

PARK DISTRICT OF HIGHLAND PARK,  
ILLINOIS

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COMPREHENSIVE ANNUAL FINANCIAL  
REPORT



FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015**

Prepared by:

Finance Department  
Annette Curtis, Director of Finance

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Park District of Highland Park including:

- Principal Officials
- Organizational Chart
- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Principal Officials  
December 31, 2015**

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**BOARD OF PARK COMMISSIONERS**

Scott Meyers, President

Barnett Ruttenberg, Vice President

Calvin A. Bernstein, Commissioner

Brian Kaplan, Commissioner

Lori Flores Weisskopf, Commissioner

**ADMINISTRATIVE**

Liza McElroy, Executive Director of Parks and Recreation

Annette Curtis, Director of Finance

Kathy Donahue, Deputy Director of Operations

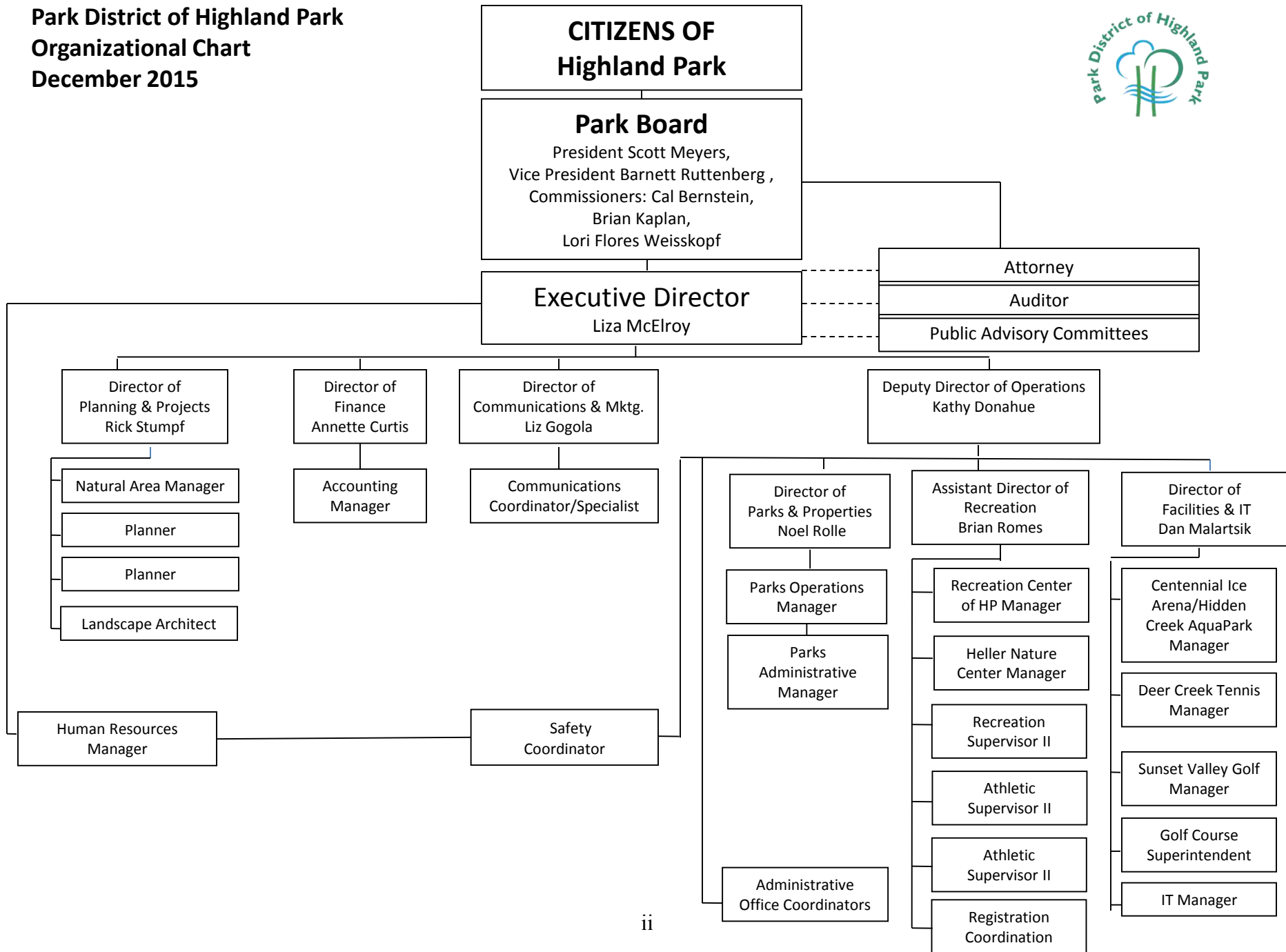
Rick Stumpf, Director of Planning and Projects

Noel Rolle, Director of Parks and Properties

Liz Gogola, Director of Communications

Dan Malartsik, Director of Facilities and Information Technology

**Park District of Highland Park  
Organizational Chart  
December 2015**





Administration Office  
West Ridge Center  
636 Ridge Road  
Highland Park, IL 60035  
847-831-3810  
FAX: 847-831-0818  
WEB: www.pdhp.org

May 4, 2016

To: Board of Park Commissioners and Citizens of the Park District 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, 2015.

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.

Lauterbach and Amen, 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, 2015. 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 operates more than 650 acres of land in 44 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 30,000. Educational services for the residents of the District are provided by North Shore School District Number 112 and Township High School District Number 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 offers over 3,000 programs annually. 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 these programs, the District parks contain baseball and softball fields (23), outdoor basketball courts (10), football/soccer fields (14), indoor/outdoor tennis courts (52), disc golf courses (2), and fishing areas (3).





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 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 anytime 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. As of January 1, 2015 the Park District assumed operation of the Highland Park Country Club resulting in the board passing a Combined Supplemental Budget and Appropriation Ordinance for the year ending December 31, 2015.

### **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 booming 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 nearly 52% of its residents live in homes valued in excess of \$500,000 as opposed to a state average of just over 7%. The median household income of \$115,382 is approximately 50% higher than the states median household income. .

### **Long-term Planning**

GreenPrint 2024, the district's comprehensive master plan, was adopted at the December 2015 Board Meeting. It establishes a clear set of goals, policies and standards for all of the Park District facilities, open space, and programs. A framework for investment in the park system over the next ten years, GreenPrint will ensure that resources are aligned with current and future resident needs, community values, and the District's changing demographics. Two major capital initiatives have begun, planning of the Golf/Parks Maintenance facility and the first GreenPrint 2024 project, renovation of Sunset Valley Golf Course and Club House. Additional GreenPrint initiatives include the development of a four year Strategic Plan, and creation of a parks foundation.

In preparation for funding future capital projects, General Obligation Limited Tax Park Bonds, Series 2016 were sold in early 2016. The District has maintained its Aaa rating from Moody's Investor Services.

Rosewood Beach, a joint renovation project with the Army Corps of Engineers, spanning over two years was completed with a public grand opening in June 2015. Rosewood Beach provides residents with a swimming beach, lifeguard house, restroom, concession stand and interpretive center. Year round programming, including fitness, children's classes, and special events are planned for the Interpretive Center. Hidden Creek Aqua Park's splash pad renovation was completed, providing younger residents with an additional area to play. Improvements to Heller Nature Center's Classroom in the Woods were completed. Improvements included the addition of outside access bathrooms, and lobby renovation making the building ADA compliant.

Beginning with 2014, the fiscal year end of the District is December 31<sup>st</sup>. This report summarizes the 12 month fiscal year beginning January 1st and ending December 31<sup>st</sup>. There were no financial policy changes that had a significant impact on the current period's financial statements.

### **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, Lauterbach & Amen, LLP, Certified Public Accountants' report on the general-purpose financial statements and combining and individual fund statements and schedules are included in the financial of this report.

**Awards:** During 2015, the Illinois Park and Recreation Association awarded Rosewood Beach, Outstanding Facility on the Year. This is the association's top award, for outstanding and unique achievements in the design and development of new or renovated parks and recreational facilities. Deer Creek Racquet Club was awarded facility of the year by the United States Tennis Association (USTA). USTA recognizes excellence in construction and/or renovation of tennis facilities throughout the country.

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, 2014. This was the twenty sixth 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.

**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,



Liza McElroy  
Executive Director



Annette Curtis  
Director of Finance



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 Nine Months Ended

**December 31, 2014**

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the District's independent auditing firm.



## **INDEPENDENT AUDITORS' REPORT**

May 4, 2016

Members of the 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, Illinois, as of and for the year ended December 31, 2015, and the related notes to the 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Park District of Highland Park, Illinois, as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 Park District of Highland Park, Illinois', basic financial statements. The introductory section, individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 individual fund financial statements and budgetary comparison schedules and supplemental schedules are 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.

  
LAUTERBACH & AMEN, LLP



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

## **Management's Discussion and Analysis December 31, 2015**

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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, 2015. Please read it in conjunction with the transmittal letter, which begins on page iii and the District's financial statements, which begin on page 3.

### **FINANCIAL HIGHLIGHTS**

- The District increased beginning net position \$7,519,576. This restatement is due to GASB Statement No. 68, which requires governments to include the pension liabilities on the financial statements.
- The Park District of Highland Park's net position increased \$4,292,971, which is approximately 9.0% from the prior year, as a result of operations.
- During the year, government-wide revenues for the primary government totaled \$28,461,833 while expenses totaled \$24,168,862, resulting in an increase to net position of \$4,292,971.
- The Park District of Highland Park's net position totaled \$51,592,157 on December 31, 2015, which includes \$29,698,684 net investment in capital assets, \$345,073 subject to external restrictions, and \$21,548,400 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 \$1,469,415 exclusive of net transfers out of \$621,945. The net change in fund balance of \$847,470 brings the fund balance in the General Fund to \$1,818,426, resulting in an increase of 87%.

### **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 3 - 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 these 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 3 - 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, 2015**

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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 of 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 balances 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, 2015

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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 - 40 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 I.M.R.F. employee pension obligations, as well as budgetary comparison schedules for the General Fund and Recreation Fund. These items can be found on pages 41 - 44.

### 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 \$51,592,157.

|                                     | Net Position  |            |
|-------------------------------------|---------------|------------|
|                                     | 2015          | 2014       |
| Current and Other Assets            | \$ 33,537,871 | 32,013,942 |
| Capital Assets                      | 43,234,455    | 36,230,159 |
| Deferred Outflows                   | 3,078,077     | -          |
| Total Assets/ Deferred Outflows     | 79,850,403    | 68,244,101 |
| Long-Term Debt                      | 12,610,094    | 13,872,042 |
| Other Liabilities                   | 4,165,676     | 4,026,131  |
| Deferred Inflows                    | 11,482,476    | 10,566,318 |
| Total Liabilities/ Deferred Inflows | 28,258,246    | 28,464,491 |
| Net Investment in Capital Assets    | 29,698,684    | 21,471,792 |
| Restricted                          | 345,073       | 490,281    |
| Unrestricted                        | 21,548,400    | 17,817,537 |
| Total Net Position                  | 51,592,157    | 39,779,610 |

# PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

## Management's Discussion and Analysis December 31, 2015

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

A large portion of the District's net position, \$29,698,684 or 57.6%, 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, \$345,073 or less than 1%, 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 41.8%, or \$21,548,400, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

|                                    | Changes in Net Position |                   |
|------------------------------------|-------------------------|-------------------|
|                                    | 2015                    | 2014              |
| Revenues                           |                         |                   |
| Program Revenues                   |                         |                   |
| Charges for Services               | \$ 10,812,993           | 6,940,048         |
| Operating Grants/Contributions     | -                       | 71,017            |
| Capital Grants/Contributions       | 6,509,467               | -                 |
| General Revenues                   |                         |                   |
| Property Taxes                     | 10,526,931              | 10,313,220        |
| Replacement Taxes                  | 146,241                 | 121,086           |
| Other General Revenues             | 466,201                 | 221,097           |
| Total Revenues                     | <u>28,461,833</u>       | <u>17,666,468</u> |
| Expenses                           |                         |                   |
| General Government                 | 7,390,876               | 3,907,202         |
| Recreation                         | 16,445,750              | 10,795,143        |
| Interest on Long-Term Debt         | 332,236                 | 264,587           |
| Total Expenses                     | <u>24,168,862</u>       | <u>14,966,932</u> |
| Change in Net Position             | 4,292,971               | 2,699,536         |
| Net Position-Beginning as Restated | <u>47,299,186</u>       | <u>37,080,074</u> |
| Net Position-Ending                | <u>51,592,157</u>       | <u>39,779,610</u> |

# PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

## Management's Discussion and Analysis December 31, 2015

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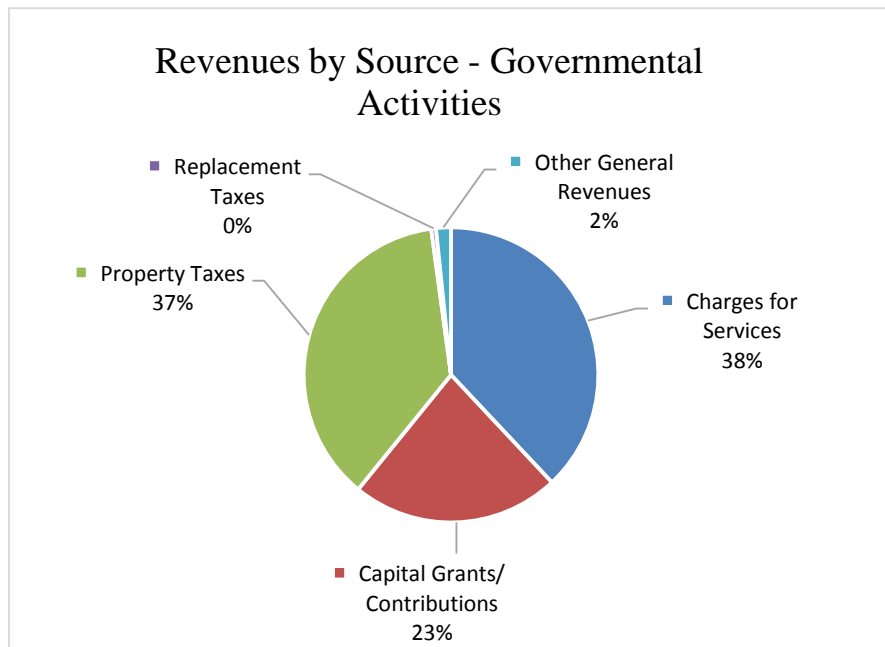
### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Net position of the District's governmental activities increased by 9.0% (\$51,592,157 at December 31, 2015 compared to a restated \$47,299,186 at December 31, 2014). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$21,548,400 at December 31, 2015.

#### Governmental Activities

Revenues for governmental activities totaled \$28,461,833, while the cost of all governmental functions totaled \$24,168,862. This results in a gain of \$4,292,971. For the nine months ended December 31, 2014, revenue of \$17,666,468 exceeded expenses of \$14,966,932, resulting in a gain of \$2,699,536. In the current year, the larger than normal capital contribution is related to the completion of Rosewood Beach. This was a joint under taking with the Army Corp. of Engineers, resulting in a contribution of \$6,214,330. The year ended December 31, 2014 represented a 9 month year, which resulted in lower overall program revenue and expenses.

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, 2015

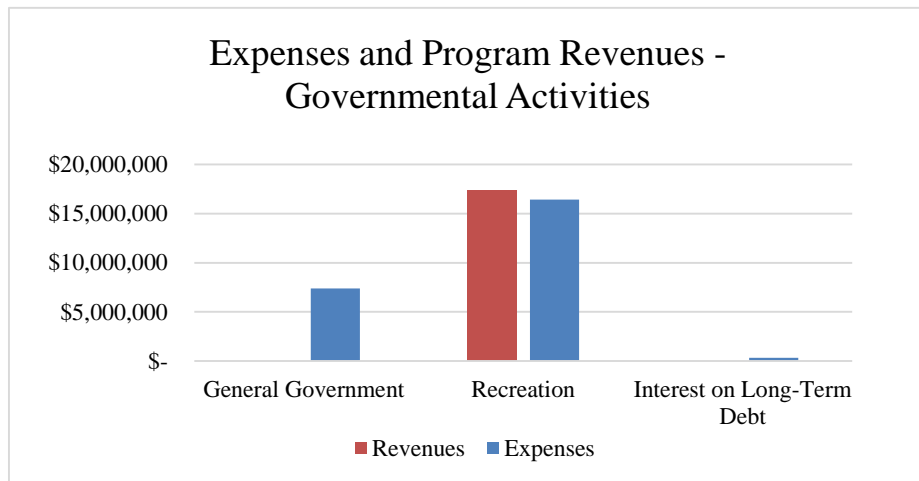
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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### 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.



### 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 \$17,034,141 which is \$1,650,349, or 8.8%, less than last year’s total of \$18,684,490. Of that amount, \$16,494,632, 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 \$4,000,000 from the Recreation Fund to the Capital Projects Fund in excess fund balance.

The General Fund is the chief operating fund of the District. At December 31, 2015, unassigned fund balance in the General Fund was \$1,724,126, which represents 94.8% of the total fund balance of the General Fund.

# PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

## Management's Discussion and Analysis December 31, 2015

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### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS – Continued

#### Governmental Funds – Continued

The Recreation Fund reported a negative change in fund balance at December 31, 2015 of \$3,713,683, to \$3,689,085. This is a decrease of 50.2% and is due the transfer of excess fund balance to the Capital Projects Fund.

The Debt Service Fund reported a decrease of \$949, to \$151,487. 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 \$1,243,755 to \$11,254,754. This increase is due primarily to the Recreation Fund transfer.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

During 2015, the District revised 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. Assuming operations of the Highland Park Country Club increased budgeted operational revenue and expenditures. The overall performance of the fund was greater than budgeted. Due to expenditures being lower than the final budget by \$845,009 the fund balance at year end was greater than budgeted.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2015 was \$43,234,455 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, equipment, and vehicles.

|                          | Capital Assets -<br>Net of Depreciation |            |
|--------------------------|---|------------|
|                          | 2015                                    | 2014       |
| Land                     | \$ 3,248,634                            | 3,248,634  |
| Construction in Progress | 10,663                                  | 6,967,278  |
| Buildings                | 19,786,434                              | 17,270,375 |
| Improvements             | 15,881,367                              | 4,801,734  |
| Equipment                | 3,863,317                               | 3,416,967  |
| Vehicles                 | 444,040                                 | 525,171    |
| Total                    | 43,234,455                              | 36,230,159 |



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Management’s Discussion and Analysis  
December 31, 2015**

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**CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued**

**Capital Assets – Continued**

This year’s major additions included:

|                          |    |                         |
|--------------------------|----|-------------------------|
| Construction in Progress | \$ | 10,663                  |
| Buildings                |    | 3,132,175               |
| Improvements             |    | 4,761,316               |
| Equipment                |    | 785,665                 |
| Vehicles                 |    | <u>21,340</u>           |
| Total                    |    | <u><u>8,711,159</u></u> |

Additional information on the District’s capital assets can be found in note 3 on page 23 of this report.

**Debt Administration**

At year-end, the District had total outstanding debt of \$13,155,000 as compared to \$14,330,000 the previous year, a decrease of 8.2%. The following is a comparative statement of outstanding debt:

|                          | Long-Term<br>Debt Outstanding |                          |
|--------------------------|-------------------------------|--------------------------|
|                          | 2015                          | 2014                     |
| General Obligation Bonds | \$ 13,155,000                 | <u><u>14,330,000</u></u> |

The decrease is the result of annual principal and interest payments.

The District applied for and received an Aaa rating from Moody’s which is reflective of its strong financial base. The current legal debt margin for the District is \$50,292,874.

Additional information on the District’s long-term debt can be found in Note 3 on pages 24 - 26 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET**

As was the case the prior year, the District’s tax levy was flat. However, should the economy continue to improve, management is hopeful that recreation revenues will increase. Managing its resources in a conservative manner will force the District to monitor expenses closely. The District will begin the implementation of GreenPrint 2024, a comprehensive master plan.

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

## **Management's Discussion and Analysis December 31, 2015**

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### **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**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

### Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Statement of Net Position**

**December 31, 2015**

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**See Following Page**

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Statement of Net Position  
December 31, 2015**

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|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| <b>ASSETS</b>                                   |                                    |
| Current Assets                                  |                                    |
| Cash and Investments                            | \$ 19,063,721                      |
| Receivables - Net of Allowances                 | 12,149,305                         |
| Inventory                                       | 48,359                             |
| Prepays   | <u>131,229</u>                     |
| Total Current Assets                            | <u>31,392,614</u>                  |
| Noncurrent Assets                               |                                    |
| Capital Assets                                  |                                    |
| Nondepreciable                                  | 3,259,297                          |
| Depreciable                                     | 60,918,228                         |
| Accumulated Depreciation                        | <u>(20,943,070)</u>                |
| Total Capital Assets                            | 43,234,455                         |
| Other Assets                                    |                                    |
| Net Pension Asset                               | <u>2,145,257</u>                   |
| Total Noncurrent Assets                         | <u>45,379,712</u>                  |
| Total Assets                                    | 76,772,326                         |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                                    |
| Deferred Items - IMRF                           | <u>3,078,077</u>                   |
| Total Assets and Deferred Outflows of Resources | <u>79,850,403</u>                  |

The notes to the financial statements are an integral part of this statement.

|  | <u>Governmental<br/>Activities</u> |
|--|------------------------------------|
| <b>LIABILITIES</b>                                     |                                    |
| Current Liabilities                                    |                                    |
| Accounts Payable                                       | \$ 938,544                         |
| Accrued Payroll  | 257,263                            |
| Accrued Interest                                       | 14,848                             |
| Other Payables   | 1,680,190                          |
| Current Portion of Long-Term Debt                      |                                    |
| Compensated Absences Payable                           | 69,831                             |
| General Obligation Limited Tax Debt Certificates       | <u>1,205,000</u>                   |
| Total Current Liabilities                              | <u>4,165,676</u>                   |
| Noncurrent Liabilities                                 |                                    |
| Compensated Absences Payable                           | 279,323                            |
| General Obligation Limited Tax Debt Certificates - Net | <u>12,330,771</u>                  |
| Total Noncurrent Liabilities                           | <u>12,610,094</u>                  |
| Total Liabilities                                      | <u>16,775,770</u>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                   |                                    |
| Property Taxes   | <u>11,482,476</u>                  |
| Total Liabilities and Deferred Inflows of Resources    | <u>28,258,246</u>                  |
| <b>NET POSITION</b>                                    |                                    |
| Net Investment in Capital Assets                       | 29,698,684                         |
| Restricted   |                                    |
| Property Tax Levies                                    |                                    |
| Audit  | 79,824                             |
| Police Protection                                      | 8,221                              |
| Special Recreation                                     | 120,389                            |
| Debt Service   | 136,639                            |
| Unrestricted   | <u>21,548,400</u>                  |
| Total Net Position                                     | <u>51,592,157</u>                  |

The notes to the financial statements are an integral part of this statement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended December 31, 2015**

|                               | Expenses          | Program Revenues           |                                     | Net<br>(Expenses)/<br>Revenues |
|-------------------------------|-------------------|----------------------------|-------------------------------------|--------------------------------|
|                               |                   | Charges<br>for<br>Services | Capital<br>Grants/<br>Contributions |                                |
| Governmental Activities       |                   |                            |                                     |                                |
| General Government            | \$ 7,390,876      | -                          | -                                   | (7,390,876)                    |
| Recreation                    | 16,445,750        | 10,812,993                 | 6,509,467                           | 876,710                        |
| Interest on Long-Term Debt    | 332,236           | -                          | -                                   | (332,236)                      |
|                               |                   |                            |                                     |                                |
| Total Governmental Activities | <u>24,168,862</u> | <u>10,812,993</u>          | <u>6,509,467</u>                    | <u>(6,846,402)</u>             |

|                                      |                   |
|--------------------------------------|-------------------|
| General Revenues                     |                   |
| Taxes                                |                   |
| Property Taxes                       | 10,526,931        |
| Replacement Taxes                    | 146,241           |
| Interest                             | 58,568            |
| Miscellaneous                        | 407,633           |
|                                      | <u>11,139,373</u> |
| Change in Net Position               | 4,292,971         |
| Net Position - Beginning as Restated | <u>47,299,186</u> |
| Net Position - Ending                | <u>51,592,157</u> |

The notes to the financial statements are an integral part of this statement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Balance Sheet - Governmental Funds**

**December 31, 2015**

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**See Following Page**



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Balance Sheet - Governmental Funds  
December 31, 2015**

|   | General      | Special<br>Revenue<br>Recreation |
|---|--------------|----------------------------------|
| <b>ASSETS</b>   |              |                                  |
| Cash and Investments  | \$ 1,880,184 | 5,482,522                        |
| Receivables - Net of Allowances                                       |              |                                  |
| Taxes   | 5,800,018    | 4,050,005                        |
| Accrued Interest  | 9,116        | -                                |
| Programs  | -            | 143,088                          |
| Other   | 340,838      | 133,438                          |
| Inventory   | -            | 48,359                           |
| Prepays   | 6,255        | 69,654                           |
|   | <hr/>        | <hr/>                            |
| Total Assets  | 8,036,411    | 9,927,066                        |
|   | <hr/> <hr/>  | <hr/> <hr/>                      |
| <b>LIABILITIES</b>  |              |                                  |
| Accounts Payable  | 349,704      | 318,786                          |
| Retainage Payable   | -            | -                                |
| Accrued Payroll   | 61,543       | 195,720                          |
| Other Payables  | 6,720        | 1,673,470                        |
|   | <hr/>        | <hr/>                            |
| Total Liabilities   | 417,967      | 2,187,976                        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                  |              |                                  |
| Property Taxes  | 5,800,018    | 4,050,005                        |
|   | <hr/>        | <hr/>                            |
| Total Liabilities and Deferred Inflows of Resources                   | 6,217,985    | 6,237,981                        |
|   | <hr/> <hr/>  | <hr/> <hr/>                      |
| <b>FUND BALANCES</b>  |              |                                  |
| Nonspendable  | 6,255        | 118,013                          |
| Restricted  | 88,045       | -                                |
| Committed   | -            | 3,571,072                        |
| Assigned  | -            | -                                |
| Unassigned  | 1,724,126    | -                                |
|   | <hr/>        | <hr/>                            |
| Total Fund Balances   | 1,818,426    | 3,689,085                        |
|   | <hr/> <hr/>  | <hr/> <hr/>                      |
| Total Liabilities, Deferred Inflows of Resources<br>and Fund Balances | 8,036,411    | 9,927,066                        |
|   | <hr/> <hr/>  | <hr/> <hr/>                      |

The notes to the financial statements are an integral part of this statement.

| Debt<br>Service | Capital<br>Projects | Nonmajor<br>Special<br>Recreation | Totals     |
|-----------------|---------------------|-----------------------------------|------------|
| 151,487         | 11,429,139          | 120,389                           | 19,063,721 |
| 749,700         | -                   | 882,753                           | 11,482,476 |
| -               | -                   | -                                 | 9,116      |
| -               | -                   | -                                 | 143,088    |
| -               | 40,349              | -                                 | 514,625    |
| -               | -                   | -                                 | 48,359     |
| -               | 55,320              | -                                 | 131,229    |
| 901,187         | 11,524,808          | 1,003,142                         | 31,392,614 |
| -               | 231,664             | -                                 | 900,154    |
| -               | 38,390              | -                                 | 38,390     |
| -               | -                   | -                                 | 257,263    |
| -               | -                   | -                                 | 1,680,190  |
| -               | 270,054             | -                                 | 2,875,997  |
| 749,700         | -                   | 882,753                           | 11,482,476 |
| 749,700         | 270,054             | 882,753                           | 14,358,473 |
| -               | 55,320              | -                                 | 179,588    |
| 151,487         | -                   | 120,389                           | 359,921    |
| -               | -                   | -                                 | 3,571,072  |
| -               | 11,199,434          | -                                 | 11,199,434 |
| -               | -                   | -                                 | 1,724,126  |
| 151,487         | 11,254,754          | 120,389                           | 17,034,141 |
| 901,187         | 11,524,808          | 1,003,142                         | 31,392,614 |

The notes to the financial statements are an integral part of this statement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to  
Net Position of Governmental Activities**

**December 31, 2015**

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|   |               |
|---|---------------|
| <b>Total Governmental Fund Balances</b> | \$ 17,034,141 |
|---|---------------|

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

|   |            |
|---|------------|
| Capital assets used in governmental activities are not financial<br>resources and therefore, are not reported in the funds. | 43,234,455 |
|---|------------|

|  |           |
|--|-----------|
| A net pension asset is not considered to represent a financial resource and<br>therefore is not reported in the funds. | 2,145,257 |
|--|-----------|

|   |           |
|---|-----------|
| Deferred outflows (inflows) of resources related to the pensions not<br>reported in the funds.<br>Deferred Items - IMRF | 3,078,077 |
|---|-----------|

|   |                 |
|---|-----------------|
| Long-term liabilities are not due and payable in the current<br>period and therefore are not reported in the funds.<br>Compensated Absences Payable | (349,154)       |
| General Obligation Limited Tax Debt Certificates Payable  | (13,155,000)    |
| Unamortized Bond Premiums   | (380,771)       |
| Accrued Interest Payable  | <u>(14,848)</u> |

|  |                          |
|--|--------------------------|
| <b>Net Position of Governmental Activities</b> | <u><u>51,592,157</u></u> |
|--|--------------------------|

The notes to the financial statement are an integral part of this statement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2015**

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**See Following Page**

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2015**

|  | General                 | Special<br>Revenue<br>Recreation |
|--|-------------------------|----------------------------------|
| Revenues   |                         |                                  |
| Taxes  | \$ 6,203,786            | 3,640,778                        |
| Charges for Services   | 85,259                  | 10,727,734                       |
| Grants and Donations   | 8,960                   | 55,118                           |
| Interest   | 58,568                  | -                                |
| Miscellaneous  | 188,494                 | 219,139                          |
| Total Revenues   | <u>6,545,067</u>        | <u>14,642,769</u>                |
| Expenditures   |                         |                                  |
| Current  |                         |                                  |
| General Government   | 5,075,652               | -                                |
| Recreation   | -                       | 13,398,145                       |
| Capital Outlay   | -                       | 25,389                           |
| Debt Service   |                         |                                  |
| Principal Retirement   | -                       | -                                |
| Interest and Fiscal Charges                                  | -                       | -                                |
| Total Expenditures   | <u>5,075,652</u>        | <u>13,423,534</u>                |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>1,469,415</u>        | <u>1,219,235</u>                 |
| Other Financing Sources (Uses)                               |                         |                                  |
| Transfers In   | -                       | -                                |
| Transfers Out  | (621,945)               | (4,932,918)                      |
|  | <u>(621,945)</u>        | <u>(4,932,918)</u>               |
| Net Change in Fund Balances                                  | 847,470                 | (3,713,683)                      |
| Fund Balances - Beginning                                    | <u>970,956</u>          | <u>7,402,768</u>                 |
| Fund Balances - Ending                                       | <u><u>1,818,426</u></u> | <u><u>3,689,085</u></u>          |

The notes to the financial statements are an integral part of this statement.

| Debt<br>Service | Capital<br>Projects | <u>Nonmajor<br/>Special<br/>Recreation</u> | Totals      |
|-----------------|---------------------|--|-------------|
| -               | -                   | 828,608                                    | 10,673,172  |
| -               | -                   | -  | 10,812,993  |
| -               | 231,059             | -  | 295,137     |
| -               | -                   | -  | 58,568      |
| -               | -                   | -  | 407,633     |
| -               | 231,059             | 828,608                                    | 22,247,503  |
| -               | 30,672              | -  | 5,106,324   |
| -               | -                   | 456,440                                    | 13,854,585  |
| -               | 3,336,632           | 19,110                                     | 3,381,131   |
| 1,175,000       | -                   | -  | 1,175,000   |
| 380,812         | -                   | -  | 380,812     |
| 1,555,812       | 3,367,304           | 475,550                                    | 23,897,852  |
| (1,555,812)     | (3,136,245)         | 353,058                                    | (1,650,349) |
| 1,554,863       | 4,380,000           | -  | 5,934,863   |
| -               | -                   | (380,000)                                  | (5,934,863) |
| 1,554,863       | 4,380,000           | (380,000)                                  | -           |
| (949)           | 1,243,755           | (26,942)                                   | (1,650,349) |
| 152,436         | 10,010,999          | 147,331                                    | 18,684,490  |
| 151,487         | 11,254,754          | 120,389                                    | 17,034,141  |

The notes to the financial statements are an integral part of this statement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities**

**For the Fiscal Year Ended December 31, 2015**

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,650,349)

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

|                      |             |
|----------------------|-------------|
| Capital Outlays      | 8,711,159   |
| Depreciation Expense | (1,706,863) |

The net effect of various miscellaneous transactions involving capital assets  
does not effect net position.

|                                      |          |
|--------------------------------------|----------|
| Disposals - Cost                     | (18,230) |
| Disposals - Accumulated Depreciation | 18,230   |

A change to a net pension asset is not considered to be a change in a  
financial asset in the governmental funds.

|                               |             |
|-------------------------------|-------------|
| Decrease to Net Pension Asset | (4,940,463) |
|-------------------------------|-------------|

The net effect of deferred outflows (inflows) of resources related  
to the pensions not reported in the funds.

|                                 |           |
|---------------------------------|-----------|
| Change in Deferred Items - IMRF | 2,644,221 |
|---------------------------------|-----------|

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

|  |           |
|--|-----------|
| Deductions to Compensated Absences Payable | 11,690    |
| Retirement of Debt                         | 1,175,000 |
| Amortization of Bond Premiums              | 47,596    |

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

980

**Changes in Net Position of Governmental Activities**

4,292,971

The notes to the financial statements are an integral part of this statement.

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

## **Notes to the Financial Statements December 31, 2015**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Park District of Highland Park of Illinois (District) was incorporated July 9, 1909. The District operates under a Board-Manager form of government, providing recreation and other services to the residents of Highland Park which include: recreation programs, park management, capital development, and general administration.

#### **REPORTING ENTITY**

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). The District’s recreation and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District’s net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions (general government, recreation, etc.). These functions are supported by general government revenues (property taxes and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function) are normally covered by general revenue (property tax, interest income, etc.). The District does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds, which is recorded as a transfer.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District’s net position resulting from the current year’s activities.



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

## **Notes to the Financial Statements December 31, 2015**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION – Continued**

##### **Fund Financial Statements**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. The District's funds are all reported as governmental funds. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

##### **Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

**General fund** is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

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

## **Notes to the Financial Statements December 31, 2015**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION – Continued**

##### **Fund Financial Statements – Continued**

##### **Governmental Funds – Continued**

**Special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains two special revenue funds. The Recreation Fund, a major special revenue fund, is used to account for the operations of the recreation programs. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities.

**Debt service funds** are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and records the District’s general obligation debt activity.

**Capital projects funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund is treated as a major fund and is used to account for financial resources acquired through bond issue which are to be used for improvements to existing park facilities and for maintenance supplies and staff for the general upkeep of all parks within the District.

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

##### **Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

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

### **Notes to the Financial Statements December 31, 2015**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

###### **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

###### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

###### **Cash and Investments**

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

**Interfund Receivables, Payables and Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. At year-end, the District only reports transfers.

**Prepays/Inventories**

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

**Capital Assets**

Capital assets purchased or acquired with an original cost of more than \$5,000, are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

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

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

## **Notes to the Financial Statements December 31, 2015**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

##### **Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

##### **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.

##### **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 Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types 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 debt service expenditures.

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

### **Notes to the Financial Statements December 31, 2015**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

##### **Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

#### **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **BUDGETARY INFORMATION**

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

- Prior to December 31 the Director submits to the Board of Commissioners a proposed operating budget for the upcoming fiscal year commencing January 1.
- The operating budget includes proposed expenditures and the means for financing.
- 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 may add to, subtract from, or change appropriations, but may not change the form of the budget.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued**

**BUDGETARY INFORMATION – Continued**

- Prior to the end of the first quarter of each fiscal year, the budget is legally enacted though the passage of an annual combined budget and appropriation ordinance.
- Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Expenditures may not legally exceed appropriations at the fund level. Any expenditure in excess of the legally adopted appropriations must be approved by the District Board through a supplemental appropriation. One supplemental appropriation was required during the fiscal year 2015.
- After the first six months of any fiscal year, the District Board may, by a two-thirds vote, amend the initially approved appropriation ordinance. Unused appropriations lapse at the end of the fiscal year. Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level.
- Management can make transfers between individual expenditure categories of a fund (i.e. services, utilities, etc.) for up to 10% for the budgeted amount, but not alter the total budget of the fund. However, Board of Commissioners approval is required in order for management to make transfers between different funds.
- Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the Governmental funds during the year. All outstanding encumbrances lapse at fiscal year end.

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures over budget as of the date of this report:

| Fund               | Excess    |
|--------------------|-----------|
| Special Recreation | \$ 54,446 |

# PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

## Notes to the Financial Statements December 31, 2015

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

Permitted Deposits and Investments – Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, 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.

The Illinois Park District Liquid Asset Fund allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. The Illinois Park District Liquid Asset Fund is composed of finance officials and treasurers all of whom are employees of the Illinois public agencies, which are investors in the Illinois Park District Liquid Asset Fund. Although not registered with the SEC, the Illinois Park District Liquid Asset Fund does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

#### Interest Rate Risk, Credit Risk, Concentration Risk and Custodial Credit Risk

**Deposits.** At year-end, the carrying amount of the District's deposits totaled \$18,761,172 and the bank balances totaled \$18,820,931.

| Investment Instrument                    | Fair Value | Investment Maturities (in Years) |        |         |              |
|--|------------|----------------------------------|--------|---------|--------------|
|  |            | Less Than 1                      | 1 to 5 | 6 to 10 | More Than 10 |
| Illinois Park District Liquid Asset Fund | \$ 302,549 | 302,549                          | -      | -       | -            |

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District limits its exposure to interest rate risk by (1) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and (2) investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.



## PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

### Notes to the Financial Statements December 31, 2015

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

#### Interest Rate Risk, Credit Risk, Concentration Risk and Custodial Credit Risk – Continued

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Park District's investment policy limits its exposure to credit risk by (1) limiting investments to the safest type of investments, (2) pre-qualifying the financial institutions, brokers/dealers, intermediaries and advisors with which the district will do business, and (3) diversifying the investment portfolio so that potential losses on individual securities will be minimized. At year-end, the District's investment in the Illinois Park District Liquid Asset Fund was rated AAAM by Standard & Poor's.

**Concentration Risk.** 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 (1) limiting investments to avoid overconcentration of securities from a specific issuer or business sector (excluding U.S. Treasuries), (2) limiting investments in securities that have higher credit risks, (3) investing in securities with varying maturities, and (4) continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

At December 31, 2015 all of the District's investments are in compliance with the guidelines outlined above in the District's investment policy. At year-end, the District has no investments over 5 percent of the total cash and investment portfolio.

**Custodial Credit Risk.** In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires collateral to be held by a neutral third-party, registered on the District's name, priced to the market on a regular basis and be valued at 102% of the uninsured portion of the deposit. At year-end the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy does not address custodial credit risk for investments. At year-end, the District's investments in the Illinois Park District Liquid Asset Fund are not subject to custodial credit risk.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**PROPERTY TAXES**

Property taxes for 2014 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about June 1, and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

**INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Interfund Transfers**

Interfund transfers for the year consisted of the following:

| <u>Transfer In</u> | <u>Transfers Out</u>  | <u>Amount</u>           |
|--------------------|-----------------------|-------------------------|
| Debt Service       | General               | \$ 621,945              |
| Debt Service       | Recreation            | 932,918                 |
| Capital Projects   | Recreation            | 4,000,000               |
| Capital Projects   | Nonmajor Governmental | <u>380,000</u>          |
|                    |                       | <u><u>5,934,863</u></u> |

Transfers are used to (1) fund the debt service associated with the IMRF pay down from 2013, (2) to fund capital projects, and (3) to fund the Special Recreation portion of capital items.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

|                                      | Beginning<br>Balances | Increases         | Decreases        | Ending<br>Balances |
|--------------------------------------|-----------------------|-------------------|------------------|--------------------|
| <b>Nondepreciable Capital Assets</b> |                       |                   |                  |                    |
| Land                                 | \$ 3,248,634          | -                 | -                | 3,248,634          |
| Construction in Progress             | 6,967,278             | 10,663            | 6,967,278        | 10,663             |
|                                      | <u>10,215,912</u>     | <u>10,663</u>     | <u>6,967,278</u> | <u>3,259,297</u>   |
| <b>Depreciable Capital Assets</b>    |                       |                   |                  |                    |
| Buildings                            | 26,877,841            | 3,132,175         | -                | 30,010,016         |
| Improvements                         | 11,057,020            | 11,728,594        | -                | 22,785,614         |
| Equipment                            | 6,226,389             | 785,665           | 18,230           | 6,993,824          |
| Vehicles                             | 1,107,434             | 21,340            | -                | 1,128,774          |
|                                      | <u>45,268,684</u>     | <u>15,667,774</u> | <u>18,230</u>    | <u>60,918,228</u>  |
| <b>Less Accumulated Depreciation</b> |                       |                   |                  |                    |
| Buildings                            | 9,607,466             | 616,116           | -                | 10,223,582         |
| Improvements                         | 6,255,286             | 648,961           | -                | 6,904,247          |
| Equipment                            | 2,809,422             | 339,315           | 18,230           | 3,130,507          |
| Vehicles                             | 582,263               | 102,471           | -                | 684,734            |
|                                      | <u>19,254,437</u>     | <u>1,706,863</u>  | <u>18,230</u>    | <u>20,943,070</u>  |
| Total Net Depreciable Capital Assets | <u>26,014,247</u>     | <u>13,960,911</u> | <u>-</u>         | <u>39,975,158</u>  |
| Total Net Capital Assets             | <u>36,230,159</u>     | <u>13,971,574</u> | <u>6,967,278</u> | <u>43,234,455</u>  |

Depreciation expense was charged to governmental activities as follows:

|            |                     |
|------------|---------------------|
| Recreation | <u>\$ 1,706,863</u> |
|------------|---------------------|

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**General Obligation Limited Tax Debt Certificates**

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

| <u>Issue</u>   | <u>Beginning<br/>Balances</u> | <u>Issuances</u> | <u>Retirements</u> | <u>Ending<br/>Balances</u> |
|--|-------------------------------|------------------|--------------------|----------------------------|
| General Obligation Limited Tax Refunding Debt Certificates of 2012, \$6,770,000 due in annual installments of \$35,000 to \$825,000 through December 15, 2023 plus interest at 2.00% to 3.00%. | \$ 6,640,000                  | -                | 660,000            | 5,980,000                  |
| Debt Certificates of 2013, \$8,755,000 due in annual installments of \$505,000 to \$685,000 through December 15, 2027 plus interest at 2.00% to 3.00%.   | 7,690,000                     | -                | 515,000            | 7,175,000                  |
|  | <u>14,330,000</u>             | <u>-</u>         | <u>1,175,000</u>   | <u>13,155,000</u>          |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

Changes in long-term liabilities during the fiscal year were as follows:

| Type of Debt                                     | Beginning Balances | Additions     | Deductions       | Ending Balances   | Amounts Due within One Year |
|--|--------------------|---------------|------------------|-------------------|-----------------------------|
| Compensated Absences                             | \$ 360,844         | 11,690        | 23,380           | 349,154           | 69,831                      |
| General Obligation Limited Tax Debt Certificates | 14,330,000         | -             | 1,175,000        | 13,155,000        | 1,205,000                   |
| Unamortized Bond Premium                         | 428,367            | -             | 47,596           | 380,771           | -                           |
|  | <u>15,119,211</u>  | <u>11,690</u> | <u>1,245,976</u> | <u>13,884,925</u> | <u>1,274,831</u>            |

For the governmental activities, compensated absences and net pension liability are generally liquidated by the General Fund or the Recreation Fund. Payments on the general obligation limited tax debt certificates are made by the Debt Service Fund.

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

| Fiscal Year | General Obligation Limited Tax Debt Certificates |                  |
|-------------|--|------------------|
|             | Principal  | Interest         |
| 2016        | \$ 1,205,000                                     | 356,363          |
| 2017        | 1,230,000  | 325,513          |
| 2018        | 1,265,000  | 294,013          |
| 2019        | 1,295,000  | 261,563          |
| 2020        | 1,330,000  | 226,913          |
| 2021        | 1,365,000  | 191,288          |
| 2022        | 1,400,000  | 154,725          |
| 2023        | 1,440,000  | 115,725          |
| 2024        | 630,000  | 75,600           |
| 2025        | 645,000  | 59,850           |
| 2026        | 665,000  | 40,500           |
| 2027        | 685,000  | 20,544           |
| Total       | <u>13,155,000</u>                                | <u>2,122,597</u> |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin**

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides “...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more that .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question.”

|   |                         |
|---|-------------------------|
| Assessed Valuation - 2015                             | <u>\$ 2,206,882,564</u> |
| Legal Debt Limit - 2.875% of Equalized Assessed Value | 63,447,874              |
| Amount of Debt Applicable to Limit                    | <u>13,155,000</u>       |
| Legal Debt Margin                                     | <u>50,292,874</u>       |

**NET POSITION RESTATEMENT**

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

| Net Position            | As Reported   | As Restated | Increase<br>(Decrease) |
|-------------------------|---------------|-------------|------------------------|
| Governmental Activities | \$ 39,779,610 | 47,299,186  | 7,519,576              |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**NET POSITION CLASSIFICATIONS**

Net investment in capital assets consisted of the following as of December 31, 2015:

|  |                          |
|--|--------------------------|
| Governmental Activities  |                          |
| Capital Assets - Net of Accumulated Depreciation                   | \$ 43,234,455            |
| Less Capital Related Debt:   |                          |
| General Obligation Limited Tax Refunding Debt Certificates of 2012 | (5,980,000)              |
| Debt Certificates of 2013  | (7,175,000)              |
| Unamortized Bond Premiums  | <u>(380,771)</u>         |
| Net Investment in Capital Assets                                   | <u><u>29,698,684</u></u> |

**FUND BALANCE CLASSIFICATIONS**

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

**Committed Fund Balance.** The District reports committed fund balance in the Recreation Fund, a major fund. Formal Board action through passing an ordinance is required to establish, modify, or rescind a fund balance commitment. The District’s Board has committed these funds to future culture and recreation expenditures.

**Assigned Fund Balance.** The District reports assigned fund balance in the Capital Projects Fund, a major fund. The District’s Board, through the District’s adopted fund balance policy, has given authority to management (Director of Finance), to assign these funds to future park improvement projects and equipment and vehicle purchases based on approved Board/management expenditures as determined through the annual budget process.

**Minimum Fund Balance Policy.** The District’s policy manual states that the General Fund should maintain a minimum assigned fund balance level of three to four months (25-33%) and unassigned fund balance of four months (33%) 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, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND BALANCE CLASSIFICATIONS – Continued**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

|   | General          | Recreation       | Debt<br>Service | Capital<br>Projects | Nonmajor<br>Special<br>Recreation | Totals            |
|---|------------------|------------------|-----------------|---------------------|-----------------------------------|-------------------|
| Fund Balances   |                  |                  |                 |                     |                                   |                   |
| Nonspendable  |                  |                  |                 |                     |                                   |                   |
| Inventory   | \$ -             | 48,359           | -               | -                   | -                                 | 48,359            |
| Prepays   | 6,255            | 69,654           | -               | 55,320              | -                                 | 131,229           |
|   | <u>6,255</u>     | <u>118,013</u>   | <u>-</u>        | <u>55,320</u>       | <u>-</u>                          | <u>179,588</u>    |
| Restricted  |                  |                  |                 |                     |                                   |                   |
| Property Tax Levies   |                  |                  |                 |                     |                                   |                   |
| Audit   | 79,824           | -                | -               | -                   | -                                 | 79,824            |
| Police Protection   | 8,221            | -                | -               | -                   | -                                 | 8,221             |
| Special Recreation  | -                | -                | -               | -                   | 120,389                           | 120,389           |
| Debt Service Reserves   | -                | -                | 151,487         | -                   | -                                 | 151,487           |
|   | <u>88,045</u>    | <u>-</u>         | <u>151,487</u>  | <u>-</u>            | <u>120,389</u>                    | <u>359,921</u>    |
| Committed   |                  |                  |                 |                     |                                   |                   |
| Recreational Programming,<br>Facility Maintenance, and<br>Future Recreation Capital |                  |                  |                 |                     |                                   |                   |
|   | -                | 3,571,072        | -               | -                   | -                                 | 3,571,072         |
| Assigned  |                  |                  |                 |                     |                                   |                   |
| Capital Repair of Current<br>Facilities and Development<br>of Future Projects       |                  |                  |                 |                     |                                   |                   |
|   | -                | -                | -               | 11,199,434          | -                                 | 11,199,434        |
| Unassigned  |                  |                  |                 |                     |                                   |                   |
|   | <u>1,724,126</u> | <u>-</u>         | <u>-</u>        | <u>-</u>            | <u>-</u>                          | <u>1,724,126</u>  |
| Total Fund Balances   |                  |                  |                 |                     |                                   |                   |
|   | <u>1,818,426</u> | <u>3,689,085</u> | <u>151,487</u>  | <u>11,254,754</u>   | <u>120,389</u>                    | <u>17,034,141</u> |



## PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

### Notes to the Financial Statements December 31, 2015

#### NOTE 4 – OTHER INFORMATION

#### RISK MANAGEMENT

##### Park District Risk Management Agency (PDRMA)

The District is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. Since 1984, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect for the period January 1, 2015 to January 1, 2016:

| Coverage                      | Member Deductible | PDRMA Self-Insured Retention | Limits                              |
|-------------------------------|-------------------|------------------------------|-------------------------------------|
| <b>PROPERTY</b>               |                   |                              |                                     |
| Property/Bldg/Contents        |                   |                              |                                     |
| All Losses per Occurrence     | \$1,000           | \$1,000,000                  | \$1,000,000,000/All Members         |
| Flood/Except Zones A&V        | \$1,000           | \$1,000,000                  | \$250,000,000/Occurrence/Ann. Aggr. |
| Flood/Zones A&V               | \$1,000           | \$1,000,000                  | \$200,000,000/Occurrence/Ann. Aggr. |
| Earthquake Shock              | \$1,000           | \$100,000                    | \$100,000,000/Occurrence/Ann. Aggr. |
| Auto Physical Damage          |                   |                              |                                     |
| Comprehensive and Collision   | \$1,000           | \$1,000,000                  | Included                            |
| Construction/Builders Risk    | \$1,000           | Included                     | \$25,000,000                        |
| Business Interruption, Rental |                   |                              | \$100,000,000/Reported Values       |
| Income, Tax Income            |                   |                              | \$500,000/\$2,500,000/              |
| Combined                      | \$1,000           |                              | Non-Reported Values                 |
| Service Interruption          | 24 Hours          | N/A                          | \$25,000,000                        |
| Boiler and Machinery          |                   |                              | \$100,000,000 Equip. Breakdown      |
| Property Damage               | \$1,000           | \$9,000                      | Property Damage - Included          |
| Business Income               | 48 Hours          | N/A                          | Included                            |
| Fidelity and Crime            | \$1,000           | \$24,000                     | \$2,000,000/Occurrence              |
| Seasonal Employees            | \$1,000           | \$9,000                      | \$1,000,000/Occurrence              |
| Blanket Bond                  | \$1,000           | \$24,000                     | \$2,000,000/Occurrence              |
| <b>WORKERS COMPENSATION</b>   |                   |                              |                                     |
| Workers Compensation          | N/A               | \$500,000                    | \$3,500,000 Employers Liability     |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 4 – OTHER INFORMATION – Continued**

**RISK MANAGEMENT – Continued**

**Park District Risk Management Agency (PDRMA) – Continued**

| <b>Coverage</b>   | <b>Member Deductible</b> | <b>PDRMA Self-Insured Retention</b> | <b>Limits</b>   |
|---|--------------------------|-------------------------------------|---|
| <b>LIABILITY</b>  |                          |                                     |   |
| General   | None                     | \$500,000                           | \$21,500,000/Occurrence   |
| Auto Liability  | None                     | \$500,000                           | \$21,500,000/Occurrence   |
| Employment Practices  | None                     | \$500,000                           | \$21,500,000/Occurrence   |
| Public Officials' Liability   | None                     | \$500,000                           | \$21,500,000/Occurrence   |
| Law Enforcement Liability   | None                     | \$500,000                           | \$21,500,000/Occurrence   |
| Uninsured/Underinsured Motorists  | None                     | \$500,000                           | \$1,000,000/Occurrence  |
| <b>POLLUTION LIABILITY</b>  |                          |                                     |   |
| Liability - Third Party   | None                     | \$25,000                            | \$5,000,000/Occurrence  |
| Property - First Party  | \$1,000                  | \$24,000                            | \$30,000,000 3 Year Aggregate   |
| <b>OUTBREAK EXPENSE</b>   |                          |                                     |   |
| Outbreak Expense  | 24 Hours                 | N/A                                 | \$15,000/day, \$1,000,000 Aggr.   |
| <b>INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA LIABILITY</b> |                          |                                     |   |
| Information Security & Privacy Liability  | None                     | \$100,000                           | \$2,000,000/Occurrence/Annual Aggr.   |
| Privacy Notification Costs  | None                     | \$100,000                           | \$500,000/Occurrence/Annual Aggr.   |
| Regulatory Defense & Penalties  | None                     | \$100,000                           | \$2,000,000/Occurrence/Annual Aggr.   |
| Website Media Content Liability   | None                     | \$100,000                           | \$2,000,000/Occurrence/Annual Aggr.   |
| Cyber Extortion   | None                     | \$100,000                           | \$2,000,000/Occurrence/Annual Aggr.   |
| Data Protection & Business Interruption   | \$1,000                  | \$100,000                           | \$2,000,000/Occurrence/Annual Aggr.   |
| First Party Business Interruption   | 8 Hours                  | \$100,000                           | \$25,000 Hourly Sublimit/\$25,000 Forensic<br>Exp/\$100,000 Dependent Business Interruption |
| <b>VOLUNTEER MEDICAL ACCIDENT</b>   |                          |                                     |   |
| Volunteer Medical Accident  | None                     | \$5,000                             | \$5,000 Medical Expense and AD&D<br>Excess of any other Collectible Insurance               |
| <b>UNDERGROUND STORAGE TANK LIABILITY</b>   |                          |                                     |   |
| Underground Storage Tank Liability  | None                     | N/A                                 | \$10,000, Follows Illinois Leaking<br>Underground Tank Fund                                 |
| <b>UNEMPLOYMENT COMPENSATION</b>  |                          |                                     |   |
| Unemployment Compensation   | N/A                      | N/A                                 | Statutory   |

## PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

### Notes to the Financial Statements December 31, 2015

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#### NOTE 4 – OTHER INFORMATION – Continued

##### RISK MANAGEMENT – Continued

##### Park District Risk Management Agency (PDRMA) – Continued

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

As a member of PDRMA's Property/Casualty Program, the District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body.

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigations and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014.

|                 |              |
|-----------------|--------------|
| Assets          | \$62,397,015 |
| Liabilities     | 21,080,991   |
| Member Balances | 41,316,024   |
| Revenues        | 20,548,979   |
| Expenditures    | 19,517,301   |

The District's portion of the overall equity in the pool is 3.027% or \$1,250,768.

Since 96% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

# PARK DISTRICT OF HIGHLAND PARK, ILLINOIS

## Notes to the Financial Statements December 31, 2015

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### NOTE 4 – OTHER INFORMATION – Continued

#### RISK MANAGEMENT – Continued

##### Park District Risk Management Agency (PDRMA) Health Program

Since September 1, 1992, the District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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

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

The following represents a summary of PDRMA's Health Program balance sheet at December 31, 2014 and the statement of revenues and expenses for the period ending December 31, 2014.

|                 |              |
|-----------------|--------------|
| Assets          | \$13,504,793 |
| Liabilities     | 4,608,610    |
| Member Balances | 8,896,183    |
| Revenues        | 33,887,630   |
| Expenditures    | 32,208,702   |

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

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

### **Notes to the Financial Statements December 31, 2015**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **POST-EMPLOYMENT BENEFITS**

In addition to providing pension benefits, the District provides certain health care insurance benefits for retired employees. In accordance with the personnel policy substantially all of the District's employees may become eligible for those benefits if they reach normal retirement age while working for the District. The retirees pay 100 percent of the annual premium for health insurance. The District's health insurance provider, PDRMA utilizes community based rates, which adjust for the demographics of the District's pool of participants, including age, etc. Therefore, there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Additionally, the amount related to the explicit cost of former employees is immaterial to the financial statements.

##### **COMMITMENTS**

##### **SERVICE CONCESSION ARRANGEMENT FOR THE HIGHLAND PARK COUNTRY CLUB**

On December 31, 2014, the District entered into an agreement with the City of Highland Park, Illinois (the "City"), under which the District will be given the rights and assume the obligations for the planning, establishing, managing, operating and maintaining of the Highland Park Country Club (the "Country Club") for 99 years commencing on the date hereof and ending December 31, 2113. The District is required to use the Country Club for the recreational needs of the City as outlined by the agreement, including the 18-hole golf course, the golf driving range, unless approved with the City's advance written consent. The District is also required to maintain the Country Club in accordance with the agreement. The District will pay to the City as rent for the County Club a sum equal to 50% of the net revenue per year for the length of the agreement and if there is a loss it is solely the District's responsibility. No payment was owed to the City from the District for the fiscal year ended December 31, 2015.

Beginning January 1, 2015, the District has agreed to use Kemper Sports Management, Inc. (Kemper) to operate all activities of the County Club until December 31, 2015 unless extended by both parties. The District will pay Kemper a fixed management fee and an incentive fee if the conditions of the agreement are met. The District paid a fixed management fee of \$100,000 and was not required to pay an incentive management fee and the Kemper contract was extended 2 years (January 1, 2016 – December 31, 2017) for the fiscal year ended December 31, 2015.

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

### **Notes to the Financial Statements December 31, 2015**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **JOINT VENTURE**

###### **Northern Suburban Special Recreation Association (NSSRA)**

The District, along with eleven other park districts, has entered into a joint agreement to provide cooperative recreational programs and other activities for handicapped and impaired individuals. Each member agency shares equally in the Association and generally provides funding based on up to .0400 cents per \$100 of its equalized assessed valuation. The District contributed \$278,974 to the Association during the fiscal year ended December 31, 2015. The District does not have a direct financial interest in the Association and, therefore, its investment therein is not reported within the financial statements. Upon dissolution of the Association, the assets, if any, shall be divided amount the members in accordance with an equitable formula as determined by a unanimous vote of the Board of Directors of the Association.

A complete, separate financial statement for the Association can be obtained from the Association's administrative offices at 3104 MacArthur Blvd., Northbrook, Illinois 60062.

##### **CONTINGENT LIABILITIES**

###### **Litigation**

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the District.

###### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

##### **SUBSEQUENT EVENT**

In late April of 2016, the Illinois Department of Revenue (IDOR) provided notice to local governments that there was a misallocation of Personal Property Replacement Taxes (PPRT). This misallocation has resulted in an estimated \$168 million that was over paid to local governments. The dollar amount specifically related to the District is \$19,000, and has been recorded as a liability as of December 31, 2015.

On February 25, 2016, the District issued \$2,935,000 of General Obligation Limited Tax Park Bonds, due in annual installments of \$540,000 to \$690,000, plus interest at 2.0 to 3.0% through December 15, 2020.

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

### **Notes to the Financial Statements December 31, 2015**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

#### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN**

##### **Illinois Municipal Retirement (IMRF)**

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system 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; those provisions can only be amended by the Illinois General Assembly. IMRF provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

##### **Plan Descriptions**

*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.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement (IMRF) – Continued**

**Plan Descriptions – Continued**

*Benefits Provided – Continued.* Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Plan Membership.* As of December 31, 2015, the following employees were covered by the benefit terms:

|  |                   |
|--|-------------------|
| Inactive Plan Members Currently Receiving Benefits               | 94                |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 141               |
| Active Plan Members  | <u>119</u>        |
| Total  | <u><u>354</u></u> |

*Contributions.* As set by statute, the District’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District’s annual contribution rate for calendar year 2015 was 6.66% of covered payroll.

*Net Pension Liability.* The District’s net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement (IMRF) – Continued**

**Plan Descriptions – Continued**

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

|                            |                     |
|----------------------------|---------------------|
| Actuarial Valuation Date   | 12/31/2015          |
| Actuarial Cost Method      | Entry Age<br>Normal |
| Asset Valuation Method     | Market              |
| Actuarial Assumptions      |                     |
| Interest Rate              | 7.50%               |
| Salary Increases           | 3.75% - 14.50%      |
| Cost of Living Adjustments | 2.75%               |
| Inflation                  | 2.75%               |

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality tables was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement (IMRF) – Continued**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50%, the same as the prior valuation. 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 District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

The following presents the plan’s net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan’s net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

|                                  | 1% Decrease<br>(6.50%) | Current<br>Discount Rate<br>(7.50%) | 1% Increase<br>(8.50%) |
|----------------------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability/(Asset) \$ | 2,810,600              | (2,145,257)                         | (6,195,193)            |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement (IMRF) – Continued**

**Changes in the Net Pension Liability (Asset)**

|   | Total<br>Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Position<br>(B) | Net Pension<br>Liability (Asset)<br>(A) - (B) |
|---|--------------------------------------|---------------------------------------|---|
| Balances at December 31, 2014   | \$ 34,817,738                        | 41,903,458                            | (7,085,720)                                   |
| Changes for the Year:   |                                      |                                       |   |
| Service Cost  | 688,654                              | -                                     | 688,654                                       |
| Interest on the Total Pension Liability   | 2,582,565                            | -                                     | 2,582,565                                     |
| Difference Between Expected and Actual<br>Experience of the Total Pension Liability | 1,099,031                            | -                                     | 1,099,031                                     |
| Changes of Assumptions  | -                                    | -                                     | -   |
| Contributions - Employer  | -                                    | 433,856                               | (433,856)                                     |
| Contributions - Employees   | -                                    | 300,740                               | (300,740)                                     |
| Net Investment Income   | -                                    | 207,714                               | (207,714)                                     |
| Benefit Payments, including Refunds<br>of Employee Contributions                    | (1,455,717)                          | (1,455,717)                           | -   |
| Other (Net Transfer)  | -                                    | (1,512,523)                           | 1,512,523                                     |
| Net Changes   | 2,914,533                            | (2,025,930)                           | 4,940,463                                     |
| Balances at December 31, 2015   | 37,732,271                           | 39,877,528                            | (2,145,257)                                   |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2015**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement (IMRF) – Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2015, the District recognized pension expense of \$2,296,242. At December 31, 2015, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Totals                  |
|---|--------------------------------------|-------------------------------------|-------------------------|
| Difference Between Expected and Actual Experience                                   | \$ 797,050                           | -                                   | 797,050                 |
| Net Difference Between Projected and Actual<br>Earnings on Pension Plan Investments | <u>2,281,027</u>                     | -                                   | <u>2,281,027</u>        |
| Total Deferred Amounts Related to IMRF  | <u><u>3,078,077</u></u>              | -                                   | <u><u>3,078,077</u></u> |

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

| Fiscal<br>Year | Net Deferred<br>Outflows<br>of Resources |
|----------------|--|
| 2016           | \$ 872,238                               |
| 2017           | 872,238                                  |
| 2018           | 763,345                                  |
| 2019           | 570,256                                  |
| 2020           | -  |
| Thereafter     | <u>-</u>                                 |
| Total          | <u><u>3,078,077</u></u>                  |

## **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:

- Schedule of Employer Contributions  
    Illinois Municipal Retirement Fund
  
- Schedule of Changes in the Employer's Net Pension Liability  
    Illinois Municipal Retirement Fund
  
- Budgetary Comparison Schedules  
    General Fund  
    Recreation – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
December 31, 2015**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered-Employee Payroll | Contributions as a Percentage of Covered-Employee Payroll |
|-------------|-------------------------------------|--|-----------------------------------|--------------------------|---|
| 2015        | \$ 433,856                          | \$ 433,856   | \$ -                              | \$ 6,514,351             | 6.66%   |

Notes to the Required Supplementary Information:

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Entry Age Normal                          |
| Amortization Method           | Level % Pay (Closed)                      |
| Remaining Amortization Period | 28 Years                                  |
| Asset Valuation Method        | 5-Year Smoothed Market                    |
| Inflation                     | 3.00%                                     |
| Salary Increases              | 4.40% - 16.00%                            |
| Investment Rate of Return     | 7.50%                                     |
| Retirement Age                | See the Notes to the Financial Statements |
| Mortality                     | RP-2000 Combined Healthy Mortality Table  |

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
December 31, 2015**

|  | <u>2015</u>                  |
|--|------------------------------|
| Total Pension Liability  |                              |
| Service Cost   | \$ 688,654                   |
| Interest   | 2,582,565                    |
| Changes in Benefit Terms   | -                            |
| Differences Between Expected and Actual Experience                           | 1,099,031                    |
| Change of Assumptions  | -                            |
| Benefit Payments, Including Refunds of Member Contributions                  | <u>(1,455,717)</u>           |
| Net Change in Total Pension Liability  | 2,914,533                    |
| Total Pension Liability - Beginning  | <u>34,817,738</u>            |
| Total Pension Liability - Ending   | <u><u>37,732,271</u></u>     |
| Plan Fiduciary Net Position  |                              |
| Contributions - Employer   | \$ 433,856                   |
| Contributions - Members  | 300,740                      |
| Net Investment Income  | 207,714                      |
| Benefit Payments, Including Refunds of Member Contributions                  | (1,455,717)                  |
| Administrative Expense   | <u>(1,512,523)</u>           |
| Net Change in Plan Fiduciary Net Position                                    | (2,025,930)                  |
| Plan Net Position - Beginning  | <u>41,903,458</u>            |
| Plan Net Position - Ending   | <u><u>39,877,528</u></u>     |
| Employer's Net Pension Liability (Asset)                                     | <u><u>\$ (2,145,257)</u></u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability   | 105.69%                      |
| Covered-Employee Payroll   | \$ 6,514,351                 |
| Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll | (32.93)%                     |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|  | Budget           |                  | Actual                  |
|--|------------------|------------------|-------------------------|
|  | Original         | Final            |                         |
| Revenues   |                  |                  |                         |
| Taxes  |                  |                  |                         |
| Property   | \$ 6,080,000     | 6,080,000        | 6,057,545               |
| Replacement  | 150,000          | 150,000          | 146,241                 |
| Charges for Services   |                  |                  |                         |
| Fees and Charges   | 32,600           | 32,600           | 29,920                  |
| Sales and Rental   | 200              | 55,200           | 55,339                  |
| Grants and Donations   | 9,000            | 9,000            | 8,960                   |
| Interest   | 100,000          | 100,000          | 58,568                  |
| Miscellaneous  | 43,475           | 43,475           | 188,494                 |
| Total Revenues   | <u>6,415,275</u> | <u>6,470,275</u> | <u>6,545,067</u>        |
| Expenditures   |                  |                  |                         |
| General Government   |                  |                  |                         |
| Salaries   | 2,708,872        | 2,708,872        | 2,427,622               |
| Services   | 985,613          | 1,057,613        | 728,289                 |
| Insurance  | 1,269,621        | 1,269,620        | 1,021,307               |
| Utilities  | 108,239          | 108,239          | 111,046                 |
| Materials and Supplies                                       | 295,440          | 295,440          | 245,000                 |
| Landscape and Maintenance                                    | 101,101          | 101,101          | 167,079                 |
| Pension Contributions  | 379,776          | 379,776          | 375,309                 |
| Total Expenditures   | <u>5,848,662</u> | <u>5,920,661</u> | <u>5,075,652</u>        |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 566,613          | 549,614          | 1,469,415               |
| Other Financing (Uses)                                       |                  |                  |                         |
| Transfers Out  | <u>(621,945)</u> | <u>(621,945)</u> | <u>(621,945)</u>        |
| Net Change in Fund Balance                                   | <u>(55,332)</u>  | <u>(72,331)</u>  | 847,470                 |
| Fund Balance - Beginning                                     |                  |                  | <u>970,956</u>          |
| Fund Balance - Ending  |                  |                  | <u><u>1,818,426</u></u> |



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|  | Budget             |                    | Actual                  |
|--|--------------------|--------------------|-------------------------|
|  | Original           | Final              |                         |
| Revenues   |                    |                    |                         |
| Taxes  |                    |                    |                         |
| Property   | \$ 3,700,000       | 3,700,000          | 3,640,778               |
| Charges for Services   |                    |                    |                         |
| Fees and Charges   | 2,843,896          | 3,783,854          | 3,480,731               |
| Instruction Fees   | 4,941,260          | 4,941,260          | 4,675,988               |
| Sales and Rental   | 1,364,266          | 2,658,703          | 2,571,015               |
| Grants and Donations   | 3,500              | 3,500              | 55,118                  |
| Miscellaneous  | 67,065             | 238,852            | 219,139                 |
| Total Revenues   | <u>12,919,987</u>  | <u>15,326,169</u>  | <u>14,642,769</u>       |
| Expenditures   |                    |                    |                         |
| Recreation   | 11,454,947         | 13,932,170         | 13,398,145              |
| Capital Outlay   | 66,190             | 67,690             | 25,389                  |
| Total Expenditures   | <u>11,521,137</u>  | <u>13,999,860</u>  | <u>13,423,534</u>       |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 1,398,850          | 1,326,309          | 1,219,235               |
| Other Financing (Uses)                                       |                    |                    |                         |
| Transfers Out  | <u>(5,932,918)</u> | <u>(5,932,918)</u> | <u>(4,932,918)</u>      |
| Net Change in Fund Balance                                   | <u>(4,534,068)</u> | <u>(4,606,609)</u> | <u>(3,713,683)</u>      |
| Fund Balance - Beginning                                     |                    |                    | <u>7,402,768</u>        |
| Fund Balance - Ending  |                    |                    | <u><u>3,689,085</u></u> |

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
  - Recreation – Special Revenue Fund
  - Debt Service Fund
  - Capital Projects Fund
  
- Budgetary Comparison Schedules – Nonmajor Governmental Fund
  - Special Recreation – Special Revenue Fund

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

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## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects funds) that are legally restricted to expenditure for specified purposes.

### **Recreation**

The Recreation Fund is used to account for the operations of the recreation programs. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities.

### **Special Recreation**

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.

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## **DEBT SERVICE FUND**

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

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## **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for financial resources acquired through bond issue which are to be used for improvements to existing park facilities and for maintenance supplies and staff for the general upkeep of all parks within the District.

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**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|                           | Budget       |            | Actual     |
|---------------------------|--------------|------------|------------|
|                           | Original     | Final      |            |
| Recreation                |              |            |            |
| Salaries                  | \$ 4,636,107 | 4,627,881  | 4,464,366  |
| Services                  | 970,652      | 2,582,597  | 2,608,149  |
| Insurance                 | 897,251      | 945,012    | 733,592    |
| Utilities                 | 609,962      | 765,005    | 726,911    |
| Materials and Supplies    | 397,373      | 851,660    | 832,933    |
| Landscape and Maintenance | 330,518      | 549,622    | 501,853    |
| Program Expenditures      | 3,008,842    | 3,006,151  | 2,958,010  |
| Pension Contributions     | 604,242      | 604,242    | 572,331    |
| Total Recreation          | 11,454,947   | 13,932,170 | 13,398,145 |
| Capital Outlay            | 66,190       | 67,690     | 25,389     |
| Total Expenditures        | 11,521,137   | 13,999,860 | 13,423,534 |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|  | Budget           |                  | Actual                |
|--|------------------|------------------|-----------------------|
|  | Original         | Final            |                       |
| Revenues   |                  |                  |                       |
| Interest   | \$ -             | -                | -                     |
| Expenditures   |                  |                  |                       |
| Debt Service   |                  |                  |                       |
| Principal  | 1,175,000        | 1,175,000        | 1,175,000             |
| Interest and Fiscal Charges                                  | 380,893          | 380,893          | 380,812               |
| Total Expenditures   | <u>1,555,893</u> | <u>1,555,893</u> | <u>1,555,812</u>      |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (1,555,893)      | (1,555,893)      | (1,555,812)           |
| Other Financing Sources                                      |                  |                  |                       |
| Transfers In   | <u>1,554,863</u> | <u>1,554,863</u> | <u>1,554,863</u>      |
| Net Change in Fund Balance                                   | <u>(1,030)</u>   | <u>(1,030)</u>   | (949)                 |
| Fund Balance - Beginning                                     |                  |                  | <u>152,436</u>        |
| Fund Balance - Ending  |                  |                  | <u><u>151,487</u></u> |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|  | Budget      |             | Actual      |
|--|-------------|-------------|-------------|
|  | Original    | Final       |             |
| Revenues   |             |             |             |
| Grants and Donations   | \$ 109,845  | 109,845     | 231,059     |
| Expenditures   |             |             |             |
| General Government   | 115,000     | 115,000     | 30,672      |
| Capital Outlay   | 2,758,850   | 4,304,141   | 3,336,632   |
| Total Expenditures   | 2,873,850   | 4,419,141   | 3,367,304   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (2,764,005) | (4,309,296) | (3,136,245) |
| Other Financing Sources                                      |             |             |             |
| Transfers In   | 5,390,000   | 5,390,000   | 4,380,000   |
| Net Change in Fund Balance                                   | 2,625,995   | 1,080,704   | 1,243,755   |
| Fund Balance - Beginning                                     |             |             | 10,010,999  |
| Fund Balance - Ending  |             |             | 11,254,754  |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Special Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2015**

|  | Budget        |               | Actual         |
|--|---------------|---------------|----------------|
|  | Original      | Final         |                |
| Revenues   |               |               |                |
| Taxes  |               |               |                |
| Property   | \$ 848,380    | 848,380       | 828,608        |
| Expenditures   |               |               |                |
| Recreation   |               |               |                |
| Services   | 405,000       | 405,000       | 456,440        |
| Capital Outlay   | 16,104        | 16,104        | 19,110         |
| Total Expenditures   | 421,104       | 421,104       | 475,550        |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 427,276       | 427,276       | 353,058        |
| Other Financing (Uses)                                       |               |               |                |
| Transfers Out  | (390,000)     | (390,000)     | (380,000)      |
| Net Change in Fund Balance                                   | <u>37,276</u> | <u>37,276</u> | (26,942)       |
| Fund Balance - Beginning                                     |               |               | <u>147,331</u> |
| Fund Balance - Ending  |               |               | <u>120,389</u> |

## **SUPPLEMENTAL SCHEDULES**



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Tax Refunding Debt Certificates of 2012  
December 31, 2015**

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|                         |   |
|-------------------------|---|
| Date of Issue           | July 16, 2012                           |
| Date of Maturity        | December 15, 2023                       |
| Authorized Issue        | \$6,770,000                             |
| Interest Rates          | 2.00% - 3.00%                           |
| Interest Dates          | June 15 and December 15                 |
| Principal Maturity Date | December 15                             |
| Payable at              | Amalgamated Bank of Chicago, Chicago IL |

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year | Requirements     |                |                  | Interest Due on |                |         |                |
|----------------|------------------|----------------|------------------|-----------------|----------------|---------|----------------|
|                | Principal        | Interest       | Totals           | Jun. 15         | Amount         | Dec. 15 | Amount         |
| 2016           | \$ 675,000       | 179,400        | 854,400          | 2016            | 89,700         | 2016    | 89,700         |
| 2017           | 690,000          | 159,150        | 849,150          | 2017            | 79,575         | 2017    | 79,575         |
| 2018           | 715,000          | 138,450        | 853,450          | 2018            | 69,225         | 2018    | 69,225         |
| 2019           | 735,000          | 117,000        | 852,000          | 2019            | 58,500         | 2019    | 58,500         |
| 2020           | 760,000          | 94,950         | 854,950          | 2020            | 47,475         | 2020    | 47,475         |
| 2021           | 780,000          | 72,150         | 852,150          | 2021            | 36,075         | 2021    | 36,075         |
| 2022           | 800,000          | 48,750         | 848,750          | 2022            | 24,375         | 2022    | 24,375         |
| 2023           | 825,000          | 24,750         | 849,750          | 2023            | 12,375         | 2023    | 12,375         |
|                | <u>5,980,000</u> | <u>834,600</u> | <u>6,814,600</u> |                 | <u>417,300</u> |         | <u>417,300</u> |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Long-Term Debt Requirements**

**Debt Certificates of 2013  
December 31, 2015**

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|                         |   |
|-------------------------|---|
| Date of Issue           | April 9, 2013                           |
| Date of Maturity        | December 15, 2027                       |
| Authorized Issue        | \$8,755,000                             |
| Interest Rates          | 2.00% - 3.00%                           |
| Interest Dates          | June 15 and December 15                 |
| Principal Maturity Date | December 15                             |
| Payable at              | Amalgamated Bank of Chicago, Chicago IL |

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year | Requirements     |                  |                  | Interest Due on |                |         |                |
|----------------|------------------|------------------|------------------|-----------------|----------------|---------|----------------|
|                | Principal        | Interest         | Totals           | Jun. 15         | Amount         | Dec. 15 | Amount         |
| 2016           | \$ 530,000       | 176,963          | 706,963          | 2016            | 88,481         | 2016    | 88,482         |
| 2017           | 540,000          | 166,363          | 706,363          | 2017            | 83,181         | 2017    | 83,182         |
| 2018           | 550,000          | 155,563          | 705,563          | 2018            | 77,781         | 2018    | 77,782         |
| 2019           | 560,000          | 144,563          | 704,563          | 2019            | 72,281         | 2019    | 72,282         |
| 2020           | 570,000          | 131,963          | 701,963          | 2020            | 65,981         | 2020    | 65,982         |
| 2021           | 585,000          | 119,138          | 704,138          | 2021            | 59,569         | 2021    | 59,569         |
| 2022           | 600,000          | 105,975          | 705,975          | 2022            | 52,987         | 2022    | 52,988         |
| 2023           | 615,000          | 90,975           | 705,975          | 2023            | 45,487         | 2023    | 45,488         |
| 2024           | 630,000          | 75,600           | 705,600          | 2024            | 37,800         | 2024    | 37,800         |
| 2025           | 645,000          | 59,850           | 704,850          | 2025            | 29,925         | 2025    | 29,925         |
| 2026           | 665,000          | 40,500           | 705,500          | 2026            | 20,250         | 2026    | 20,250         |
| 2027           | 685,000          | 20,544           | 705,544          | 2027            | 10,272         | 2027    | 10,272         |
|                | <u>7,175,000</u> | <u>1,287,997</u> | <u>8,462,997</u> |                 | <u>643,995</u> |         | <u>644,002</u> |

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the 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 says about the District's overall financial health.

#### Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

#### Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue sources.

#### 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.

#### 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.

#### 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.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2015 (Unaudited)**

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**See Following Page**

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2015 (Unaudited)**

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|                                  | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 |
|----------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Governmental Activities          |                                      |                                      |                                      |
| Net Investment in Capital Assets | \$ 16,670,768                        | 17,015,571                           | 16,980,051                           |
| Restricted                       | -                                    | -                                    | -                                    |
| Unrestricted                     | 26,461,923                           | 28,829,690                           | 25,718,231                           |
|                                  |                                      |                                      |                                      |
| Total Primary Government         | <u>43,132,691</u>                    | <u>45,845,261</u>                    | <u>42,698,282</u>                    |

\* Accrual Basis of Accounting

| Fiscal<br>Year<br>Ended<br>3/31/2010 | Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 17,324,368                           | 18,453,824                           | 19,172,217                           | 20,340,870                           | 20,263,950                           | 21,471,792                            | 29,698,684                            |
| -                                    | 5,665,680                            | 3,526,882                            | 3,165,145                            | 892,981                              | 490,281                               | 345,073                               |
| 33,970,537                           | 18,474,656                           | 20,952,528                           | 14,192,490                           | 15,923,143                           | 17,817,537                            | 21,548,400                            |
| 51,294,905                           | 42,594,160                           | 43,651,627                           | 37,698,505                           | 37,080,074                           | 39,779,610                            | 51,592,157                            |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years\***  
**December 31, 2015 (Unaudited)**

|   | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Expenses</b>   |                                      |                                      |                                      |
| General Government  | \$ -                                 | -                                    | -                                    |
| Recreation  | 17,183,796                           | 17,502,723                           | 22,443,337                           |
| Interest on Long-Term Debt                                  | 547,617                              | 744,770                              | 444,921                              |
| <b>Total Primary Government Expenses</b>                    | <b>17,731,413</b>                    | <b>18,247,493</b>                    | <b>22,888,258</b>                    |
| <b>Program Revenues</b>                                     |                                      |                                      |                                      |
| Charges for Services  |                                      |                                      |                                      |
| Recreation  | 8,267,444                            | 8,850,572                            | 9,420,692                            |
| Operating Grants/Contributions                              | 401,335                              | 327,872                              | 268,125                              |
| Capital Grants/Contributions                                | -                                    | -                                    | -                                    |
| <b>Total Primary Government Program Revenues</b>            | <b>8,668,779</b>                     | <b>9,178,444</b>                     | <b>9,688,817</b>                     |
| <b>Total Primary Government<br/>Net (Expenses) Revenues</b> | <b>(9,062,634)</b>                   | <b>(9,069,049)</b>                   | <b>(13,199,441)</b>                  |
| <b>General Revenues and Other Changes in Net Position</b>   |                                      |                                      |                                      |
| Taxes   |                                      |                                      |                                      |
| Property  | 9,566,128                            | 10,205,163                           | 10,633,998                           |
| Replacement   | 147,692                              | 176,501                              | 158,269                              |
| Impact Fees   | 153,768                              | 134,826                              | 13,600                               |
| Interest  | 934,331                              | 878,417                              | 798,124                              |
| Miscellaneous   | 611,227                              | 386,711                              | 381,612                              |
| <b>Total Primary Government</b>                             | <b>11,413,146</b>                    | <b>11,781,618</b>                    | <b>11,985,603</b>                    |
| <b>Changes in Net Position<br/>Total Primary Government</b> | <b>2,350,512</b>                     | <b>2,712,569</b>                     | <b>(1,213,838)</b>                   |

\* Accrual Basis of Accounting

| Fiscal<br>Year<br>Ended<br>3/31/2010 | Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 4,375,300                            | 4,280,808                            | 4,413,988                            | 11,825,208                           | 5,706,274                            | 3,907,202                             | 7,390,876                             |
| 13,260,341                           | 13,511,109                           | 12,881,240                           | 13,937,646                           | 13,081,135                           | 10,795,143                            | 16,445,750                            |
| 455,332                              | 401,313                              | 367,934                              | 783,395                              | 325,218                              | 264,587                               | 332,236                               |
| 18,090,973                           | 18,193,230                           | 17,663,162                           | 26,546,249                           | 19,112,627                           | 14,966,932                            | 24,168,862                            |
| 8,972,249                            | 8,705,561                            | 8,190,406                            | 8,306,731                            | 8,153,219                            | 6,940,048                             | 10,812,993                            |
| 335,767                              | 246,781                              | 238,034                              | 176,675                              | 260,254                              | -                                     | -                                     |
| -                                    | -                                    | -                                    | -                                    | -                                    | 71,017                                | 6,509,467                             |
| 9,308,016                            | 8,952,342                            | 8,428,440                            | 8,483,406                            | 8,413,473                            | 7,011,065                             | 17,322,460                            |
| (8,782,957)                          | (9,240,888)                          | (9,234,722)                          | (18,062,843)                         | (10,699,154)                         | (7,955,867)                           | (6,846,402)                           |
| 10,667,644                           | 10,737,943                           | 9,757,439                            | 9,604,889                            | 9,609,488                            | 10,313,220                            | 10,526,931                            |
| 144,136                              | 151,796                              | 138,583                              | 137,129                              | 157,206                              | 121,086                               | 146,241                               |
| 9,500                                | -                                    | -                                    | -                                    | -                                    | -                                     | -                                     |
| 432,492                              | 205,327                              | 228,671                              | 241,443                              | 147,297                              | 75,929                                | 58,568                                |
| 346,370                              | 248,165                              | 167,496                              | 151,298                              | 166,732                              | 145,168                               | 407,633                               |
| 11,600,142                           | 11,343,231                           | 10,292,189                           | 10,134,759                           | 10,080,723                           | 10,655,403                            | 11,139,373                            |
| 2,817,185                            | 2,102,343                            | 1,057,467                            | (7,928,084)                          | (618,431)                            | 2,699,536                             | 4,292,971                             |



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2015 (Unaudited)**

|   | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 | Fiscal<br>Year<br>Ended<br>3/31/2010 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>General Fund</b>                       |                                      |                                      |                                      |                                      |
| Reserved                                  | -                                    | -                                    | 15,542                               | 7,563                                |
| Unreserved                                | \$ 2,980,887                         | 3,465,744                            | 3,975,834                            | 4,462,548                            |
| Nonspendable                              | -                                    | -                                    | -                                    | -                                    |
| Restricted                                | -                                    | -                                    | -                                    | -                                    |
| Assigned                                  | -                                    | -                                    | -                                    | -                                    |
| Unassigned                                | -                                    | -                                    | -                                    | -                                    |
| <b>Total General Fund</b>                 | <b>2,980,887</b>                     | <b>3,465,744</b>                     | <b>3,991,376</b>                     | <b>4,470,111</b>                     |
| <b>All Other Governmental Funds</b>       |                                      |                                      |                                      |                                      |
| Reserved                                  | -                                    | -                                    | 187,176                              | 200,327                              |
| Unreserved, Reported in                   |                                      |                                      |                                      |                                      |
| Special Revenue Funds                     | 8,304,882                            | 9,665,287                            | 11,162,636                           | 13,032,810                           |
| Debt Service Funds                        | 179,361                              | 230,296                              | 279,909                              | 321,114                              |
| Capital Projects Funds                    | 5,551,565                            | 5,612,213                            | 5,789,486                            | 5,909,615                            |
| Nonspendable                              | -                                    | -                                    | -                                    | -                                    |
| Restricted                                | -                                    | -                                    | -                                    | -                                    |
| Committed                                 | -                                    | -                                    | -                                    | -                                    |
| Assigned                                  | -                                    | -                                    | -                                    | -                                    |
| Unassigned                                | -                                    | -                                    | -                                    | -                                    |
| <b>Total All Other Governmental Funds</b> | <b>14,035,808</b>                    | <b>15,507,796</b>                    | <b>17,419,207</b>                    | <b>19,463,866</b>                    |
| <b>Total Governmental Funds</b>           | <b>17,016,695</b>                    | <b>18,973,540</b>                    | <b>21,410,583</b>                    | <b>23,933,977</b>                    |

\* Modified Accrual Basis of Accounting

The District implemented GASB Statement No. 54 for the fiscal year 2012.

| Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 2,483,765                            | -                                    | -                                    | -                                    | -                                     | -                                     |
| 2,397,067                            | -                                    | -                                    | -                                    | -                                     | -                                     |
| -                                    | 8,691                                | 7,802                                | 6,778                                | 4,965                                 | 6,255                                 |
| -                                    | 1,828,620                            | 1,312,195                            | 301,814                              | 206,342                               | 88,045                                |
| -                                    | 2,471,600                            | -                                    | -                                    | -                                     | -                                     |
| -                                    | 3,019,925                            | (177,286)                            | 608,099                              | 759,649                               | 1,724,126                             |
| 4,880,832                            | 7,328,836                            | 1,142,711                            | 916,691                              | 970,956                               | 1,818,426                             |
| 3,379,208                            | -                                    | -                                    | -                                    | -                                     | -                                     |
| 10,869,322                           | -                                    | -                                    | -                                    | -                                     | -                                     |
| -                                    | -                                    | -                                    | -                                    | -                                     | -                                     |
| 5,681,538                            | -                                    | -                                    | -                                    | -                                     | -                                     |
| -                                    | 198,174                              | 215,373                              | 225,039                              | 62,898                                | 173,333                               |
| -                                    | 1,803,191                            | 1,924,232                            | 712,587                              | 299,767                               | 271,876                               |
| -                                    | 11,290,491                           | 3,567,084                            | 5,250,834                            | 7,340,426                             | 3,571,072                             |
| -                                    | 4,565,763                            | 11,235,296                           | 13,749,983                           | 10,010,443                            | 11,199,434                            |
| -                                    | -                                    | -                                    | (98,695)                             | -                                     | -                                     |
| 19,930,068                           | 17,857,619                           | 16,941,985                           | 19,839,748                           | 17,713,534                            | 15,215,715                            |
| 24,810,900                           | 25,186,455                           | 18,084,696                           | 20,756,439                           | 18,684,490                            | 17,034,141                            |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2015 (Unaudited)**

|  | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Revenues</b>  |                                      |                                      |                                      |
| Taxes  | \$ 9,319,222                         | 9,769,372                            | 10,307,816                           |
| Charges for Services   | 8,822,547                            | 9,313,270                            | 9,702,417                            |
| Interest   | 934,331                              | 878,416                              | 798,124                              |
| Grants and Donations   | -                                    | -                                    | -                                    |
| Miscellaneous  | 611,227                              | 386,711                              | 381,612                              |
| <b>Total Revenues</b>  | <b>19,687,327</b>                    | <b>20,347,769</b>                    | <b>21,189,969</b>                    |
| <b>Expenditures</b>  |                                      |                                      |                                      |
| General Government   | 3,602,456                            | 3,795,556                            | 4,208,532                            |
| Recreation   | 9,823,795                            | 10,438,784                           | 11,208,100                           |
| Pension Contributions  | 1,096,341                            | 1,232,339                            | 1,354,522                            |
| Capital Outlay   | 2,690,231                            | 1,753,128                            | 1,418,003                            |
| Debt Service   |                                      |                                      |                                      |
| Principal Retirement   | -                                    | 1,915,000                            | 1,935,000                            |
| Interest and Fiscal Charges  | 2,430,617                            | 533,380                              | 508,338                              |
| <b>Total Expenditures</b>  | <b>19,643,440</b>                    | <b>19,668,187</b>                    | <b>20,632,495</b>                    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>43,887</b>                        | <b>679,582</b>                       | <b>557,474</b>                       |
| <b>Other Financing Sources (Uses)</b>                                |                                      |                                      |                                      |
| Debt Issuance  | 1,275,880                            | 1,277,264                            | 1,270,000                            |
| Premium on Debt Issuance   | -                                    | -                                    | 24,765                               |
| Discount on Debt Issuance  | -                                    | -                                    | -                                    |
| Payment to Escrow Agent  | -                                    | -                                    | -                                    |
| Transfers In   | -                                    | -                                    | 1,240,087                            |
| Transfers Out  | -                                    | -                                    | (1,240,087)                          |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>1,275,880</b>                     | <b>1,277,264</b>                     | <b>1,294,765</b>                     |
| <b>Net Change in Fund Balances</b>                                   | <b>1,319,767</b>                     | <b>1,956,846</b>                     | <b>1,852,239</b>                     |
| <b>Debt Service as a Percentage of Noncapital Expenditures</b>       | <b>12%</b>                           | <b>12%</b>                           | <b>12%</b>                           |

\* Modified Accrual Basis of Accounting

Note: As of March 31, 2011 Pension Contributions are included in General Government expenditures.

| Fiscal<br>Year<br>Ended<br>3/31/2010 | Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 10,811,780                           | 10,889,739                           | 9,896,022                            | 9,742,018                            | 9,766,694                            | 10,434,306                            | 10,673,172                            |
| 8,985,791                            | 8,705,561                            | 8,190,406                            | 8,306,731                            | 8,153,219                            | 6,940,048                             | 10,812,993                            |
| 432,492                              | 205,327                              | 228,671                              | 176,675                              | 260,254                              | 75,929                                | 295,137                               |
| -                                    | 246,781                              | 238,034                              | 241,443                              | 147,297                              | 71,017                                | 58,568                                |
| 678,291                              | 248,165                              | 167,496                              | 151,298                              | 166,732                              | 145,168                               | 407,633                               |
| 20,908,354                           | 20,295,573                           | 18,720,629                           | 18,618,165                           | 18,494,196                           | 17,666,468                            | 22,247,503                            |
| 4,026,970                            | 4,358,433                            | 4,370,856                            | 11,771,545                           | 5,779,407                            | 4,129,004                             | 5,106,324                             |
| 10,423,472                           | 11,638,820                           | 11,354,779                           | 11,025,750                           | 10,750,785                           | 8,960,862                             | 13,854,585                            |
| 1,368,432                            | -                                    | -                                    | -                                    | -                                    | -                                     | -                                     |
| 1,389,837                            | 1,186,728                            | 1,704,837                            | 2,013,935                            | 6,554,585                            | 5,095,776                             | 3,381,131                             |
| 1,960,000                            | 1,805,000                            | 530,000                              | 610,000                              | 1,170,000                            | 1,135,000                             | 1,175,000                             |
| 528,807                              | 429,669                              | 384,602                              | 402,318                              | 388,404                              | 417,775                               | 380,812                               |
| 19,697,518                           | 19,418,650                           | 18,345,074                           | 25,823,548                           | 24,643,181                           | 19,738,417                            | 23,897,852                            |
| 1,210,836                            | 876,923                              | 375,555                              | (7,205,383)                          | (6,148,985)                          | (2,071,949)                           | (1,650,349)                           |
| 1,300,000                            | -                                    | -                                    | 6,770,000                            | 8,755,000                            | -                                     | -                                     |
| 12,558                               | -                                    | -                                    | 571,155                              | 65,728                               | -                                     | -                                     |
| -                                    | -                                    | -                                    | (33,769)                             | -                                    | -                                     | -                                     |
| -                                    | -                                    | -                                    | (7,203,762)                          | -                                    | -                                     | -                                     |
| 1,362,015                            | 3,444,976                            | 4,257,986                            | 22,809,287                           | 2,147,403                            | 3,123,150                             | 5,934,863                             |
| (1,362,015)                          | (3,444,976)                          | (4,257,986)                          | (22,809,287)                         | (2,147,403)                          | (3,123,150)                           | (5,934,863)                           |
| 1,312,558                            | -                                    | -                                    | 103,624                              | 8,820,728                            | -                                     | -                                     |
| 2,523,394                            | 876,923                              | 375,555                              | (7,101,759)                          | 2,671,743                            | (2,071,949)                           | (1,650,349)                           |
| 13%                                  | 12%                                  | 5%                                   | 4%                                   | 8%                                   | 10%                                   | 10%                                   |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years  
December 31, 2015 (Unaudited)**

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| Tax<br>Levy<br>Year | Residential<br>Property | Farm       | Commercial<br>Property |
|---------------------|-------------------------|------------|------------------------|
| 2005                | \$ 1,918,417,450        | \$ 482,657 | \$ 149,974,820         |
| 2006                | 2,338,099,517           | 1,172,950  | 203,809,524            |
| 2007                | 2,479,300,011           | 343        | 232,316,880            |
| 2008                | 2,580,496,149           | 7,820      | 237,246,008            |
| 2009                | 2,514,077,611           | 413        | 226,335,788            |
| 2010                | 2,372,304,047           | 454        | 213,064,426            |
| 2011                | 2,147,385,990           | 499        | 205,558,934            |
| 2012                | 1,995,281,283           | 549        | 193,428,436            |
| 2013                | 1,900,644,387           | 603        | 186,978,939            |
| 2014                | 1,890,248,722           | 665        | 187,084,550            |

| Industrial<br>Property | Railroad<br>Property | Less:<br>Tax-Exempt<br>Property | Total<br>Taxable<br>Assessed<br>Value | Total<br>Direct Tax<br>Rate |
|------------------------|----------------------|---------------------------------|---------------------------------------|-----------------------------|
| \$ 1,803,869           | \$ 537,094           | \$ -                            | \$ 2,071,215,890                      | 0.397                       |
| 8,984                  | 698,651              | -                               | 2,543,789,626                         | 0.378                       |
| 430,159                | 901,876              | -                               | 2,712,949,269                         | 0.377                       |
| 470,017                | 797,923              | -                               | 2,819,017,917                         | 0.380                       |
| 567,093                | 919,688              | -                               | 2,741,900,593                         | 0.394                       |
| 545,760                | 1,099,257            | -                               | 2,587,013,944                         | 0.379                       |
| 476,191                | 961,743              | -                               | 2,354,383,357                         | 0.410                       |
| 464,616                | 1,280,511            | -                               | 2,190,455,395                         | 0.445                       |
| 447,194                | 1,534,284            | -                               | 2,089,605,407                         | 0.497                       |
| 444,603                | 1,591,213            | -                               | 2,079,369,753                         | 0.508                       |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years  
December 31, 2015 (Unaudited)**

|   | 2005         | 2006         | 2007         | 2008         |
|---|--------------|--------------|--------------|--------------|
| <b>District</b>                           |              |              |              |              |
| Corporate                                 | 0.098        | 0.099        | 0.100        | 0.101        |
| IMRF                                      | 0.020        | 0.020        | 0.019        | 0.019        |
| Police Protection                         | 0.009        | 0.007        | 0.007        | 0.009        |
| Audit                                     | 0.001        | 0.001        | 0.001        | 0.001        |
| Liability Insurance                       | 0.025        | 0.021        | 0.017        | 0.016        |
| Recreation for Handicapped                | 0.024        | 0.020        | 0.025        | 0.025        |
| Recreation                                | 0.078        | 0.075        | 0.075        | 0.077        |
| Recreation and Community Center           | 0.065        | 0.064        | 0.065        | 0.065        |
| Bonds and Interest                        | 0.059        | 0.053        | 0.050        | 0.048        |
| Museum                                    | 0.018        | 0.018        | 0.018        | 0.019        |
| <b>Total Direct Rates</b>                 | <b>0.397</b> | <b>0.378</b> | <b>0.377</b> | <b>0.380</b> |
| <b>Overlapping Rates</b>                  |              |              |              |              |
| Lake County                               | 0.454        | 0.450        | 0.444        | 0.453        |
| Lake County Forest Preserve District      | 0.210        | 0.204        | 0.201        | 0.199        |
| Moraine Township                          | 0.045        | 0.044        | 0.044        | 0.045        |
| City of Highland Park                     | 0.405        | 0.532        | 0.517        | 0.515        |
| North Shore Sanitary District             | 0.132        | 0.125        | 0.120        | 0.121        |
| South Lake Mosquito Abatement             | 0.012        | 0.012        | 0.011        | 0.011        |
| Elementary School Districts               | 2.390        | 2.298        | 2.198        | 2.283        |
| High School District                      | 1.686        | 1.635        | 1.614        | 1.660        |
| Community College District 532            | 0.197        | 0.195        | 0.192        | 0.196        |
| <b>Total Direct and Overlapping Rates</b> | <b>5.928</b> | <b>5.873</b> | <b>5.718</b> | <b>5.863</b> |

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value

| 2009  | 2010  | 2011  | 2012  | 2013  | 2014   |
|-------|-------|-------|-------|-------|--------|
| 0.103 | 0.136 | 0.150 | 0.256 | 0.197 | 0.292  |
| 0.022 | 0.016 | 0.017 | -     | -     | -      |
| 0.010 | 0.011 | 0.012 | -     | -     | -      |
| 0.001 | -     | -     | -     | -     | -      |
| 0.015 | 0.008 | 0.009 | -     | -     | -      |
| 0.024 | 0.026 | 0.028 | 0.018 | 0.040 | 0.040  |
| 0.069 | 0.074 | 0.081 | 0.171 | 0.260 | 0.176  |
| 0.082 | 0.087 | 0.090 | -     | -     | -      |
| 0.049 | -     | -     | -     | -     | -      |
| 0.019 | 0.021 | 0.023 | -     | -     | -      |
| 0.394 | 0.379 | 0.410 | 0.445 | 0.497 | 0.508  |
| 0.464 | 0.505 | 0.554 | 0.808 | 0.663 | 0.6825 |
| 0.200 | 0.198 | 0.201 | 0.212 | 0.218 | 0.2100 |
| 0.047 | 0.052 | 0.059 | 0.066 | 0.070 | 0.0660 |
| 0.536 | 0.586 | 0.643 | 0.709 | 0.785 | 0.7946 |
| 0.124 | 0.136 | 0.150 | 0.150 | 0.164 | 0.1694 |
| 0.012 | 0.013 | 0.014 | 0.150 | 0.007 | 0.0130 |
| 2.387 | 2.551 | 2.818 | 2.957 | 3.076 | 3.1518 |
| 1.748 | 1.921 | 2.167 | 2.178 | 2.364 | 2.4211 |
| 0.200 | 0.218 | 0.240 | 0.240 | 0.296 | 0.3061 |
| 6.112 | 6.559 | 7.256 | 7.915 | 8.140 | 8.323  |



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago  
December 31, 2015 (Unaudited)**

| Taxpayer                           | Tax Year 2014          |      |   | Tax Year 2005          |      |   |
|------------------------------------|------------------------|------|---|------------------------|------|---|
|                                    | Taxable Assessed Value | Rank | Percentage of Total District Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total District Taxable Assessed Value |
| Metzler I Renaissance Place, LLC   | \$ 12,755,847          | 1    | 0.61%   |                        |      |   |
| Midwest Family Housing, LLC        | 6,438,054              | 2    | 0.31%   |                        |      |   |
| Federal Realty Investment Trust    | 6,416,809              | 3    | 0.31%   | \$ 7,024,599           | 2    | 0.34%   |
| Klairmont Family Associates LP     | 4,935,848              | 4    | 0.24%   | 4,627,655              | 3    | 0.22%   |
| Americana Apartments               | 4,678,813              | 5    | 0.23%   | 4,199,580              | 5    | 0.20%   |
| Highland Park Associates           | 4,261,685              | 6    | 0.20%   |                        |      |   |
| Elston Avenue Real Estate Company  | 3,687,637              | 7    | 0.18%   |                        |      |   |
| Ameritech-Illinois                 | 3,586,486              | 8    | 0.17%   |                        |      |   |
| Sunset Food Market                 | 3,388,740              | 9    | 0.16%   | 3,251,527              | 9    | 0.16%   |
| RSV Partners                       | 3,186,192              | 10   | 0.15%   |                        |      |   |
| Renaissance Place c/o Davis Street |                        |      |   | 8,214,174              | 1    | 0.40%   |
| Solo Cup Company                   |                        |      |   | 4,384,922              | 4    | 0.21%   |
| Lasalle Bank                       |                        |      |   | 3,759,718              | 6    | 0.18%   |
| Target Corporation                 |                        |      |   | 3,514,159              | 7    | 0.17%   |
| American Stores Company            |                        |      |   | 3,300,371              | 8    | 0.16%   |
| Leonardi Enterprises               |                        |      |   | 3,136,616              | 10   | 0.15%   |
|                                    | <u>53,336,111</u>      |      | <u>2.57%</u>  | <u>45,413,321</u>      |      | <u>2.19%</u>  |

Data Source: Office of the County Clerk

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

| Fiscal Year Ended | 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 |
| 3/31/2007         | 2006          | \$ 9,615,524                     | \$ 9,561,971                                 | 99.44%             | \$ -                            | \$ 9,561,971              | 99.44%             |
| 3/31/2008         | 2007          | 10,227,819                       | 10,149,547                                   | 99.23%             | -                               | 10,149,547                | 99.23%             |
| 3/31/2009         | 2008          | 10,712,269                       | 10,667,644                                   | 99.58%             | -                               | 10,667,644                | 99.58%             |
| 3/31/2010         | 2009          | 10,803,088                       | 10,737,943                                   | 99.40%             | -                               | 10,737,943                | 99.40%             |
| 3/31/2011         | 2010          | 9,804,783                        | 9,757,439                                    | 99.52%             | -                               | 9,757,439                 | 99.52%             |
| 3/31/2012         | 2011          | 9,652,972                        | 9,604,889                                    | 99.50%             | -                               | 9,604,889                 | 99.50%             |
| 3/31/2013         | 2012          | 9,747,527                        | 9,609,488                                    | 98.58%             | -                               | 9,609,488                 | 98.58%             |
| 3/31/2014         | 2013          | 10,385,339                       | 10,313,220                                   | 99.31%             | -                               | 10,313,220                | 99.31%             |
| 12/31/2014*       | 2014          | 10,566,317                       | 10,526,158                                   | 99.62%             | -                               | 10,526,158                | 99.62%             |
| 12/31/2015        | 2015          | 11,482,476                       | N/A  | N/A                | N/A                             | N/A                       | N/A                |

Data Source: Office of the County Clerk/Park District Financial Records

Note: 2015 Tax Levy is Collected in Revenue in Fiscal Year 2016

\* For the nine month year ended December 31, 2014.

N/A - Not available

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

| Fiscal<br>Year<br>Ended | Governmental<br>Activities<br>General<br>Obligation<br>Bonds | Total<br>Primary<br>Government | Percentage<br>of<br>Personal<br>Income (1) | Per<br>Capita (1) |
|-------------------------|--|--------------------------------|--|-------------------|
| 3/31/2007               | \$ 12,680,000  | \$ 12,680,000                  | 0.60%                                      | \$ 408            |
| 3/31/2008               | 12,035,000   | 12,035,000                     | 0.57%                                      | 385               |
| 3/31/2009               | 11,370,000   | 11,370,000                     | 0.53%                                      | 361               |
| 3/31/2010               | 10,850,245   | 10,850,245                     | 0.51%                                      | 344               |
| 3/31/2011               | 9,035,228  | 9,035,228                      | 0.42%                                      | 287               |
| 3/31/2012               | 8,495,211  | 8,495,211                      | 0.40%                                      | 284               |
| 3/31/2013               | 8,403,559  | 8,403,559                      | 0.42%                                      | 282               |
| 3/31/2014               | 15,940,963   | 15,940,963                     | 0.80%                                      | 536               |
| 12/31/2014*             | 14,758,367   | 14,758,367                     | 0.74%                                      | 496               |
| 12/31/2015              | 13,535,771   | 13,535,771                     | 0.69%                                      | 455               |

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

\* For the nine month year ended December 31, 2014.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

| Fiscal Year Ended | General Obligation Bonds | Less Amounts Available | Total         | Percentage of Total Taxable Assessed Value of Property (1) | Per Capita (2) |
|-------------------|--------------------------|------------------------|---------------|--|----------------|
| 3/31/2007         | \$ 12,680,000            | \$ 179,361             | \$ 12,500,639 | 0.49%  | \$ 402         |
| 3/31/2008         | 12,035,000               | 230,296                | 11,804,704    | 0.44%  | 378            |
| 3/31/2009         | 11,370,000               | 279,909                | 11,090,091    | 0.39%  | 352            |
| 3/31/2010         | 10,710,000               | 321,114                | 10,388,886    | 0.38%  | 330            |
| 3/31/2011         | 8,905,000                | 228,215                | 8,676,785     | 0.34%  | 275            |
| 3/31/2012         | 8,375,000                | 110,758                | 8,264,242     | 0.35%  | 277            |
| 3/31/2013         | 8,403,559                | 269,255                | 8,134,304     | 0.37%  | 273            |
| 3/31/2014         | 15,940,963               | 240,641                | 15,700,322    | 0.75%  | 528            |
| 12/31/2014*       | 14,758,367               | 136,608                | 14,621,759    | 0.70%  | 491            |
| 12/31/2015        | 13,535,771               | 136,639                | 13,399,132    | 0.64%  | 450            |

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

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

\* For the nine month year ended December 31, 2014.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2015 (Unaudited)**

| Governmental Unit                    | Gross Debt    | Percentage of<br>Debt<br>Applicable<br>to District (1) | District's<br>Share of<br>Debt |
|--------------------------------------|---------------|--|--------------------------------|
| District                             | \$ 13,535,771 | 100.00%  | \$ 13,535,771                  |
| Overlapping Debt                     |               |  |                                |
| Lake County Forest Preserve District | 284,615,000   | 9.18%  | 26,127,657                     |
| City of Highland Park                | 53,200,000    | 100.00%  | 53,200,000                     |
| School District 109                  | 19,075,000    | 6.10%  | 1,163,575                      |
| Community College District 532       | 72,220,000    | 9.67%  | 6,983,674                      |
| High School District 113             | 94,925,000    | 55.51%   | 52,692,868                     |
| Village of Deerfield                 | 48,565,000    | 2.17%  | 1,053,861                      |
| School District 112                  | -             | 94.25%   | -                              |
| Total Overlapping Debt               | 572,600,000   | 276.88%  | 141,221,634                    |
| Total Direct and Overlapping Debt    | 586,135,771   |  | 154,757,405                    |

Data Source: Lake County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the District to valuation of property subject to taxation in overlapping unit.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Schedule of Legal Debt Margin - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

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**See Following Page**

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Schedule of Legal Debt Margin - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

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|   | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 | Fiscal<br>Year<br>Ended<br>3/31/2010 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Legal Debt Limit  | \$ 24,377,984                        | 25,999,097                           | 27,015,591                           | 26,276,547                           |
| Total Net Debt Applicable to Limit                                      | 12,680,000                           | 12,035,000                           | 11,370,000                           | 10,710,000                           |
| Legal Debt Margin   | 11,697,984                           | 13,964,097                           | 15,645,591                           | 15,566,547                           |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 52.01%                               | 46.29%                               | 42.09%                               | 40.76%                               |

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| Fiscal Year Ended 3/31/2011 | Fiscal Year Ended 3/31/2012 | Fiscal Year Ended 3/31/2013 | Fiscal Year Ended 3/31/2014 | Nine Months Ended 12/31/2014 | Fiscal Year Ended 12/31/2015 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| 24,792,217                  | 22,562,841                  | 67,688,522                  | 60,076,155                  | 59,781,880                   | 63,447,874                   |
| 8,905,000                   | 8,375,000                   | 7,880,000                   | 15,465,000                  | 14,330,000                   | 13,155,000                   |
| 15,887,217                  | 14,187,841                  | 59,808,522                  | 44,611,155                  | 45,451,880                   | 50,292,874                   |
| 35.92%                      | 37.12%                      | 11.64%                      | 25.74%                      | 23.97%                       | 20.73%                       |

Legal Debt Margin Calculation for the Fiscal Year Ended December 31, 2015

|  |                         |
|--|-------------------------|
| Assessed Value                               | <u>\$ 2,206,882,564</u> |
| Bonded Debt Limit - 2.875% of Assessed Value | 63,447,874              |
| Amount of Debt Applicable to Limit           | <u>13,155,000</u>       |
| Legal Debt Margin                            | <u>50,292,874</u>       |



**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Demographic and Economic Statistics - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

| Fiscal Year Ended | (1)<br>Population | (2)<br>Personal Income | (3)<br>Per Capita Personal Income | (4)<br>Unemployment Rate |
|-------------------|-------------------|------------------------|-----------------------------------|--------------------------|
| 3/31/2007         | 31,106            | \$ 2,114,834,728       | \$ 67,988                         | 2.80%                    |
| 3/31/2008         | 31,231            | 2,123,333,228          | 67,988                            | 3.30%                    |
| 3/31/2009         | 31,516            | 2,142,709,808          | 67,988                            | 4.30%                    |
| 3/31/2010         | 31,516            | 2,142,709,808          | 67,988                            | 6.20%                    |
| 3/31/2011         | 31,516            | 2,142,709,808          | 67,988                            | 6.70%                    |
| 3/31/2012         | 29,882            | 1,977,740,170          | 66,185                            | 5.60%                    |
| 3/31/2013         | 29,763            | 2,024,003,052          | 68,004                            | 5.70%                    |
| 3/31/2014         | 29,763            | 2,002,067,721          | 67,267                            | 6.30%                    |
| 12/31/2014*       | 29,763            | 2,002,067,721          | 67,267                            | 6.30%                    |
| 12/31/2015        | 29,763            | 1,951,113,465          | 65,555                            | 5.00%                    |

Data Source: (1) Population: 2000/2010 Lake County "Population and Housing Occupancy-2010" from U.S. Census Bureau [www.lakecountyil.gov/Planning](http://www.lakecountyil.gov/Planning)  
 (2) Personal Income equals (1) x (3): 2010 Census from Census Bureau  
 (4) Unemployment Rate: Illinois Department of Employment Security (IDES) <http://lmi.ides.state.il.us/laus/town>

\* For the nine month year ended December 31, 2014.

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago  
December 31, 2015 (Unaudited)**

| Employer                              | 2015         |       |   | 2006         |       |   |
|---------------------------------------|--------------|-------|---|--------------|-------|---|
|                                       | Employees    | Rank  | Percentage of Total District Employment | Employees    | Rank  | Percentage of Total District Employment |
| Highland Park Hospital                | 1,200        | 1     | 25.09%                                  | 1200         | 1     | 26.79%                                  |
| School District 112                   | 750          | 2 (1) | 15.68%                                  | 629          | 3     | 14.04%                                  |
| Ravinia Festival                      | 690          | 3 (1) | 14.43%                                  |              |       |   |
| Park District of Highland Park        | 629          | 4 (1) | 13.15%                                  |              |       |   |
| Northern Suburban Special Ed District | 595          | 5 (1) | 12.44%                                  | 690          | 2 (1) | 15.41%                                  |
| School District 113                   | 400          | 6 (1) | 8.36%                                   | 550          | 5     | 12.28%                                  |
| City of Highland Park                 | 237          | 7     | 4.96%                                   |              |       |   |
| Dick Blick Holdings                   | 100          | 8     | 2.09%                                   |              |       |   |
| Highland Park Public Library          | 98           | 9     | 2.05%                                   |              |       |   |
| First Bank of Highland Park           | 84           | 10    | 1.76%                                   |              |       |   |
| Solo Cup Company                      |              |       |   | 600          | 4     | 13.40%                                  |
| Sunset Food Mart                      |              |       |   | 350          | 6     | 7.81%                                   |
| Opportunity Inc.                      |              |       |   | 250          | 7     | 5.58%                                   |
| Bank One, N.A.                        |              |       |   | 70           | 8     | 1.56%                                   |
| Mesirow Financial                     |              |       |   | 70           | 9     | 1.56%                                   |
| Mutual Building Materials             |              |       |   | 70           | 10    | 1.56%                                   |
|                                       | <u>4,783</u> |       | <u>100.00%</u>                          | <u>4,479</u> |       | <u>100.00%</u>                          |

Note: (1) Includes full-time and seasonal employees

Data Source: 2015/2006 IL Manufacturers Directory, 2016/2006 IL Services Directory

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Full-Time Equivalent District Government Employees by Function - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

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|                    | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 | Fiscal<br>Year<br>Ended<br>3/31/2010 |
|--------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Government |                                      |                                      |                                      |                                      |
| Administration     |                                      |                                      |                                      |                                      |
| Full-Time          | 25                                   | 25                                   | 24                                   | 24                                   |
| Operations         |                                      |                                      |                                      |                                      |
| Full-Time          | 25                                   | 25                                   | 25                                   | 25                                   |
| Recreation         |                                      |                                      |                                      |                                      |
| Full-Time          | 24                                   | 24                                   | 23                                   | 23                                   |
| Totals             | 74                                   | 74                                   | 72                                   | 72                                   |

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Data Source: District Records

| Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 18                                   | 24                                   | 24                                   | 22                                   | 22                                    | 20                                    |
| 26                                   | 28                                   | 26                                   | 26                                   | 26                                    | 28                                    |
| 25                                   | 24                                   | 24                                   | 32                                   | 32                                    | 30                                    |
| 69                                   | 76                                   | 74                                   | 80                                   | 80                                    | 78                                    |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

|                          | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 |
|--------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Recreation Center        |                                      |                                      |                                      |
| Memberships              | 1,565                                | 1,693                                | 1,691                                |
| Members                  | 2,802                                | 3,036                                | 3,300                                |
| Day Passes               | 3,776                                | 3,877                                | 4,508                                |
| Rentals                  | 439                                  | 485                                  | 540                                  |
| AquaPark                 |                                      |                                      |                                      |
| Memberships              | 1,229                                | 1,189                                | 937                                  |
| Centennial Ice Area      |                                      |                                      |                                      |
| Ice Skating Participants | 3,208                                | 3,141                                | 3,268                                |
| Gymnastics Participants  | 2,871                                | 2,574                                | 2,599                                |
| Arts Program             |                                      |                                      |                                      |
| Individual Enrollments   | 836                                  | 744                                  | 749                                  |
| West Ridge               |                                      |                                      |                                      |
| Individual Enrollments   | 2,436                                | 2,380                                | 2,208                                |
| Athletics Programs       |                                      |                                      |                                      |
| Individual Enrollments   | 3,319                                | 3,515                                | 3,466                                |
| Camps                    |                                      |                                      |                                      |
| Individual Enrollments   | 1,528                                | 1,375                                | 1,345                                |
| Special Events           |                                      |                                      |                                      |
| Individuals              | 437                                  | 490                                  | 552                                  |
| Boating Beach            |                                      |                                      |                                      |
| Season Passes            | 588                                  | 664                                  | 667                                  |
| Golf Course              |                                      |                                      |                                      |
| Annual Rounds Played     | 35,705                               | 30,196                               | 33,134                               |
| Season Passes            | 2,385                                | 2,302                                | 2,259                                |
| Tennis                   |                                      |                                      |                                      |
| Memberships              | 713                                  | 649                                  | 658                                  |

Data Source: Various District Departments

| Fiscal<br>Year<br>Ended<br>3/31/2010 | Fiscal<br>Year<br>Ended<br>3/31/2011 | Fiscal<br>Year<br>Ended<br>3/31/2012 | Fiscal<br>Year<br>Ended<br>3/31/2013 | Fiscal<br>Year<br>Ended<br>3/31/2014 | Nine<br>Months<br>Ended<br>12/31/2014 | Fiscal<br>Year<br>Ended<br>12/31/2015 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 1,549                                | 1,499                                | 1,897                                | 2,952                                | 1,804                                | 1,744                                 | 2,067                                 |
| 2,803                                | 2,736                                | 2,584                                | 2,712                                | 3,050                                | 3,086                                 | 3,239                                 |
| 3,844                                | 2,639                                | 2,914                                | 2,235                                | 2,062                                | 1,791                                 | 8,180                                 |
| 274                                  | 192                                  | 241                                  | 207                                  | 193                                  | 115                                   | 1,261                                 |
| 827                                  | 846                                  | 872                                  | 484                                  | 655                                  | 856                                   | 703                                   |
| 2,529                                | 3,297                                | 2,453                                | 1,809                                | 1,599                                | 1,158                                 | 2,076                                 |
| 2,500                                | 2,714                                | 1,874                                | 2,165                                | 1,791                                | 1,115                                 | 1,766                                 |
| 720                                  | 827                                  | 359                                  | 363                                  | 660                                  | 186                                   | 183                                   |
| 1,918                                | 1,973                                | 1,592                                | 1,919                                | 1,799                                | 1,874                                 | 1,403                                 |
| 3,504                                | 3,920                                | 2,691                                | 2,455                                | 2,224                                | 1,793                                 | 2,222                                 |
| 1,415                                | 1,284                                | 1,275                                | 1,238                                | 1,194                                | 1,371                                 | 1,572                                 |
| 532                                  | 554                                  | 1,613                                | 3,215                                | 1,176                                | 8,788                                 | 7,120                                 |
| 451                                  | 357                                  | 384                                  | 232                                  | 199                                  | 67                                    | 205                                   |
| 29,808                               | 30,001                               | 30,859                               | 31,635                               | 27,775                               | 24,724                                | 27,127                                |
| 2,226                                | 2,236                                | 2,252                                | -                                    | -                                    | -                                     | 135                                   |
| 600                                  | 591                                  | 577                                  | 693                                  | 704                                  | 750                                   | 704                                   |

**PARK DISTRICT OF HIGHLAND PARK, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2015 (Unaudited)**

|                                      | Fiscal<br>Year<br>Ended<br>3/31/2007 | Fiscal<br>Year<br>Ended<br>3/31/2008 | Fiscal<br>Year<br>Ended<br>3/31/2009 |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Recreation                           |                                      |                                      |                                      |
| Facilities (Number of)               |                                      |                                      |                                      |
| Adventure Golf Mini-Course           | 1                                    | 1                                    | 1                                    |
| Aqua Park                            | 1                                    | 1                                    | 1                                    |
| Ball Diamonds                        | 23                                   | 23                                   | 23                                   |
| Boat Launching Ramp                  | 1                                    | 1                                    | 1                                    |
| Disc Golf Courses                    | 2                                    | 2                                    | 2                                    |
| Dog Off-Leash Exercise Area          | 1                                    | 1                                    | 1                                    |
| Fishing Ponds                        | 3                                    | 3                                    | 3                                    |
| Football Fields/Soccer               | 14                                   | 14                                   | 14                                   |
| Golf Course                          | 1                                    | 1                                    | 1                                    |
| Golf Learning Center (Driving Range) | 1                                    | 1                                    | 1                                    |
| Gymnastics Studio                    | 1                                    | 1                                    | 1                                    |
| Indoor Tennis Courts                 | 6                                    | 6                                    | 6                                    |
| Indoor Ice Arena                     | 1                                    | 1                                    | 1                                    |
| Indoor Playground                    | 1                                    | 1                                    | 1                                    |
| In-Line/Skateboard Park              | 1                                    | 1                                    | 1                                    |
| Walking and Bike Trails (Miles)      | 4                                    | 4                                    | 10                                   |
| Nature Center                        | 1                                    | 1                                    | 1                                    |
| Nature Preserves                     | 6                                    | 6                                    | 6                                    |
| Outdoor Basketball Courts            | 10                                   | 10                                   | 10                                   |
| Outdoor Hard Surface Tennis Courts   | 39                                   | 39                                   | 39                                   |
| Outdoor Ice Skating                  | 1                                    | 1                                    | 1                                    |
| Outdoor Soft Surface Tennis Courts   | 3                                    | 3                                    | 3                                    |
| Parking Spaces                       | 1,794                                | 1,794                                | 1,922                                |
| Picnic Areas                         | 16                                   | 16                                   | 16                                   |
| Picnic Shelters                      | 4                                    | 4                                    | 4                                    |
| Playgrounds                          | 39                                   | 39                                   | 39                                   |
| Public Park Restrooms                | 16                                   | 16                                   | 11                                   |
| Racquetball Courts                   | 4                                    | 4                                    | 4                                    |
| Recreation Centers                   | 2                                    | 2                                    | 2                                    |
| Swimming Beaches                     | 1                                    | 1                                    | 1                                    |
| Program Shelter                      | -                                    | -                                    | -                                    |
| Public Recreation Beaches            | -                                    | -                                    | -                                    |

Data Source: District Department Heads

| Fiscal Year Ended 3/31/2010 | Fiscal Year Ended 3/31/2011 | Fiscal Year Ended 3/31/2012 | Fiscal Year Ended 3/31/2013 | Fiscal Year Ended 3/31/2014 | Nine Months Ended 12/31/2014 | Fiscal Year Ended 12/31/2015 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| 1                           | -                           | -                           | -                           | -                           | -                            | -                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 23                          | 23                          | 23                          | 23                          | 23                          | 23                           | 23                           |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 2                           | 2                           | 2                           | 2                           | 2                           | 2                            | 2                            |
| 1                           | 1                           | 2                           | 3                           | 3                           | 3                            | 3                            |
| 3                           | 3                           | 3                           | 3                           | 3                           | 3                            | 3                            |
| 14                          | 14                          | 14                          | 14                          | 14                          | 14                           | 14                           |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 1                           | -                           | -                           | -                           | -                           | -                            | -                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 6                           | 6                           | 6                           | 6                           | 6                           | 6                            | 6                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 10                          | 10                          | 10                          | 9                           | 9                           | 9                            | 9                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 6                           | 6                           | 6                           | 6                           | 6                           | 6                            | 6                            |
| 10                          | 10                          | 10                          | 10                          | 10                          | 10                           | 10                           |
| 39                          | 39                          | 39                          | 39                          | 39                          | 39                           | 39                           |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 3                           | 3                           | 7                           | 7                           | 7                           | 7                            | 7                            |
| 1,922                       | 1,922                       | 1,922                       | 2,149                       | 2,149                       | 2,149                        | 2,149                        |
| 16                          | 16                          | 16                          | 16                          | 16                          | 16                           | 16                           |
| 4                           | 4                           | 4                           | 4                           | 4                           | 4                            | 4                            |
| 39                          | 39                          | 39                          | 39                          | 39                          | 39                           | 39                           |
| 11                          | 11                          | 11                          | 11                          | 11                          | 11                           | 11                           |
| 4                           | 4                           | 4                           | 4                           | 4                           | 4                            | 4                            |
| 2                           | 2                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| 1                           | 1                           | 1                           | 1                           | 1                           | 1                            | 1                            |
| -                           | -                           | -                           | 1                           | 1                           | 1                            | 1                            |
| -                           | -                           | -                           | 4                           | 4                           | 4                            | 4                            |