

BYRON PARK DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2019

BYRON PARK DISTRICT, ILLINOIS

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INTRODUCTORY SECTION

This section regarding the Byron Park District includes the List of Principal Officials.

BYRON PARK DISTRICT, ILLINOIS

Principal Officials

December 31, 2019

BOARD OF COMMISSIONERS

Rachel Oracki, President

Bruce Boyle, Treasurer

Jeff Wilmarth, Vice President

Scott Jeffrey, Commissioner

Judson Griffith, Secretary

ADMINISTRATIVE

Paul Zepezauer, Executive Director

Nick Warner, Superintendent of Recreation

Carrie Stralow, Administrative Services Manager

Elaine Carow, Marketing and Registration Manager

Jessica Julian, Cultural Arts Program Manager

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedule

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

April 8, 2020

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Byron Park District, as of and for the year ended December 31, 2019, 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Byron Park District, as of December 31, 2019, 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 a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Byron Park District' basic financial statements. The other supplementary information and supplemental schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory 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 it.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

Our discussion and analysis of the Byron Park District's financial performance provides an overview of the District's financial activities for the ten months ended December 31, 2019. Please read it in conjunction with the District's financial statements, which begin on page 18.

FINANCIAL HIGHLIGHTS

- The District's net position increased from a balance of \$1,544,784 to \$1,600,912, an increase of \$56,128 or 3.63 percent.
- During the year, government-wide revenues totaled \$1,555,981, while government-wide expenses totaled \$1,499,853 resulting in an increase to net position of \$56,128.
- Total fund balances for the governmental funds were \$900,488 at December 31, 2019 compared to a balance of \$1,034,080 in the prior year, a decrease of \$133,592 or 12.92 percent.

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 18 - 20) 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 21. 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 operation 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 18 - 20 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 parks, is needed to assess the overall health of the District.

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

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).

Both of the government-wide financial statements report functions of the District that are principally supported by taxes and charges for services revenues (governmental activities). The governmental activities of the District include general government and culture and recreation.

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. The District only maintains 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.

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

The District maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Recreation Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered major funds. Individual fund data for the remaining eight non-major governmental funds is provided in the form of combining schedules elsewhere in this report.

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 21 - 24 of this report.

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 25 - 51 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, retiree benefits plan, and budgetary comparison schedules for the General Fund and major special revenue fund, the Recreation Fund. Required supplementary information can be found on pages 53 - 58 of this report. The combining and individual fund statements and schedules can be found immediately after the required supplementary information, on pages 62 - 78 of this report.

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis December 31, 2019

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 \$1,600,912.

| | Statement of Net Position | |
|------------------------------------|---------------------------|------------|
| | 12/31/2019 | 12/31/2018 |
| Current Assets | \$ 1,923,003 | 1,981,104 |
| Noncurrent Assets | 1,315,853 | 1,093,384 |
| Total Assets | 3,238,856 | 3,074,488 |
| Deferred Outflows | 82,333 | 176,458 |
| Total Assets/ Deferred Outflows | 3,321,189 | 3,250,946 |
| Long-Term Debt | 181,967 | 260,101 |
| Other Liabilities | 589,988 | 534,926 |
| Total Liabilities | 771,955 | 795,027 |
| Deferred Inflows | 948,322 | 905,989 |
| Total Liabilities/Deferred Inflows | 1,720,277 | 1,701,016 |
| Net Position | | |
| Net Investment in Capital Assets | 1,315,853 | 1,093,384 |
| Restricted | 546,094 | 659,463 |
| Unrestricted (Deficit) | (261,035) | (202,917) |
| Total Net Position | 1,600,912 | 1,549,930 |

A large portion of the District's net position, \$1,315,853, or 82.19 percent, reflects its net investment in capital assets (for example, land, construction in progress, land improvements, buildings, recreation equipment, and vehicles), 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, or \$546,094, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$261,035 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis December 31, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

| | Changes in Net Position | |
|----------------------------|-------------------------|-------------------------|
| | 12/31/2019 | 12/31/2018 |
| Revenues | | |
| Program Revenues | | |
| Charges for Services | \$ 613,398 | 513,114 |
| Capital Grants/Contrib. | 34,000 | — |
| General Revenues | | |
| Property Taxes | 859,882 | 833,488 |
| Interest Income | 18,494 | 10,635 |
| Miscellaneous | 30,207 | 10,670 |
| Total Revenues | <u>1,555,981</u> | <u>1,367,907</u> |
| Expenses | | |
| General Government | 376,710 | 293,617 |
| Culture and Recreation | 1,114,806 | 976,959 |
| Interest on Long-Term Debt | 8,337 | 3,364 |
| Total Expenses | <u>1,499,853</u> | <u>1,273,940</u> |
| Change in Net Position | 56,128 | 93,967 |
| Net Position - Beginning | <u>1,544,784</u> | <u>1,450,817</u> |
| Net Position - Ending | <u><u>1,600,912</u></u> | <u><u>1,544,784</u></u> |

Net position of the District's governmental activities increased from a balance of \$1,544,784 to \$1,600,912.

Revenues of \$1,555,981 exceeded expenses of \$1,499,853, resulting in the increase to net position in the current year of \$56,128.

Governmental Activities

In the current year, governmental net position increased \$56,128, an increase of 3.63 percent. Charges for services increased \$100,284 from the prior year (\$613,398 in 2019 compared to \$513,114 in 2018). The District's property tax revenues increased \$26,394 and capital grants/contributions increased \$34,000 over the prior year. The District's overall expenses increased by \$225,913 over the prior year with the majority of the increase related to several improvement projects and planning fees associated with projects that are anticipated to be completed in 2020 and 2021.

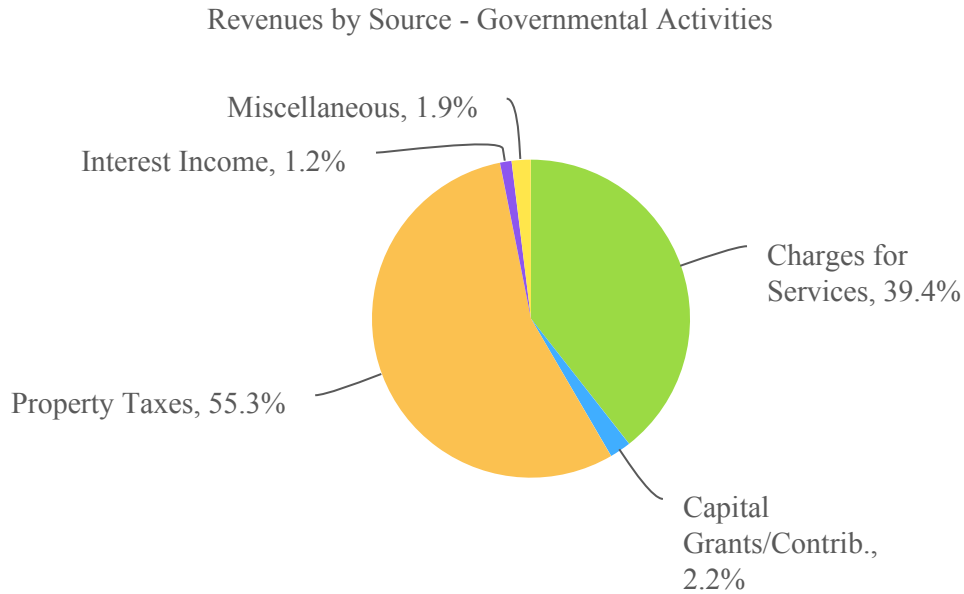
BYRON PARK DISTRICT, ILLINOIS

**Management's Discussion and Analysis
December 31, 2019**

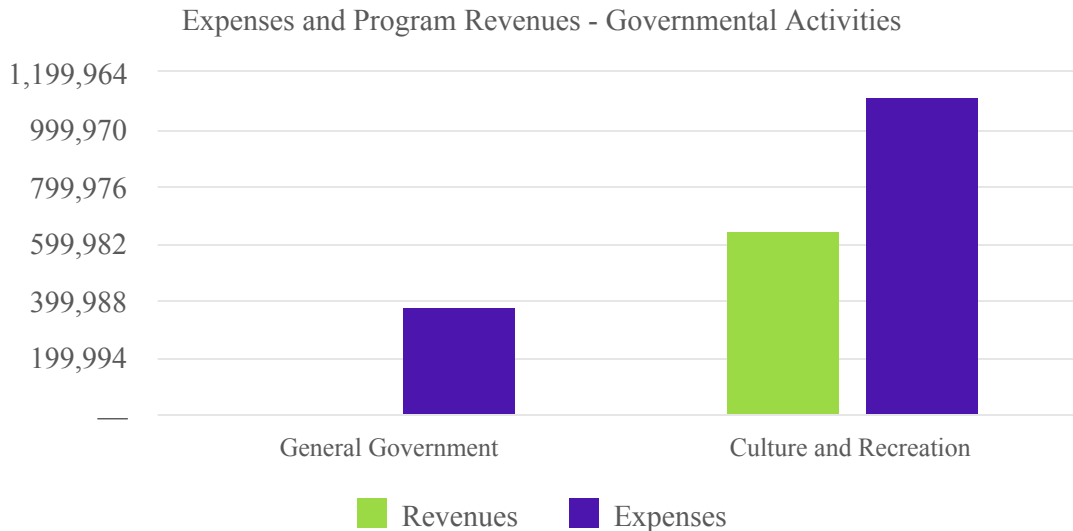
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The following chart graphically depicts the major revenue sources of the District. It depicts very clearly the reliance of property taxes and charges for services to fund governmental activities.



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. The general government and the culture and recreation functions charge user fees for services provided. The user fees charged do not cover the expenses in the general government or culture and recreation functions, which furthermore signifies the Park District's reliance on general revenues such as property



BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT'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, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$900,488, which is 12.92 percent lower than last year's ending fund balance of \$1,034,080 for the prior year.

In the current year, governmental fund balances decreased by \$133,592. The General Fund reported a decrease of \$29,348 and this decrease was due to additional expenses in supplies and professional services. The Recreation Fund reported an increase of \$3,979 due to an increase in participation in high margin programs and a reduction in low margin programs. The Debt Service reported a decrease of \$88 due to the tax receipts coming in lower than the bond principal and interest payments within the fiscal year. The Capital Projects Fund reported a decrease of \$71,760. This fund has a current fiscal year end balance of \$210,494 as capital related expenditures were made in the amount of \$441,824 in the current year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District did not amend the General Fund budget during the year. The General Fund actual revenues were lower than budgeted revenues. Actual revenues for the current year were \$172,520 compared to budgeted revenues of \$176,000. This resulted primarily from interest coming in lower than what was budgeted.

The General Fund actual expenditures were higher than budgeted expenditures. Actual expenditures totaled \$201,868 while budgeted expenditures totaled \$184,867. This is due primarily to contractual expenditures coming in higher than anticipated.

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Byron Park District's net investment in capital assets for its governmental activities as of December 31, 2019 was \$1,315,853 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress land improvements, buildings, recreation equipment, and vehicles.

| | Capital Assets - Net of | |
|--------------------------|-------------------------|------------------|
| | 12/31/2019 | 12/31/2018 |
| Land | \$ 311,750 | 221,750 |
| Construction in Progress | — | 16,900 |
| Land Improvements | 507,099 | 464,389 |
| Buildings | 41,239 | 42,457 |
| Recreation Equipment | 397,785 | 280,920 |
| Vehicles | 57,980 | 66,968 |
| Total | <u>1,315,853</u> | <u>1,093,384</u> |

This year's major additions included:

| | |
|----------------------|----------------|
| Land | \$ 90,000 |
| Land Improvements | 63,440 |
| Recreation Equipment | <u>165,537</u> |
| | <u>318,977</u> |

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

Debt Administration

At year-end, the District had total governmental debt outstanding of \$450,000 compared to \$440,000 the previous year. The following is a comparative statement of outstanding debt:

| | Long-Term Debt Outstanding | |
|--------------------------|----------------------------|------------|
| | 12/31/2019 | 12/31/2018 |
| General Obligation Bonds | \$ 450,000 | 440,000 |

BYRON PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration – Continued

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's elected and appointed officials considered many factors when setting the fiscal-year 2020 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy and the status of the State's budget. The District is faced with a similar economic environment as many of the other local municipalities are faced with, including inflation and unemployment rates.

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 the Byron Park District, 420 North Colfax Street, P.O. Box 423, Byron, Illinois 61010.

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.

BYRON PARK DISTRICT, ILLINOIS

Statement of Net Position

December 31, 2019

See Following Page

BYRON PARK DISTRICT, ILLINOIS

Statement of Net Position

December 31, 2019

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| ASSETS | |
| Current Assets | |
| Cash and Investments | \$ 1,012,947 |
| Receivables - Net of Allowances | |
| Property Taxes | 889,237 |
| Accounts | <u>20,819</u> |
| Total Current Assets | <u>1,923,003</u> |
| Noncurrent Assets | |
| Capital Assets | |
| Nondepreciable | 311,750 |
| Depreciable | 1,413,817 |
| Accumulated Depreciation | <u>(409,714)</u> |
| Total Noncurrent Assets | <u>1,315,853</u> |
| Total Assets | 3,238,856 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Items - IMRF | <u>82,333</u> |
| Total Assets and Deferred Outflows of Resources | <u>3,321,189</u> |

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

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | \$ 62,973 |
| Accrued Payroll | 20,568 |
| Other Payables | 49,737 |
| Current Portion of Long-Term Debt | 456,710 |
| Total Current Liabilities | <u>589,988</u> |
| Noncurrent Liabilities | |
| Net Pension Liability - IMRF | 134,459 |
| Total OPEB Liability - RBP | 47,508 |
| Total Noncurrent Liabilities | <u>181,967</u> |
| Total Liabilities | <u>771,955</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Property Taxes | 889,237 |
| Deferred Items - IMRF | 59,085 |
| Total Deferred Inflows of Resources | <u>948,322</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>1,720,277</u> |
| NET POSITION | |
| Investment in Capital Assets | 1,315,853 |
| Restricted | |
| Workers' Compensation | 19,258 |
| Unemployment Insurance | 122,356 |
| Illinois Municipal Retirement | 74,201 |
| Social Security | 37,456 |
| Audit | 4,261 |
| Liability Insurance | 12,265 |
| Lighting and Paving | 47,096 |
| Police | 5,067 |
| Restricted - Debt Service | 13,640 |
| Restricted - Capital Projects | 210,494 |
| Unrestricted (Deficit) | <u>(261,035)</u> |
| Total Net Position | <u>1,600,912</u> |

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

BYRON PARK DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2019

| | Expenses | Program Revenues | | | Net |
|----------------------------|------------------|----------------------------|---------------------------------------|-------------------------------------|--|
| | | Charges for Services | Operating Grants/ Contributions | Capital Grants/ Contributions | (Expenses) Revenues and Changes in Net Position |
| Governmental Activities | | | | | |
| General Government | \$ 376,710 | — | — | — | (376,710) |
| Culture and Recreation | 1,114,806 | 613,398 | — | 34,000 | (467,408) |
| Interest on Long-Term Debt | 8,337 | — | — | — | (8,337) |
| | <u>1,499,853</u> | <u>613,398</u> | <u>—</u> | <u>34,000</u> | <u>(852,455)</u> |
| | | General Revenues | | | |
| | | Taxes | | | |
| | | | | Property Taxes | 859,882 |
| | | | | Interest | 18,494 |
| | | | | Miscellaneous | 30,207 |
| | | | | | <u>908,583</u> |
| | | Change in Net Position | | | 56,128 |
| | | Net Position - Beginning | | | <u>1,544,784</u> |
| | | Net Position - Ending | | | <u><u>1,600,912</u></u> |

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

BYRON PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2019

| | General | Special Revenue Recreation | Debt Service | Capital Projects | Nonmajor | Totals |
|---|------------|----------------------------------|-----------------|---------------------|----------|-----------|
| ASSETS | | | | | | |
| Cash and Investments | \$ 156,810 | 265,053 | 13,640 | 248,676 | 328,768 | 1,012,947 |
| Receivables - Net of Allowances | | | | | | |
| Taxes | 176,195 | 132,147 | 456,075 | — | 124,820 | 889,237 |
| Accounts | — | 20,819 | — | — | — | 20,819 |
| Total Assets | 333,005 | 418,019 | 469,715 | 248,676 | 453,588 | 1,923,003 |
| LIABILITIES | | | | | | |
| Accounts Payable | — | 22,359 | — | 38,182 | 2,432 | 62,973 |
| Accrued Payroll | 4,797 | 11,395 | — | — | 4,376 | 20,568 |
| Other Payables | — | 49,737 | — | — | — | 49,737 |
| Total Liabilities | 4,797 | 83,491 | — | 38,182 | 6,808 | 133,278 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Property Taxes | 176,195 | 132,147 | 456,075 | — | 124,820 | 889,237 |
| Total Liabilities and Deferred Inflows of Resources | 180,992 | 215,638 | 456,075 | 38,182 | 131,628 | 1,022,515 |
| FUND BALANCES | | | | | | |
| Restricted | — | — | 13,640 | 210,494 | 321,960 | 546,094 |
| Assigned | — | 202,381 | — | — | — | 202,381 |
| Unassigned | 152,013 | — | — | — | — | 152,013 |
| Total Fund Balances | 152,013 | 202,381 | 13,640 | 210,494 | 321,960 | 900,488 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | 333,005 | 418,019 | 469,715 | 248,676 | 453,588 | 1,923,003 |

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

BYRON PARK DISTRICT, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

December 31, 2019

| | |
|---|------------|
| Total Governmental Fund Balances | \$ 900,488 |
|---|------------|

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

| | |
|--|-----------|
| Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds. | 1,315,853 |
|--|-----------|

| | |
|--|--------|
| Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF | 23,248 |
|--|--------|

| | |
|--|------------------|
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. | |
| Compensated Absences Payable | (6,710) |
| Net Pension Liability - IMRF | (134,459) |
| Total OPEB Liability - RBP | (47,508) |
| General Obligation Bonds Payable | <u>(450,000)</u> |

| | |
|--|-------------------------|
| Net Position of Governmental Activities | <u><u>1,600,912</u></u> |
|--|-------------------------|

BYRON PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2019**

| | General | Special Revenue Recreation | Debt Service | Capital Projects | Nonmajor | Totals |
|--|-----------------|----------------------------------|-----------------|---------------------|-----------------|------------------|
| Revenues | | | | | | |
| Taxes | \$ 169,603 | 127,202 | 447,732 | — | 115,345 | 859,882 |
| Charges for Services | — | 613,398 | — | — | — | 613,398 |
| Intergovernmental | — | — | — | 34,000 | — | 34,000 |
| Interest | 2,917 | 9,866 | 517 | 498 | 4,696 | 18,494 |
| Miscellaneous | — | 4,200 | — | 26,007 | — | 30,207 |
| Total Revenues | 172,520 | 754,666 | 448,249 | 60,505 | 120,041 | 1,555,981 |
| Expenditures | | | | | | |
| Current | | | | | | |
| General Government | 201,868 | — | — | — | 152,093 | 353,961 |
| Culture and Receptions | — | 750,687 | — | — | 4,323 | 755,010 |
| Capital Outlay | — | — | — | 582,265 | — | 582,265 |
| Debt Service | | | | | | |
| Principal Retirement | — | — | 440,000 | — | — | 440,000 |
| Interest and Fiscal Charges | — | — | 8,337 | — | — | 8,337 |
| Total Expenditures | 201,868 | 750,687 | 448,337 | 582,265 | 156,416 | 2,139,573 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (29,348) | 3,979 | (88) | (521,760) | (36,375) | (583,592) |
| Other Financing Sources | | | | | | |
| Debt Issuance | — | — | — | 450,000 | — | 450,000 |
| Net Change in Fund Balances | (29,348) | 3,979 | (88) | (71,760) | (36,375) | (133,592) |
| Fund Balances - Beginning | 181,361 | 198,402 | 13,728 | 282,254 | 358,335 | 1,034,080 |
| Fund Balances - Ending | 152,013 | 202,381 | 13,640 | 210,494 | 321,960 | 900,488 |

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

BYRON PARK DISTRICT, ILLINOIS

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

For the Fiscal Year Ended December 31, 2019

Net Change in Fund Balances - Total Governmental Funds **\$ (133,592)**

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 | 318,977 |
| Depreciation Expense | (96,508) |
| Disposals - Cost | (5,900) |
| Disposals - Accumulated Depreciation | 5,900 |

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

| | |
|---------------------------------|-----------|
| Change in Deferred Items - IMRF | (101,743) |
|---------------------------------|-----------|

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.

| | |
|---|-----------|
| (Additions) to Compensated Absences Payable | (702) |
| Deductions to Net Pension Liability - IMRF | 90,878 |
| (Additions) to Total OPEB Liability - RBP | (12,744) |
| Issuance of Debt | (450,000) |
| Retirement of Debt | 440,000 |

Changes in Net Position of Governmental Activities **56,128**

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Byron Park District (the District) is located in Byron, Illinois. The District is governed by an elected five-member Board of Commissioners.

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 preservation of open space, recreational program activities, development and maintenance of the District's various parks and facilities, and general administration are all classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns are: (a) presented on a consolidated basis 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 and recreation, etc.). These functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, 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 and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).

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.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

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 comprise 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) for the determination of major funds. The District selectively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a single column in the fund financial statements. A fund is considered major if it is a 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 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 including impact fees. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for specified purposes. The District maintains nine special revenue funds. The Recreation Fund, a major fund, is used to account for revenues and expenditures related to recreational programs offered by the District.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

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

BASIS OF PRESENTATION - *Continued*

Governmental Funds - *Continued*

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

Capital projects funds are used to account for all resources used for the acquisition or construction of major capital assets. The Capital Projects Fund, a major fund, is used to account for various identified capital projects such as land acquisition and land development as well as capital equipment and supplies.

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 as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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.

The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

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, sales and use taxes, franchise taxes, utility taxes, hotel/motel taxes, fines, 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

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At year-end, the District does not have any investments.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

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

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

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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 expensed 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 is 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:

| | |
|----------------------|--------------|
| Land Improvement | 20 Years |
| Buildings | 45 Years |
| Recreation Equipment | 5 - 20 Years |
| Vehicles | 7 - 10 Years |

Deferred Outflows/Inflows of Resources

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

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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 obligations are reported as liabilities in the governmental activities on the 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.

Net Position

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

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 legislation.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position - Continued

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The appropriated budget is prepared by fund, function, and department. The District’s department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board of Commissioners. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. levy and appropriation is prepared on the same basis and uses the same accounting practices as are used in the fund financial statements.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitment related to unperformed (executory) contracts for goods or services (i.e. purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year’s budget pursuant to state regulations. During the year, no supplementary appropriations were necessary.

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 |
|---------------------|-----------|
| General | \$ 17,001 |
| Debt Service | 337 |
| Capital Projects | 66,765 |
| Liability Insurance | 2,590 |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

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, Illinois Public Reserves Investment Management Trust

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

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

Deposits. At year-end, the carrying amount of the District's deposits totaled \$782,117 and the bank balances totaled \$807,502. In addition, the District has \$230,830 invested in the IPRIME at year-end.

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's investment policy states the District should invest funds in a manner that provides the highest investment return using authorized instruments while meeting the daily cash flow demands.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy does not address credit risk.

Concentration of Credit 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 does not address concentration of credit risk. At year-end, the District does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS - Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk - Continued

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 states that all accounts owned will be held in financial institutions which are federally insured. At year-end, the entire amount of the bank balance of deposits is covered by collateral, 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 investments or collateral securities that are in the possession of an outside party.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--------------------------------------|-----------------------|----------------|---------------|--------------------|
| Nondepreciable Capital Assets | | | | |
| Land | \$ 221,750 | 90,000 | — | 311,750 |
| Construction in Progress | 16,900 | — | 16,900 | — |
| | <u>238,650</u> | <u>90,000</u> | <u>16,900</u> | <u>311,750</u> |
| Depreciable Capital Assets | | | | |
| Land Improvements | 704,541 | 80,340 | 5,900 | 778,981 |
| Buildings | 54,810 | — | — | 54,810 |
| Recreation Equipment | 340,651 | 165,537 | — | 506,188 |
| Vehicles | 73,838 | — | — | 73,838 |
| | <u>1,173,840</u> | <u>245,877</u> | <u>5,900</u> | <u>1,413,817</u> |
| Less Accumulated Depreciation | | | | |
| Land Improvements | 240,152 | 37,630 | 5,900 | 271,882 |
| Buildings | 12,353 | 1,218 | — | 13,571 |
| Recreation Equipment | 59,731 | 48,672 | — | 108,403 |
| Vehicles | 6,870 | 8,988 | — | 15,858 |
| | <u>319,106</u> | <u>96,508</u> | <u>5,900</u> | <u>409,714</u> |
| Total Net Depreciable Capital Assets | <u>854,734</u> | <u>149,369</u> | <u>—</u> | <u>1,004,103</u> |
| Total Net Capital Assets | <u>1,093,384</u> | <u>239,369</u> | <u>16,900</u> | <u>1,315,853</u> |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Depreciation expense was charged to governmental activities as follows:

Culture and Recreation \$ 96,508

PROPERTY TAXES

Property taxes for 2018 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 March 1 and August 1. The County collects such taxes and remits them periodically.

LONG-TERM DEBT

General Obligation Bonds

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

| Issue | Beginning Balances | Issuances | Retirements | Ending Balances |
|--|-----------------------|----------------|----------------|--------------------|
| \$440,000 General Obligation Park Bonds of 2018 - Due in one installment of \$440,000 plus interest at 1.90% through December 6, 2019 | \$ 440,000 | — | 440,000 | — |
| \$450,000 General Obligation Park Bonds of 2019 - Due in annual installments of \$195,000 to \$450,000 plus interest at 1.35% through December 1, 2020 | — | 450,000 | — | 450,000 |
| | <u>440,000</u> | <u>450,000</u> | <u>440,000</u> | <u>450,000</u> |

Long-Term Liability Activity

For the governmental activities, the compensated absences, the net pension liability, and the total OPEB liability are generally liquidated by the General Fund or the Recreation Fund. Payments on the general obligation bonds are made by the Debt Service Fund.

BYRON PARK DISTRICT, ILLINOIS

**Notes to the Financial Statements
December 31, 2019**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

Long-Term Liability Activity - Continued

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 |
|------------------------------|-----------------------|----------------|----------------|--------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Compensated Absences | \$ 6,008 | 1,404 | 702 | 6,710 | 6,710 |
| Net Pension Liability - IMRF | 225,337 | — | 90,878 | 134,459 | — |
| Total OPEB Liability - RBP | 34,764 | 12,744 | — | 47,508 | — |
| General Obligation Bonds | 440,000 | 450,000 | 440,000 | 450,000 | 450,000 |
| | <u>706,109</u> | <u>464,148</u> | <u>531,580</u> | <u>638,677</u> | <u>456,710</u> |

Debt Service Requirements to Maturity

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

| Fiscal Year | General Obligation Park Bonds | |
|----------------|----------------------------------|--------------|
| | Principal | Interest |
| 2020 | <u>\$ 450,000</u> | <u>6,075</u> |

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 than .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."

BYRON PARK DISTRICT, ILLINOIS

**Notes to the Financial Statements
December 31, 2019**

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

Legal Debt Margin - Continued

| | |
|---|-----------------------|
| Assessed Valuation - 2018 | <u>\$ 169,837,004</u> |
| Legal Debt Limit - 2.875% of Assessed Value | 4,882,814 |
| Amount of Debt Applicable to Limit | <u>450,000</u> |
| Legal Debt Margin | <u>4,432,814</u> |
| Non-Referendum Legal Debt Limit | |
| .575% of Equalized Assessed Valuation | 976,563 |
| Amount of Debt Applicable to Limit | <u>—</u> |
| Non-Referendum Legal Debt Margin | <u>976,563</u> |

NET POSITION/FUND BALANCE

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.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCE - Continued

Fund Balance Classifications - Continued

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to 50% of operating expenditures. In addition, the Recreation Fund should maintain a minimum unrestricted fund balance equal to 50% of the annual property tax levy.

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

| | General | Special Revenue Recreation | Debt Service | Capital Projects | Nonmajor | Totals |
|---|---------|----------------------------------|-----------------|---------------------|----------|---------|
| Fund Balances | | | | | | |
| Restricted | | | | | | |
| Special Levies | | | | | | |
| Workers' Compensation | \$ — | — | — | — | 19,258 | 19,258 |
| Unemployment Insurance | — | — | — | — | 122,356 | 122,356 |
| Illinois Municipal Retirement | — | — | — | — | 74,201 | 74,201 |
| Social Security | — | — | — | — | 37,456 | 37,456 |
| Audit | — | — | — | — | 4,261 | 4,261 |
| Liability Insurance | — | — | — | — | 12,265 | 12,265 |
| Lighting and Paving | — | — | — | — | 47,096 | 47,096 |
| Police | — | — | — | — | 5,067 | 5,067 |
| Debt Service | — | — | 13,640 | — | — | 13,640 |
| Capital Projects | — | — | — | 210,494 | — | 210,494 |
| | — | — | 13,640 | 210,494 | 321,960 | 546,094 |
| Committed | | | | | | |
| Recreational Programming, Facility Maintenance, and Future Recreation Capital | — | 202,381 | — | — | — | 202,381 |
| Unassigned | 152,013 | — | — | — | — | 152,013 |
| Total Fund Balances | 152,013 | 202,381 | 13,640 | 210,494 | 321,960 | 900,488 |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCE - Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of December 31, 2019:

| | |
|--|---------------------|
| Governmental Activities | |
| Capital Assets - Net of Accumulated Depreciation | <u>\$ 1,315,853</u> |

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the District's employees. The District has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. The Library currently reports all its risk management activities in the General Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Park District Risk Management Agency (PDRMA) – Property and Casualty Program

Since March 1, 2018, the District has been a member of the Park District Risk Management Agency (PDRMA), a joint risk management pool of park and forest preserve districts, and special recreation associations, through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect for the period of January 1, 2019 through January 1, 2020:

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) – Property and Casualty Program - Continued

| Coverage | Member Deductible | PDRMA Self-Insured Retention | Limits |
|----------------------------------|--------------------------|-------------------------------------|---|
| PROPERTY | | | |
| 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/Annual Aggregate |
| Flood, Zones A & V | \$1,000 | \$1,000,000 | \$200,000,000/Occurrence/Annual Aggregate |
| Earthquake Shock | \$1,000 | \$100,000 | \$100,000,000/Occurrence/Annual Aggregate |
| Auto Physical Damage | | | |
| Comprehensive and Collision | \$1,000 | \$1,000,000 | Included |
| Course of Construction | \$1,000 | Included | \$25,000,000 |
| Business Interruption, Rental | | | |
| Income, Tax Income Combined | \$1,000 | | \$100,000,000/Reported Values |
| | | | \$500,000/\$2,500,000/Non-Reported Values |
| Service Interruption | 24 Hours | N/A | \$25,000,000 |
| Boiler and Machinery | | | \$100,000,000 Equipment 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 |
| WORKERS COMPENSATION | | | |
| Employers Liability | N/A | \$500,000 | Statutory |
| | | \$500,000 | \$3,500,000 Employers Liability |
| LIABILITY | | | |
| 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 |
| POLLUTION LIABILITY | | | |
| Liability - Third Party | None | \$25,000 | \$5,000,000/Occurrence |
| Property - First Party | \$1,000 | \$24,000 | \$30,000,000 3 Year Aggregate |

BYRON PARK DISTRICT, ILLINOIS

**Notes to the Financial Statements
December 31, 2019**

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) – Property and Casualty Program - Continued

| Coverage | Member Deductible | PDRMA Self- Insured Retention | Limits |
|---|------------------------------|--|--|
| OUTBREAK EXPENSE | | | |
| Outbreak Expense | 24 Hours | N/A | \$15,000 per Day |
| | | | \$1,000,000 Aggregate Policy Limit |
| INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA | | | |
| LIABILITY COVERAGE | | | |
| Information Security & Privacy | | | |
| Liability | None | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Privacy Notification, Costs | None | \$100,000 | \$500,000/Occurrence/Annual Aggregate |
| Regulatory Defense & Penalties | None | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Website Media Content Liability | None | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Cyber Extortion | None | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| Data Protection & Business | | | |
| Interruption | \$1,000 | \$100,000 | \$2,000,000/Occurrence/Annual Aggregate |
| First Party Business Interruption | 8 Hours | \$100,000 | \$50,000 Hourly Sublimit/\$50,000 Forensic |
| | | | Exp./\$150,000 Dependent Bus. Interruption |
| VOLUNTEER MEDICAL ACCIDENT | | | |
| Volunteer Medical Accident | None | \$5,000 | \$5,000 Medical Expense and AD&D |
| | | | Excess of any other Collectible Insurance |
| UNDERGROUND STORAGE TANK LIABILITY | | | |
| Underground Storage Tank Liability | None | N/A | \$10,000, Follows Illinois Leaking |
| | | | Underground Tank Fund |
| UNEMPLOYMENT COMPENSATION | | | |
| Unemployment Compensation | N/A | N/A | Statutory |

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

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) – Property and Casualty Program - Continued

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, 2018 and the statement of revenues and expenses for the period ending December 31, 2018. The District’s portion of the overall equity of the pool is -0.003% or (1,500).

| | |
|---|---------------|
| Assets | \$ 64,598,180 |
| Deferred Outflows of Resources - | 735,579 |
| Liabilities | 20,358,043 |
| Deferred Inflows of Resources - Pension | 1,157,368 |
| Total Net Position | 43,818,350 |
| Revenues | 18,891,688 |
| Expenditures | 18,647,660 |

Since 98.39% 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.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

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.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (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. 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 online at 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 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.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided. 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.

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, 2019, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|------------------|
| Inactive Plan Members Currently Receiving Benefits | 3 |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | 12 |
| Active Plan Members | <u>6</u> |
| Total | <u><u>21</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. For the year-ended December 31, 2019, the District's contribution was 8.10% of covered payroll.

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Net Pension Liability. The District's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

| | |
|----------------------------|---------------------|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Market |
| Actuarial Assumptions | |
| Interest Rate | 7.25% |
| Salary Increases | 3.35% to 14.25% |
| Cost of Living Adjustments | 2.50% |
| Inflation | 2.50% |

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

| <u>Asset Class</u> | <u>Target</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|---------------|---|
| Fixed Income | 28.00% | 3.00% |
| Domestic Equities | 37.00% | 6.85% |
| International Equities | 18.00% | 6.75% |
| Real Estate | 9.00% | 5.75% |
| Blended | 7.00% | 2.65% - 7.35% |
| Cash and Cash Equivalents | 1.00% | 2.25% |

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior year. 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 is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | <u>1% Decrease (6.25%)</u> | <u>Current Discount Rate (7.25%)</u> | <u>1% Increase (8.25%)</u> |
|-----------------------|--------------------------------|--|--------------------------------|
| Net Pension Liability | \$ 288,986 | 134,459 | 13,873 |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|---------------------------------------|
| Balances at December 31, 2018 | \$ 1,286,583 | 1,061,246 | 225,337 |
| Changes for the Year: | | | |
| Service Cost | 32,623 | — | 32,623 |
| Interest on the Total Pension Liability | 92,903 | — | 92,903 |
| Changes of Benefit Terms | — | — | — |
| Difference Between Expected and Actual Experience of the Total Pension Liability | 12,497 | — | 12,497 |
| Changes of Assumptions | — | — | — |
| Contributions - Employer | — | 25,478 | (25,478) |
| Contributions - Employees | — | 14,154 | (14,154) |
| Net Investment Income | — | 185,381 | (185,381) |
| Benefit Payments, Including Refunds of Employee Contributions | (42,952) | (42,952) | — |
| Other (Net Transfer) | — | 3,888 | (3,888) |
| Net Changes | 95,071 | 185,949 | (90,878) |
| Balances at December 31, 2019 | 1,381,654 | 1,247,195 | 134,459 |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended December 31, 2019, the District recognized pension expense of \$36,343. At December 31, 2019, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Totals |
|---|--------------------------------------|-------------------------------------|---------------|
| Difference Between Expected and Actual Experience | \$ 62,603 | (6,737) | 55,866 |
| Change in Assumptions | 19,730 | (7,568) | 12,162 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | — | (44,780) | (44,780) |
| Total Deferred Amounts Related to IMRF | <u>82,333</u> | <u>(59,085)</u> | <u>23,248</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 Year | Net Deferred Outflows/(Inflows) of Resources |
|----------------|--|
| 2020 | \$ 8,098 |
| 2021 | 6,363 |
| 2022 | 24,154 |
| 2023 | (15,367) |
| 2024 | — |
| Thereafter | — |
| Total | <u>23,248</u> |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The District's defined benefit OPEB plan, Byron Park District's Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides healthcare benefits for retirees and their dependents. The benefit terms provide the retiree pay the full cost of premiums for non-Medicare-eligible retirees and Medicare-eligible retirees. Coverage is secondary to Medicare once eligible.

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

| | |
|--|-----------------|
| Inactive Plan Members Currently Receiving Benefits | — |
| Inactive Plan Members Entitled to but not yet Receiving Benefits | — |
| Active Plan Members | <u>5</u> |
| Total | <u><u>5</u></u> |

Total OPEB Liability

The District's total OPEB liability was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|--|
| Inflation | 2.25% |
| Salary Increases | 2.50% |
| Discount Rate | 2.74% |
| Healthcare Cost Trend Rates | 6.87% for 2019, Decreasing 0.235% per Year to an Ultimate Rate of 5.00% for 2028 and Later Years |
| Retirees' Share of Benefit-Related Costs | 100% of projected health insurance premiums for retirees |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs – Continued. The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the RP-2014 Study, with Blue Collar Adjustment, following the Sex Distinct Raw Rates. These rates are improved generationally using MP-2016 Improvement Rates.

Change in the Total OPEB Liability

| | Total OPEB Liability |
|---|----------------------------|
| Balances at December 31, 2018 | 34,764 |
| Changes for the Year: | |
| Service Cost | 1,395 |
| Interest on the Total Pension Liability | 1,425 |
| Changes of Benefit Terms | — |
| Difference Between Expected and Actual | — |
| Changes of Assumptions | 9,924 |
| Benefit Payments | — |
| Net Changes | 12,744 |
| Balances at December 31, 2019 | 47,508 |

The following presents the total OPEB liability, calculated using a Single Discount Rate of 2.74%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease (1.74%) | Current Discount Rate (2.74%) | 1% Increase (3.74%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$ 57,687 | 47,508 | 39,261 |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using variable Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease | Healthcare Cost Trend Rates | 1% Increase |
|----------------------|-------------|-----------------------------------|-------------|
| Total OPEB Liability | \$ 38,630 | 47,508 | 58,419 |

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

For the year ended December 31, 2019, the District recognized OPEB expense of \$11,182. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Totals |
|---|--------------------------------------|-------------------------------------|--------|
| Difference Between Expected and Actual Experience | \$ — | — | — |
| Change in Assumptions | — | — | — |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | — | — | — |
| Total Deferred Amounts Related to OPEB | — | — | — |

BYRON PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2019

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

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

| Fiscal Year | Net Deferred (Inflows) of Resources |
|----------------|---|
| 2020 | \$ — |
| 2021 | — |
| 2022 | — |
| 2023 | — |
| 2024 | — |
| Thereafter | — |
| Total | — |

SUBSEQUENT EVENT

On January 30, 2020, the District issued \$3,865,000 of General Obligation Limited Tax Park Bonds (Alternate Revenue Source), Series 2020. The bonds bear interest at a rate of 4.00% and are due in annual installments of \$195,000 to \$335,000 through December 1, 2020.

Subsequent to the date of the financial statements and prior to the audit opinion date, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the District's operations and financial position cannot be determined.

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
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefits Plan
- 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.

BYRON PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
December 31, 2019**

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Excess/ (Deficiency) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------|-------------------------------------|--|-----------------------------------|-----------------|--|
| 2/29/16 | \$ 24,212 | \$ 24,212 | \$ — | \$ 193,085 | 12.54% |
| 2/28/17 | 29,558 | 29,558 | — | 237,027 | 12.47% |
| 2/28/18 | 30,275 | 30,275 | — | 267,922 | 11.30% |
| 12/31/18 | 28,063 | 28,063 | — | 303,712 | 9.24% |
| 12/31/19 | 25,478 | 25,478 | — | 314,543 | 8.10% |

Notes to the Required Supplementary Information:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % Pay (Closed) |
| Remaining Amortization Period | 24 Years |
| Asset Valuation Method | 5-Year Smoothed Market |
| Inflation | 2.50% |
| Salary Increases | 3.35% - 14.25% |
| Investment Rate of Return | 7.50% |
| Retirement Age | See the Notes to the Financial Statements |
| Mortality | MP-2017 (base year 2015) |

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

BYRON PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2019**

| | <u>12/31/2015</u> |
|--|--------------------------|
| Total Pension Liability | |
| Service Cost | \$ 25,775 |
| Interest | 76,308 |
| Changes in Benefit Terms | — |
| Differences Between Expected and Actual Experience | (70,084) |
| Change of Assumptions | — |
| Benefit Payments, Including Refunds of Member Contributions | <u>(38,997)</u> |
| Net Change in Total Pension Liability | (6,998) |
| Total Pension Liability - Beginning | <u>1,026,773</u> |
| Total Pension Liability - Ending | <u><u>1,019,775</u></u> |
| Plan Fiduciary Net Position | |
| Contributions - Employer | \$ 24,212 |
| Contributions - Members | 8,689 |
| Net Investment Income | 4,321 |
| Benefit Payments, Including Refunds of Member Contributions | (38,997) |
| Other (Net Transfer) | <u>10,635</u> |
| Net Change in Plan Fiduciary Net Position | 8,860 |
| Plan Net Position - Beginning | <u>867,215</u> |
| Plan Net Position - Ending | <u><u>876,075</u></u> |
| Employer's Net Pension Liability | <u><u>\$ 143,700</u></u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 85.91% |
| Covered Payroll | \$ 193,085 |
| Employer's Net Pension Liability as a Percentage of Covered Payroll | 74.42% |

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

| 12/31/2016 | 12/31/2017 | 12/31/2018 | 12/31/2019 |
|------------|------------|------------|------------|
| 20,763 | 19,393 | 29,431 | 32,623 |
| 75,560 | 76,188 | 83,733 | 92,903 |
| — | — | — | — |
| (46,831) | 78,911 | 60,739 | 12,497 |
| (2,663) | (37,470) | 31,932 | — |
| (39,989) | (40,946) | (41,943) | (42,952) |
| 6,840 | 96,076 | 163,892 | 95,071 |
| 1,019,775 | 1,026,615 | 1,122,691 | 1,286,583 |
| 1,026,615 | 1,122,691 | 1,286,583 | 1,381,654 |
| 29,558 | 30,275 | 28,063 | 25,478 |
| 10,666 | 12,056 | 13,667 | 14,154 |
| 61,535 | 159,281 | (45,350) | 185,381 |
| (39,989) | (40,946) | (41,943) | (42,952) |
| 5,985 | (13,484) | 15,797 | 3,888 |
| 67,755 | 147,182 | (29,766) | 185,949 |
| 876,075 | 943,830 | 1,091,012 | 1,061,246 |
| 943,830 | 1,091,012 | 1,061,246 | 1,247,195 |
| 82,785 | 31,679 | 225,337 | 134,459 |
| 91.94% | 97.18% | 82.49% | 90.27% |
| 237,027 | 267,922 | 303,712 | 314,543 |
| 34.93% | 11.82% | 74.19% | 42.75% |

BYRON PARK DISTRICT, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2019

| | 12/31/18 | 12/31/19 |
|---|------------|----------|
| Total OPEB Liability | | |
| Service Cost | \$ 1,386 | 1,395 |
| Interest | 1,088 | 1,425 |
| Changes in Benefit Terms | — | — |
| Differences Between Expected and Actual Experience | — | — |
| Change of Assumptions or Other Inputs | (1,617) | 9,924 |
| Benefit Payments | — | — |
| Other Changes | — | — |
| Net Change in Total OPEB Liability | 857 | 12,744 |
| Total OPEB Liability - Beginning | 33,907 | 34,764 |
| Total OPEB Liability - Ending | 34,764 | 47,508 |
| Covered Payroll | \$ 221,253 | 289,023 |
| Total OPEB Liability as a Percentage of Covered Payroll | 15.71 % | 16.44 % |

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the trend rate each period. The following are the trend rates used in each period:

| Fiscal Year | PPO |
|-------------|--------|
| 2020 | 6.87 % |
| 2021 | 6.63 % |
| 2022 | 6.40 % |
| 2023 | 6.17 % |
| 2024 | 5.93 % |
| 2025 | 5.70 % |
| 2026 | 5.47 % |
| 2027 | 5.23 % |
| 2028 | 5.00 % |
| Ultimate | 5.00 % |

In 2019, there was no change in the healthcare trend rates from the prior year.

BYRON PARK DISTRICT, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2019**

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 171,000 | 171,000 | 169,603 |
| Interest | 5,000 | 5,000 | 2,917 |
| Total Revenues | <u>176,000</u> | <u>176,000</u> | <u>172,520</u> |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | 124,592 | 124,592 | 119,974 |
| Insurance | 28,400 | 28,400 | 23,915 |
| Education and Training | 2,500 | 2,500 | 11,484 |
| Contractual Services | 18,875 | 18,875 | 31,639 |
| Supplies | 4,500 | 4,500 | 9,344 |
| Repairs and Maintenance | 6,000 | 6,000 | 5,512 |
| Total Expenditures | <u>184,867</u> | <u>184,867</u> | <u>201,868</u> |
| Net Change in Fund Balance | <u>(8,867)</u> | <u>(8,867)</u> | (29,348) |
| Fund Balance - Beginning | | | <u>181,361</u> |
| Fund Balance - Ending | | | <u>152,013</u> |

BYRON PARK DISTRICT, ILLINOIS

Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|----------------|-----------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 127,000 | 127,000 | 127,202 |
| Charges for Services | | | |
| Program Fees | 635,301 | 635,301 | 613,398 |
| Interest | 8,000 | 8,000 | 9,866 |
| Miscellaneous | | | |
| Sponsorships | 4,000 | 4,000 | 4,200 |
| Total Revenues | <u>774,301</u> | <u>774,301</u> | <u>754,666</u> |
| Expenditures | | | |
| Culture and Recreation | <u>774,301</u> | <u>774,301</u> | <u>750,687</u> |
| Net Change in Fund Balance | <u>—</u> | <u>—</u> | 3,979 |
| Fund Balance - Beginning | | | <u>198,402</u> |
| Fund Balance - Ending | | | <u><u>202,381</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
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Recreation Fund

The Recreation Fund is used to account for revenues and expenditures related to recreational programs offered by the District.

Workmen's Compensation Fund

The Workmen's Compensation Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of workmen's compensation expenditures.

Unemployment Insurance Fund

The Unemployment Insurance Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of unemployment insurance expenditures.

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund (IMRF) Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of payments to the state controlled pension fund.

Social Security Fund

The Social Security Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of the employer's portion of Federal Social Security and Medicare taxes.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS - Continued

Audit Fund

The Audit Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the District.

Liability Insurance Fund

The Liability Insurance Fund is used to account for the operation of the District's insurance and risk management activities. Financing is provided from an annual property tax levy.

Lighting and Paving

The Lighting and Paving Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for paving and lighting improvements throughout the District.

Police Fund

The Police Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for police services throughout the District.

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.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for various identified capital projects such as land acquisition and land development as well as capital improvements and facilities including equipment and supplies.

BYRON PARK DISTRICT, ILLINOIS

**Recreation - Special Revenue Fund
Schedule Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2019**

| | Budgeted Amounts | | Actual Amounts |
|-------------------------------|------------------|----------------|-------------------|
| | Original | Final | |
| Culture and Recreation | | | |
| Aquatics | | | |
| Salaries and Wages | \$ 22,825 | 22,825 | 17,901 |
| Insurance | 2,500 | 2,500 | 2,385 |
| Supplies | 3,000 | 3,000 | 900 |
| | <u>28,325</u> | <u>28,325</u> | <u>21,186</u> |
| Athletics | | | |
| Salaries and Wages | 20,400 | 20,400 | 19,643 |
| Insurance | 3,938 | 3,938 | 5,247 |
| Contractual Services | 66,430 | 66,430 | 43,101 |
| Supplies | 28,460 | 28,460 | 39,490 |
| | <u>119,228</u> | <u>119,228</u> | <u>107,481</u> |
| Fine Arts | | | |
| Salaries and Wages | 46,010 | 46,010 | 61,573 |
| Insurance | 10,000 | 10,000 | 16,205 |
| Supplies | 2,750 | 2,750 | 5,214 |
| | <u>58,760</u> | <u>58,760</u> | <u>82,992</u> |
| Fitness | | | |
| Salaries and Wages | 21,855 | 21,855 | 22,852 |
| Insurance | 2,500 | 2,500 | 2,282 |
| Contractual Services | 9,800 | 9,800 | 5,707 |
| Supplies | — | — | 162 |
| | <u>34,155</u> | <u>34,155</u> | <u>31,003</u> |
| Information Technology | | | |
| Contractual Services | 24,500 | 24,500 | 26,335 |
| Supplies | 7,500 | 7,500 | 25,512 |
| | <u>32,000</u> | <u>32,000</u> | <u>51,847</u> |

BYRON PARK DISTRICT, ILLINOIS

Recreation - Special Revenue Fund

Schedule Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2019

| | Budgeted Amounts | | Actual Amounts |
|------------------------------------|------------------|----------------|-------------------|
| | Original | Final | |
| Culture and Recreation - Continued | | | |
| Marketing | | | |
| Salaries and Wages | \$ 43,480 | 43,480 | 43,480 |
| Insurance | 5,000 | 5,000 | 5,000 |
| Educations and Training | 1,000 | 1,000 | 869 |
| Contractual Services | 11,900 | 11,900 | 12,963 |
| Supplies | 23,500 | 23,500 | 23,329 |
| | <u>84,880</u> | <u>84,880</u> | <u>85,641</u> |
| PE Center | | | |
| Salaries and Wages | 138,720 | 138,720 | 143,163 |
| Insurance | 3,938 | 3,938 | 4,183 |
| Education and Training | 10,000 | 10,000 | 3,342 |
| Contractual Services | 12,980 | 12,980 | 17,285 |
| Supplies | 15,350 | 15,350 | 7,932 |
| | <u>180,988</u> | <u>180,988</u> | <u>175,905</u> |
| Special Events | | | |
| Contractual Services | 4,600 | 4,600 | 5,103 |
| Supplies | 15,450 | 15,450 | 13,792 |
| | <u>20,050</u> | <u>20,050</u> | <u>18,895</u> |
| Tiger Den | | | |
| Salaries and Wages | 108,390 | 108,390 | 101,616 |
| Insurance | 7,875 | 7,875 | 8,254 |
| Supplies | 15,800 | 15,800 | 17,258 |
| | <u>132,065</u> | <u>132,065</u> | <u>127,128</u> |
| Tiger Sharks Swim Team | | | |
| Salaries and Wages | 40,500 | 40,500 | 33,852 |
| Contractual Services | 38,250 | 38,250 | 13,606 |
| Supplies | 5,100 | 5,100 | 1,151 |
| | <u>83,850</u> | <u>83,850</u> | <u>48,609</u> |
| Total Culture and Recreation | <u>774,301</u> | <u>774,301</u> | <u>750,687</u> |

BYRON PARK DISTRICT, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | Budgeted Amounts | | Actual Amounts |
|-----------------------------|------------------|----------------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 448,000 | 448,000 | 447,732 |
| Interest | 500 | 500 | 517 |
| Total Revenues | <u>448,500</u> | <u>448,500</u> | <u>448,249</u> |
| Expenditures | | | |
| Debt Service | | | |
| Principal | 448,000 | 448,000 | 440,000 |
| Interest and Fiscal Charges | — | — | 8,337 |
| Total Expenditures | <u>448,000</u> | <u>448,000</u> | <u>448,337</u> |
| Net Change in Fund Balance | <u>500</u> | <u>500</u> | (88) |
| Fund Balance - Beginning | | | <u>13,728</u> |
| Fund Balance - Ending | | | <u>13,640</u> |

BYRON PARK DISTRICT, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|--|-------------------------|-----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Intergovernmental | | | |
| Grants | \$ — | — | 34,000 |
| Interest | 500 | 500 | 498 |
| Miscellaneous | — | — | 26,007 |
| Total Revenues | <u>500</u> | <u>500</u> | <u>60,505</u> |
| Expenditures | | | |
| Capital Outlay | <u>515,500</u> | <u>515,500</u> | <u>582,265</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (515,000) | (515,000) | (521,760) |
| Other Financing Sources | | | |
| Debt Issuance | <u>450,000</u> | <u>450,000</u> | <u>450,000</u> |
| Net Change In Fund Balance | <u>(65,000)</u> | <u>(65,000)</u> | (71,760) |
| Fund Balance - Beginning | | | <u>282,254</u> |
| Fund Balance - Ending | | | <u><u>210,494</u></u> |

BYRON PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

December 31, 2019

See Following Page

BYRON PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

December 31, 2019

| | Workers' Compensation | Unemployment Insurance |
|--|--------------------------|---------------------------|
| ASSETS | | |
| Cash and Investments | \$ 19,258 | 124,636 |
| Receivables - Net of Allowances | | |
| Taxes | 100 | 100 |
| | | |
| Total Assets | <u>19,358</u> | <u>124,736</u> |
| LIABILITIES | | |
| Accounts Payable | — | 2,280 |
| Accrued Payroll | — | — |
| Total Liabilities | <u>—</u> | <u>2,280</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Property Taxes | 100 | 100 |
| Total Liabilities and Deferred Inflows of Resources | <u>100</u> | <u>2,380</u> |
| FUND BALANCES | | |
| Restricted | <u>19,258</u> | <u>122,356</u> |
| | | |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>19,358</u> | <u>124,736</u> |

| Illinois Municipal Retirement | Social Security | Audit | Liability Insurance | Lighting and Paving | Police | Totals |
|-------------------------------------|--------------------|--------|------------------------|---------------------------|--------|---------|
| 75,747 | 38,866 | 4,261 | 13,837 | 47,096 | 5,067 | 328,768 |
| 10,000 | 27,000 | 8,810 | 65,000 | 8,810 | 5,000 | 124,820 |
| 85,747 | 65,866 | 13,071 | 78,837 | 55,906 | 10,067 | 453,588 |
| — | — | — | 152 | — | — | 2,432 |
| 1,546 | 1,410 | — | 1,420 | — | — | 4,376 |
| 1,546 | 1,410 | — | 1,572 | — | — | 6,808 |
| 10,000 | 27,000 | 8,810 | 65,000 | 8,810 | 5,000 | 124,820 |
| 11,546 | 28,410 | 8,810 | 66,572 | 8,810 | 5,000 | 131,628 |
| 74,201 | 37,456 | 4,261 | 12,265 | 47,096 | 5,067 | 321,960 |
| 85,747 | 65,866 | 13,071 | 78,837 | 55,906 | 10,067 | 453,588 |

BYRON PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2019

| | Workers' Compensation | Unemployment Insurance |
|-----------------------------|--------------------------|---------------------------|
| Revenues | | |
| Taxes | \$ 2,001 | 2,001 |
| Interest | 99 | 99 |
| Total Revenues | <u>2,100</u> | <u>2,100</u> |
| Expenditures | | |
| Current | | |
| General Government | 6,218 | 3,562 |
| Culture and Recreation | — | — |
| Total Expenditures | <u>6,218</u> | <u>3,562</u> |
| Net Change in Fund Balances | (4,118) | (1,462) |
| Fund Balances - Beginning | <u>23,376</u> | <u>123,818</u> |
| Fund Balances - Ending | <u><u>19,258</u></u> | <u><u>122,356</u></u> |

| Illinois Municipal Retirement | Social Security | Audit | Liability Insurance | Lighting and Paving | Police | Totals |
|-------------------------------------|--------------------|--------|------------------------|---------------------------|--------|----------|
| 14,976 | 24,474 | 8,480 | 44,944 | 8,480 | 9,989 | 115,345 |
| 198 | 99 | 3,824 | 101 | 198 | 78 | 4,696 |
| 15,174 | 24,573 | 12,304 | 45,045 | 8,678 | 10,067 | 120,041 |
| 25,575 | 44,290 | 8,400 | 59,048 | — | 5,000 | 152,093 |
| — | — | — | — | 4,323 | — | 4,323 |
| 25,575 | 44,290 | 8,400 | 59,048 | 4,323 | 5,000 | 156,416 |
| (10,401) | (19,717) | 3,904 | (14,003) | 4,355 | 5,067 | (36,375) |
| 84,602 | 57,173 | 357 | 26,268 | 42,741 | — | 358,335 |
| 74,201 | 37,456 | 4,261 | 12,265 | 47,096 | 5,067 | 321,960 |

BYRON PARK DISTRICT, ILLINOIS

Workers' Compensation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 2,000 | 2,000 | 2,001 |
| Interest | 25 | 25 | 99 |
| Total Revenues | <u>2,025</u> | <u>2,025</u> | <u>2,100</u> |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | <u>10,000</u> | <u>10,000</u> | <u>6,218</u> |
| Net Change in Fund Balance | <u>(7,975)</u> | <u>(7,975)</u> | (4,118) |
| Fund Balance - Beginning | | | <u>23,376</u> |
| Fund Balance - Ending | | | <u>19,258</u> |

BYRON PARK DISTRICT, ILLINOIS

Unemployment Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|-----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 2,000 | 2,000 | 2,001 |
| Interest | 25 | 25 | 99 |
| Total Revenues | <u>2,025</u> | <u>2,025</u> | <u>2,100</u> |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | <u>30,000</u> | <u>30,000</u> | <u>3,562</u> |
| Net Change in Fund Balance | <u>(27,975)</u> | <u>(27,975)</u> | (1,462) |
| Fund Balance - Beginning | | | <u>123,818</u> |
| Fund Balance - Ending | | | <u>122,356</u> |

BYRON PARK DISTRICT, ILLINOIS

Illinois Municipal Retirement - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|-----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 15,000 | 15,000 | 14,976 |
| Interest | 500 | 500 | 198 |
| Total Revenues | <u>15,500</u> | <u>15,500</u> | 15,174 |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | <u>30,000</u> | <u>30,000</u> | 25,575 |
| Net Change in Fund Balance | <u>(14,500)</u> | <u>(14,500)</u> | (10,401) |
| Fund Balance - Beginning | | | <u>84,602</u> |
| Fund Balance - Ending | | | <u>74,201</u> |

BYRON PARK DISTRICT, ILLINOIS

Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|-----------------|----------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 24,500 | 24,500 | 24,474 |
| Interest | 100 | 100 | 99 |
| Total Revenues | 24,600 | 24,600 | 24,573 |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | 45,000 | 45,000 | 44,290 |
| Net Change in Fund Balance | <u>(20,400)</u> | <u>(20,400)</u> | (19,717) |
| Fund Balance - Beginning | | | <u>57,173</u> |
| Fund Balance - Ending | | | <u><u>37,456</u></u> |

BYRON PARK DISTRICT, ILLINOIS

Audit - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|--------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 8,550 | 8,550 | 8,480 |
| Interest | 50 | 50 | 3,824 |
| Total Revenues | <u>8,600</u> | <u>8,600</u> | 12,304 |
| Expenditures | | | |
| General Government | | | |
| Contractual Services | <u>8,400</u> | <u>8,400</u> | 8,400 |
| Net Change in Fund Balance | <u>200</u> | <u>200</u> | 3,904 |
| Fund Balance - Beginning | | | <u>357</u> |
| Fund Balance - Ending | | | <u>4,261</u> |

BYRON PARK DISTRICT, ILLINOIS

Liability Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|-----------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 45,000 | 45,000 | 44,944 |
| Interest | 200 | 200 | 101 |
| Total Revenues | <u>45,200</u> | <u>45,200</u> | <u>45,045</u> |
| Expenditures | | | |
| General Government | | | |
| Salaries and Wages | 37,158 | 37,158 | 37,158 |
| Insurance | 19,300 | 19,300 | 21,890 |
| Total Expenditures | <u>56,458</u> | <u>56,458</u> | <u>59,048</u> |
| Net Change in Fund Balance | <u>(11,258)</u> | <u>(11,258)</u> | (14,003) |
| Fund Balance - Beginning | | | <u>26,268</u> |
| Fund Balance - Ending | | | <u>12,265</u> |

BYRON PARK DISTRICT, ILLINOIS

Lighting and Paving - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | Budgeted Amounts | | Actual Amounts |
|----------------------------|------------------|-----------------|-------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 8,550 | 8,550 | 8,480 |
| Interest | 250 | 250 | 198 |
| Total Revenues | 8,800 | 8,800 | 8,678 |
| Expenditures | | | |
| Culture and Recreation | | | |
| Repairs and Maintenance | 23,500 | 23,500 | 4,323 |
| Net Change in Fund Balance | <u>(14,700)</u> | <u>(14,700)</u> | 4,355 |
| Fund Balance - Beginning | | | <u>42,741</u> |
| Fund Balance - Ending | | | <u>47,096</u> |

BYRON PARK DISTRICT, ILLINOIS

Police - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2019

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> |
|----------------------------|-------------------------|---------------------|---------------------------|
| | <u>Original</u> | <u>Final</u> | |
| Revenues | | | |
| Taxes | | | |
| Property Taxes | \$ 10,000 | 10,000 | 9,989 |
| Interest | 10 | 10 | 78 |
| Total Revenues | <u>10,010</u> | <u>10,010</u> | <u>10,067</u> |
| Expenditures | | | |
| General Government | | | |
| Repairs and Maintenance | <u>5,000</u> | <u>5,000</u> | <u>5,000</u> |
| Net Change in Fund Balance | <u><u>5,010</u></u> | <u><u>5,010</u></u> | <u>5,067</u> |
| Fund Balance - Beginning | | | <u>—</u> |
| Fund Balance - Ending | | | <u><u>5,067</u></u> |

SUPPLEMENTAL SECTION

BYRON PARK DISTRICT, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Park Bonds of 2019

December 31, 2019

| | |
|-----------------------|------------------|
| Date of Issue | December 2, 2019 |
| Date of Maturity | December 1, 2020 |
| Authorized Issue | \$450,000 |
| Denomination of Bonds | \$5,000 |
| Interest Rate | 1.35% |
| Interest Dates | December 1 |
| Principal Maturity | December 1 |
| Payable at | Byron Bank |

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year | Principal | Interest | Totals |
|----------------|------------|----------|---------|
| 2020 | \$ 450,000 | 6,075 | 456,075 |