PDRMA at December 31, 2020.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

Plan Administration

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

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

Plan Membership

At December 31, 2020, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	135
Inactive employees entitled to but not yet receiving benefits	169
Active employees	<u>110</u>
TOTAL	<u><u>414</u></u>

Benefits Provided

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2020, was 4.12% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.25%
Asset valuation method	Fair value

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25% in 2020. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 45,082,278	\$ 50,203,397	\$ (5,121,119)
Changes for the period			
Service cost	\$ 677,035	\$ -	\$ 677,035
Interest	3,209,885	-	3,209,885
Difference between expected and actual experience	(270,617)	-	(270,617)
Changes in assumptions	(298,328)	-	(298,328)
Employer contributions	-	289,972	(289,972)
Employee contributions	-	316,494	(316,494)
Net investment income	-	7,257,979	(7,257,979)
Benefit payments and refunds	(2,293,045)	(2,293,045)	-
Other (net transfer)	-	(148,087)	148,087
Net changes	1,024,930	5,423,313	(4,398,383)
BALANCES AT DECEMBER 31, 2020	\$ 46,107,208	\$ 55,626,710	\$ (9,519,502)

There was a change in assumptions related to the salary rates, price inflation, retirement age and mortality rates.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2020, the District recognized pension expense of \$(1,227,013). At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 120,753	\$ 186,555
Changes in assumption	65,250	199,834
Net difference between projected and actual earnings on pension plan investments	-	4,442,806
TOTAL	\$ 186,003	\$ 4,829,195

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

<u>Year Ending December 31,</u>	
2021	\$ (1,439,028)
2022	(692,650)
2023	(1,774,567)
2024	(736,947)
2025	-
Thereafter	-
TOTAL	\$ (4,643,192)

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ (4,331,150)	\$ (9,519,502)	\$ (13,568,254)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

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

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

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

Inactive fund members or beneficiaries	
currently receiving benefits payments	8
Inactive fund members entitled to	
but not yet receiving benefit payments	-
Active fund members	98
	<hr/>
TOTAL	106
	<hr/>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability at September 30, 2020, as determined by an actuarial valuation performed as of September 30, 2020, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial valuation date	September 30, 2020
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	2.21%
Healthcare cost trend rates	4.50% to 8.00% in Fiscal 2020 based on type of plan
Asset valuation method	N/A
Mortality rates	RP - 2014 Combined Annuitant Table for males and females

e. Discount Rate

The discount rate was based on the S&P Municipal Bond 20 year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at September 30, 2020.

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	Total OPEB Liability
	<u> </u>
BALANCES AT OCTOBER 1, 2019	\$ 775,736
Changes for the period	
Service cost	39,525
Interest	20,831
Changes in assumptions	(76,255)
Implicit benefit payments	(64,713)
Difference between expected and actual experience	<u>147,819</u>
Net changes	<u>67,207</u>
BALANCES AT SEPTEMBER 30, 2020	<u><u>\$ 842,943</u></u>

Changes in assumption include changes to the discount rate, health costs and contribution rates.

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 2.21% as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB liability	\$ 883,532	\$ 842,943	\$ 802,268

PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 4.50% to 8.00% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 7.00%) or 1 percentage point higher (5.50% to 9.00%) than the current rate:

	1% Decrease (3.50% to 7.00%)	Current Healthcare Rate (4.50% to 8.00%)	1% Increase (5.50% to 9.00%)
Total OPEB liability	\$ 778,044	\$ 842,943	\$ 917,503

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

For the year ended December 31, 2020, the District recognized OPEB expense of \$4,017. At December 31, 2020, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumption	\$ 21,126	\$ 84,890
Difference between expected and actual experience	138,406	-
TOTAL	\$ 159,532	\$ 84,890

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

Fiscal Year Ending December 31,	
2021	\$ 8,374
2022	8,374
2023	8,374
2024	8,374
2025	8,374
Thereafter	32,772
TOTAL	\$ 74,642

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules
 General Fund
 Recreation Fund
- Schedule of Employer Contributions
 Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
 Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios
 Retiree Benefit Plan

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with GAAP.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

	Original Appropriation	Final Appropriation	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 5,600,000	\$ 5,600,000	\$ 5,368,631	\$ (231,369)
Replacement taxes	160,000	160,000	156,195	(3,805)
Charges for services				
Fees and charges	36,600	36,600	21,679	(14,921)
Sales and rental	540	540	378	(162)
Investment income	170,000	170,000	104,273	(65,727)
Intergovernmental	-	-	13,941	13,941
Miscellaneous	63,725	63,725	51,788	(11,937)
Total revenues	6,030,865	6,030,865	5,716,885	(313,980)
EXPENDITURES				
Current				
General government				
Salaries	2,795,046	2,795,046	2,241,089	(553,957)
Services	1,012,141	1,012,141	560,902	(451,239)
Insurance	1,137,667	1,137,667	944,685	(192,982)
Utilities	122,706	122,706	124,423	1,717
Materials and supplies	234,974	234,974	122,183	(112,791)
Landscape and maintenance	98,817	98,817	88,608	(10,209)
Pension contributions	316,974	316,974	254,150	(62,824)
Total expenditures	5,718,325	5,718,325	4,336,040	(1,382,285)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	312,540	312,540	1,380,845	1,068,305
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(622,769)	(622,769)	(622,769)	-
Total other financing sources (uses)	(622,769)	(622,769)	(622,769)	-
NET CHANGE IN FUND BALANCE	<u>\$ (310,229)</u>	<u>\$ (310,229)</u>	758,076	<u>\$ 1,068,305</u>
FUND BALANCE, JANUARY 1			<u>3,304,258</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 4,062,334</u>	

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

	<u>Original</u> <u>Appropriation</u>	<u>Original</u> <u>Appropriation</u>	<u>Actual</u>	<u>Variance</u> <u>Over (Under)</u>
REVENUES				
Property taxes	\$ 5,211,282	\$ 5,211,282	\$ 5,075,062	\$ (136,220)
Charges for services				
Fees and charges	3,468,638	3,468,638	2,408,012	(1,060,626)
Instruction fees	5,325,838	5,325,838	2,315,671	(3,010,167)
Sales and rental	1,536,314	1,536,314	1,066,460	(469,854)
Intergovernmental	-	-	227,775	227,775
Donations	40,000	40,000	12,348	(27,652)
Miscellaneous	131,698	131,698	144,939	13,241
Total revenues	15,713,770	15,713,770	11,250,267	(4,463,503)
EXPENDITURES				
Current				
Recreation	12,868,100	12,868,100	9,042,706	(3,825,394)
Capital outlay	63,780	63,780	11,738	(52,042)
Total expenditures	12,931,880	12,931,880	9,054,444	(3,877,436)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(3,434,154)	(3,434,154)	(1,934,154)	1,500,000
Total other financing sources (uses)	(3,434,154)	(3,434,154)	(1,934,154)	1,500,000
NET CHANGE IN FUND BALANCE	<u>\$ (652,264)</u>	<u>\$ (652,264)</u>	261,669	<u>\$ 913,933</u>
FUND BALANCE, JANUARY 1			<u>4,715,040</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 4,976,709</u>	

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

Last Six Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 433,856	\$ 224,954	\$ 317,696	\$ 329,800	\$ 73,033	\$ 279,239
Contributions in relation to the actuarially determined contribution	433,856	224,954	317,696	329,800	73,033	279,239
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional contributions	-	-	-	-	12,106	10,733
Covered payroll	\$ 6,514,351	\$ 6,635,823	\$ 6,632,498	\$ 6,814,049	\$ 6,889,931	\$ 6,777,648
Contributions as a percentage of covered payroll	6.66%	3.39%	4.79%	4.84%	1.06%	4.12%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 2.50% compounded annually.

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

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY						
Service cost	\$ 688,654	\$ 671,502	\$ 679,854	\$ 637,165	\$ 687,671	\$ 677,035
Interest	2,582,565	2,784,030	2,945,570	2,972,382	3,069,219	3,209,885
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	1,099,031	574,888	(174,040)	(93,513)	338,775	(270,617)
Changes of assumptions	-	-	(1,148,872)	1,155,156	-	(298,328)
Benefit payments, including refunds of member contributions	(1,455,717)	(1,895,237)	(1,866,229)	(1,981,112)	(2,007,202)	(2,293,045)
Net change in total pension liability	2,914,533	2,135,183	436,283	2,690,078	2,088,463	1,024,930
Total pension liability - beginning	34,817,738	37,732,271	39,867,454	40,303,737	42,993,815	45,082,278
TOTAL PENSION LIABILITY - ENDING	\$ 37,732,271	\$ 39,867,454	\$ 40,303,737	\$ 42,993,815	\$ 45,082,278	\$ 46,107,208
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 433,856	\$ 224,954	\$ 317,696	\$ 329,800	\$ 85,139	\$ 289,972
Contributions - member	300,740	301,272	301,701	326,978	322,753	316,494
Net investment income	207,714	2,727,218	7,581,104	(2,757,655)	8,250,273	7,257,979
Benefit payments, including refunds of member contributions	(1,455,717)	(1,895,237)	(1,866,229)	(1,981,112)	(2,007,202)	(2,293,045)
Other	(1,512,523)	579,257	(702,497)	(95,233)	282,889	(148,087)
Net change in plan fiduciary net position	(2,025,930)	1,937,464	5,631,775	(4,177,222)	6,933,852	5,423,313
Plan net position - beginning	41,903,458	39,877,528	41,814,992	47,446,767	43,269,545	50,203,397
PLAN NET POSITION - ENDING	\$ 39,877,528	\$ 41,814,992	\$ 47,446,767	\$ 43,269,545	\$ 50,203,397	\$ 55,626,710
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (2,145,257)	\$ (1,947,538)	\$ (7,143,030)	\$ (275,730)	\$ (5,121,119)	\$ (9,519,502)
Plan fiduciary net position as a percentage of the total pension liability (asset)	105.69%	104.89%	117.72%	100.64%	111.36%	120.65%
Covered payroll	\$ 6,514,351	\$ 6,635,823	\$ 6,632,498	\$ 6,814,049	\$ 6,889,931	\$ 6,777,648
Employer's net pension liability (asset) as a percentage of covered payroll	(32.93%)	(29.35%)	(107.70%)	(4.05%)	(74.33%)	(140.45%)

There was a change in assumptions related to the salary rates, price inflation, retirement age and mortality rates in 2020.

There was a change in assumptions related to the discount rate in 2018.

There was a change in assumptions related to price inflation, salary increases, retirement age and mortality rates in 2017.

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

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

Last Three Fiscal Years

MEASUREMENT DATE SEPTEMBER 30,	2018	2019	2020
TOTAL OPEB LIABILITY			
Service cost	\$ 32,604	\$ 30,815	\$ 39,525
Interest	27,302	30,787	20,831
Differences between expected and actual experience	-	6,919	147,819
Changes in assumptions	(23,152)	26,564	(76,255)
Benefit payments	(46,844)	(50,124)	(64,713)
Other changes	-	-	-
Net change in total OPEB liability	(10,090)	44,961	67,207
Total OPEB liability - beginning	740,865	730,775	775,736
TOTAL OPEB LIABILITY - ENDING	\$ 730,775	\$ 775,736	\$ 842,943
Covered payroll	\$ 6,261,333	\$ 4,955,091	\$ 4,702,405
Employer's total OPEB liability as a percentage of covered payroll	11.67%	15.66%	17.93%

There were assumption changes in 2019 relating to the discount rate, per capital health costs, retiree contribution rates, percent of future retirees assumed to have an eligible spouse who opts for coverage and the age spread between husband and wife was decreased.

There were assumption changes in 2020 relating to the discount rate, per capita health cost and retiree contribution rates.

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

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

BUDGETS

The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the financial statements. Generally, prior to the December board meeting, the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

The District's budgetary operations are governed by the appropriation law detailed in the Illinois Park District Code and administered by the Director of Finance.

Notice is given and public meetings are conducted to obtain taxpayer comments. The Board of Commissioners may add to, subtract from or change appropriations, but may not change the form of the budget. Prior to the end of the first quarter of each fiscal year, the budget is legally enacted through the passage of an annual combined budget and appropriation ordinance.

Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are legally adopted on a basis consistent with GAAP. Budgetary information for individual funds is prepared on the same basis as the basic financial statements. All budgets are prepared based on the annual fiscal year of the District. Budgetary funds are controlled by an integrated budgetary accounting system in accordance, where applicable, with various legal requirements which govern the District. The legal level of budgetary control is at the fund level.

Management may make transfers between individual expenditure categories of a fund for up to 10% for the budgeted amount, but not alter the total budget of the fund. Any revisions that alter the total expenditures of any fund must be approved by the Board of Commissioners. After the first six months of any fiscal year, the District Board of Commissioners may, by a two-thirds vote, amend the initially approved budget and appropriations ordinance. Unused appropriations lapse at the end of the fiscal year. The budget and appropriation ordinance was amended for the year ended December 31, 2020.

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

MAJOR GOVERNMENTAL FUNDS

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
RECREATION FUND**

For the Year Ended December 31, 2020

	Original	Final		Variance
	Appropriation	Appropriation	Actual	Over (Under)
EXPENDITURES				
Current				
Recreation				
Salaries	\$ 5,359,683	\$ 5,359,683	\$ 4,247,121	\$ (1,112,562)
Services	1,006,607	1,006,607	768,289	(238,318)
Insurance	1,186,256	1,186,256	948,143	(238,113)
Utilities	797,929	797,929	633,759	(164,170)
Materials and supplies	409,968	409,968	232,519	(177,449)
Landscape and maintenance	327,000	327,000	261,765	(65,235)
Program expenditures	3,206,595	3,206,595	1,491,538	(1,715,057)
Pension contributions	574,062	574,062	459,572	(114,490)
Total recreation	12,868,100	12,868,100	9,042,706	(3,825,394)
Capital outlay	63,780	63,780	11,738	(52,042)
Total capital outlay	63,780	63,780	11,738	(52,042)
TOTAL EXPENDITURES	\$ 12,931,880	\$ 12,931,880	\$ 9,054,444	\$ (3,877,436)

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

	Original	Final		Variance
	Appropriation	Appropriation	Actual	Over (Under)
REVENUES				
Intergovernmental	\$ 144,672	\$ 144,672	\$ 110,804	\$ (33,868)
Interest income	-	-	23,378	23,378
Miscellaneous	-	-	163,886	163,886
Total revenues	144,672	144,672	298,068	153,396
EXPENDITURES				
Current				
General government				
Contractual services	61,000	167,500	407,286	239,786
Capital outlay	7,631,147	7,631,147	4,066,731	(3,564,416)
Total expenditures	7,692,147	7,798,647	4,474,017	(3,324,630)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	-	7,100,000	6,445,000	(655,000)
Premium on bond issuance	-	-	944,455	944,455
Transfers in	3,050,000	3,050,000	1,088,999	(1,961,001)
Total other financing sources (uses)	3,050,000	10,150,000	8,478,454	(1,671,546)
NET CHANGE IN FUND BALANCE	\$ (4,497,475)	\$ 2,496,025	4,302,505	\$ 1,806,480
FUND BALANCE, JANUARY 1			<u>7,118,928</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 11,421,433</u>	

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

	Original Appropriation	Final Appropriation	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 1,580,654	\$ 1,580,654	\$ 1,545,487	\$ (35,167)
Total revenues	1,580,654	1,580,654	1,545,487	(35,167)
EXPENDITURES				
Current				
Debt service				
Principal	2,705,266	2,705,266	2,610,000	(95,266)
Interest and fiscal charges	674,279	567,779	651,160	83,381
Total expenditures	3,379,545	3,273,045	3,261,160	(11,885)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,798,891)	(1,692,391)	(1,715,673)	(23,282)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,556,923	1,556,923	1,556,923	-
Proceeds from issuance of bonds	7,100,000	-	-	-
Total other financing sources (uses)	8,656,923	1,556,923	1,556,923	-
NET CHANGE IN FUND BALANCE	<u>\$ 6,858,032</u>	<u>\$ (135,468)</u>	(158,750)	<u>\$ (23,282)</u>
FUND BALANCE, JANUARY 1			164,892	
FUND BALANCE, DECEMBER 31			<u>\$ 6,142</u>	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are established to account for proceeds from specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes.

The Special Recreation Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies to the Northern Suburban Special Recreation Association to provide special recreation programs for the physically and mentally handicapped.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

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

For the Year Ended December 31, 2020

	Original Appropriation	Final Appropriation	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 971,263	\$ 971,263	\$ 922,717	\$ (48,546)
Total revenues	971,263	971,263	922,717	(48,546)
EXPENDITURES				
Current				
Recreation				
Contractual services	758,526	758,526	349,134	(409,392)
Total expenditures	758,526	758,526	349,134	(409,392)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	212,737	212,737	573,583	360,846
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(550,000)	(550,000)	(88,999)	461,001
Total other financing sources (uses)	(550,000)	(550,000)	(88,999)	461,001
NET CHANGE IN FUND BALANCE	<u>\$ (337,263)</u>	<u>\$ (337,263)</u>	484,584	<u>\$ 821,847</u>
FUND BALANCE, JANUARY 1			<u>322,940</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 807,524</u>	

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION LIMITED TAX REFUNDING DEBT CERTIFICATES OF 2012**

December 31, 2020

Date of issue	July 16, 2012
Original principal	\$ 6,770,000
Date of maturity	December 15, 2023
Interest rate	2% to 3%
Principal payments	December 15
Interest payments	June 15 and December 15

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 780,000	\$ 72,150	\$ 852,150
2022	800,000	48,750	848,750
2023	825,000	24,750	849,750
	<u>\$ 2,405,000</u>	<u>\$ 145,650</u>	<u>\$ 2,550,650</u>

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
DEBT CERTIFICATES OF 2013**

December 31, 2020

Date of issue	April 9, 2013
Original principal	\$ 8,755,000
Date of maturity	December 15, 2027
Interest rate	2% to 3%
Principal payments	December 15
Interest payments	June 15 and December 15

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 585,000	\$ 119,138	\$ 704,138
2022	600,000	105,975	705,975
2023	615,000	90,975	705,975
2024	630,000	75,600	705,600
2025	645,000	59,850	704,850
2026	665,000	40,500	705,500
2027	685,000	20,544	705,544
	<u>\$ 4,425,000</u>	<u>\$ 512,582</u>	<u>\$ 4,937,582</u>

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION LIMITED TAX PARK BONDS OF 2017**

December 31, 2020

Date of issue	March 10, 2017
Original principal	\$ 8,635,000
Date of maturity	December 15, 2028
Interest rate	3% to 4%
Principal payments	December 15
Interest payments	June 15 and December 15

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 1,030,000	\$ 196,900	\$ 1,226,900
2022	1,060,000	166,000	1,226,000
2023	920,000	123,600	1,043,600
2024	915,000	96,000	1,011,000
2025	855,000	68,550	923,550
2026	835,000	42,900	877,900
2027	510,000	17,850	527,850
2028	85,000	2,550	87,550
	<u>\$ 6,210,000</u>	<u>\$ 714,350</u>	<u>\$ 6,924,350</u>

(See independent auditor's report.)

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION LIMITED TAX PARK BONDS OF 2020**

December 31, 2020

Date of issue	February 25, 2020
Original principal	\$ 6,445,000
Date of maturity	December 15, 2033
Interest rate	5%
Principal payments	December 15
Interest payments	June 15 and December 15

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2021	\$ 160,000	\$ 228,300	\$ 388,300
2022	190,000	220,300	410,300
2023	410,000	210,800	620,800
2024	485,000	190,300	675,300
2025	-	166,050	166,050
2026	-	166,050	166,050
2027	275,000	166,050	441,050
2028	700,000	152,300	852,300
2029	735,000	117,300	852,300
2030	760,000	95,250	855,250
2031	780,000	72,450	852,450
2032	805,000	49,050	854,050
2033	830,000	24,900	854,900
	<u>\$ 6,130,000</u>	<u>\$ 1,859,100</u>	<u>\$ 7,989,100</u>

(See independent auditor's report.)

STATISTICAL SECTION (UNAUDITED)

This part of the Park District of Highland Park, Highland Park, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	48-55
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	56-59
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	60-64
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	65-66
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	67-70

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 37,659,759	\$ 37,782,923	\$ 36,056,097	\$ 31,570,496
Restricted	782,043	487,832	386,216	467,053
Unrestricted	21,145,676	17,711,036	16,569,407	22,516,794
TOTAL PRIMARY GOVERNMENT	\$ 59,587,478	\$ 55,981,791	\$ 53,011,720	\$ 54,554,343

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

Audited Financial Statements

2016		2015		2014*		2014		2013		2012	
\$	31,103,670	\$	29,698,684	\$	21,471,792	\$	20,263,950	\$	20,340,870	\$	19,172,217
	685,612		345,073		490,281		892,981		3,165,145		3,526,882
	21,048,030		21,548,400		17,817,537		15,923,143		14,192,490		20,952,528
<hr/>											
\$	52,837,312	\$	51,592,157	\$	39,779,610	\$	37,080,074	\$	37,698,505	\$	43,651,627
<hr/>											

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
EXPENSES				
Governmental activities				
General government	\$ 4,182,223	\$ 6,105,515	\$ 7,081,362	\$ 4,680,213
Recreation	11,438,717	14,865,902	15,142,209	16,750,430
Interest and fiscal charges	506,797	435,463	499,331	593,134
Total governmental activities expenses	16,127,737	21,406,880	22,722,902	22,023,777
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 16,127,737	\$ 21,406,880	\$ 22,722,902	\$ 22,023,777
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government				
Recreation	\$ 5,812,200	\$ 9,609,804	\$ 8,495,425	\$ 10,333,214
Operating grants and contributions	227,775	-	-	-
Capital grants and contributions	137,093	1,094,905	36,970	436,434
Total governmental activities program revenues	6,177,068	10,704,709	8,532,395	10,769,648
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 6,177,068	\$ 10,704,709	\$ 8,532,395	\$ 10,769,648
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (9,950,669)	\$ (10,702,171)	\$ (14,190,507)	\$ (11,254,129)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 12,911,897	\$ 12,963,247	\$ 12,639,828	\$ 12,280,482
Replacement	156,195	174,765	140,571	173,623
Investment income	127,651	262,147	289,703	232,962
Miscellaneous	360,613	272,083	318,647	284,093
Total governmental activities	13,556,356	13,672,242	13,388,749	12,971,160
TOTAL PRIMARY GOVERNMENT	\$ 13,556,356	\$ 13,672,242	\$ 13,388,749	\$ 12,971,160
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 3,605,687	\$ 2,970,071	\$ (801,758)	\$ 1,717,031

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

Audited Financial Statements

2016	2015	2014*	2014	2013	2012
\$ 5,603,504	\$ 7,390,876	\$ 3,907,202	\$ 5,706,274	\$ 11,825,208	\$ 4,413,988
16,211,473	16,445,750	10,795,143	13,081,135	13,937,646	12,881,240
294,895	332,236	264,587	325,218	783,395	367,934
22,109,872	24,168,862	14,966,932	19,112,627	26,546,249	17,663,162
\$ 22,109,872	\$ 24,168,862	\$ 14,966,932	\$ 19,112,627	\$ 26,546,249	\$ 17,663,162
\$ 10,978,534	\$ 10,812,993	\$ 6,940,048	\$ 8,153,219	\$ 8,306,731	\$ 8,190,406
-	-	-	260,254	176,675	238,034
45,441	6,509,467	71,017	-	-	-
11,023,975	17,322,460	7,011,065	8,413,473	8,483,406	8,428,440
\$ 11,023,975	\$ 17,322,460	\$ 7,011,065	\$ 8,413,473	\$ 8,483,406	\$ 8,428,440
\$ (11,085,897)	\$ (6,846,402)	\$ (7,955,867)	\$ (10,699,154)	\$ (18,062,843)	\$ (9,234,722)
\$ 11,468,120	\$ 10,526,931	\$ 10,313,220	\$ 9,609,488	\$ 9,604,889	\$ 9,757,439
146,418	146,241	121,086	157,206	137,129	138,583
154,603	58,568	75,929	147,297	241,443	228,671
561,911	407,633	145,168	166,732	151,298	167,496
12,331,052	11,139,373	10,655,403	10,080,723	10,134,759	10,292,189
\$ 12,331,052	\$ 11,139,373	\$ 10,655,403	\$ 10,080,723	\$ 10,134,759	\$ 10,292,189
\$ 1,245,155	\$ 4,292,971	\$ 2,699,536	\$ (618,431)	\$ (7,928,084)	\$ 1,057,467

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
GENERAL FUND				
Nonspendable	\$ 8,949	\$ 12,154	26,566	9,939
Restricted	-	-	21,149	40,714
Assigned	-	-	-	-
Unassigned	4,053,385	3,292,104	2,332,568	2,836,278
TOTAL GENERAL FUND	\$ 4,062,334	\$ 3,304,258	\$ 2,380,283	\$ 2,886,931
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 71,515	\$ 70,313	\$ 67,056	\$ 107,942
Restricted	4,209,519	487,832	386,945	450,863
Committed	4,936,817	4,644,727	4,592,291	3,998,365
Assigned for recreation	7,993,957	7,118,928	6,847,186	12,801,286
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 17,211,808	\$ 12,321,800	\$ 11,893,478	\$ 17,358,456
TOTAL GOVERNMENTAL FUNDS	\$ 21,274,142	\$ 15,626,058	\$ 14,273,761	\$ 20,245,387

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

Audited Financial Statements

2016	2015	2014*	2014	2013	2012
9,734	6,255	4,965	6,778	7,802	8,691
59,214	88,045	206,342	301,814	1,312,195	1,828,620
-	-	-	-	-	2,471,600
2,781,215	1,724,126	759,649	608,099	(177,286)	3,019,925
\$ 2,850,163	\$ 1,818,426	\$ 970,956	\$ 916,691	\$ 1,142,711	\$ 7,328,836
\$ 119,861	\$ 173,333	\$ 62,898	\$ 225,039	\$ 215,373	\$ 198,174
642,311	271,876	299,767	712,587	1,924,232	1,803,191
3,650,159	3,571,072	7,340,426	5,250,834	3,567,084	11,290,491
12,828,116	11,199,434	10,010,443	13,749,983	11,235,296	4,565,763
-	-	-	(98,695)	-	-
\$ 17,240,447	\$ 15,215,715	\$ 17,713,534	\$ 19,839,748	\$ 16,941,985	\$ 17,857,619
\$ 20,090,610	\$ 17,034,141	\$ 18,684,490	\$ 20,756,439	\$ 18,084,696	\$ 25,186,455

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
REVENUES				
Taxes - property and replacement	\$ 13,068,092	\$ 13,138,012	\$ 12,780,399	\$ 12,454,105
Charges for services	5,812,200	9,609,804	8,495,425	10,333,214
Donations	12,348	30,452	36,970	436,434
Intergovernmental - grants	352,520	1,064,453	-	-
Investment income	127,651	262,147	289,703	232,962
Miscellaneous	360,613	272,083	318,647	284,093
Total revenues	19,733,424	24,376,951	21,921,144	23,740,808
EXPENDITURES				
Current				
General government	4,743,326	6,062,056	6,232,477	4,879,963
Recreation	9,391,840	11,344,598	11,959,607	13,410,846
Capital outlay	4,078,469	2,541,038	6,625,223	11,257,222
Debt service				
Principal retirement	2,610,000	2,550,000	2,485,000	2,460,000
Interest and fiscal charges	651,160	526,962	590,463	662,787
Total expenditures	21,474,795	23,024,654	27,892,770	32,670,818
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,741,371)	1,352,297	(5,971,626)	(8,930,010)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	6,445,000	-	-	8,635,000
Premium on bond issuance	944,455	-	-	449,787
Discounts on bonds issued	-	-	-	-
Disposal of capital assets	-	-	-	-
Payment to escrow agent	-	-	-	-
Transfers in	2,645,922	4,351,361	3,109,013	3,255,512
Transfers (out)	(2,645,922)	(4,351,361)	(3,109,013)	(3,255,512)
Total other financing sources (uses)	7,389,455	-	-	9,084,787
NET CHANGE IN FUND BALANCES	\$ 5,648,084	\$ 1,352,297	\$ (5,971,626)	\$ 154,777
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	18.54%	14.54%	14.09%	14.00%

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

Audited Financial Statements

2016	2015	2014*	2014	2013	2012
\$ 11,614,538	\$ 10,673,172	\$ 10,434,306	\$ 9,766,694	\$ 9,742,018	\$ 9,896,022
10,978,534	10,812,993	6,940,048	8,153,219	8,306,731	8,190,406
45,441	58,568	71,017	147,297	241,443	238,034
-	-	-	-	-	-
154,603	295,137	75,929	260,254	176,675	228,671
561,911	407,633	145,168	166,732	151,298	167,496
23,355,027	22,247,503	17,666,468	18,494,196	18,618,165	18,720,629
4,823,064	5,106,324	4,129,004	5,779,407	11,771,545	4,370,856
13,649,069	13,854,585	8,960,862	10,750,785	11,025,750	11,354,779
2,533,398	3,381,131	5,095,776	6,554,585	2,013,935	1,704,837
1,895,000	1,175,000	1,135,000	1,170,000	610,000	530,000
409,574	380,812	417,775	388,404	402,318	384,602
23,310,105	23,897,852	19,738,417	24,643,181	25,823,548	18,345,074
44,922	(1,650,349)	(2,071,949)	(6,148,985)	(7,205,383)	375,555
2,935,000	-	-	8,755,000	6,770,000	-
68,147	-	-	65,728	571,155	-
-	-	-	-	(33,769)	-
8,400	-	-	-	-	-
-	-	-	-	(7,203,762)	-
2,595,863	5,934,863	3,123,150	2,147,403	22,809,287	4,257,986
(2,595,863)	(5,934,863)	(3,123,150)	(2,147,403)	(22,809,287)	(4,257,986)
3,011,547	-	-	8,820,728	103,624	-
\$ 3,056,469	\$ (1,650,349)	\$ (2,071,949)	\$ 2,671,743	\$ (7,101,759)	\$ 375,555
11.00%	10.00%	10.00%	8.00%	4.00%	5.00%

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Tax Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Valuation	Total Direct Tax Rate
2010	\$ 2,372,304,047	\$ 454	\$ 213,064,426	\$ 545,760	\$ 1,099,257	\$ -	\$ 2,587,013,944	0.3790
2011	2,147,385,990	499	205,558,934	476,191	961,743	-	2,354,383,357	0.4100
2012	1,995,281,283	549	193,428,436	464,616	1,280,511	-	2,190,455,395	0.4450
2013	1,900,644,387	603	186,978,939	447,194	1,534,284	-	2,089,605,407	0.4970
2014	1,890,248,722	665	187,084,550	444,603	1,591,213	-	2,079,369,753	0.5080
2015	2,001,724,516	772	202,847,928	439,359	1,869,989	-	2,206,882,564	0.5200
2016	2,129,592,281	1,257	212,302,541	472,885	1,899,166	-	2,344,268,130	0.5280
2017	2,214,194,455	1,497	223,651,158	481,655	1,933,526	-	2,440,262,291	0.5220
2018	2,210,737,185	1,745	222,911,973	482,480	2,062,535	-	2,436,195,918	0.5353
2019	2,125,601,900	972,370	254,156,305	489,659	2,233,149	-	2,383,453,383	0.5596

Note: Property is assessed at 33.33% of actual value; therefore, estimated actual taxable values are equal to assessed values times three.
The 2020 property tax information was not available at the time of printing.

Data Sources

Lake County

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation
Renaissance BLOTS IL LLC	\$ 9,960,826	1	0.42%	\$ 14,196,290	1	0.60%
Federal Realty Investment Trust	8,331,380	2	0.35%	8,180,142	2	0.35%
Americana Apartments	6,745,191	3	0.28%	4,307,637	7	0.18%
Midwest Family Housing LLC	6,639,051	4	0.28%	8,125,291	3	0.35%
McGovern Flats LLC	5,670,082	5	0.24%	-		0.00%
Highland Park Associates II, LLC	5,106,654	6	0.21%	4,629,890	6	0.20%
Northmoor Country Club	4,780,471	7	0.20%	-		0.00%
Sunset Foods Mart Inc.	4,289,632	8	0.18%	4,129,975	8	0.18%
Clarion Partners	4,091,104	9	0.17%	-		0.00%
Elston Avenue Real Estate Co LLC	3,969,002	10	0.17%	-		0.00%
Klairmont Enterprises	-		0.00%	5,108,370	4	0.22%
Solos Cup Company	-		0.00%	4,796,812	5	0.20%
Northern Trust Lake Forest	-		0.00%	3,868,991	9	0.16%
LB & M Real Estate Management Inc	-		0.00%	3,202,367	10	0.14%
	<u>\$ 59,583,393</u>		<u>2.50%</u>	<u>\$ 60,545,765</u>		<u>2.57%</u>

Data Sources

Office of the County Clerk

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAKE COUNTY**

Last Ten Levy Years

Levy Year	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
District										
Corporate	0.2327	0.2225	0.2000	0.2150	0.2630	0.2920	0.1970	0.2560	0.1500	0.1360
IMRF	-	-	-	-	-	-	-	0.0000	0.0170	0.0160
Police protection	-	-	-	-	-	-	-	0.0000	0.0120	0.0110
Liability insurance	-	-	-	-	-	-	-	0.0000	0.0090	0.0080
Recreation for handicapped	0.0400	0.0395	0.0390	0.0400	0.0400	0.0400	0.0400	0.0180	0.0280	0.0260
Recreation	0.2200	0.2103	0.2200	0.2090	0.1840	0.1760	0.2600	0.1710	0.0810	0.0740
Recreation and Community Center	-	-	-	-	-	-	-	0.0000	0.0900	0.0870
Bonds and interest	0.0670	0.0630	0.0630	0.0640	0.03	-	-	-	-	0.0000
Museum	-	-	-	-	-	-	-	0.0000	0.0230	0.0210
Total direct rates	0.5597	0.5353	0.5220	0.5280	0.5210	0.5080	0.4970	0.4450	0.4100	0.3790
District										
Lake County	0.5968	0.6120	0.6220	0.6320	0.6630	0.6830	0.6630	0.8080	0.5540	0.5050
Lake County Forest Preserve District	0.1798	0.1820	0.1870	0.1930	0.2080	0.2100	0.2180	0.2120	0.2010	0.1980
Moraine Township	0.0556	0.0540	0.0540	0.0560	0.0630	0.0660	0.0700	0.0660	0.0590	0.0520
City of Highland Park	0.8090	0.7720	0.7260	0.7370	0.7490	0.7950	0.7850	0.7090	0.6430	0.5860
North Shore Sanitary District	0.1530	0.1530	0.1530	0.1570	0.1660	0.1690	0.1640	0.1500	0.1500	0.1360
South Lake Mosquito Abatement	0.0118	0.0110	0.0110	0.0120	0.0120	0.0130	0.0070	0.1500	0.0140	0.0130
Elementary School Districts	3.0392	2.9140	2.8260	2.8620	3.0060	3.1520	3.0760	2.9570	2.8180	2.5510
High School District	2.2797	2.2220	2.1640	2.1870	2.3090	2.4210	2.3640	2.1780	2.1670	1.9210
Community College District 532	0.2815	0.2820	0.2810	0.2850	0.2990	0.3060	0.2960	0.2400	0.2400	0.2180
Total overlapping rate	7.4064	7.2020	7.0240	7.1210	7.4750	7.8150	7.6430	7.4700	6.8460	6.1800
TOTAL RATE	7.9661	7.7373	7.5460	7.6490	7.9960	8.3230	8.1400	7.9150	7.2560	6.5590

Note: Tax rates are expressed in dollars per \$1,000 of assessed valuation.
The 2020 property tax information was not available at the time of printing.

Data Source

Office of the County Clerk

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Taxes Levied for the Fiscal Year		Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$	9,804,783	\$ 9,757,439	99.52%	\$ -	\$ 9,757,439	99.52%
2011		9,652,972	9,604,889	99.50%	-	9,604,889	99.50%
2012		9,747,527	9,609,488	98.58%	-	9,609,488	98.58%
2013		10,385,339	10,313,220	99.31%	-	10,313,220	99.31%
2014		10,566,317	10,526,158	99.62%	-	10,526,158	99.62%
2015		11,482,476	11,466,892	99.86%	-	11,466,892	99.86%
2016		12,395,646	12,277,863	99.05%	-	12,277,863	99.05%
2017		12,715,143	12,639,828	99.41%	-	12,639,828	99.41%
2018		13,039,568	12,963,247	99.41%	-	12,963,247	99.41%
2019*		13,338,973	12,911,897	96.80%	-	12,911,897	96.80%

Note: Property is assessed at 33.33% of actual value; therefore, estimated actual taxable values are equal to assessed values times three.

The 2020 property tax information was not available at the time of printing.

* Additional collections occurred after the 60 day availability period totalling \$305,708, which will increase collections to over

Data Sources

Office of the County Clerk/Park District Financial Records

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Debt Certificates	General Obligation Bonds			
2012	\$ -	\$ 8,495,211	\$ 8,495,211	0.40%	\$ 284
2013	-	8,403,559	8,403,559	0.42%	282
2014	-	15,940,963	15,940,963	0.80%	536
2014*	-	14,758,367	14,758,367	0.74%	496
2015	-	13,535,771	13,535,771	0.69%	455
2016	-	14,528,174	14,528,174	0.63%	488
2017	11,005,578	10,069,119	21,074,697	0.92%	711
2018	9,455,000	9,046,211	18,501,211	0.81%	624
2019	8,160,000	7,702,725	15,862,725	0.62%	536
2020	6,830,000	13,660,995	20,490,995	0.70%	697

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Debt Certificates	Net General Obligation Bonds	Less Amounts Available	Total	Percentage of Actual Taxable Value of Property**	Per Capita
2012	\$ -	\$ 8,495,211	\$ 110,758	\$ 8,384,453	0.38%	\$ 281
2013	-	\$ 8,403,559	269,255	8,134,304	0.39%	273
2014	-	\$ 15,940,963	240,641	15,700,322	0.76%	528
2014*	-	\$ 14,758,367	136,608	14,621,759	0.66%	491
2015	-	\$ 13,535,771	136,639	13,399,132	0.61%	450
2016	-	\$ 14,528,174	141,126	14,387,048	0.61%	483
2017	11,005,578	\$ 10,069,119	132,006	9,937,113	0.42%	335
2018	9,455,000	\$ 9,046,211	160,723	8,885,488	0.36%	300
2019	8,160,000	\$ 7,702,725	164,892	7,537,833	0.31%	254
2020	6,830,000	\$ 13,660,995	6,142	20,484,853	0.86%	696

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

**See the schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

DIRECT AND OVERLAPPING BONDED DEBT

December 31, 2020

Governmental Unit	Gross Debt	Percentage of Debt Applicable to District	District's Share of Debt
Park District of Highland Park	<u>\$ 20,490,995</u>	100.00%	<u>\$ 20,490,995</u>
Overlapping Debt			
Lake County Forest Preserve District	222,645,000	9.15%	20,372,018
City of Highland Park	18,679,050	100.00%	18,679,050
Village of Deerfield	54,580,000	1.33%	725,914
School District 109	20,335,000	3.02%	614,117
Township High School District Number 113	82,734,228	53.85%	44,552,382
Community College District Number 532	<u>11,840,000</u>	9.63%	<u>1,140,192</u>
Total overlapping debt	<u>410,813,278</u>		<u>86,083,673</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 431,304,273</u></u>		<u><u>\$ 106,574,668</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable.

Data Sources

Lake County Tax Extension Department

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
Equalized Assessed Valuation	\$ 2,383,453,383	\$ 2,436,195,918	\$ 2,440,264,291	\$ 2,344,268,130
Statutory Debt Limitation 2.875% of assessed valuation	\$ 68,524,285	\$ 70,040,633	\$ 70,157,598	\$ 67,397,709
Total Net Debt Applicable to Limit	12,340,000	7,175,000	8,430,000	9,650,000
Legal Debt Margin	56,184,285	62,865,633	61,727,598	57,747,709
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.01%	10.24%	12.02%	14.32%
Non-Referendum Legal Debt Limitation 0.575% of assessed valuation	\$ 13,704,857	\$ 14,008,127	\$ 14,031,520	\$ 13,479,542
Amount of Debt Applicable to Limit	12,340,000	7,175,000	8,430,000	9,650,000
Non-Referendum Legal Debt Margin	1,364,857	6,833,127	5,601,520	3,829,542
Percentage of Legal Debt Margin to Bonded Debt Limit	90.04%	51.22%	60.08%	71.59%

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

Audited Financial Statements

2016	2015	2014*	2014	2013	2012
\$ 2,206,882,574	\$ 2,079,369,739	\$ 2,089,605,391	\$ 2,190,455,395	\$ 2,354,383,357	\$ 2,587,013,944
\$ 63,447,874	\$ 59,781,880	\$ 60,076,155	\$ 62,975,593	\$ 67,688,522	\$ 74,376,651
14,195,000	13,155,000	14,330,000	15,465,000	7,880,000	8,375,000
49,252,874	46,626,880	45,746,155	47,510,593	59,808,522	66,001,651
22.37%	22.00%	23.85%	24.56%	11.64%	11.26%
\$ 12,689,575	\$ 11,956,376	\$ 12,015,231	\$ 12,595,119	\$ 13,537,704	\$ 14,875,330
2,245,000	-	-	-	-	-
10,444,575	11,956,376	12,015,231	12,595,119	13,537,704	14,875,330
17.69%	0.00%	0.00%	0.00%	0.00%	0.00%

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (in thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2012	29,882	\$ 1,977,740	\$ 66,185	5.6%
2013	29,763	2,024,003	68,004	5.7%
2014	29,763	2,002,068	67,267	6.3%
2014*	29,763	2,002,068	67,267	6.3%
2015	29,763	1,951,113	65,555	4.4%
2016	29,789	2,287,974	76,806	3.9%
2017	29,641	2,297,504	77,511	4.4%
2018	29,641	2,297,504	77,511	3.2%
2019	29,622	2,576,047	86,964	2.9%
2020	29,415	2,669,396	90,749	5.6%

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Sources

U.S. Census Bureau
Illinois Department of Employment Security

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2020			Employer	2011		
	Rank	Number	% of Total District Population		Rank	Number	% of Total District Population
Highland Park Hospital	1	1,200	4.08%	Highland Park Hospital	1	1,200	3.81%
Ravinia Festival*	2	690	2.35%	School District Number 112	2	740	2.35%
Township High School District Number 113	3	603	2.05%	Ravinia Festival	3	690	2.19%
Northern Suburban Special Education District	4	595	2.02%	Northern Suburban Special Education District	4	506	1.61%
School District Number 112	5	580	1.97%	Township High School District Number 113	5	398	1.26%
City of Highland Park*	6	234	0.80%	City of Highland Park	6	278	0.88%
First Bank of Highland Park	7	103	0.35%	The Picus Companys	7	100	0.32%
Dick Blick Holdings**	8	100	0.34%	Highland Park Public Library	8	97	0.31%
Highland Park Public Library	9	98	0.33%	Highland Park Post Office	9	85	0.27%
Highland Park Post Office	10	85	0.29%				
		<u>4,288</u>	<u>14.58%</u>			<u>4,094</u>	<u>12.99%</u>

*Includes full and part-time employees

**Highland Park locations only

Data Sources

City of Highland Park Website

Illinois Manufacturers and Illinois Services Directories and telephone survey

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017	2016	2015	2014*	2014	2013	2012
ADMINISTRATION/FINANCE										
Full-time employees	15	16	17	13	22	20	22	22	24	24
OPERATIONS										
Full-time employees	26	32	25	24	25	28	26	26	26	28
RECREATION										
Full-time employees	40	38	40	38	29	30	32	32	24	24
GRAND TOTAL	81	86	82	75	76	78	80	80	74	76

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

District Records

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017
RECREATION CENTER				
Memberships	944	2,688	2,170	2,027
Members	1,436	3,033	3,100	3,329
Day passes	1,333	1,799	6,827	8,026
Rentals	54	71	58	55
AQUAPARK				
Memberships	****	540	449	575
CENTENNIAL ICE AREA				
Ice skating participants	745	2,057	2,294	1,978
Gymnastics participants	387	1,640	1,697	1,908
ARTS PROGRAM				
Individual enrollments	76	38	189	207
WEST RIDGE				
Individual enrollments	328	669	893	1,398
ATHLETICS PROGRAM				
Individual enrollments	2,051	2,007	2,257	1,643
CAMPS				
Individual enrollments	417	1,205	1,291	1,246
SPECIAL EVENTS				
Individuals	1,287	8,724	9,647	7,264
BOATING BEACH				
Season passes	**	**	**	**
GOLF COURSE				
Annual rounds played	40,984	30,711	6,228	22,997
Season passes	***	***	***	1,058
TENNIS				
Memberships	285	601	479	675

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

**Beginning in fiscal year December 31, 2017, the District no longer sells boating beach seasonal passes.

***Beginning in fiscal year December 31, 2018, the District no longer sells Sunset Valley Golf memberships.

**** Closed due to Coronavirus pandemic

Data Source

Various District Departments

2016	2015	2014	2014*	2013	2012
2,029	2,067	1,804	1,744	2,952	1,897
3,129	3,239	3,050	3,086	2,712	2,584
7,699	8,180	2,062	1,791	2,235	2,914
166	1,261	193	115	207	241
788	703	655	856	484	872
2,065	2,076	1,599	1,158	1,809	2,453
2,252	1,766	1,791	1,115	2,165	1,874
141	183	660	186	363	359
1,664	1,403	1,799	1,874	1,919	1,592
1,940	2,222	2,224	1,793	2,455	2,691
1,466	1,572	1,194	1,371	1,238	1,275
6,232	7,120	1,176	8,788	3,215	1,613
160	205	199	67	232	384
24,184	27,127	27,775	24,724	31,635	30,859
91	135	-	-	-	2,252
708	704	704	750	693	577

**PARK DISTRICT OF HIGHLAND PARK
HIGHLAND PARK, ILLINOIS**

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Fiscal Year	2020	2019	2018	2017	2016	2015	2014	2014*	2013	2012
Recreation										
Facilities (Number of)										
Adventure golf mini-course	1	1	1	-	-	-	-	-	-	-
Aqua park	1	1	1	1	1	1	1	1	1	1
Ball diamonds	29	29	29	29	29	23	23	23	23	23
Boat launching ramp	1	1	1	1	1	1	1	1	1	1
Disc golf courses	2	2	2	2	2	2	2	2	2	2
Dog off-leash exercise area	3	3	3	3	3	3	3	3	3	2
Fishing ponds	3	3	3	3	3	3	3	3	3	3
Football fields/soccer	15	14	14	14	14	14	14	14	14	14
Golf course	1	1	1	1	1	1	1	1	1	1
Golf learning center (driving range)	1	1	1	-	-	-	-	-	-	-
Gymnastics studio	1	1	1	1	1	1	1	1	1	1
Indoor tennis courts	6	6	6	6	6	6	6	6	6	6
Indoor ice arena	1	1	1	1	1	1	1	1	1	1
Indoor playground	1	1	1	1	1	1	1	1	1	1
In-line/skateboard park	1	1	1	1	1	1	1	1	1	1
Walking and bike trails (miles)	9	9	9	9	9	9	9	9	9	10
Nature center	1	1	1	1	1	1	1	1	1	1
Nature preserves	6	6	6	6	6	6	6	6	6	6
Outdoor basketball courts	10	10	10	10	10	10	10	10	10	10
Outdoor hard surface tennis courts	28	36	39	39	39	39	39	39	39	39
Outdoor ice skating	1	1	1	1	1	1	1	1	1	1
Outdoor pickleball courts	8	8	-	-	-	-	-	-	-	-
Outdoor soft surface tennis courts	4	4	7	7	7	7	7	7	7	7
Parking spaces	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	2,149	1,922
Picnic areas	16	16	16	16	16	16	16	16	16	16
Picnic shelters	4	4	4	4	4	4	4	4	4	4
Playgrounds	39	39	39	39	39	39	39	39	39	39
Public park restrooms	12	12	12	12	12	11	11	11	11	11
Racquetball courts	4	4	4	4	4	4	4	4	4	4
Recreation centers	1	1	1	1	1	1	1	1	1	1
Swimming beaches	1	1	1	1	1	1	1	1	1	1
Program shelter	1	1	1	1	1	1	1	1	1	-
Public recreation beaches	4	4	4	4	4	4	4	4	4	-

*The District changed its fiscal year end from March 31 to December 31 for the period December 31, 2014.

Data Source

District Department Heads