

**Wauconda Park District
Wauconda, Illinois
Annual Financial Report
For The Year Ended April 30, 2014**

**Wauconda Park District
Table of Contents
For The Year Ended April 30, 2014**

	Page(s)
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 7
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
FUND FINANCIAL STATEMENTS	
Governmental Funds	
Balance Sheet	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes To The Financial Statements	13 - 29
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress	30
General Fund	
Budgetary Comparison Schedule	31
Recreation Fund	
Budgetary Comparison Schedule	32
Wauconda Fest Fund	
Budgetary Comparison Schedule	33
MAJOR FUNDS	
INDIVIDUAL FUND SCHEDULES	
General Fund	
Schedule of Expenditures - Budget and Actual	34 - 35
Recreation Fund	
Schedule of Expenditures - Budget and Actual	36 - 37
Capital Projects	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual	38
NON-MAJOR FUNDS	
SUPPLEMENTAL SCHEDULES	
COMBINING AND INDIVIDUAL FUND SCHEDULES	
Combining Balance Sheet	39

**Wauconda Park District
Table of Contents (Continued)
For The Year Ended April 30, 2014**

	Page(s)
NON-MAJOR FUNDS (CONTINUED)	
SUPPLEMENTAL SCHEDULES (CONTINUED)	
COMBINING AND INDIVIDUAL FUND SCHEDULES (CONTINUED)	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficits)	40
Special Revenue Funds	
Debt Service Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	41
Liability Insurance Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	42
Social Security Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	43
Illinois Municipal Retirement Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	44
Paving and Lighting Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	45
Special Recreation Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	46
Police Protection Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	47
Audit Fund	
Schedule of Revenues, Expenditures and Changes in Fund Deficit	
Budget and Actual	48
Fitness Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual	49
Beach / Marina Fund	
Schedule of Revenues, Expenditures and Changes in Fund Deficit	
Budget and Actual	50
STATISTICAL INFORMATION	
Statistical Comparison of Property Taxes Levied and Collected	51
Computation of Legal Debt Margin	52



INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Wauconda Park District
Wauconda, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wauconda Park District as of and for the year ended April 30, 2014, and the related notes to the financial statements which collectively comprise the District's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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.

Opinion

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 Wauconda Park District, as of April 30, 2014, and the respective changes in the financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This Required Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending April 30, 2014 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wauconda Park District basic financial statements. The combining and individual fund financial schedules for the year ended April 30, 2014 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund financial schedules have 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 combining and individual fund financial schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

December 2, 2014
Darien, Illinois

Knuttle & Associates, P.C.

**Wauconda Park District
Management's Discussion and Analysis
April 30, 2014**

The Wauconda Park District (the "District") Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements (beginning on page 8.)

Financial Highlights

- The District's financial status continues to be strong and again concluded the year with a positive balance. Overall revenues for all funds this past year were \$2,944,854 and expenses were \$2,826,135.
- Total net position was \$8,909,588 as of April 30, 2014.
- Property taxes levied and collected were \$1,545,528, which was a 2.8% increase over the past year.
- Recreation program registrations increased over the past year resulting in instructional revenues of \$785,830 compared to \$739,019 in 2013. Property taxes account for 32% of the Recreation fund budget.
- The District currently still has the ability to devote resources toward maintaining, improving and expanding its parks, playgrounds and facilities. In fiscal year 2014, \$147,214 was spent on capital outlay for the District's infrastructure.
- The District's outstanding long-term debt decreased to \$163,365 as of April 30, 2014 from \$315,868 as of April 30, 2013.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The District also includes in this report additional information to supplement the basic financial statements.

**Wauconda Park District
Management's Discussion and Analysis (Continued)
April 30, 2014**

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the District-wide statement of position presenting information that includes all of the District's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the District's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* that reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenues, such as grants, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The District does not have any funds that would be considered business-type activities.

The government-wide financial statements are presented on pages 8 - 9 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

**Wauconda Park District
Management's Discussion and Analysis (Continued)
April 30, 2014**

Fund Financial Statements (Continued)

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund and major special revenue funds. Budgetary comparison schedules for other special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 10 - 12 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 13 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The supplementary information includes the computation of District's legal debt margin detail and assessed valuations. Supplementary information can be found on pages 51-52 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 40.

**Wauconda Park District
Management's Discussion and Analysis (Continued)
April 30, 2014**

Government-wide Financial Analysis

The District implemented the new financial reporting model used in this report beginning with the fiscal year ended April 30, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as whole.

The District's combined net position were \$8,909,588, which includes a \$5,442,640 investment in capital assets. The total revenues were \$2,944,854, while the total expenditures were \$2,826,135 which included \$22,497 of interest on long term debt.

Financial Analysis of the District's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental funds reported ending fund balances of \$2,799,624. Of this year-end total, \$701,362 is unassigned, indicating availability for continuing the District's operations. Restricted fund balances of \$893,124 include: \$55,078 for Wauconda Fest. Non-Spendable fund balances total \$40,221, which consists of resources that cannot be spent because of their form. \$1,164,918 is assigned, which consists of resources which have limitations resulting from intended use.

The total ending fund balances of governmental funds shows an increase of \$5,933 over the prior year.

Major Governmental Funds

The General, Recreation, Wauconda Fest and Capital Projects funds are the primary operating funds of the District.

The fund balance of the General Fund as of April 30, 2014 was \$736,709, a decrease of \$17,194 from the prior year. The Recreation Fund's fund balance was \$403,083, an increase of \$69,358 from the prior year. The Wauconda Fest Fund's fund balance was \$65,923, an increase of \$16,422 from the prior year. The Capital Projects Fund balance was \$785,757, a decrease of \$99,409 from the prior year.

**Wauconda Park District
Management's Discussion and Analysis (Continued)
April 30, 2014**

General Fund Budgetary Highlights

The General fund is reported as a major fund and accounts for the routine park operations of the District. Revenues in the General fund were \$524,392, which was \$38,392 over budget. Expenditures were \$541,586, which was \$11,914 under budget. The net budget variance was a favorable \$50,306. The fund balance decreased to \$736,709 at the end of the year from \$753,903 in the prior year.

Capital Asset and Debt Administration

Capital Assets

The District's capital assets, net of accumulated depreciation for governmental activities as of April 30, 2014 was \$5,606,005. This was a result of a decrease of net additions in capital assets of \$86,262.

Debt Administration

As of April 30, 2014, the Park District has general obligation bond issues outstanding of \$163,365. The fund balance of the Debt Service Fund amounted to \$95,184 as of April 30, 2014.

Factors Bearing on the District's Future

The continued decrease in property assessments could play a major role in the overall financial health of the District in the future.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the Director for the Park District located at 600 N. Main St., Wauconda, IL 60084.

**Wauconda Park District
Statement of Net Position
April 30, 2014**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 2,171,129
Property Taxes Receivable	1,545,650
Other Receivables	19,248
Prepaid Expenses	40,221
Capital Assets	
Capital Assets Not Being Depreciated	2,039,324
Other Capital Assets, Net of Depreciation	3,566,681
Total Capital Assets	<u>5,606,005</u>
TOTAL ASSETS	<u>9,382,253</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>
LIABILITIES	
Accounts Payable	43,320
Accrued Wages	34,065
Accrued Vacation	31,283
Accrued Sick Pay	114,030
Unearned Program Revenue	86,602
Bond Payable	
Due Within One Year	<u>163,365</u>
TOTAL LIABILITIES	<u>472,665</u>
TOTAL DEFERRED INFLOWS	<u>0</u>
NET POSITION	
Net Investment in Capital Assets	5,442,640
Restricted Amounts	933,345
Unrestricted Amounts	<u>2,533,603</u>
TOTAL NET POSITION	<u><u>\$ 8,909,588</u></u>

See Accompanying Notes To The Financial Statements.

Wauconda Park District
Statement of Activities
For The Year Ended April 30, 2014

	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and Change in Net Position
FUNCTIONS/PROGRAMS				Governmental Activities
Governmental Activities				
General Government	\$ 1,095,218	\$ 0	\$ 26,894	(\$1,068,324)
Recreation	1,708,420	1,345,081	0	(363,339)
Interest on Long-Term Debt	22,497	0	0	(22,497)
Total Governmental Activities	\$ 2,826,135	\$ 1,345,081	\$ 26,894	(\$1,454,160)
GENERAL REVENUES				
Taxes				
Property taxes levied for general purposes				1,545,528
Replacement taxes for general purposes				16,757
Interest Income				4,776
Miscellaneous				5,818
TOTAL GENERAL REVENUES				1,572,879
CHANGE IN NET POSITION				118,719
NET POSITION, BEGINNING OF YEAR				8,790,869
END OF YEAR				\$ 8,909,588

See Accompanying Notes To The Financial Statements.

**Wauconda Park District
Governmental Funds
Balance Sheet
April 30, 2014**

	<u>General</u>	<u>Recreation</u>	<u>Wauconda Fest</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS						
Cash and Investments	\$ 495,490	\$ 276,092	\$ 60,298	\$ 785,757	\$ 553,493	\$ 2,171,129
Property Taxes Receivable	517,456	372,972	0	0	655,222	1,545,650
Other Receivables	4,046	15,202	0	0	0	19,248
Due from Other Funds	20,594	0	0	0	0	20,594
Prepaid Expenditures	0	23,922	10,845	0	5,454	40,221
TOTAL ASSETS	<u>1,037,586</u>	<u>688,188</u>	<u>71,143</u>	<u>785,757</u>	<u>1,214,169</u>	<u>3,796,842</u>
TOTAL DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>1,037,586</u>	<u>688,188</u>	<u>71,143</u>	<u>785,757</u>	<u>1,214,169</u>	<u>3,796,842</u>
LIABILITIES						
Accounts Payable	17,098	23,064	368	0	2,790	43,320
Accrued Wages	7,827	18,952	1,706	0	5,580	34,065
Accrued Vacation	14,368	9,097	2,896	0	4,922	31,283
Due to Other Funds	0	0	0	0	20,594	20,594
Unearned Program Revenue	0	45,448	250	0	40,904	86,602
TOTAL LIABILITIES	<u>39,293</u>	<u>96,561</u>	<u>5,220</u>	<u>0</u>	<u>74,790</u>	<u>215,864</u>
DEFERRED INFLOWS						
Deferred Property Tax Revenue	261,584	188,544	0	0	331,226	781,354
TOTAL DEFERRED INFLOWS	<u>261,584</u>	<u>188,544</u>	<u>0</u>	<u>0</u>	<u>331,226</u>	<u>781,354</u>
FUND BALANCES						
Non-Spendable	0	23,922	10,845	0	5,454	40,221
Restricted	0	0	55,078	0	838,046	893,124
Assigned	0	379,161	0	785,757	0	1,164,918
Unassigned	736,709	0	0	0	(35,347)	701,362
TOTAL FUND BALANCES	<u>736,709</u>	<u>403,083</u>	<u>65,923</u>	<u>785,757</u>	<u>808,153</u>	<u>2,799,624</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 1,037,586</u>	<u>\$ 688,188</u>	<u>\$ 71,143</u>	<u>\$ 785,757</u>	<u>\$ 1,214,169</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital Assets used in governmental funds are not financial resources and therefore are not reported in the funds.	5,606,005
Accrued Sick Pay is not reported as a liability in the fund financial statements.	(114,030)
Deferred Property Tax Revenue is not recorded on the Statement of Net Position.	781,354
Bonds Payable are not reported as liabilities in the fund financial statements.	(163,365)
NET POSITION OF GOVERNMENTAL FUNDS	<u>\$ 8,909,588</u>

See Accompanying Notes To The Financial Statements.

**Wauconda Park District
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For The Year Ended April 30, 2014**

	General	Recreation	Wauconda Fest	Capital Projects	Other Governmental Funds	Total
REVENUES						
Property Taxes	\$ 498,713	\$ 366,411	\$ 0	\$ 0	\$ 645,143	\$ 1,510,267
Replacement Taxes	16,757	0	0	0	0	16,757
Charges for Services	0	785,830	298,232	0	255,663	1,339,725
Rentals	0	5,356	0	0	0	5,356
Donations	0	0	0	26,966	0	26,966
Interest	4,776	0	0	0	0	4,776
Miscellaneous	4,146	100	0	0	1,500	5,746
TOTAL REVENUES	524,392	1,157,697	298,232	26,966	902,306	2,909,593
EXPENDITURES						
Salaries and Wages	325,743	614,140	73,179	0	318,058	1,331,120
General and Administrative	214,975	378,131	149,253	0	347,753	1,090,112
Recreational Programs	0	96,068	59,378	0	1,332	156,778
Capital Outlay	868	0	0	126,375	23,407	150,650
Debt Service:						
Principal	0	0	0	0	152,503	152,503
Interest	0	0	0	0	22,497	22,497
TOTAL EXPENDITURES	541,586	1,088,339	281,810	126,375	865,550	2,903,660
NET CHANGE IN FUND BALANCES	(17,194)	69,358	16,422	(99,409)	36,756	5,933
FUND BALANCES, BEGINNING OF THE YEAR	753,903	333,725	49,501	885,166	771,397	2,793,691
END OF THE YEAR	\$ 736,709	\$ 403,083	\$ 65,923	\$ 785,757	\$ 808,153	\$ 2,799,624

See Accompanying Notes To The Financial Statements.

Wauconda Park District
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended April 30, 2014

Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures and Changes in Fund Balances)	\$ 5,933
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation of capital assets is not considered an expenditure in the fund financial statement	(233,476)
Purchases of capital assets are treated as an expenditure in the fund financial statements.	147,214
Property tax revenues in the Statement of Activities that do not provide current financial resources are reported as deferred property tax revenue in the fund financial statements.	35,261
Current year change in accrued sick time is not considered an expenditure in the fund financial statements.	11,284
Payments of bond principal are treated as an expenditure in the fund financial statements.	<u>152,503</u>
Change in Net Position of Governmental Activities (Statement of Activities)	<u>\$ 118,719</u>

See Accompanying Notes To The Financial Statements.

**Wauconda Park District
Notes To The Financial Statements
For The Year Ended April 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Wauconda Park District, Lake County, Illinois is duly organized and existing under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Park District Code of the State of Illinois, approved July 8, 1947, and all laws amendatory thereto. The Park District operates under the commissioner/director form of government and provides a variety of recreational facilities, programs and services. Commissioners are elected to serve four year terms by the District's constituents.

The accounting and reporting policies of the Park District included in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

The Park District follows the provisions of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14". As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The Park District has concluded that no entities meet the criteria of Statement 39 for inclusion as a component unit. Likewise, the Park District is not required to be included as a component unit of any other entity.

Governmental Accounting Standards Board Statement No. 61, "The Financial Reporting Entity", is an amendment of GASB Statements No. 14 and No. 39, which does not have impact on the current year financial statements.

B. New Accounting Standards

As of May 1, 2012, the District has implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. New Accounting Standards (Continued)

As of May 1, 2012, the District has implemented GASB Statement No. 65 "Items Previously Reported as Assets and Liabilities". The objective of this statement is to establish accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The Statement also recognizes as outflows of resources or inflows of resources certain items that were previously reported as assets and liabilities.

C. Basis of Presentation

GOVERNMENT -WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to stakeholders who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets and deferred outflows, liabilities and deferred inflows, fund equity, revenues, and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the Park District are financed. The Park District's expendable financial resources are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. A brief explanation of the Park District's governmental funds follows:

General Fund

The General Fund is the general operating fund of the Park District. It is used to account for and report all financial resources not accounted for or reported in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Funds included in this fund category are:

Recreation	Police Protection
Liability Insurance	Audit
Social Security	Fitness
Illinois Municipal Retirement	Beach/Marina
Paving and Lighting	Waucondafest
Special Recreation	

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Fund

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, excluding those types of capital related outflows financed by proprietary funds.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

MAJOR FUNDS

The Park District reports the following major governmental funds:

- General Fund
- Recreation Fund
- Waucondafest
- Capital Projects Fund

NON-MAJOR FUNDS

The Park District reports the following non-major funds:

- Debt Service
- Liability Insurance
- Social Security
- Illinois Municipal Retirement
- Paving and Lighting
- Special Recreation
- Police Protection
- Audit
- Fitness
- Beach/Marina

D. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The current financial resources measurement focus and the modified accrual basis of accounting are followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., both measurable and available to finance the Park District's operations. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

Property taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The Park District considers property taxes available if they are due and collected within 60 days after year end. Class registration fees received by the Park District are recognized as revenue when the class starts. Memberships and other yearly fees are recognized as revenue in the fiscal year in which the services are provided. All other revenues are recognized when cash is received. Expenditures are recorded when the related fund liability is incurred.

The Park District reports unearned revenues on its Statement of Net Position and deferred revenues on its Governmental Funds Balance Sheet. For government-wide financial statements, unearned revenues arise from receipt of program revenues before a program has begun. For governmental fund financial statements, deferred revenues occur when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the Park District before a legal claim to them exists. In subsequent periods, when both revenue recognition criteria are met, or when the Park District has a legal claim to the resources, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

E. Measurement Focus

On the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the flow of economic resources measurement focus, which means all assets, deferred outflows, liabilities (whether current or non-current), and deferred inflows are included on the Statement of Net Position and the operating statements present increases and decreases in net position.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements, but are excluded from the governmental funds financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Budgetary Data

The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) The Executive Director and management prepare a proposed operating budget which is submitted to the Board of Commissioners for their approval. The budget document is made available for public inspection for at least 30 days prior to Board action.
- (2) The Board of Commissioners is required to hold at least one public hearing prior to passage of the annual Budget and Appropriation Ordinance. The budget is an estimate of actual expenditures and the appropriation represents the legal spending limit.
- (3) The Budget and Appropriation Ordinance must be enacted into law prior to the end of the first quarter of the fiscal year (July 31).
- (4) The Board of Commissioners has the power to:
 - Amend the Budget and Appropriation Ordinance in the same manner as its enactment.
 - Transfer between line items of any fund an amount not exceeding in the aggregate 10% of the total amount appropriated for that fund.
 - After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates being unexpended to any other appropriation item.
- (5) Expenditures legally may not exceed the total appropriations at the fund level. All unspent budgetary amounts lapse at year-end. The budget information in the financial statements includes adjustments made during the year.

The budget is prepared for all funds on the same basis as the basic financial statements and is consistent with GAAP. The budget is derived from the annual Budget and Appropriation Ordinance of the Park District. All budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the Park District.

H. Cash, Cash Equivalents, and Investments

Cash and cash equivalents are defined as cash on hand, amounts held at financial institutions, and short-term liquid investments. Investments with a maturity of three months or less are considered liquid for these purposes.

All investments are made in accordance with Illinois law, which restricts the District to investing funds in specific types of investment instruments. The following are types of permitted instruments which the District has used:

- The Illinois Park District Liquid Asset Fund
- Interest bearing savings accounts, certificates of deposit and time deposits insured by the Federal Deposit Insurance Corporation or fully collateralized

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Prepaid Expenses/Expenditures

Payments made to vendors for services that will benefit periods beyond April 30, 2014 are recorded as prepaid expenses/expenditures.

J. Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date of donation. The Park District's policy is to capitalize assets that have an original cost of \$1,000 or greater.

Prior to May 1, 2004, capital assets of governmental funds were accounted for in the general fixed assets account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide financial statements prospectively from the date of implementation. At April 30, 2014, the Park District does not have any capital assets that would be considered infrastructure.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in 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:

Land Improvements	20 years
Building and Improvements	7-25 years
Machinery & Equipment	5-20 years
Licensed Vehicles	8 years

FUND FINANCIAL STATEMENTS

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made. Public domain (infrastructure) assets consisting of roads, curbs and gutters, sidewalks, drainage systems, and lighting systems are not capitalized in the fund financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included as capitalized assets or capitalized in the governmental funds.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Accrued Vacation and Sick Pay

Park District employees are entitled to vacation in varying amounts. Vacation accrues from an employee's anniversary date and employees may accumulate up to 20 days of vacation pay. The liability is expected to be liquidated with expendable available resources and is therefore, reported in both the Fund Financial Statements and the Government-Wide Financial Statements. Park District employees are also entitled to 1 sick day per month and may accumulate a maximum of 60 days. If these days are not used, no compensation for this time is payable. The liability is not expected to be liquidated with expendable available resources and is therefore, excluded from the Fund Financial Statements and reported in the Government-Wide Financial Statements. The full amount could become payable within the year, and as such is shown as a current liability.

L. Long-Term Liabilities

In the government-wide financial statements, debt principal payments of governmental activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

M. Property Taxes

The District must file its tax levy ordinance by the fourth Tuesday in December of each year. Property tax is levied each calendar year on all taxable real property located in the District. The levy for 2013 was passed, approved, and adopted in December 2013 and attached as an enforceable lien on January 1, 2014.

Tax bills are prepared and issued by the Lake County Assessor. They become due and payable in two installments on June 6th and September 6th. The County collects such taxes and remits them periodically. The majority of the taxes are received in June and September.

Current year revenues in the fund financial statements consist of the first half of the 2013 extension and the second half of the 2012 extension. The 2013 extension is recorded as a receivable and the balance of the 2013 extension is recorded as deferred revenue in the fund financial statements.

N. Personal Property Replacement Tax

All ad valorem personal property taxes in Illinois were abolished, effective January 1, 1979. A Personal Property Replacement Tax was enacted, effective July 1, 1979. The constitutionality of this replacement tax has been upheld by the Supreme Court of Illinois.

The Personal Property Replacement Tax represents an additional income tax for corporations (including certain utilities) at the rate of 2.5% of the net taxable income; an income tax for partnerships and S corporations at the rate of 1.5% of net taxable income; and a tax at the rate of 0.8% of invested capital for public utilities providing gas, communications, electrical and water services.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Personal Property Replacement Tax (Continued)

Revenues collected under the replacement tax are held in a special fund in the State Treasury called the Personal Property Tax Replacement Fund. Money from such Fund is allocated to each taxing district in January, March, April, May, June, July, August, October, and December. The income that is recorded for Personal Property Replacement Tax is the cash receipts for the year adjusted for the January collections.

State statute provides that replacement tax revenue be allocated first to the Debt Service Fund to the extent of outstanding debt as of April 30, 1978. The replacement tax revenue is next applied to the Municipal Retirement (Pension) Fund. After satisfying these priorities, the Park District has discretion to allocate any remaining replacement tax revenue to any or all individual funds. Since the last bonds outstanding as of April 30, 1978 have matured, the debt service priority no longer applies to the Park District.

O. Equity Classifications

GOVERNMENT -WIDE FINANCIAL STATEMENTS

Equity is classified as net position and displayed in three components:

- Net Investment in capital assets – consists of capital assets, net of accumulated depreciation and related debt, if applicable.
- Restricted Amounts – consists of amounts with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted Amounts – consists of all other amounts that do not meet the definition of restricted or invested in capital assets.

FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. The components of fund balance are:

- Non-spendable – consists of resources that cannot be spent because of their form.
- Restricted – consists of resources which have limitations imposed by enabling legislation and limitations imposed by creditors, grantors, or contributors.
- Committed – consists of resources which have limitations imposed by the governing board through formal action.
- Assigned – consists of resources which have limitations resulting from intended use.
- Unassigned – consists of the residual net resources of a fund.

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

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Equity Classifications (Continued)

Fund	General	Recreation	Wauconda Fest	Capital Projects	Non-Major Funds	Total
Non-spendable						
Prepaid Items	\$ 0	\$ 23,922	\$ 10,845	\$ 0	\$ 5,454	\$ 40,221
Restricted						
Recreation	0	379,161	0	0	0	379,161
Liability						
Insurance	0	0	0	0	149,145	149,145
Debt Service	0	0	0	0	95,184	95,184
Social Security	0	0	0	0	51,324	51,324
IMRF	0	0	0	0	40,432	40,432
Paving and Lighting	0	0	0	0	111,747	111,747
Special						
Recreation	0	0	0	0	204,584	204,584
Police Protection	0	0	0	0	6,727	6,727
Fitness	0	0	0	0	178,903	178,903
Wauconda Fest	0	0	55,078	0	0	55,078
Assigned						
Capital						
Expenditures	0	0	0	785,757	0	785,757
Unassigned	736,709	0	0	0	(35,347)	701,362
	<u>\$ 736,709</u>	<u>\$ 403,083</u>	<u>\$ 65,923</u>	<u>\$ 785,757</u>	<u>\$ 808,153</u>	<u>\$ 2,799,624</u>

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Bank Deposits

At April 30, 2014, the carrying amount of the Park District's deposits was \$428,695 and the bank balance was \$440,124.

B. Investments

At April 30, 2014, the carrying amount of the Park District's investments was \$1,742,434 and the bank balance was \$1,742,434. The investment is held by the Illinois Park District Liquid Asset Fund, which is a pooled investment with other park districts and is similar in nature to a money market. The pool invests in certificates of deposit, U.S. Government securities, commercial paper, and corporate bonds. Because individual securities are not owned by the Park District, amounts invested in the fund are not categorized.

C. Policy for Investments

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio.

Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

C. Policy for Investments (Continued)

The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year follows for the governmental activities. Total depreciation expense for the year charged for governmental activities was \$233,476.

	Balance 4/30/13	Additions	Dispositions	Balance 4/30/14
Assets Not Subject to Depreciation:				
Land	\$ 2,039,324	\$ 0	\$ 0	\$ 2,039,324
Assets Subject to Depreciation:				
Land Improvements	2,124,478	52,495	0	2,176,973
Buildings and Improvements	2,743,344	50,261	0	2,793,605
Machinery and Equipment	1,476,793	18,074	0	1,494,867
Licensed Vehicles	239,980	26,384	0	266,364
	<u>6,584,595</u>	<u>147,214</u>	<u>0</u>	<u>6,731,809</u>
Less Accumulated Depreciation:				
Land Improvements	(712,334)	(82,103)	0	(794,437)
Buildings and Improvements	(1,104,135)	(67,618)	0	(1,171,753)
Machinery and Equipment	(908,484)	(68,591)	0	(977,075)
Licensed Vehicles	(206,699)	(15,164)	0	(221,863)
	<u>(2,931,652)</u>	<u>(233,476)</u>	<u>0</u>	<u>(3,165,128)</u>
Subtotal	<u>3,652,943</u>	<u>(86,262)</u>	<u>0</u>	<u>3,566,681</u>
Total Net Assets	<u>\$ 5,692,267</u>	<u>\$ (86,262)</u>	<u>\$ 0</u>	<u>\$ 5,606,005</u>

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 4 - LONG-TERM DEBT

A summary of the changes in general long-term debt is as follows:

	Balance 4/30/2013	New Issues	Debt Retired	Balance 4/30/2014	Due Within One Year
General Obligation Debt: Series 1995	\$ 315,868	\$ 0	\$ 152,503	\$ 163,365	\$ 163,365
	<u>\$ 315,868</u>	<u>\$ 0</u>	<u>\$ 152,503</u>	<u>\$ 163,365</u>	<u>\$ 163,365</u>

General Obligation Capital Appreciation Limited Park Bonds, Series 1995 - \$576,032 unaccrued original principal; dated December 1, 1995; due in annual installments starting on December 1, 2006 through 2014; interest compounded semi-annually on June 1 and December 1 at 6.90%.

Debt service to maturity on the outstanding governmental debt is as follows:

Year Ending April 30,	Principal	Interest	Total
2015	\$ 163,365	\$ 11,635	\$ 175,000

NOTE 5 - RISK MANAGEMENT

The Wauconda Park District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since December 1, 1997 the Wauconda Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2014 through January 1, 2015:

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 5 - RISK MANAGEMENT (CONTINUED)

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits	Insurance Company	Policy Number
1. Property					
Property/Bldg/Contents				PDRMA Reinsurers:	P070113
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000/000/all members Declaration 11	Various Reinsurers through the Public Entity	
Flood/except Zones A&V	\$1,000	\$1,000,000	\$250,000,000/occurrence/annual aggregate	Property	
Flood, Zones A&V	\$1,000	\$1,000,000	\$200,000,000/occurrence/annual aggregate	Reinsurance	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate	Program (PEPIP)	
Auto Physical Damage					
Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of					
Construction/Builders Risk	\$1,000	Included	\$25,000,000		
Business interruption, Rental			\$100,000,000/reported values		
Income, Tax Income Combined	\$1,000		\$500,000/\$2,500,000/non-reported values		
Service Interruption	24 hours	N/A	\$25,000,000		
			OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT		
Boiler and Machinery			\$100,000,000 Equip. Breakdown	Travelers	BME1 0525L478
Property Damage	\$1,000	\$9,000	Property damage - included	Indemnity Co. of Illinois	
Business Income	48 hours	N/A	Included		
			OTHER SUB-LIMITS APPLY- REFER TO COVERAGE DOCUMENT		
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000	National Union	01-770-96-51
Seasonal Employees	\$1,000	\$9,000	\$1,000,000	Fire Insurance Co.	
Blanket Bond	\$1,000	\$24,000	\$2,000,000		
2. Workers Compensation					
EMPLOYERS LIABILITY	N/A	\$500,000	Statutory	PDRMA	WC010114
		\$500,000	\$3,500,000 Employers Liability	Government Entities Mutual (GEM)	GEM-0003-B14001
3. Liability					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA Reinsurers:	L010114
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Government Entities	GEM-0003-
Employment Practices	None	\$500,000	\$21,500,000/occurrence	Mutual, Great American/Starr	B14001
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence	Indemnity and	8090020
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence	Liability Co.	
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/occurrence		

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 5 - RISK MANAGEMENT (CONTINUED)

<u>Coverage</u>	<u>Member Deductible</u>	<u>PDRMA Self-Insured Retention</u>	<u>Limits</u>	<u>Insurance Company</u>	<u>Policy Number</u>
4. <u>Pollution Liability</u>					
Liability - third party	None	\$25,000	\$5,000,000/occurrence	XL Environmental Insurance	PEC 2535804
Property - first party	\$1,000	\$24,000	\$30,000,000 3 yr. general aggregate		
5. <u>Outbreak Expense</u>	24 Hours	N/A	\$15,000 per day \$1 million aggregate policy limit	Great American	
6. <u>Information Security and Privacy Insurance with Electronic Medial Liability Coverage</u>					
Information Security &			\$2,000,000/occurrence/annual aggregate	Beazley Lloyds	C121280
Privacy Liability	None	\$100,000	\$500,000/occurrence/annual aggregate	Syndicate AFB 2623/623	
Privacy Notification Costs	None	\$100,000	\$2,000,000/occurrence/annual aggregate	through the PEPIP program	
Regulatory Defense &			\$2,000,000/occurrence/annual aggregate		
Penalties	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Website Media Content			\$2,000,000/occurrence/annual aggregate		
Liability	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Cyber Extortion	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Data Protection & Business			\$2,000,000/occurrence/annual aggregate		
Interruption	\$1,000	\$100,000	\$25,000 hourly sublimit/\$25,000 forensic experience/\$100,000 dependent business interruption		
First Pay Business					
Interruption	8 Hours	\$100,000			
7. <u>Volunteer Medical Accident</u>	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-Insured	
8. <u>Underground Storage Tank Liability</u>	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-Insured	
9. <u>Unemployment Compensation</u>	N/A	N/A	Statutory	Member funded	

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 5 - RISK MANAGEMENT (CONTINUED)

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

As a member of PDRMA's Property/Casualty Program, the Wauconda Park District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Wauconda Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Wauconda Park District's governing body. The Wauconda Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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

The following represents a summary of PDRMA's balance sheet at December 31, 2013 and the statement of revenues and expenses for the period ending December 31, 2013. The Wauconda Park District's portion of the overall equity of the pool is 0.056% or 22,448.

Assets	\$	60,509,769
Liabilities	\$	20,225,423
Member Balances	\$	40,284,346
Revenues	\$	20,737,466
Expenditures	\$	17,177,774

Since 97% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

NOTE 6 - PDRMA HEALTH PROGRAM

On February 1, 1990 the Wauconda Park District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health benefits pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 6 - PDRMA HEALTH PROGRAM (CONTINUED)

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

The following represents a summary of PDRMA's balance sheet at December 31, 2013 and the statement of revenues and expenses for the period ending December 31, 2013.

Assets	\$	12,590,279
Liabilities		5,373,024
Member Balances		7,217,255
Revenues		29,398,825
Expenditures		28,975,036

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

NOTE 7 - CONTINGENCIES

Legal counsel has expressed an opinion that the Wauconda Park District has no significant risk of monetary liability as a result of any pending litigation.

NOTE 8 - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

For the year ended April 30, 2014, the following funds had expenditures in excess of budgeted expenditures:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>
WaucondaFest	\$ 270,500	\$ 282,015
IMRF	101,000	102,256

NOTE 9 - DEFICIT FUND BALANCES

As of April 30, 2014, the Audit Fund had a deficit fund balance of \$(4,902) and the Beach/Marina Fund had a deficit fund balance of \$(28,871).

NOTE 10 – SUBSEQUENT EVENTS

The date to which events occurring after April 30, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is December 2, 2014 the date the financial statements were available to be issued.

**Wauconda Park District
Notes To The Financial Statements (Continued)
For The Year Ended April 30, 2014**

NOTE 11 – PENSION COMMITMENT

Plan Description. The employer’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 Park District 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, the Park District Regular plan members are required to contribute 4.50 percent 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 employer contribution rate from calendar year 2013 was 11.20 percent of annual covered payroll. The Park 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. For 2013, The Park District’s annual pension cost of \$101,866 for the Regular plan was equal to the District’s required and actual contributions.

Three-Year Trend Information for the Regular Plan

Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	\$ 101,866	100%	\$ 0
12/31/12	92,134	100%	0
12/31/11	89,342	100%	0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% 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 Park District Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investment over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan’s unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 84.51 percent funded. The actuarial accrued liability for benefits was \$2,466,193 and the actuarial value of assets was \$2,084,078, resulting in an underfunded actuarial accrued liability (UAAL) of \$382,115. The covered payroll for 2013 (annual payroll of active employees covered by the plan) was \$909,516 and the ratio of the UAAL to the covered payroll was 42 percent. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Wauconda Park District
 Required Supplementary Information
 For The Year Ended April 30, 2014**

**Wauconda Park District
 EMPLOYER NUMBER: 04738R
 REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2013	\$ 2,084,078	\$ 2,466,193	\$ 382,115	84.51%	\$ 909,516	42.01%
12/31/2012	1,801,989	2,195,140	393,151	82.09%	861,068	45.66%
12/31/2011	1,566,952	1,981,421	414,469	79.08%	843,643	49.13%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$2,325,091. On a market basis, the funded ratio would be 94.28%.

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

Wauconda Park District
General Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 475,000	\$ 475,000	\$ 498,713	\$ 23,713
Replacement Income Taxes	10,000	10,000	16,757	6,757
Interest	1,000	1,000	4,776	3,776
Miscellaneous	0	0	4,146	4,146
TOTAL REVENUES	486,000	486,000	524,392	38,392
EXPENDITURES				
Salaries and Wages	314,000	314,000	325,743	(11,743)
Employee Benefits	65,000	65,000	65,832	(832)
Utilities	25,000	25,000	19,056	5,944
Commodities	115,500	115,500	100,204	15,296
Contractual Services	34,000	34,000	29,883	4,117
Capital Outlay	0	0	868	(868)
TOTAL EXPENDITURES	553,500	553,500	541,586	11,914
NET CHANGE IN FUND BALANCE	\$ (67,500)	\$ (67,500)	(17,194)	\$ 50,306
FUND BALANCE, BEGINNING OF THE YEAR			<u>753,903</u>	
END OF THE YEAR			<u>\$ 736,709</u>	

Wauconda Park District
Recreation Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 349,618	\$ 349,618	\$ 366,411	\$ 16,793
Charges for Services	741,550	741,550	785,830	44,280
Rentals	8,000	8,000	5,356	(2,644)
Miscellaneous	1,500	1,500	100	(1,400)
TOTAL REVENUES	<u>1,100,668</u>	<u>1,100,668</u>	<u>1,157,697</u>	<u>57,029</u>
EXPENDITURES				
Salaries and Wages	641,000	641,000	655,318	(14,318)
Employee Benefits	96,000	96,000	93,753	2,247
Utilities	49,500	49,500	51,831	(2,331)
Commodities	156,500	156,500	140,236	16,264
Contractual Services	162,500	162,500	147,201	15,299
TOTAL EXPENDITURES	<u>1,105,500</u>	<u>1,105,500</u>	<u>1,088,339</u>	<u>17,161</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,832)</u>	<u>\$ (4,832)</u>	69,358	<u>\$ 74,190</u>
FUND BALANCE,				
BEGINNING OF THE YEAR			<u>333,725</u>	
END OF THE YEAR			<u>\$ 403,083</u>	

Wauconda Park District
Waucondafest Fund
Budgetary Comparison Schedule
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for Services	\$ 288,866	\$ 288,866	\$ 298,232	\$ 9,366
TOTAL REVENUES	<u>288,866</u>	<u>288,866</u>	<u>298,232</u>	<u>9,366</u>
EXPENDITURES				
Salaries and Wages	87,000	87,000	73,179	13,821
Commodities	52,500	52,500	78,788	(26,288)
Contractual Services	131,000	131,000	129,843	1,157
TOTAL EXPENDITURES	<u>270,500</u>	<u>270,500</u>	<u>281,810</u>	<u>(11,310)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 18,366</u>	<u>\$ 18,366</u>	16,422	<u>\$ (1,944)</u>
FUND BALANCE,				
BEGINNING OF THE YEAR			<u>49,501</u>	
END OF THE YEAR			<u>\$ 65,923</u>	

**Wauconda Park District
 General Fund
 Schedule Of Expenditures - Budget and Actual
 For The Year Ended April 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Salaries and Wages				
Director	\$ 23,000	\$ 23,000	\$ 20,863	\$ 2,137
Superintendent of Parks	61,000	61,000	62,732	(1,732)
Park Foreman	96,500	96,500	109,782	(13,282)
Full-Time Maintenance	73,000	73,000	74,739	(1,739)
Seasonal Maintenance	28,000	28,000	25,246	2,754
Custodian	21,500	21,500	20,275	1,225
Accounting	11,000	11,000	12,106	(1,106)
Total Salaries and Wages	314,000	314,000	325,743	(11,743)
Employee Benefits				
Employee Insurance	63,000	63,000	65,105	(2,105)
Continuing Education	1,000	1,000	200	800
Uniforms	1,000	1,000	527	473
Total Employee Benefits	65,000	65,000	65,832	(832)
Utilities				
Telephone	2,000	2,000	2,282	(282)
Electricity	9,000	9,000	8,414	586
Natural Gas	2,000	2,000	3,609	(1,609)
Water and Sewer	2,000	2,000	862	1,138
Irrigation Water	5,500	5,500	269	5,231
Wastes Services	4,500	4,500	3,620	880
Total Utilities	25,000	25,000	19,056	5,944
Commodities				
Custodial Supplies	5,500	5,500	6,325	(825)
Materials and Supplies	40,000	40,000	31,978	8,022
Fuel and Oil	15,000	15,000	19,746	(4,746)
Office Supplies	500	500	9	491
Vehicle Maintenance	3,000	3,000	13,468	(10,468)
Tractor Supplies	1,000	1,000	2,936	(1,936)
Athletic Fields	28,000	28,000	6,726	21,274
Maintenance of Buildings and Grounds	16,000	16,000	8,669	7,331
Small Machinery	1,500	1,500	1,129	371
Salt	3,000	3,000	7,148	(4,148)
Technology	2,000	2,000	2,070	(70)
Total Commodities	115,500	115,500	100,204	15,296
EXPENDITURES				
SUBTOTAL FORWARD	\$ 519,500	\$ 519,500	\$ 510,835	\$ 8,665

Wauconda Park District
General Fund
Schedule Of Expenditures - Budget and Actual (Continued)
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
SUBTOTAL FORWARDED	\$ 519,500	\$ 519,500	\$ 510,835	\$ 8,665
Contractual Services				
Contractual Services	14,000	14,000	14,909	(909)
Legal	15,000	15,000	5,450	9,550
Licenses and Fees	2,000	2,000	6,360	(4,360)
Rental of Equipment	3,000	3,000	3,164	(164)
Total Contractual Services	34,000	34,000	29,883	4,117
Total Capital Purchases	0	0	868	(868)
TOTAL EXPENDITURES	\$ 553,500	\$ 553,500	\$ 541,586	\$ 11,914

**Wauconda Park District
Recreation Fund
Schedule Of Expenditures - Budget and Actual
For The Year Ended April 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Salaries and Wages				
Director	\$ 23,000	\$ 23,000	\$ 22,396	\$ 604
Superintendent of Recreation	50,500	50,500	49,264	1,236
Recreation Supervisor	63,500	63,500	66,306	(2,806)
Program Staff	40,000	40,000	29,423	10,577
Administrative	89,500	89,500	85,733	3,767
Preschool Staff	105,500	105,500	103,697	1,803
Club Staff	111,000	111,000	119,654	(8,654)
Accounting Staff	20,500	20,500	19,529	971
Dance	34,000	34,000	41,178	(7,178)
Marketing	21,000	21,000	18,103	2,897
Athletics Staff	23,000	23,000	26,481	(3,481)
Camp Staff	59,500	59,500	73,554	(14,054)
Total Salaries and Wages	641,000	641,000	655,318	(14,318)
Employee Benefits				
Employee Insurance	76,500	76,500	73,575	2,925
Memberships	8,000	8,000	9,087	(1,087)
Continuing Education	7,500	7,500	9,201	(1,701)
Uniforms	1,500	1,500	467	1,033
Mileage	2,500	2,500	1,423	1,077
Total Employee Benefits	96,000	96,000	93,753	2,247
Utilities				
Telephone	11,000	11,000	11,482	(482)
Electricity	28,000	28,000	28,065	(65)
Natural Gas	6,500	6,500	10,314	(3,814)
Water and Sewer	4,000	4,000	1,970	2,030
Total Utilities	49,500	49,500	51,831	(2,331)
Commodities				
Material and Supplies	36,000	36,000	25,958	10,042
Office Contractual	9,500	9,500	10,053	(553)
Office Supplies	7,000	7,000	5,146	1,854
Postage	4,000	4,000	3,011	989
Special Events	18,000	18,000	20,002	(2,002)
Athletics	23,500	23,500	21,336	2,164
Camp	22,000	22,000	16,445	5,555
Pee Wee Camp	1,000	1,000	1,075	(75)
Club	20,000	20,000	15,658	4,342
Preschool	5,500	5,500	7,366	(1,866)
Trips	10,000	10,000	14,186	(4,186)
Total Commodities	156,500	156,500	140,236	16,264
EXPENDITURES				
SUBTOTAL FORWARD	\$ 943,000	\$ 943,000	\$ 941,138	\$ 1,862

Wauconda Park District
Recreation Fund
Schedule Of Expenditures - Budget and Actual (Continued)
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
SUBTOTAL FORWARDED	\$ 943,000	\$ 943,000	\$ 941,138	\$ 1,862
Contractual Services				
Contractual Services	21,000	21,000	27,143	(6,143)
Public Relations	50,000	50,000	40,472	9,528
Employee Recognition	4,000	4,000	3,903	97
Licenses and Fees	8,000	8,000	8,009	(9)
Athletics Contractual	66,500	66,500	57,834	8,666
Technology	13,000	13,000	9,840	3,160
Total Contractual Services	162,500	162,500	147,201	15,299
TOTAL EXPENDITURES	\$ 1,105,500	\$ 1,105,500	\$ 1,088,339	\$ 17,161

Wauconda Park District
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Developer Donations	\$ 5,000	\$ 5,000	\$ 26,966	\$ 21,966
TOTAL REVENUES	<u>5,000</u>	<u>5,000</u>	<u>26,966</u>	<u>21,966</u>
EXPENDITURES				
Contractual Services	30,000	30,000	5,206	24,794
Capital > \$2,500	375,000	375,000	92,955	282,045
Capital < \$2,500	35,000	35,000	27,599	7,401
Gymnasium Floor Replacement	30,000	30,000	615	29,385
Sedgebrook Project	25,000	25,000	0	25,000
Technology Fund	12,000	12,000	0	12,000
TOTAL EXPENDITURES	<u>507,000</u>	<u>507,000</u>	<u>126,375</u>	<u>380,625</u>
NET CHANGE IN FUND BALANCE	<u>\$ (502,000)</u>	<u>\$ (502,000)</u>	<u>(99,409)</u>	<u>\$ 402,591</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>885,166</u>	
END OF THE YEAR			<u>\$ 785,757</u>	

**Wauconda Park District
Non-Major Governmental Funds
Combining Balance Sheet
April 30, 2014**

	Special Revenue Funds										
	Debt Service	Liability Insurance	Social Security	Illinois Municipal Retirement	Paving and Lighting	Special Recreation	Police Protection	Audit	Fitness	Beach / Marina	Total
ASSETS											
Cash	\$ 7,124	\$ 76,507	\$ 3,140	\$ 0	\$103,439	\$166,632	\$ 1,743	\$ 0	\$186,551	\$ 8,357	\$ 553,493
Property Taxes Receivable	178,086	157,925	97,443	97,443	16,801	80,643	10,080	16,801	0	0	655,222
Prepaid Expenditures	0	0	0	0	0	0	0	0	3,880	1,574	5,454
TOTAL ASSETS	<u>185,210</u>	<u>234,432</u>	<u>100,583</u>	<u>97,443</u>	<u>120,240</u>	<u>247,275</u>	<u>11,823</u>	<u>16,801</u>	<u>190,431</u>	<u>9,931</u>	<u>1,214,169</u>
DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>185,210</u>	<u>234,432</u>	<u>100,583</u>	<u>97,443</u>	<u>120,240</u>	<u>247,275</u>	<u>11,823</u>	<u>16,801</u>	<u>190,431</u>	<u>9,931</u>	<u>1,214,169</u>
LIABILITIES											
Accounts Payable	0	547	0	0	0	0	0	0	1,496	747	2,790
Accrued Wages	0	1,834	0	0	0	763	0	368	2,224	391	5,580
Accrued Vacation	0	3,072	0	0	0	1,162	0	0	470	218	4,922
Due to Other Funds Unearned	0	0	0	7,752	0	0	0	12,842	0	0	20,594
Program Revenue	0	0	0	0	0	0	0	0	3,458	37,446	40,904
TOTAL LIABILITIES	<u>0</u>	<u>5,453</u>	<u>0</u>	<u>7,752</u>	<u>0</u>	<u>1,925</u>	<u>0</u>	<u>13,210</u>	<u>7,648</u>	<u>38,802</u>	<u>74,790</u>
DEFERRED INFLOWS											
Deferred Property Tax Revenue	90,026	79,834	49,259	49,259	8,493	40,766	5,096	8,493	0	0	331,226
TOTAL DEFERRED INFLOWS	<u>90,026</u>	<u>79,834</u>	<u>49,259</u>	<u>49,259</u>	<u>8,493</u>	<u>40,766</u>	<u>5,096</u>	<u>8,493</u>	<u>0</u>	<u>0</u>	<u>331,226</u>
FUND BALANCES (DEFICITS)											
Non-Spendable	0	0	0	0	0	0	0	0	3,880	1,574	5,454
Restricted	95,184	149,145	51,324	40,432	111,747	204,584	6,727	0	178,903	0	838,046
Unassigned	0	0	0	0	0	0	0	(4,902)	0	(30,445)	(35,347)
TOTAL FUND BALANCES (DEFICITS)	<u>95,184</u>	<u>149,145</u>	<u>51,324</u>	<u>40,432</u>	<u>111,747</u>	<u>204,584</u>	<u>6,727</u>	<u>(4,902)</u>	<u>182,783</u>	<u>(28,871)</u>	<u>808,153</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$185,210</u>	<u>\$234,432</u>	<u>\$100,583</u>	<u>\$97,443</u>	<u>\$120,240</u>	<u>\$247,275</u>	<u>\$11,823</u>	<u>\$16,801</u>	<u>\$190,431</u>	<u>\$ 9,931</u>	<u>\$1,214,169</u>

Wauconda Park District
Non-Major Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits)
For The Year Ended April 30, 2014

	Special Revenue Funds										
	Debt Service	Liability Insurance	Social Security	Illinois Municipal Retirement	Paving and Lighting	Special Recreation	Police Protection	Audit	Fitness	Beach / Marina	Total
REVENUES											
Property Taxes	\$175,484	\$154,810	\$94,572	\$94,572	\$ 17,228	\$ 80,912	\$10,337	\$17,228	\$ 0	\$ 0	\$645,143
Recreational Program Fees	0	0	0	0	0	0	0	0	189,682	65,981	255,663
Miscellaneous	0	1,500	0	0	0	0	0	0	0	0	1,500
TOTAL REVENUES	175,484	156,310	94,572	94,572	17,228	80,912	10,337	17,228	189,682	65,981	902,306
EXPENDITURES											
Salaries and Wages	0	66,186	98,271	0	0	14,539	0	14,213	77,506	47,343	318,058
General and Administrative	0	54,517	0	102,256	0	89,965	9,826	7,010	71,288	12,891	347,753
Recreational Programs	0	0	0	0	0	0	0	0	0	1,332	1,332
Capital Outlay	0	0	0	0	0	15,983	0	0	7,424	0	23,407
Debt Service											
Principal	152,503	0	0	0	0	0	0	0	0	0	152,503
Interest	22,497	0	0	0	0	0	0	0	0	0	22,497
TOTAL EXPENDITURES	175,000	120,703	98,271	102,256	0	120,487	9,826	21,223	156,218	61,566	865,550
NET CHANGE IN FUND BALANCE	484	35,607	(3,699)	(7,684)	17,228	(39,575)	511	(3,995)	33,464	4,415	36,756
FUND BALANCES (DEFICIT),											
BEGINNING OF YEAR	94,700	113,538	55,023	48,116	94,519	244,159	6,216	(907)	149,319	(33,286)	771,397
END OF YEAR	\$ 95,184	\$149,145	\$51,324	\$40,432	\$111,747	\$204,584	\$ 6,727	\$ (4,902)	\$182,783	\$(28,871)	\$808,153

Wauconda Park District
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 177,430	\$ 177,430	\$ 175,484	\$ (1,946)
TOTAL REVENUES	<u>177,430</u>	<u>177,430</u>	<u>175,484</u>	<u>(1,946)</u>
EXPENDITURES				
Debt Service:				
Principal	150,000	150,000	152,503	(2,503)
Interest	25,000	25,000	22,497	2,503
TOTAL EXPENDITURES	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,430</u>	<u>\$ 2,430</u>	484	<u>\$ (1,946)</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>94,700</u>	
END OF THE YEAR			<u>\$ 95,184</u>	

Wauconda Park District
Liability Insurance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 160,000	\$ 160,000	\$ 154,810	\$ (5,190)
Miscellaneous	0	0	1,500	1,500
TOTAL REVENUES	<u>160,000</u>	<u>160,000</u>	<u>156,310</u>	<u>(3,690)</u>
EXPENDITURES				
Salaries and Wages	67,000	67,000	66,186	814
Employee Benefits	1,000	1,000	635	365
Commodities	1,500	1,500	203	1,297
Health Insurance	8,000	8,000	6,843	1,157
Liability Insurance	62,000	62,000	46,836	15,164
Capital Outlay	21,000	21,000	0	21,000
TOTAL EXPENDITURES	<u>160,500</u>	<u>160,500</u>	<u>120,703</u>	<u>39,797</u>
NET CHANGE IN FUND BALANCE	<u>\$ (500)</u>	<u>\$ (500)</u>	<u>35,607</u>	<u>\$ 36,107</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>113,538</u>	
END OF THE YEAR			<u>\$ 149,145</u>	

Wauconda Park District
Social Security Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 96,000	\$ 96,000	\$ 94,572	\$ (1,428)
TOTAL REVENUES	<u>96,000</u>	<u>96,000</u>	<u>94,572</u>	<u>(1,428)</u>
EXPENDITURES				
FICA/Medicare Employer Contributions	<u>100,000</u>	<u>100,000</u>	<u>98,271</u>	<u>1,729</u>
TOTAL EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>98,271</u>	<u>1,729</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,000)</u>	<u>\$ (4,000)</u>	<u>(3,699)</u>	<u>\$ 301</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>55,023</u>	
END OF THE YEAR			<u>\$ 51,324</u>	

Wauconda Park District
Illinois Municipal Retirement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 96,000	\$ 96,000	\$ 94,572	\$ (1,428)
TOTAL REVENUES	<u>96,000</u>	<u>96,000</u>	<u>94,572</u>	<u>(1,428)</u>
EXPENDITURES				
IMRF Employer Contribution	<u>101,000</u>	<u>101,000</u>	<u>102,256</u>	<u>(1,256)</u>
TOTAL EXPENDITURES	<u>101,000</u>	<u>101,000</u>	<u>102,256</u>	<u>(1,256)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	<u>(7,684)</u>	<u>\$ (2,684)</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>48,116</u>	
END OF THE YEAR			<u>\$ 40,432</u>	

Wauconda Park District
Paving and Lighting Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 23,000	\$ 23,000	\$ 17,228	\$ (5,772)
TOTAL REVENUES	<u>23,000</u>	<u>23,000</u>	<u>17,228</u>	<u>(5,772)</u>
EXPENDITURES				
Paving and Lighting	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>100,000</u>
TOTAL EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (77,000)</u>	<u>\$ (77,000)</u>	17,228	<u>\$ 94,228</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>94,519</u>	
END OF THE YEAR			<u>\$ 111,747</u>	

Wauconda Park District
Special Recreation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 80,000	\$ 80,000	\$ 80,912	\$ 912
TOTAL REVENUES	<u>80,000</u>	<u>80,000</u>	<u>80,912</u>	<u>912</u>
EXPENDITURES				
Salaries and Wages	15,500	15,500	14,539	961
Accessible Boat	2,500	2,500	1,464	1,036
Inclusion Costs	15,000	15,000	14,301	699
Materials and Supplies	5,000	5,000	831	4,169
Capital Account	100,000	100,000	15,983	84,017
NISRA	80,000	80,000	73,369	6,631
TOTAL EXPENDITURES	<u>218,000</u>	<u>218,000</u>	<u>120,487</u>	<u>97,513</u>
NET CHANGE IN FUND BALANCE	<u>\$ (138,000)</u>	<u>\$ (138,000)</u>	(39,575)	<u>\$ 98,425</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>244,159</u>	
END OF THE YEAR			<u>\$ 204,584</u>	

Wauconda Park District
Police Protection Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 10,000	\$ 10,000	\$ 10,337	\$ 337
TOTAL REVENUES	<u>10,000</u>	<u>10,000</u>	<u>10,337</u>	<u>337</u>
EXPENDITURES				
Contractual Services	<u>10,000</u>	<u>10,000</u>	<u>9,826</u>	<u>174</u>
TOTAL EXPENDITURES	<u>10,000</u>	<u>10,000</u>	<u>9,826</u>	<u>174</u>
NET CHANGE IN FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>	511	<u>\$ 511</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>6,216</u>	
END OF THE YEAR			<u>\$ 6,727</u>	

Wauconda Park District
Audit Fund
Schedule of Revenues, Expenditures and Changes in Fund Deficit
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 23,000	\$ 23,000	\$ 17,228	\$ (5,772)
TOTAL REVENUES	<u>23,000</u>	<u>23,000</u>	<u>17,228</u>	<u>(5,772)</u>
EXPENDITURES				
Salaries and Wages	13,000	13,000	14,213	(1,213)
Contractual Services	9,000	9,000	7,010	1,990
TOTAL EXPENDITURES	<u>22,000</u>	<u>22,000</u>	<u>21,223</u>	<u>777</u>
NET CHANGE IN FUND DEFICIT	<u>\$ 1,000</u>	<u>\$ 1,000</u>	(3,995)	<u>\$ (4,995)</u>
FUND DEFICIT,				
BEGINNING OF THE YEAR			<u>(907)</u>	
END OF THE YEAR			<u>\$ (4,902)</u>	

Wauconda Park District
Fitness Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For The Year Ended April 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for Services	\$ 175,990	\$ 175,990	\$ 189,682	\$ 13,692
TOTAL REVENUES	<u>175,990</u>	<u>175,990</u>	<u>189,682</u>	<u>13,692</u>
EXPENDITURES				
Salaries and Wages	87,000	87,000	77,506	9,494
Employee Benefits	10,000	10,000	7,691	2,309
Utilities	8,000	8,000	6,219	1,781
Commodities	37,000	37,000	8,963	28,037
Contractual Services	18,500	18,500	17,496	1,004
Triathlon	0	0	30,919	(30,919)
Capital Outlay	15,000	15,000	7,424	7,576
TOTAL EXPENDITURES	<u>175,500</u>	<u>175,500</u>	<u>156,218</u>	<u>19,282</u>
NET CHANGE IN FUND BALANCE	<u>\$ 490</u>	<u>\$ 490</u>	<u>33,464</u>	<u>\$ 32,974</u>
FUND BALANCE, BEGINNING OF THE YEAR			<u>149,319</u>	
END OF THE YEAR			<u>\$ 182,783</u>	

Wauconda Park District
Beach / Marina Fund
Schedule of Revenues, Expenditures and Changes in Fund Deficit
Budget and Actual
For The Year Ended April 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services	\$ 71,900	\$ 71,900	\$ 65,981	\$ (5,919)
TOTAL REVENUES	<u>71,900</u>	<u>71,900</u>	<u>65,981</u>	<u>(5,919)</u>
EXPENDITURES				
Salaries and Wages	50,500	50,500	47,343	3,157
Employee Benefits	11,000	11,000	9,250	1,750
Commodities	12,000	12,000	4,973	7,027
TOTAL EXPENDITURES	<u>73,500</u>	<u>73,500</u>	<u>61,566</u>	<u>11,934</u>
NET CHANGE IN FUND DEFICIT	<u>\$ (1,600)</u>	<u>\$ (1,600)</u>	4,415	<u>\$ 6,015</u>
FUND DEFICIT,				
BEGINNING OF THE YEAR			<u>(33,286)</u>	
END OF THE YEAR			<u>\$ (28,871)</u>	

**Wauconda Park District
Statistical Comparison of Property
Taxes Levied and Collected
Fiscal Years 2013-2004**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
ASSESSED VALUATIONS										
(In Thousands)	\$ 336,010	\$ 360,917	\$ 403,251	\$ 432,685	\$ 455,424	\$ 459,377	\$ 434,214	\$ 404,342	\$ 352,925	\$ 301,070
TAX RATES:										
Corporate	0.15400	0.13600	0.15200	0.10800	0.10000	0.10000	0.13700	0.13700	0.10000	0.10000
Recreation	0.11100	0.10200	0.08500	0.07600	0.07000	0.07100	0.07600	0.07700	0.07500	0.07500
Audit	0.00500	0.00500	0.00500	0.00500	0.00100	0.00100	0.00500	0.00500	0.00500	0.00500
Handicapped Recreation	0.02400	0.02300	0.01900	0.02000	0.03100	0.03000	0.03000	0.02500	0.02300	0.03900
IMRF	0.02900	0.02600	0.02400	0.02000	0.01900	0.01600	0.01700	0.01700	0.01500	0.01500
Liability Insurance	0.04700	0.04300	0.00000	0.03400	0.03400	0.03400	0.00000	0.00000	0.02500	0.02400
Park Bonds	0.05300	0.04900	0.04400	0.04100	0.03900	0.03900	0.04200	0.04500	0.05100	0.06100
Police Protection	0.00300	0.00300	0.00300	0.00200	0.00000	0.00100	0.00000	0.00000	0.00300	0.00500
Paving and Lighting Fund	0.00500	0.00500	0.00500	0.00500	0.00500	0.00400	0.00500	0.00500	0.00500	0.00500
Social Security	0.02900	0.02600	0.02300	0.02000	0.01800	0.01500	0.00000	0.00000	0.02000	0.02500
	<u>0.4600</u>	<u>0.4180</u>	<u>0.3600</u>	<u>0.3310</u>	<u>0.3170</u>	<u>0.3110</u>	<u>0.3120</u>	<u>0.3110</u>	<u>0.3220</u>	<u>0.3540</u>
TAX EXTENSIONS:										
Corporate	534,230	490,847	612,943	467,301	455,424	459,378	594,874	553,950	352,925	301,070
Recreation	386,358	368,135	342,764	328,841	318,797	326,158	330,003	311,344	264,694	225,803
Audit	18,939	18,046	20,162	21,634	4,554	4,594	21,711	20,217	17,646	15,054
Handicapped Recreation	80,000	83,011	76,618	86,537	141,181	137,813	130,264	101,086	81,173	117,417
IMRF	98,483	93,838	96,780	86,537	86,531	73,500	73,817	68,738	52,939	45,161
Liability Insurance	162,876	155,194	0	147,113	154,844	156,188	0	0	88,231	72,257
Park Bonds	176,750	176,849	177,431	177,401	177,615	179,157	182,370	181,954	179,992	183,653
Police Protection	10,000	10,828	10,297	8,654	0	4,594	0	0	10,588	15,054
Paving and Lighting Fund	18,939	18,046	20,163	21,634	22,771	18,375	21,711	20,217	17,646	15,054
Social Security	98,483	93,838	92,748	86,537	81,976	68,907	0	0	70,585	75,268
TOTAL TAX EXTENSIONS	<u>\$ 1,585,058</u>	<u>\$ 1,508,632</u>	<u>\$ 1,449,906</u>	<u>\$ 1,432,189</u>	<u>\$ 1,443,694</u>	<u>\$ 1,428,664</u>	<u>\$ 1,354,750</u>	<u>\$ 1,257,506</u>	<u>\$ 1,136,419</u>	<u>\$ 1,065,791</u>
COLLECTIONS		<u>\$ 1,508,315</u>	<u>\$ 1,447,531</u>	<u>\$ 1,427,888</u>	<u>\$ 1,438,232</u>	<u>\$ 1,423,766</u>	<u>\$ 1,352,829</u>	<u>\$ 1,264,664</u>	<u>\$ 1,194,353</u>	<u>\$ 1,059,769</u>
PERCENTAGE OF EXTENSIONS COLLECTED		<u>99.98%</u>	<u>99.84%</u>	<u>99.70%</u>	<u>99.62%</u>	<u>99.66%</u>	<u>99.86%</u>	<u>100.57%</u>	<u>105.10%</u>	<u>99.43%</u>

Property tax rates are per \$100 of assessed valuation.

Wauconda Park District
Computation of Legal Debt Margin
April 30, 2014

		Legal Debt Margin	
		Without Referendum	With Referendum
Assessed Valuation - 2013	<u>\$ 336,010,467</u>		
Statutory Debt Limit - 2.875% of assessed valuation		9,660,301	
5.75% of assessed valuation			19,320,602
Less: General Obligation Bonded Debt Series 1995		<u>163,365</u>	<u>163,365</u>
Legal Debt Margin		<u>\$ 9,496,936</u>	<u>\$ 19,157,237</u>