

**CRETE PARK DISTRICT**  
**CRETE, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED APRIL 30, 2016**

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## **INDEPENDENT AUDITOR'S 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, 2016, and the related notes to the financial statements, which collectively comprise the Library'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 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 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 District as of April 30, 2016, 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.

## **Change in Accounting Principle**

As discussed in Note 10 to the financial statements, the District adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in the year ended April 30, 2016. Our opinion is not modified with respect to this matter.

## **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

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.

*O'Neill & Gaspardo, LLC*

O'NEILL & GASPARDO, LLC  
Mokena, Illinois  
July 26, 2016

**CRETE PARK DISTRICT**  
**STATEMENT OF NET POSITION**  
**APRIL 30, 2016**

**ASSETS**

Current Assets

Cash and Investments	\$ 252,695	
Property Taxes Receivable	<u>677,118</u>	
Total Current Assets		\$ 929,813

Noncurrent Assets

Land	3,079,100	
Other Capital Assets, Net of Accumulated Depreciation	<u>1,047,009</u>	
Total Noncurrent Assets		4,126,109

Deferred Outflows of Resources

Pension Related		<u>27,828</u>
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TOTAL ASSETS

\$ 5,083,750

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

Current Liabilities

Accounts Payable	\$ 31,618	
Other Accrued Expenses	8,982	
Unearned Revenue:		
Recreation Programs	27,357	
Accrued Compensated Absences	9,528	
Debt Payable, Due Within One Year	<u>328,000</u>	
Total Current Liabilities		\$ 405,485

Noncurrent Liabilities

Net Pension Liability	222,842	
Debt Payable, Due in More than One Year	<u>100,000</u>	
Total Noncurrent Liabilities		<u>322,842</u>

Total Liabilities

728,327

Deferred Inflows of Resources

Unavailable Property Taxes		677,118
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Net Position

Invested in Capital Assets, Net of Related Debt	3,955,660	
Restricted	245,391	
Unrestricted	<u>(522,746)</u>	
Total Net Position		<u>3,678,305</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

\$ 5,083,750

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED APRIL 30, 2016**

	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	\$ 983,969	\$ 335,619	\$ 545	\$ -	\$ (647,805)
Interest on Long-Term Debt	7,379	-	-	-	(7,379)
Total Governmental Activities	<u>991,348</u>	<u>335,619</u>	<u>545</u>	<u>-</u>	<u>(655,184)</u>
 <u>GENERAL REVENUES</u>					
Taxes:					
Property Taxes					668,498
Replacement Taxes					7,365
Interest Income					<u>542</u>
Total General Revenues					<u>676,405</u>
Change in Net Position					21,221
 <u>NET POSITION</u>					
Beginning of Year - Restated for Change in Accounting Principle					<u>3,657,084</u>
End of Year					<u>\$ 3,678,305</u>

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**APRIL 30, 2016**

	GENERAL	RECREATION	DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	TOTAL
<b><u>ASSETS</u></b>						
Cash and Investments	\$ 31,937	\$ 14,343	\$ -	\$ 107,879	\$ 98,536	\$ 252,695
Property Taxes Receivable	191,877	161,086	231,256	-	92,899	677,118
Interfund Balances	-	-	-	47,198	-	47,198
Total Assets	<u>\$223,814</u>	<u>\$ 175,429</u>	<u>\$231,256</u>	<u>\$ 155,077</u>	<u>\$191,435</u>	<u>\$ 977,011</u>
<b><u>LIABILITIES</u></b>						
Accounts Payable	\$ 23,918	\$ -	\$ -	\$ -	\$ 7,700	\$ 31,618
Accrued Expenses	2,461	3,601	-	-	522	6,584
Unearned Revenue:						
Recreation Programs	-	27,357	-	-	-	27,357
Interfund Balances	-	-	47,198	-	-	47,198
Total Liabilities	26,379	30,958	47,198	-	8,222	112,757
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>						
Unavailable Property Taxes	191,877	161,086	231,256	-	92,899	677,118
<b><u>FUND BALANCES</u></b>						
Fund Balances:						
Unassigned	5,558	(16,615)	(47,198)	-	-	(58,255)
Restricted	-	-	-	155,077	90,314	245,391
Total Fund Balances	<u>5,558</u>	<u>(16,615)</u>	<u>(47,198)</u>	<u>155,077</u>	<u>90,314</u>	<u>187,136</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$223,814</u>	<u>\$ 175,429</u>	<u>\$231,256</u>	<u>\$ 155,077</u>	<u>\$191,435</u>	<u>\$ 977,011</u>

See accompanying notes and auditor's report.



**CRETE PARK DISTRICT**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**APRIL 30, 2016**

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Total Fund Balances - Governmental Funds	\$ 187,136
Capital assets are not current financial resources, so they are not reported on the Governmental Funds Balance Sheet.	4,126,109
Deferred Outflows of Resources (Pension Related) is not a current financial resource and therefore is not reported on the Governmental Funds Balance Sheet.	27,828
Long-term liabilities are not due and payable in the current period and therefore are not reported on the Governmental Funds Balance Sheet:	
Accrued Interest	(2,398)
Accrued Compensated Absences	(9,528)
Net Pension Liability	(222,842)
Debt Payable	<u>(428,000)</u>
Net Position of Governmental Activities	<u>\$ 3,678,305</u>

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**GOVERNMENTAL FUNDS REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED APRIL 30, 2016**

	GENERAL	RECREATION	DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	TOTAL
<b><u>REVENUES</u></b>						
Property Taxes	\$188,760	\$ 155,724	\$228,754	\$ -	\$ 95,260	\$ 668,498
State Replacement Taxes	7,365	-	-	-	-	7,365
Rentals	57,423	-	-	-	-	57,423
Donations	545	-	-	-	-	545
Programs	-	271,503	-	-	-	271,503
Concessions	1,130	938	-	-	-	2,068
Interest	542	-	-	-	-	542
Resident Pass	<u>4,625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,625</u>
Total Revenues	<u>260,390</u>	<u>428,165</u>	<u>228,754</u>	<u>-</u>	<u>95,260</u>	<u>1,012,569</u>
<b><u>EXPENDITURES</u></b>						
Current:						
Recreation	245,863	432,751	-	-	71,597	750,211
Debt Service:						
Principal	-	-	327,000	-	-	327,000
Interest	-	-	7,818	-	-	7,818
Capital Outlay	-	-	-	<u>100,278</u>	-	<u>100,278</u>
Total Expenditures	<u>245,863</u>	<u>432,751</u>	<u>334,818</u>	<u>100,278</u>	<u>71,597</u>	<u>1,185,307</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,527	(4,586)	(106,064)	(100,278)	23,663	(172,738)
<b><u>OTHER FINANCING SOURCES</u></b>						
Bond Proceeds	<u>-</u>	<u>-</u>	<u>102,475</u>	<u>125,525</u>	<u>-</u>	<u>228,000</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>102,475</u>	<u>125,525</u>	<u>-</u>	<u>228,000</u>
Net Change in Fund Balances	14,527	(4,586)	(3,589)	25,247	23,663	55,262
<b><u>FUND BALANCES</u></b>						
Beginning of Year - Restated for Prior Period Adjustment	<u>(8,969)</u>	<u>(12,029)</u>	<u>(43,609)</u>	<u>129,830</u>	<u>66,651</u>	<u>131,874</u>
End of Year	<u>\$ 5,558</u>	<u>\$ (16,615)</u>	<u>\$ (47,198)</u>	<u>\$ 155,077</u>	<u>\$ 90,314</u>	<u>\$ 187,136</u>

See accompanying notes and auditor's 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, 2016**

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Net Change in Fund Balances - Total Governmental Funds	\$	55,262
<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		28,226
Current Year Depreciation Expense		(89,667)
<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		(5,288)
Change in Accrued Interest from the Prior Year		439
Change in Deferred Outflows of Resources		444
Change in Net Pension Liability		(67,195)
<p>Repayment of debt principal is an expenditure in the governmental funds, but reduces bonds payable on the Statement of Net Position.</p>		
		327,000
<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>(228,000)</u>
Change in Net Position of Governmental Activities	\$	<u><u>21,221</u></u>

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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**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, 2016**

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**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, 2016**

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**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 or recreation funds when payable (i.e. upon resignation or retirement). On the government-wide financial statements, accrued vacation is recorded when earned.

**G. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES**

The District reports deferred outflows / inflows of resources on its Statement of Net Position and Governmental Funds Balance Sheet.

Deferred outflows of resources represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources until then. The District's only deferred outflows of resources at April 30, 2016 was due to the District's defined benefit pension plan (Illinois Municipal Retirement Fund - IMRF). It consisted of amounts to be recognized as pension expense in future fiscal years for the differences between expected and actual experience and assumption changes.

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, 2016 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 2014 levy was intended to finance the fiscal year ended April 30, 2016. The most recent levy (2015) 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 2015 levy are as follows:

Lien Date	January 1, 2015
Levy Date	November 18, 2015

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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

Tax Bills Mailed (at least 30 days prior to collection deadline)	
First Installment Due	June 1, 2016
Second Installment Due	September 1, 2016

Property taxes are billed and collected by the County Treasurer of Will County, Illinois. Substantially all of the collected taxes for the 2015 tax levy will be received by the District between June 2016 and December 2016.

**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, 2016. 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.

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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

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.

**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**

**IMRF Plan Description**

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

**Benefits Provided**

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.



**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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**NOTE 2. DEFINED BENEFIT PENSION PLAN - Continued**

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

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

**Employees Covered by Benefit Terms**

As of December 31, 2015, the following employees were covered by the benefit terms:

	<b>IMRF</b>
Retirees and Beneficiaries currently receiving benefits	-
Inactive Plan Members entitled to but not yet receiving benefits	-
Active Plan Members	7
<b>Total</b>	<b>7</b>

**Contributions**

As set by statute, the District's regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2015 was 11.96%. For the fiscal year ended April 30, 2016, the District contributed \$31,436 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability**

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

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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**NOTE 2. DEFINED BENEFIT PENSION PLAN - Continued**

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.48%.
- **Projected Retirement Age** was from the Experience-based Table of Rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
- For **Mortality** of non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The 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 table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The 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:

<b><u>Asset Class</u></b>	<b><u>Portfolio Target Percentage</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Domestic Equity	38%	7.39%
International Equity	17%	7.59%
Fixed Income	27%	3.00%
Real Estate	8%	6.00%
Alternative Investments	9%	2.75%-8.15%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

**NOTE 2. DEFINED BENEFIT PENSION PLAN - Continued**

**Single Discount Rate**

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56% and the resulting single discount rate is 7.48%.

**Changes in the Net Pension Liability**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
<b>Balances at December 31, 2014</b>	\$ 914,980	\$ 759,333	\$ 155,647
<b>Changes for the year:</b>			
Service Cost	30,397	-	30,397
Interest on the Total Pension Liability	69,577	-	69,577
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(28,080)	-	(28,080)
Changes of Assumptions	-	-	-
Contributions - Employer	-	34,381	(34,381)
Contributions - Employee	-	12,936	(12,936)
Net Investment Income	-	3,915	(3,915)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfers)	-	(46,533)	46,533
Net Changes	71,894	4,699	67,195
<b>Balances at December 31, 2015</b>	\$ 986,874	\$ 764,032	\$ 222,842

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

**NOTE 2. DEFINED BENEFIT PENSION PLAN - Continued**

	<b>1% Lower (6.48%)</b>	<b>Current Discount (7.48%)</b>	<b>1% Higher (8.48%)</b>
Net Pension Liability	\$ 1,189,807	\$ 986,874	\$ 824,350
Plan Fiduciary Net Position	764,032	764,032	764,032
<b>Net Pension Liability/(Asset)</b>	<b>\$ 425,775</b>	<b>\$ 222,842</b>	<b>\$ 60,318</b>

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

For the year ended April 30, 2016, the District recognized pension expense of \$98,187. At April 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Deferred Amounts Related to Pensions</b>		
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ 25,449
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	42,451	-
Total Deferred Amounts to be recognized in pension expense in future periods	42,451	25,449
<i>Pension Contributions made subsequent to the Measurement Date</i>	10,826	-
<b>Total Deferred Amounts Related to Pensions</b>	<b>\$ 53,277</b>	<b>\$ 25,449</b>

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:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows of Resources</b>
2016	\$ 7,982
2017	7,982
2018	7,982
2019	7,981
2020	(2,631)
Thereafter	(12,294)
Total	<b>\$ 17,002</b>

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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**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, 2016 were as follows and are all permitted by the District's investment policy:

Illinois Funds Money Market Accounts	\$ 42,361
Old Plank Trail Community Bank Money Market Account	91,164
Old Plank Trail Community Bank Checking Accounts	41,637
Old Plank Trail Max Safe Public Funds Account	<u>77,533</u>
Total Reconciled Cash and Investments	<u>\$ 252,695</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. Investments in Illinois Funds are categorized as Level 1 investments.

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.

At April 30, 2016, the bank balance of the District's deposits with financial institutions was \$226,462. This balance is categorized as follows:

Insured by federal depository insurance	\$ 226,462
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>\$ 226,462</u>

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

**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.

**NOTE 5. CAPITAL ASSETS**

Following is a summary of changes in the capital assets for the year ended April 30, 2016:

	<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
Total Capital Assets, Not Depreciable	3,079,100	-	-	3,079,100
Capital Assets, Depreciable:				
Buildings	840,536	-	-	840,536
Playground Equipment	390,753	22,526	-	413,279
Maintenance Equipment	94,851	-	-	94,851
Office Equipment	23,319	-	-	23,319
Site Improvements	1,086,021	5,700	-	1,091,721
Vehicles	63,758	-	-	63,758
Total Capital Assets, Depreciable	2,499,238	28,226	-	2,527,464
Less Accumulated Depreciation for:				
Buildings	(324,611)	(18,570)	-	(343,181)
Playground Equipment	(271,613)	(22,257)	-	(293,870)
Maintenance Equipment	(75,644)	(4,552)	-	(80,196)
Office Equipment	(19,886)	(2,514)	-	(22,400)
Site Improvements	(675,213)	(37,923)	-	(713,136)
Vehicles	(23,821)	(3,851)	-	(27,672)
Total Accumulated Depreciation	(1,390,788)	(89,667)	-	(1,480,455)
Capital Assets, Net	<u>\$ 4,187,550</u>	<u>\$ (61,441)</u>	<u>\$ -</u>	<u>\$ 4,126,109</u>

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

**NOTE 6. LONG-TERM LIABILITIES**

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>DUE WITHIN ONE YEAR</u>
Debt Payable:					
2012B Bonds	\$ 300,000	\$ -	\$ (100,000)	\$ 200,000	\$ 100,000
2014 Bonds	227,000	-	(227,000)	-	-
2015 Bonds	<u>-</u>	<u>228,000</u>	<u>-</u>	<u>228,000</u>	<u>228,000</u>
Subtotals	527,000	228,000	(327,000)	428,000	328,000
Other Liabilities:					
Net. Pension Liab.	155,647	67,195	-	222,842	-
Accrued Comp.					
Absences	<u>4,234</u>	<u>21,383</u>	<u>(16,095)</u>	<u>9,522</u>	<u>9,522</u>
Total Long Term Liabilities	<u>\$ 686,881</u>	<u>\$ 316,578</u>	<u>\$ (343,095)</u>	<u>\$ 660,364</u>	<u>\$ 337,522</u>

The General and Recreation Funds have been used to liquidate other long-term liabilities.

Debt payable at April 30, 2016 was comprised of the following issuances:

General Obligation Limited Tax Park Bonds (Series 2015) of \$228,000 were issued in December 2015. These bonds bear interest at 1.30%. All the principal and interest on these bonds is due in December 2016.

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, 2016 were as follows:

<u>FISCAL YEAR ENDING</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
April 30, 2017	\$ 328,000	\$ 6,514	\$ 334,514
April 30, 2018	<u>100,000</u>	<u>1,900</u>	<u>101,900</u>
Total Debt Payable	<u>\$ 428,000</u>	<u>\$ 8,414</u>	<u>\$ 436,414</u>

A computation of the legal debt margin of the District as of April 30, 2016, is as follows:

Equalized Assessed Valuation 2015	<u>\$ 132,146,388</u>
Legal Debt Limit - 2.875%	\$ 3,799,209
Amount of Debt Applicable to Limit	<u>428,000</u>
Estimated Legal Debt Margin	<u>\$ 3,371,209</u>

**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

**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, 2016:

Recreation Fund	<u>\$ (16,615)</u>
Debt Service Fund	<u>\$ (47,198)</u>

The following interfund balance existed as of April 30, 2016 for short-term borrowing:

Due from Debt Service Fund to Capital Projects Fund	<u>\$ 47,198</u>
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The interfund balance is due to temporary financing.

**NOTE 8. FUND BALANCE CLASSIFICATIONS**

The following is a schedule of fund balance classifications for the government funds as of April 30, 2016:

	<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	\$ -	\$ -	\$ -	\$ 155,077	\$ -	\$ 155,077
Restricted by Tax Levies:						
Liability Insurance	-	-	-	-	17,006	17,006
Audit	-	-	-	-	7,508	7,508
Social Security	-	-	-	-	30,116	30,116
Paving and Lighting	-	-	-	-	35,684	35,684
Unassigned	<u>5,558</u>	<u>(16,615)</u>	<u>(47,198)</u>	<u>-</u>	<u>-</u>	<u>(58,255)</u>
Total Fund Balances	<u>\$ 5,558</u>	<u>\$ (16,615)</u>	<u>\$ (47,198)</u>	<u>\$ 155,077</u>	<u>\$ 90,314</u>	<u>\$ 187,136</u>

**NOTE 9. RESTRICTED POSITION**

The following is a schedule of Restricted Net Position on the Statement of Net Position as of April 30, 2016.

Restricted by Bond Ordinances for Capital Projects	\$ 155,077
Restricted by Tax Levies:	
Liability Insurance	17,006
Audit	7,508
Social Security	30,116
Paving and Lighting	35,684
Total	<u>\$ 245,391</u>



**CRETE PARK DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2016**

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**NOTE 10. ADOPTION OF GASB STATEMENT 68**

On May 1, 2015, the District adopted the Government Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement requires new financial reporting requirements for pension plans, including recognizing net pension assets or liabilities on the Statement of Net Position.

The District's pension plan is a defined benefit plan with the Illinois Municipal Retirement Fund (IMRF). The District's net pension liability for this plan was \$155,647 and deferred outflows of resources was \$34,872 at April 30, 2015. Therefore, the District decreased its beginning net position by \$128,263 (\$155,647 - \$27,384) on the accompanying Statement of Net Position with the adoption of this Statement. Also, adoption of this Statement resulted in the net position decreasing \$66,751 in the year ended April 30, 2016 due to higher pension expense.

**NOTE 11. PRIOR PERIOD ADJUSTMENT**

The District recently discovered that bond proceeds from the years ended April 30, 2010 to April 30, 2015 were not correctly allocated between the Capital Projects and Debt Service Funds. Bond issuance costs (legal fees) for these years totaling \$40,025 were recorded as expenditures of the Debt Service Fund, but the corresponding funding for these costs from the annual bond issuances (bond proceeds) was recorded in the Capital Projects Fund. Therefore, the beginning fund balances reported in the accompanying financial statements were restated to increase the Debt Service Fund by \$40,025 and decrease the Capital Projects Fund by the same amount.

**NOTE 12. SUBSEQUENT EVENTS**

The District has evaluated events subsequent to April 30, 2016 for possible adjustment or disclosure to the accompanying financial statements. This evaluation was done through the date of the Independent Auditor's 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, 2016**

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b><u>REVENUES</u></b>			
Property Taxes	\$ 189,779	\$ 188,760	\$ (1,019)
State Replacement Taxes	8,000	7,365	(635)
Rentals	54,800	57,423	2,623
Donations	2,400	545	(1,855)
Concessions	2,200	1,130	(1,070)
Interest	680	542	(138)
Resident Pass	350	4,625	4,275
Total Revenues	258,209	260,390	2,181
<b><u>EXPENDITURES</u></b>			
<b><u>Recreation</u></b>			
Wages Allocated - Capital Fund	(40,000)	(40,000)	-
Salary - Executive Director	75,000	63,671	(11,329)
Salary - Board Treasurer	3,000	2,400	(600)
Salary - Board Secretary	2,000	1,200	(800)
Salary - Maintenance Supt.	55,000	51,180	(3,820)
P/T Summer Maintenance	40,000	23,106	(16,894)
Expenditures - Payroll Accruals	-	477	477
IL Municipal Retirement Fund	45,000	31,436	(13,564)
Health Insurance	90,000	68,913	(21,087)
Advertising	3,000	1,389	(1,611)
Public Relations	3,000	662	(2,338)
Repair Office Equipment/Contracts	25,000	9,403	(15,597)
Office Supplies	8,000	2,616	(5,384)
Birthday Party Expenses	8,500	79	(8,421)
Brithday Party PT Temp	-	32	32
Postage	3,000	669	(2,331)
NSF Checks	2,000	(112)	(2,112)
Commissioner Professional Development	8,000	473	(7,527)
Administration Professional Development	8,000	4,829	(3,171)
Maintenance Professional Development	3,000	1,143	(1,857)
Miscellaneous	3,000	-	(3,000)
Pick-Up Truck Maintenance	8,000	127	(7,873)
Dump Truck Maintenance	5,000	37	(4,963)
Equipment Maintenance	15,000	2,216	(12,784)

Continued . . .

**CRETE PARK DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL**  
**YEAR ENDED APRIL 30, 2016**

Continued . . .

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Internet Data	8,000	2,465	(5,535)
Vehicle Maintenance F250	8,000	810	(7,190)
Equipment Rental	-	3,375	3,375
Fuel	12,000	5,143	(6,857)
Accounting Services	3,000	-	(3,000)
Lawn Maintenance Services	4,000	-	(4,000)
Attorney	8,000	1,440	(6,560)
Tree Maintenance	25,000	550	(24,450)
Heritage Building Maintenance	25,000	395	(24,605)
Heritage General Maintenance	25,000	761	(24,239)
Crete Park Building Maintenance	30,000	3,872	(26,128)
Crete Park General Maintenance	25,000	472	(24,528)
Lincolnshire Park General Maintenance	5,000	-	(5,000)
Swiss Valley Park General Maintenance	5,000	-	(5,000)
(Over) Short - Concessions	-	30	30
General Maintenance and Repair	20,000	-	(20,000)
Martin Park Maintenance	10,000	-	(10,000)
Main Street General Building Maintenance	8,000	251	(7,749)
Main Street Building Repair	50,000	353	(49,647)
Total Recreation Expenditures	<u>643,500</u>	<u>245,863</u>	<u>(397,637)</u>
<u>Capital Outlay</u>			
New Vehicles	75,000	-	(75,000)
Equipment	200,000	-	(200,000)
Total Capital Outlay Expenditures	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
Total Expenditures	<u>918,500</u>	<u>245,863</u>	<u>(672,637)</u>
Revenues Over (Under) Expenditures	<u>\$ (660,291)</u>	14,527	<u>\$ 674,818</u>
Fund Balance, Beginning		<u>(8,969)</u>	
Fund Balance, Ending		<u>\$ 5,558</u>	

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**RECREATION FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL**  
**YEAR ENDED APRIL 30, 2016**

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
<b><u>REVENUES</u></b>			
Property Taxes	\$ 156,631	\$ 155,724	\$ (907)
Programs	307,500	271,503	(35,997)
Concessions	<u>6,000</u>	<u>938</u>	<u>(5,062)</u>
Total Revenues	470,131	428,165	(41,966)
<b><u>EXPENDITURES</u></b>			
IDNR Youth Grant	82,000	-	(82,000)
Telephones	15,000	8,347	(6,653)
Salary - Assistant Director	57,000	52,050	(4,950)
Salary - Superintendent of Recreation	50,000	45,500	(4,500)
Wages - Site Supervision	55,000	17,229	(37,771)
Wages - Office Manager	50,000	27,675	(22,325)
Recreation Professional Development	8,000	4,609	(3,391)
Porta John Rental	2,000	990	(1,010)
Special Recreation	2,000	377	(1,623)
Brochure Printing	22,000	6,999	(15,001)
Brochure Mailing	5,000	-	(5,000)
Maintenance Assistant	40,000	34,540	(5,460)
Utilities/Gas - Crete	5,000	1,052	(3,948)
Utilities/Gas - Heritage	7,000	1,648	(5,352)
Utilities/Gas - Main Street	10,000	503	(9,497)
Utilities/Electric - Crete	20,000	6,690	(13,310)
Utilities/Electric - Heritage	10,000	5,276	(4,724)
Utilities/Electric - Other	2,500	1,382	(1,118)
Utilities/Electric - Main Street	15,000	1,193	(13,807)
Utilities/Water - Crete	2,500	717	(1,783)
Utilities/Water - Heritage	2,500	240	(2,260)
Utilities/Water - Main Street	3,000	102	(2,898)
Vending Machine	7,000	699	(6,301)
Staff Uniforms	3,000	1,103	(1,897)
Cleaning Service	5,000	1,975	(3,025)
Credit Card Expense	7,000	4,214	(2,786)
Dues and Subscriptions	10,000	4,393	(5,607)
Administrative Support Expense	5,000	-	(5,000)
Ballet Trip Expense	2,000	-	(2,000)
Supplies - Special Events	25,000	11,767	(13,233)
Pool Payout	3,000	1,500	(1,500)
Softball Award Payout	-	1,200	1,200
Sales Tax	1,000	35	(965)
Preschool - Professional Development	-	675	675

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**RECREATION FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**ESTIMATED RECEIPTS AND APPROPRIATIONS COMPARED TO ACTUAL**  
**YEAR ENDED APRIL 30, 2016**

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Continued . . .

	ORIGINAL AND FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Program Salaries	231,500	110,693	(120,807)
Service Contracts/Instructors	160,000	38,828	(121,172)
Preschool Equipment	20,000	5,201	(14,799)
Arts and Crafts Supplies	24,000	12,047	(11,953)
Sports Equipment	50,000	16,196	(33,804)
Turf Management	30,000	4,781	(25,219)
Concession Stand	<u>15,000</u>	<u>325</u>	<u>(14,675)</u>
Total Expenditures	<u>1,064,000</u>	<u>432,751</u>	<u>(631,249)</u>
Revenues Over (Under) Expenditures	<u>\$ (593,869)</u>	(4,586)	<u>\$ 589,283</u>
Fund Balance, Beginning		<u>(12,029)</u>	
Fund Balance, Ending		<u>\$ (16,615)</u>	

See accompanying notes and auditor's report.

**CRETE PARK DISTRICT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2015**

Calendar Year Ended December 31,	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 30,397	\$ 31,537
Interest on the Total Pension Liability	69,577	61,913
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(28,080)	(9,449)
Changes of Assumptions	-	20,144
Benefit Payments, including Refunds of Employee Contributions	-	-
<b>Net Change in Total Pension Liability</b>	<u>71,894</u>	<u>104,145</u>
<b>Total Pension Liability - Beginning</b>	<u>914,980</u>	<u>810,835</u>
<b>Total Pension Liability - Ending (A)</b>	<u>\$ 986,874</u>	<u>\$ 914,980</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 34,381	\$ 31,185
Contributions - Employees	12,936	12,321
Net Investment Income	3,915	42,421
Benefit Payments, including Refunds of Employee Contributions	-	-
Other (Net Transfer)	<u>(46,533)</u>	<u>(274)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	<u>4,699</u>	<u>85,653</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>759,333</u>	<u>673,680</u>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<u>\$ 764,032</u>	<u>\$ 759,333</u>
<b>Net Pension Liability - Ending (A) - (B)</b>	<u>\$ 222,842</u>	<u>\$ 155,647</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	77.42%	82.99%
<b>Covered Valuation Payroll</b>	\$ 287,476	\$ 273,792
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	77.52%	56.85%

**Notes to Schedule:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**CRETE PARK DISTRICT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**APRIL 30, 2016**

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CALENDAR YEAR ENDED DECEMBER 31,	ACTUARIALLY DETERMINED CONTRIBUTION (a)	ACTUAL CONTRIBUTION (b)	CONTRIBUTION DEFICIENCY (EXCESS) (b-a)	COVERED VALUATION PAYROLL (c)	ACTUAL CONTRIBUTION AS A PERCENTAGE OF COVERED VALUATION PAYROLL (b/c)
2015	\$ 34,382	\$ 34,381	\$ 1	\$ 287,476	11.96%
2014	32,882	32,882	-	273,792	12.01%
2013	32,151	32,151	-	266,149	12.08%
2012	30,224	30,224	-	258,328	11.70%
2011	28,987	28,987	-	255,166	11.36%
2010	28,406	28,406	-	256,837	11.06%
2009	25,777	25,777	-	244,800	10.53%
2008	24,941	24,941	-	241,210	10.34%
2007	23,549	23,549	-	231,330	10.18%
2006	22,343	22,343	-	218,624	10.22%

See accompanying notes and auditor's report.



**CRETE PARK DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**APRIL 30, 2016**

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**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, 2016.

**NOTE 2. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET**

Expenditures did not exceed budgeted appropriations for the year ended April 30, 2016 for the General Fund or the major special revenue fund (Recreation Fund).

**CRETE PARK DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**  
**APRIL 30, 2016**

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**NOTE 3. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate\**

*Valuation Date:*

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2015 Contribution Rates:**

*Actuarial Cost Method:*

Aggregate entry age normal

*Amortization Method:*

Level percentage of payroll, closed

*Remaining Amortization Period:*

28-year closed period

*Asset Valuation Method:*

5-year smoothed market; 20% corridor

*Wage Growth:*

4%

*Price Inflation:*

3%, approximate; No explicit price inflation assumption is used in this valuation.

*Salary Increases:*

4.40% to 16%, including inflation

*Investment Rate of Return:*

7.50%

*Retirement Age:*

Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

*Mortality:*

RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92 percent of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

*Other Information:*

Notes

There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2013, actuarial valuation; note two year lag between valuation and rate setting.

*OTHER  
SUPPLEMENTAL INFORMATION*

**CRETE PARK DISTRICT  
OTHER FUNDS  
COMBINING BALANCE SHEET  
APRIL 30, 2016**

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	SPECIAL REVENUE FUNDS				
	LIABILITY INSURANCE	AUDIT	SOCIAL SECURITY	PAVING AND LIGHTING	TOTAL
<b><u>ASSETS</u></b>					
Cash and Investments	\$ 17,149	\$ 15,208	\$ 30,495	\$ 35,684	\$ 98,536
Property Taxes Receivable	41,758	6,343	41,098	3,700	92,899
Total Assets	\$ 58,907	\$ 21,551	\$ 71,593	\$ 39,384	\$ 191,435
<b><u>LIABILITIES</u></b>					
Accounts Payable	\$ -	\$ 7,700	\$ -	\$ -	\$ 7,700
Accrued Expenses	143	-	379	-	522
Total Liabilities	143	7,700	379	-	8,222
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>					
Unavailable Property Taxes	41,758	6,343	41,098	3,700	92,899
<b><u>FUND BALANCES</u></b>					
Restricted	17,006	7,508	30,116	35,684	90,314
Total Fund Balances	17,006	7,508	30,116	35,684	90,314
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 58,907	\$ 21,551	\$ 71,593	\$ 39,384	\$ 191,435

See accompanying auditor's report.

**CRETE PARK DISTRICT**  
**OTHER FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED APRIL 30, 2016**

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	SPECIAL REVENUE FUNDS				TOTAL
	LIABILITY INSURANCE	AUDIT	SOCIAL SECURITY	PAVING AND LIGHTING	
<b><u>REVENUES</u></b>					
Property Taxes	\$ 42,427	\$ 6,621	\$ 42,427	\$ 3,785	\$ 95,260
Total Revenues	42,427	6,621	42,427	3,785	95,260
<b><u>EXPENDITURES</u></b>					
Recreation	30,054	7,700	32,828	1,015	71,597
Total Expenditures	30,054	7,700	32,828	1,015	71,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,373	(1,079)	9,599	2,770	23,663
Fund Balances, Beginning	4,633	8,587	20,517	32,914	66,651
Fund Balances, Ending	\$ 17,006	\$ 7,508	\$ 30,116	\$ 35,684	\$ 90,314

See accompanying auditor's report.