

CRETE PARK DISTRICT
CRETE, ILLINOIS
ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2015

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
CRETE PARK DISTRICT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of **CRETE PARK DISTRICT** (the "District"), as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 from 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 auditors' 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 District as of April 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying financial information listed as other supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This information is the responsibility of management and was derived from and relates 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink that reads "O'Neill & Gaspardo, LLC". The signature is written in a cursive, flowing style.

O'NEILL & GASPARDO, LLC
Mokena, Illinois
August 13, 2015

CRETE PARK DISTRICT
STATEMENT OF NET POSITION
APRIL 30, 2015

ASSETS

Current Assets

Cash and Investments	\$ 190,980	
Property Taxes Receivable	<u>672,173</u>	
Total Current Assets		\$ 863,153

Noncurrent Assets

Land	3,079,100	
Other Capital Assets, Net of Accumulated Depreciation	<u>1,108,450</u>	
Total Noncurrent Assets		<u>4,187,550</u>

TOTAL ASSETS		<u><u>\$ 5,050,703</u></u>
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LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Current Liabilities

Accounts Payable	\$ 21,016	
Accrued Expenses	10,387	
Unearned Revenue:		
Recreation Programs	34,780	
Debt Payable, Due Within One Year	<u>327,000</u>	
Total Current Liabilities		\$ 393,183

Noncurrent Liabilities

Debt Payable, Due in More than One Year	<u>200,000</u>	
Total Noncurrent Liabilities		<u>200,000</u>

Total Liabilities		593,183
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Deferred Inflows of Resources

Unavailable Property Taxes		672,173
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Net Position

Invested in Capital Assets, Net of Related Debt	3,947,027	
Restricted	236,506	
Unrestricted	<u>(398,186)</u>	
Total Net Position		<u>3,785,347</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		<u><u>\$ 5,050,703</u></u>
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See accompanying notes and auditors' report.

CRETE PARK DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2015

	Expenses	Program Revenue			NET (EXPENSES)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	REVENUES AND CHANGES IN NET POSITION
<u>FUNCTIONS/PROGRAMS</u>					Governmental Activities
Governmental Activities:					
Recreation	\$ 986,251	\$ 341,526	\$ 58,678	\$ 102,448	\$ (483,599)
Interest on Long-Term Debt	9,995	-	-	-	(9,995)
Total Governmental Activities	<u>996,246</u>	<u>341,526</u>	<u>58,678</u>	<u>102,448</u>	<u>(493,594)</u>
 <u>GENERAL REVENUES</u>					
Taxes:					
Property Taxes					656,646
Replacement Taxes					7,282
Interest Income					<u>675</u>
Total General Revenues					<u>664,603</u>
Change in Net Position					171,009
 <u>NET POSITION</u>					
Beginning of Year					<u>3,614,338</u>
End of Year					<u>\$ 3,785,347</u>

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
GOVERNMENTAL FUNDS BALANCE SHEET
APRIL 30, 2015

	GENERAL	RECREATION	DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	TOTAL
<u>ASSETS</u>						
Cash and Investments	\$ 5,464	\$ 24,784	\$ -	\$ 86,221	\$ 74,511	\$ 190,980
Property Taxes Receivable	189,779	156,632	229,989	-	95,773	672,173
Interfund Balances	-	-	-	83,634	-	83,634
Total Assets	<u>\$195,243</u>	<u>\$ 181,416</u>	<u>\$229,989</u>	<u>\$ 169,855</u>	<u>\$170,284</u>	<u>\$ 946,787</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 13,516	\$ -	\$ -	\$ -	\$ 7,500	\$ 21,016
Accrued Expenses	917	2,033	-	-	360	3,310
Unearned Revenue:						
Recreation Programs	-	34,780	-	-	-	34,780
Interfund Balances	-	-	83,634	-	-	83,634
Total Liabilities	14,433	36,813	83,634	-	7,860	142,740
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable Property Taxes	189,779	156,632	229,989	-	95,773	672,173
<u>FUND BALANCES</u>						
Fund Balances:						
Unassigned	(8,969)	(12,029)	(83,634)	-	-	(104,632)
Restricted	-	-	-	169,855	66,651	236,506
Total Fund Balances	<u>(8,969)</u>	<u>(12,029)</u>	<u>(83,634)</u>	<u>169,855</u>	<u>66,651</u>	<u>131,874</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$195,243</u>	<u>\$ 181,416</u>	<u>\$229,989</u>	<u>\$ 169,855</u>	<u>\$170,284</u>	<u>\$ 946,787</u>

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
APRIL 30, 2015

Total Fund Balances - Governmental Funds	\$ 131,874
Capital assets are not current financial resources, so they are not reported on the Governmental Funds Balance Sheet.	4,187,550
Long-term liabilities are not due and payable in the current period and therefore are not reported on the Governmental Funds Balance Sheet:	
Accrued Compensated Absences	(4,240)
Accrued Interest	(2,837)
Debt Payable	<u>(527,000)</u>
Net Position of Governmental Activities	<u>\$ 3,785,347</u>

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED APRIL 30, 2015

	GENERAL	RECREATION	DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	TOTAL
REVENUES						
Property Taxes	\$185,754	\$ 153,294	\$223,362	\$ -	\$ 94,236	\$ 656,646
State Replacement Taxes	7,282	-	-	-	-	7,282
Rentals	48,984	-	-	-	-	48,984
Donations	3,200	-	-	69,890	-	73,090
Grants	-	55,478	-	-	-	55,478
Programs	-	281,694	-	-	-	281,694
Concessions	1,644	5,804	-	-	-	7,448
Interest	675	-	-	-	-	675
Grants	-	-	-	32,558	-	32,558
Resident Pass	3,400	-	-	-	-	3,400
Total Revenues	<u>250,939</u>	<u>496,270</u>	<u>223,362</u>	<u>102,448</u>	<u>94,236</u>	<u>1,167,255</u>
EXPENDITURES						
Current:						
Recreation	245,926	506,876	-	-	76,530	829,332
Debt Service:						
Principal	-	-	332,000	-	-	332,000
Interest	-	-	11,254	-	-	11,254
Other Bond Costs	-	-	5,450	-	-	5,450
Capital Outlay	-	-	-	243,620	-	243,620
Total Expenditures	<u>245,926</u>	<u>506,876</u>	<u>348,704</u>	<u>243,620</u>	<u>76,530</u>	<u>1,421,656</u>
Revenues Over (Under)						
Expenditures	5,013	(10,606)	(125,342)	(141,172)	17,706	(254,401)
OTHER FINANCING SOURCES						
Bond Proceeds	-	-	116,622	110,378	-	227,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>116,622</u>	<u>110,378</u>	<u>-</u>	<u>227,000</u>
Net Change in Fund Balances	5,013	(10,606)	(8,720)	(30,794)	17,706	(27,401)
FUND BALANCES						
Beginning of Year	<u>(13,982)</u>	<u>(1,423)</u>	<u>(74,914)</u>	<u>200,649</u>	<u>48,945</u>	<u>159,275</u>
End of Year	<u>\$ (8,969)</u>	<u>\$ (12,029)</u>	<u>\$ (83,634)</u>	<u>\$ 169,855</u>	<u>\$ 66,651</u>	<u>\$ 131,874</u>

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2015

Net Change in Fund Balances - Total Governmental Funds	\$ (27,401)
<p>Governmental funds report capital outlays as expenditures. However, on the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives.</p>	
Expenditures for Capital Assets in the Current Year	174,936
Current Year Depreciation Expense	(87,969)
<p>Some expenses reported on the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>	
Change in Accrued Compensated Absences from the Prior Year	2,667
Change in Accrued Interest from the Prior Year	1,326
<p>Payments made on a capital lease are expenditures in the governmental funds, but reduce the capital lease payable on the Statement of Net Position.</p>	
	2,450
<p>Repayment of debt principal is an expenditure in the governmental funds, but reduces bonds payable on the Statement of Net Position.</p>	
	332,000
<p>Bond proceeds are recorded as other financing source on the fund financial statements, but as bonds payable on the government-wide financial statements.</p>	
	<u>(227,000)</u>
Change in Net Position of Governmental Activities	<u>\$ 171,009</u>

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CRETE PARK DISTRICT (the "District") is located in Crete, Illinois (Will County). The District was organized under state law to provide recreation services to local residents.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. REPORTING ENTITY AND ITS SERVICES

Accounting principles generally accepted in the United States of America require that the financial reporting entity include the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these criteria, there are no agencies or entities whose financial data should be combined with and included in the financial statements of the District. Also, the District is not considered a component unit of any other government entity.

B. BASIS OF PRESENTATION

The District's basic financial statements consist of Government-Wide Financial Statements and Fund Financial Statements.

Government-Wide Financial Statements

The Statements of Net Position and Activities report the overall financial activity of the District (not by fund). The Statement of Net Position reports the District's assets and liabilities with the difference reported as net position. The Statement of Activities compares recreation expenses with program revenues. Program revenues include charges to participants of recreation programs and grants and contributions that are restricted to funding recreation programs. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The District records transactions by funds to aid financial management and demonstrate legal compliance. Major individual governmental funds are reported as separate columns in the fund financial statements and all other funds are combined under a single column. The major funds are the General, Recreation, Debt Service and Capital Projects Funds. Following is a brief description of the major funds used by the District.

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. In addition, general operating expenditures and the capital improvement costs that are not paid through other funds are paid from this fund.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Recreation Fund - The Recreation Fund accounts for revenues and expenditures related to recreation programs offered by the District.

Debt Service Fund - The Debt Service Fund accumulates resources for, and payment of general long-term debt principal, interest and related costs.

Capital Projects Fund - The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of capital facilities and equipment.

The other governmental funds of the District account for property taxes and other resources whose use is restricted to a particular purpose.

C. BASIS OF ACCOUNTING

Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in fund equity. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to pay current period liabilities. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter (defined as within 60 days after fiscal year-end) to be used to pay liabilities of the current period. Material revenues susceptible to accrual include real estate tax, replacement tax and grant revenue. Expenditures are recognized when the related fund liability is incurred.

The government-wide statements (Statement of Net Position and Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

D. INVESTMENTS

Investments consist of investments held in the Illinois Funds Money Market Funds and are carried at cost, which approximates market.

E. CAPITAL ASSETS

The accounting treatment for property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements. In the government-wide financial statements capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation.

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

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Buildings	15 - 60 Years
Playground Equipment	10 - 30 Years
Maintenance Equipment	5 - 20 Years
Office Equipment	3 - 10 Years
Site Improvements	3 - 60 Years
Vehicles	5 - 15 Years

The minimum capitalization threshold is any item with a total cost greater than \$2,500.

On the fund financial statements, capital assets are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

F. COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave, since it is not paid upon termination. On the fund financial statements accrued vacation is recorded in the general fund when payable (i.e. upon resignation or retirement). On the government-wide financial statements accrued vacation is recorded when earned.

G. DEFERRED INFLOWS OF RESOURCES

The District reports deferred inflows of resources on its Statement of Net Position and Governmental Funds Balance Sheet. Deferred inflows of resources arise when resources are received by the District that apply to future periods, so they will not be recognized as revenue until that time. The District's only deferred inflows of resources at April 30, 2015 were levied property taxes intended to finance the next fiscal year.

H. PROPERTY TAXES

Property tax revenues are recognized in the year for which they are levied (i.e. intended to finance). The 2013 levy was intended to finance the fiscal year ended April 30, 2015. The most recent levy (2014) is intended to finance the next fiscal year. Therefore, property taxes receivable related to this levy are recorded as deferred inflows of resources. Property taxes receivable are recognized on the levy date.

Significant dates for the 2014 levy are as follows:

Lien Date	January 1, 2014
Levy Date	November 19, 2014
Tax Bills Mailed (at least 30 days prior to collection deadline)	
First Installment Due	June 3, 2015
Second Installment Due	September 3, 2015

Property taxes are billed and collected by the County Treasurer of Will County, Illinois. Substantially all of the collected taxes for the 2014 tax levy will be received by the District between June 2015 and December 2015.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I. ELIMINATION AND RECLASSIFICATIONS

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and interfund balances in the fund financial statements may be eliminated or reclassified.

J. NET POSITION

Net position represents the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District uses restricted resources when an expense is incurred before using unrestricted resources.

K. FUND BALANCE

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form or amounts required to be maintained intact legally or contractually.

Restricted - includes amounts constrained for a specific purpose by external parties.

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority (the Board of Commissioners for the District). This formal action must occur prior to the end of the reporting period, but the amount of the committed balance may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Commissioners that originally created the commitment.

Assigned - includes General Fund amounts constrained for a specific purpose by the Board of Commissioners or by an official who has been delegated authority to assign amounts. The Board of Commissioners has not delegated this authority as of April 30, 2015. Additionally, all remaining positive spendable amounts in government funds other than the General Fund, that are neither restricted nor committed, are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure relates to amounts available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and unassigned fund balance.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

L. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEFINED BENEFIT PENSION PLAN

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

Funding Policy. As set by statute, regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2014 was 12.01%. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2014 was \$32,882.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/14	\$ 32,882	100%	\$ -
12/31/13	32,151	100%	-
12/31/12	30,224	100%	-

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012 included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 2. DEFINED BENEFIT PENSION PLAN - Continued

Funded Status and Funding Progress. As of December 31, 2014, the most recent actuarial valuation date, the regular plan was 79.55% funded. The actuarial accrued liability for benefits was \$876,144 and the actuarial value of assets was \$696,956, resulting in an underfunded actuarial accrued liability (UAAL) of \$179,188. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$273,792 and the ratio of the UAAL to the covered payroll was 65.45%.

The Schedule of Funding Progress, presented as RSI following the notes to financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 3. CASH AND INVESTMENTS

The District's investment policy authorizes the District to invest in investments authorized by the Illinois Public Funds Investment Act. Reconciled cash and investments at April 30, 2015 were as follows and are all permitted by the District's investment policy:

Illinois Funds Money Market Accounts	\$ 35,319
Old Plank Trail Community Bank Money Market	135,078
Old Plank Trail Community Bank Checking Accounts	<u>20,583</u>
Total Reconciled Cash and Investments	<u>\$ 190,980</u>

Illinois Funds is an investment pool managed by the State of Illinois, Office of Treasurer, which allows governments within the State to pool their funds for investment purposes. These funds are invested in United States Treasury bills and notes. Illinois Fund's financial statements may be obtained from the Office of the Treasurer. Illinois Funds is not registered with the SEC as an investment company, but operates in a manner consistent with Rule 2(a)7 of the Investment Company Act of 1940. Illinois Fund is rated AAAM by Standard & Poor's credit quality rating. Investments in Illinois Funds are valued daily at Illinois Fund's share price, which is the price the investment could be sold for. Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, requires classification of investments into three levels. The District classifies this investment as Level 1, which refers to securities traded in an active market.

Credit Risk (Including Custodial Credit Risk) - This is the risk that the District's deposits or investments may not be returned due to bank/investment failure or other events. The District's investment policy limits its exposure to credit risk by only allowing investments in certificates of deposits which are federally insured or fully collateralized by the bank, obligations guaranteed by the United States Government, and Illinois Public Treasurer's Investment Pool or Illinois Park District Liquidity Asset Fund, which are both typically federally insured or collateralized by securities of the United States Government.

Concentration of Credit Risk - The District's investment policy does not restrict the amount of investments in any one issue. All of the District's investments are in Illinois Funds.

Interest Rate Risk - The District's investment policy does not limit the District's investment portfolio to specific maturities.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 3. CASH AND INVESTMENTS - Continued

At April 30, 2015, the bank balance of the District's deposits with financial institutions was \$180,090. This balance is categorized as follows:

Insured by federal depository insurance	\$ 180,090
Insured or collateralized with securities held by the District or its agent in the District's name	-
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	-
Uncollateralized	-
Total Deposits with Financial Institutions	<u>\$ 180,090</u>

NOTE 4. RISK OF LOSS

The District is exposed to risk of loss through property ownership, employee injury, liability of employees, elected officials' action and other items. The District purchased commercial insurance policies to overcome these risks. The District did not have any claims exceeding insurance coverage in the last three years.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 5. CAPITAL ASSETS

Following is a summary of changes in the capital assets for the year ended April 30, 2015:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>ENDING BALANCE</u>
Capital Assets, Not Depreciable:				
Land	\$ 3,079,100	\$ -	\$ -	\$ 3,079,100
Construction in Progress	<u>49,772</u>	<u>-</u>	<u>(49,772)</u>	<u>-</u>
Total Capital Assets, Not Depreciable	3,128,872	-	(49,772)	3,079,100
Capital Assets, Depreciable:				
Buildings	835,946	4,590	-	840,536
Playground Equipment	349,034	41,719	-	390,753
Maintenance Equipment	94,851	-	-	94,851
Office Equipment	23,319	-	-	23,319
Site Improvements	946,317	139,704	-	1,086,021
Vehicles	<u>43,060</u>	<u>38,695</u>	<u>(17,997)</u>	<u>63,758</u>
Total Capital Assets, Depreciable	2,292,527	224,708	(17,997)	2,499,238
Less Accumulated Depreciation for:				
Buildings	(306,155)	(18,456)	-	(324,611)
Playground Equipment	(247,321)	(24,292)	-	(271,613)
Maintenance Equipment	(70,096)	(5,548)	-	(75,644)
Office Equipment	(15,786)	(4,100)	-	(19,886)
Site Improvements	(642,845)	(32,368)	-	(675,213)
Vehicles	<u>(38,612)</u>	<u>(3,206)</u>	<u>17,997</u>	<u>(23,821)</u>
Total Accumulated Depreciation	<u>(1,320,815)</u>	<u>(87,970)</u>	<u>17,997</u>	<u>(1,390,788)</u>
Capital Assets, Net	<u>\$ 4,100,584</u>	<u>\$ 136,738</u>	<u>\$ (49,772)</u>	<u>\$ 4,187,550</u>

NOTE 6. LONG-TERM DEBT

A summary of debt transactions follows:

Debt Payable, Beginning	\$ 632,000
Bond Issuance	227,000
Retirements	<u>(332,000)</u>
Debt Payable, Ending	<u>\$ 527,000</u>

Debt payable at April 30, 2015 was comprised of the following issuances:

General Obligation Limited Tax Park Bonds (Series 2014) of \$227,000 were issued in December 2014. These bonds bear interest at 1.20%. All the principal and interest on these bonds is due in December 2015.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 6. LONG-TERM DEBT - Continued

General Obligation Alternate Revenue Source Park Bonds (Series 2012B) of \$300,000 were issued in December 2012. These bonds bear interest between 1.40% and 1.90% and require semiannual interest payments on June 15th and December 15th. Principal payments of \$100,000 are due annually beginning on December 15, 2015.

The combined aggregate amounts of maturities for all borrowings at April 30, 2015 were as follows:

<u>FISCAL YEAR ENDING</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
April 30, 2016	\$ 327,000	\$ 7,674	\$ 334,674
April 30, 2017	100,000	3,550	103,550
April 30, 2018	100,000	1,900	101,900
Total Debt Payable	<u>\$ 527,000</u>	<u>\$ 13,124</u>	<u>\$ 540,124</u>

A computation of the legal debt margin of the District as of April 30, 2015, is as follows:

Equalized Assessed Valuation 2014	<u>\$135,847,258</u>
Legal Debt Limit - 2.875%	\$ 3,905,609
Amount of Debt Applicable to Limit	527,000
Estimated Legal Debt Margin	<u>\$ 3,378,609</u>

NOTE 7. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Accounting principles generally accepted in the United States of America require disclosure of certain information concerning individual funds including:

The following funds had a deficit at April 30, 2015:

General Fund	<u>\$ (8,969)</u>
Recreation Fund	<u>\$ (12,029)</u>
Debt Service Fund	<u>\$ (83,634)</u>

The following interfund balance existed as of April 30, 2015 for short-term borrowing:

Due from Debt Service Fund to Capital Projects Fund	<u>\$ 83,634</u>
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The interfund balance is due to temporary financing and is expected to be repaid within one year from April 30, 2015.

CRETE PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2015

NOTE 8. FUND BALANCE CLASSIFICATIONS

The following is a schedule of fund balance classifications for the government funds as of April 30, 2015:

	<u>GENERAL</u>	<u>RECREATION</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
Fund Balance:						
Restricted:						
Restricted by Bond Ordinance:						
Capital Projects	\$ -	\$ -	\$ -	\$ 169,855	\$ -	\$ 169,855
Restricted by Tax Levies:						
Liability Insurance	-	-	-	-	4,633	4,633
Audit	-	-	-	-	8,587	8,587
Social Security	-	-	-	-	20,517	20,517
Paving and Lighting	-	-	-	-	32,914	32,914
Unassigned	<u>(8,969)</u>	<u>(12,029)</u>	<u>(83,634)</u>	<u>-</u>	<u>-</u>	<u>(104,632)</u>
Total Fund Balances	<u>\$ (8,969)</u>	<u>\$ (12,029)</u>	<u>\$ (83,634)</u>	<u>\$ 169,855</u>	<u>\$ 66,651</u>	<u>\$ 131,874</u>

NOTE 9. RESTRICTED POSITION

The following is a schedule of Restricted Net Position on the Statement of Net Position as of April 30, 2015.

Restricted by Bond Ordinance for Capital Projects	\$ 169,855
Restricted by Tax Levies:	
Liability Insurance	4,633
Audit	8,587
Social Security	20,517
Paving and Lighting	32,914
Total	<u>\$ 236,506</u>

NOTE 10. SUBSEQUENT EVENTS

The District has evaluated events subsequent to April 30, 2015 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

*REQUIRED
SUPPLEMENTAL INFORMATION*

CRETE PARK DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL
YEAR ENDED APRIL 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<u>REVENUES</u>			
Property Taxes	\$ 192,062	\$ 185,754	\$ (6,308)
State Replacement Taxes	7,500	7,282	(218)
Rentals	47,000	48,984	1,984
Donations	3,000	3,200	200
Concessions	2,200	1,644	(556)
Interest	650	675	25
Resident Pass	2,500	3,400	900
Total Revenues	254,912	250,939	(3,973)
<u>EXPENDITURES</u>			
<u>Recreation</u>			
Payroll Expenses	-	325	325
Wages Allocated - Capital Fund	(40,000)	(40,000)	-
Salary - Executive Director	75,000	64,801	(10,199)
Salary - Board Treasurer	3,000	2,400	(600)
Salary - Board Secretary	2,000	1,200	(800)
Salary - Maintenance Supt.	55,000	52,352	(2,648)
Expenditures - Payroll Accruals	-	(7,468)	(7,468)
IL Municipal Retirement Fund	45,000	36,556	(8,444)
Health Insurance	90,000	72,104	(17,896)
Staff Bonuses	8,000	-	(8,000)
Advertising	3,000	866	(2,134)
Public Relations	3,000	1,516	(1,484)
Repair Office Equipment/Contracts	25,000	10,042	(14,958)
Office Supplies	8,000	2,673	(5,327)
Birthday Party Expenses	-	357	357
Brithday Party PT Temp	-	254	254
Postage	3,000	638	(2,362)
NSF Checks	2,000	50	(1,950)
Commissioner Professional Development	8,000	532	(7,468)
Administration Professional Development	7,000	5,368	(1,632)
Maintenance Professional Development	3,000	995	(2,005)
Telephones	15,000	8,509	(6,491)
Miscellaneous	1,000	(455)	(1,455)
Pick-Up Truck Maintenance	8,000	52	(7,948)
Dump Truck Maintenance	5,000	470	(4,530)
Equipment Maintenance	15,000	3,012	(11,988)

Continued . . .

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL
YEAR ENDED APRIL 30, 2015

Continued . . .

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Internet Data	8,000	2,442	(5,558)
Vehicle Maintenance F250	8,000	3,713	(4,287)
Equipment Rental	-	2,700	2,700
Fuel	12,000	7,683	(4,317)
Accounting Services	1,200	-	(1,200)
Lawn Maintenance Services	4,000	-	(4,000)
Attorney	7,000	670	(6,330)
Tree Maintenance	25,000	4,000	(21,000)
Heritage Building Maintenance	25,000	419	(24,581)
Heritage General Maintenance	25,000	1,114	(23,886)
Crete Park Building Maintenance	30,000	4,629	(25,371)
Crete Park General Maintenance	25,000	628	(24,372)
Lincolnshire Park General Maintenance	5,000	29	(4,971)
Swiss Valley Park General Maintenance	5,000	-	(5,000)
(Over) Short - Concessions	-	(37)	(37)
General Maintenance and Repair	20,000	141	(19,859)
Martin Park Maintenance	10,000	280	(9,720)
Main Street General Building Maintenance	50,000	69	(49,931)
Main Street Building Repair	-	297	297
Total Recreation Expenditures	<u>604,200</u>	<u>245,926</u>	<u>(358,274)</u>
<u>Capital Outlay</u>			
New Vehicles	75,000	-	(75,000)
Equipment	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Total Capital Outlay Expenditures	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
 Total Expenditures	 <u>879,200</u>	 <u>245,926</u>	 <u>(633,274)</u>
Revenues Over (Under) Expenditures	<u>\$ (624,288)</u>	5,013	<u>\$ 629,301</u>
 Fund Balance, Beginning		<u>(13,982)</u>	
Fund Balance, Ending		<u>\$ (8,969)</u>	

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
RECREATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL
YEAR ENDED APRIL 30, 2015

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<u>REVENUES</u>			
Property Taxes	\$ 158,616	\$ 153,294	\$ (5,322)
Programs	320,500	281,694	(38,806)
Grants	80,000	55,478	(24,522)
Concessions	9,500	5,804	(3,696)
Total Revenues	568,616	496,270	(72,346)
<u>EXPENDITURES</u>			
Wages - Part-Time Maintenance	65,000	24,878	(40,122)
Salary - Assistant Director	57,000	53,787	(3,213)
Salary - Superintendent of Recreation	50,000	45,590	(4,410)
Wages - Site Supervision	55,000	16,695	(38,305)
Wages - Office Manager	50,000	28,568	(21,432)
Recreation Professional Development	6,000	3,872	(2,128)
Porta John Rental	2,000	276	(1,724)
Special Recreation	2,000	400	(1,600)
Brochure Printing	22,000	10,087	(11,913)
Brochure Mailing	5,000	-	(5,000)
Maintenance Assistant	40,000	35,418	(4,582)
Utilities/Gas - Crete	5,000	2,439	(2,561)
Utilities/Gas - Heritage	7,000	2,198	(4,802)
Utilities/Gas - Main Street	10,000	872	(9,128)
Utilities/Electric - Crete	20,000	8,766	(11,234)
Utilities/Electric - Heritage	10,000	6,580	(3,420)
Utilities/Electric - Other	2,500	1,717	(783)
Utilities/Electric - Main Street	15,000	1,164	(13,836)
Utilities/Water - Crete	2,500	770	(1,730)
Utilities/Water - Heritage	2,500	578	(1,922)
Utilities/Water - Main Street	3,000	160	(2,840)
Vending Machine	7,000	1,489	(5,511)
Staff Uniforms	3,000	376	(2,624)
Cleaning Service	5,000	1,975	(3,025)
Credit Card Expense	7,000	4,084	(2,916)
Dues and Subscriptions	10,000	4,057	(5,943)
Administrative Support Expense	5,000	-	(5,000)
Ballet Trip Expense	2,000	-	(2,000)
Supplies - Special Events	25,000	9,084	(15,916)
Pool Payout	3,000	1,500	(1,500)
Softball Award Payout	-	1,850	1,850
Sales Tax	1,000	149	(851)
Preschool - Professional Development	1,500	1,807	307

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
RECREATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL
YEAR ENDED APRIL 30, 2015

Continued . . .

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Program Salaries	231,500	133,311	(98,189)
Service Contracts/Instructors	160,000	61,381	(98,619)
Preschool Equipment	20,000	8,991	(11,009)
Arts and Crafts Supplies	24,000	7,141	(16,859)
Sports Equipment	46,000	16,617	(29,383)
Turf Management	30,000	5,758	(24,242)
Concession Stand	15,000	2,491	(12,509)
Total Expenditures	1,027,500	506,876	(520,624)
Revenues Over (Under) Expenditures	\$ (458,884)	(10,606)	\$ 448,278
Fund Balance, Beginning		(1,423)	
Fund Balance, Ending		\$ (12,029)	

See accompanying notes and auditors' report.

CRETE PARK DISTRICT
IMRF - SCHEDULE OF FUNDING PROGRESS
APRIL 30, 2015

ACTUARIAL VALUATION DATE <u>DATE</u>	ACTUARIAL VALUE OF ASSETS <u>(a)</u>	ACTUARIAL ACCRUED LIABILITY (AAL) ENTRY AGE <u>(b)</u>	UNFUNDED AAL (UAAL) <u>(b-a)</u>	FUNDED RATIO <u>(a/b)</u>	COVERED PAYROLL <u>(c)</u>	UAAL AS A PERCENTAGE OF COVERED PAYROLL <u>((b-a)/c)</u>
12/31/2014	\$ 696,956	\$ 876,144	\$ 179,188	79.55%	\$ 273,792	65.45%
12/31/2013	608,999	774,560	165,561	78.63%	266,149	62.21%
12/31/2012	529,010	695,204	166,194	76.09%	258,328	64.33%
12/31/2011	460,102	630,312	170,210	73.00%	255,166	66.71%
12/31/2010	412,733	578,870	166,137	71.30%	256,837	64.69%
12/31/2009	357,080	500,393	143,313	71.36%	244,800	58.54%

On a market value basis, the actuarial value of assets as of December 31, 2014 was \$764,987. On a market basis, the funded ratio would have been 87.31%.

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

CRETE PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
APRIL 30, 2015

NOTE 1. BUDGETS

Budgets for funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The following procedures are used to establish the budgets:

- (a) The District's Director submits a proposed operating budget to the Board of Commissioners for approval.
- (b) The Board of Commissioners makes any adjustments to the budget deemed necessary and approves the proposed budget and appropriation ordinance.
- (c) Public Hearings are conducted by the District to obtain taxpayer comments on the proposed budget and appropriation ordinance.
- (d) Subsequently, the Board of Commissioners approves the final budget and appropriation ordinance.

Expenditures may not legally exceed the budgeted appropriations at the fund level. The budget may be amended by the Board of Commissioners. There were no amendments to the budget for the year ended April 30, 2015.

NOTE 2. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

Expenditures did not exceed budgeted appropriations for the year ended April 30, 2015 for the General Fund or the major special revenue fund (Recreation Fund).

*OTHER
SUPPLEMENTAL INFORMATION*

**CRETE PARK DISTRICT
OTHER FUNDS
COMBINING BALANCE SHEET
APRIL 30, 2015**

	SPECIAL REVENUE FUNDS				TOTAL
	LIABILITY INSURANCE	AUDIT	SOCIAL SECURITY	PAVING AND LIGHTING	
<u>ASSETS</u>					
Cash and Investments	\$ 4,770	\$ 16,087	\$ 20,740	\$ 32,914	\$ 74,511
Property Taxes Receivable	42,656	6,657	42,656	3,804	95,773
Total Assets	\$ 47,426	\$ 22,744	\$ 63,396	\$ 36,718	\$ 170,284
<u>LIABILITIES</u>					
Accounts Payable	\$ -	\$ 7,500	\$ -	\$ -	\$ 7,500
Accrued Expenses	137	-	223	-	360
Total Liabilities	137	7,500	223	-	7,860
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable Property Taxes	42,656	6,657	42,656	3,804	95,773
<u>FUND BALANCES</u>					
Restricted	4,633	8,587	20,517	32,914	66,651
Total Fund Balances	4,633	8,587	20,517	32,914	66,651
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 47,426	\$ 22,744	\$ 63,396	\$ 36,718	\$ 170,284

See accompanying auditors' report.

CRETE PARK DISTRICT
OTHER FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED APRIL 30, 2015

	SPECIAL REVENUE FUNDS				TOTAL
	LIABILITY INSURANCE	AUDIT	SOCIAL SECURITY	PAVING AND LIGHTING	
<u>REVENUES</u>					
Property Taxes	\$ 41,755	\$ 7,007	\$ 41,755	\$ 3,719	\$ 94,236
Total Revenues	41,755	7,007	41,755	3,719	94,236
<u>EXPENDITURES</u>					
Recreation	34,237	7,838	34,455	-	76,530
Total Expenditures	34,237	7,838	34,455	-	76,530
Revenues Over (Under) Expenditures	7,518	(831)	7,300	3,719	17,706
Fund Balances, Beginning	(2,885)	9,418	13,217	29,195	48,945
Fund Balances, Ending	<u>\$ 4,633</u>	<u>\$ 8,587</u>	<u>\$ 20,517</u>	<u>\$ 32,914</u>	<u>\$ 66,651</u>

See accompanying auditors' report.