



Popular Annual Financial Report

For the Fiscal Year ending April 30, 2024-25



Hanover Park, Illinois

ENRICHING PEOPLE'S LIVES
Since 1964



Mission

We will become a vital asset serving the recreational and leisure needs of our citizens.

Vision

We will be the provider of choice for parks, recreation and fitness within our diverse community.

Introduction

The Hanover Park Park District is proud to present the Fiscal Year 2024/25 Popular Annual Financial Report (PAFR). This report is designed to provide a clear and accessible overview of the District's financial position and key statistics in an easy-to-read format.

The financial data presented in this PAFR is derived from the District's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending April 30, 2024/25. The full ACFR contains the District's audited financial statements, prepared in accordance with standards set by the Governmental Accounting Standards Board (GASB).

While the PAFR is not audited, it serves to simplify and summarize the more detailed information contained in the ACFR, offering residents a transparent look at how the District manages its resources and serves the community. The full report will be made available at hpparks.org/aboutus

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Steve Bessette
Executive Director



Mark Elkins
President



Yocelinda Aguilar
Vice President



Miguel Fuentez
Treasurer



Grace Khan
Commissioner



Mark Parlanti
Commissioner

About The District

Chartered

Formed in 1964 through a voter-approved referendum to serve the Hanover Park community.

Governance

A five-member elected Board of Commissioners governs the District. Commissioners serve four-year unpaid terms.

Officers & Administration

The Board elects a President and Vice President annually. A Treasurer and Secretary are appointed. An Executive Director manages day-to-day operations.

Boundaries

The District serves residents within the Village of Hanover Park, primarily in ZIP code 60133.

Staff

HPPD employs 19 full-time and over 150 part-time and seasonal staff.

Community Snapshot

Hanover Park, IL 60133



Total Population: 37,600



Children Under 5: 7.2%



School Age (5-17): 20.1%



Seniors (65+): 11.3%



Total Households: 11,200



Median Household Income: \$81,284

Park District Impact



Why Park Districts Matter

The Hanover Park Park District plays a vital role in enhancing quality of life—economically, socially, and environmentally.

Economically, HPPD contributes to the local economy by attracting visitors, supporting tourism, and boosting property values. Parks, athletic facilities, and events like sports tournaments, concerts, and seasonal festivals bring people together and generate revenue for local businesses.

The District generates income through program fees, facility rentals, memberships, and sponsorships. These funds are reinvested into parks and amenities, creating a cycle of improvement that benefits all residents.

HPPD offers affordable and often free programs for all ages, promoting health, reducing sedentary behavior, and encouraging social connection through fitness, recreation, and events.

Environmentally, HPPD preserves green space and protects local ecosystems. Our parks improve air quality, reduce urban heat, and support biodiversity by serving as habitats for native plants and wildlife.

More than just facilities, HPPD parks are gathering places where people of all backgrounds connect—whether through family picnics, cultural celebrations, or community events. Our parks foster unity and pride in Hanover Park.



Health & Wellness Social Equity | Conservation



Three Pillars

The National Recreation and Park Association (NRPA) outlines three core pillars for parks and recreation. Here's how Hanover Park Park District (HPPD) puts them into action:

Health & Wellness

Promoting well-being through recreation. HPPD supports healthy living by offering affordable fitness options, programs, and events for all ages. Centre Court Athletic Club and community parks host:

- Free access days at fitness facilities
- Pop-Up Fitness in the Park
- Senior fitness programs via insurance
- Outdoor walking paths and open play areas
- Affordable group fitness and wellness programs

We also provide daily active-aging opportunities to keep our 50+ community healthy and engaged.

Social Equity

Access for all, regardless of background. HPPD ensures that everyone can enjoy recreation through our Scholarship Fund and "Recreation for All" initiative—offering free programs and uniforms to local youth in need, no application required.

Our seasonal events are low-cost or free, making it easy for families to come together and enjoy fun, inclusive experiences all year round.

Conservation

Caring for parks and the planet. We maintain our parks using eco-friendly practices and encourage community stewardship. Our efforts include:

- Native landscaping and tree planting
- Wildlife support like butterfly gardens
- Volunteer clean-up events
- Sustainable turf and water use

Together, these steps help keep Hanover Park green and growing.

Understanding Annual Comprehensive Financial Report



Transmittal Letter

The transmittal letter provides a high-level overview of the financial report, helping readers understand the context behind the numbers. It's a brief, accessible introduction that makes the financial data easier to digest—especially for those unfamiliar with technical accounting language.

Audit Opinion

An audit opinion tells readers how reliable the financial statements are. The most common is an unqualified opinion, meaning the report fairly represents the District's financial position. Other types include:

- Qualified Opinion: Some limitations or concerns noted
- Adverse Opinion: Major issues or inaccuracies in the statements
- Disclaimer of Opinion: Not enough information for the auditor to express an opinion



Management Discussion & Analysis (MD&A)

This section shares the District's narrative on financial performance, goals, and significant changes from the past year. It gives residents insight into how and why financial decisions were made.

Basic Financial Statements

These statements provide a detailed look at the District's financial position and activity. They include:

- Statement of Net Position: What HPPD owns, owes, and the overall financial status
 - Statement of Activities: Revenues, expenses, and changes in net position
- These use accrual accounting, which matches revenues to expenses when they're earned or incurred—not when cash is exchanged. For example, large capital purchases like buildings are depreciated over time to reflect their long-term value.



Understanding Annual Comprehensive Financial Report



Governmental Balance Sheet & Income Statement

These statements offer a short-term view of the District's finances. They help determine whether HPPD is living within its means, meeting legal spending limits, and paying its obligations on time. Each fund has its own balance—similar to retained earnings in the private sector—which helps track financial performance and accountability.

Fund Balances

Fund balances help the District continue operations during unexpected revenue delays. Hanover Park District assigns portions of these funds to maintain facilities, fund future projects, and prepare for emergencies—without requiring voter referendums.

Notes to Financial Statements

The notes explain the details behind the financial numbers, including accounting methods, risks, long-term obligations, and key estimates. They are essential for understanding the full financial position of the District.

Supplementary Information

This section provides deeper statistical and historical insights. Recommended by the Government Finance Officers Association (GFOA), it helps readers compare trends and understand how finances evolve over time.

Financial Update

The upcoming summary is based on the District's Governmental Income Statement. It highlights key figures in a clear format for residents who may not have a background in finance.

Financial Update

FY 2024/25 Revenue & Expense Overview

In Fiscal Year 2024/25, the Hanover Park Park District's revenues exceeded expenses, reflecting strong financial performance and continued fiscal responsibility. HPPD operates with a balanced budget in most funds, with select facilities like Centre Court Athletic Club contributing additional revenue.

Highlights

- Interest income was significantly above budget, driven by favorable interest rates throughout the fiscal year.
- Property taxes remained steady, reflecting the Park District's conservative budgeting practices and the positive impact of new property development in Hanover Park.
- Centre Court Athletic Club saw strong growth in memberships and participation
- Outdoor programming and seasonal events performed well, thanks in part to ideal weather, contributing additional revenue.
- Facility rentals: including gymnasiums and multipurpose rooms, were prioritized, resulting in increased usage.



Revenue Sources

Charges for Services

Revenue received from:

- Programs & Instruction
- Memberships (e.g., Centre Court Athletic Club)
- Facility Rentals
- Event Admissions
- Leagues & Recreational Fees
- Concessions & Merchandise Sales

Property Taxes

Revenue received through:

- Real Estate Property Taxes
- State Replacement Taxes

Other Financing Sources

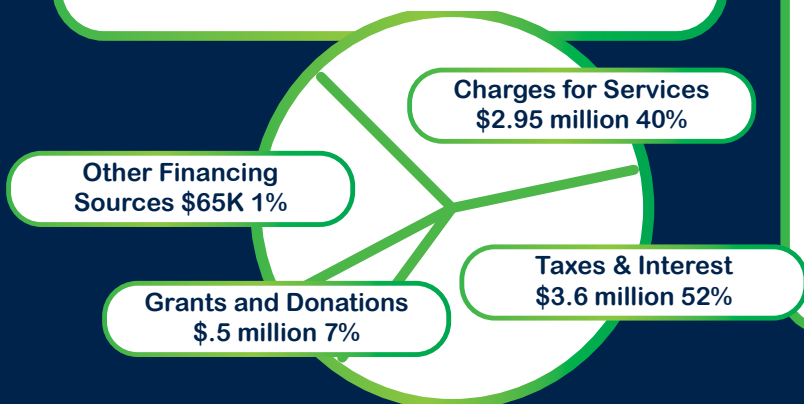
Revenue received from:

- Debt Issuance
- Bond Premiums or Discounts

Other Revenue

Includes:

- State, Local, and Federal Grants
- Donations & Sponsorships
- Event Advertising
- Interest Income
- Sale of Surplus Property
- Miscellaneous Sources



Your Tax Bill



Your Tax Dollar at Work

On average, the Hanover Park Park District represents about 5% of a resident's total property tax bill.

With the average home in Hanover Park valued around \$230,000 and an average annual property tax of \$5,824, the typical household contributes approximately \$291 per year to support parks, programs, and community facilities.

Property Tax Extension Limitation Law (PTELL)

As a non-home rule unit of government, HPPD is subject to the Property Tax Extension Limitation Law (PTELL). This law limits the amount of additional tax revenue the District can levy each year.

The cap is based on either the Consumer Price Index (CPI) or 5%, whichever is lower. This ensures predictable and controlled growth in property taxes while helping the District plan responsibly for long-term needs.

Only About 5% Of Your Total Property Tax Bill Goes To The Park District

Park District



Library

County

Municipality/Township

Schools



Expenses & Other Financing Uses



How Funds Were Spent

In FY2024/25, Hanover Park District spent \$3 million across operations, programs, and improvements—maximizing value through efficient resource use.

Spending Breakdown

Staffing – \$1.53M (51%)

Supports all full-time and part-time team members.

Debt – \$1.7M (19%)

Covers repayments from past capital investments.

Capital – \$2.5M (10%)

Invested in park and facility upgrades.

Utilities – \$510K (6%)

Includes water, electric, and building services.

Programs – \$70K (6%)

Supplies and services for recreation.

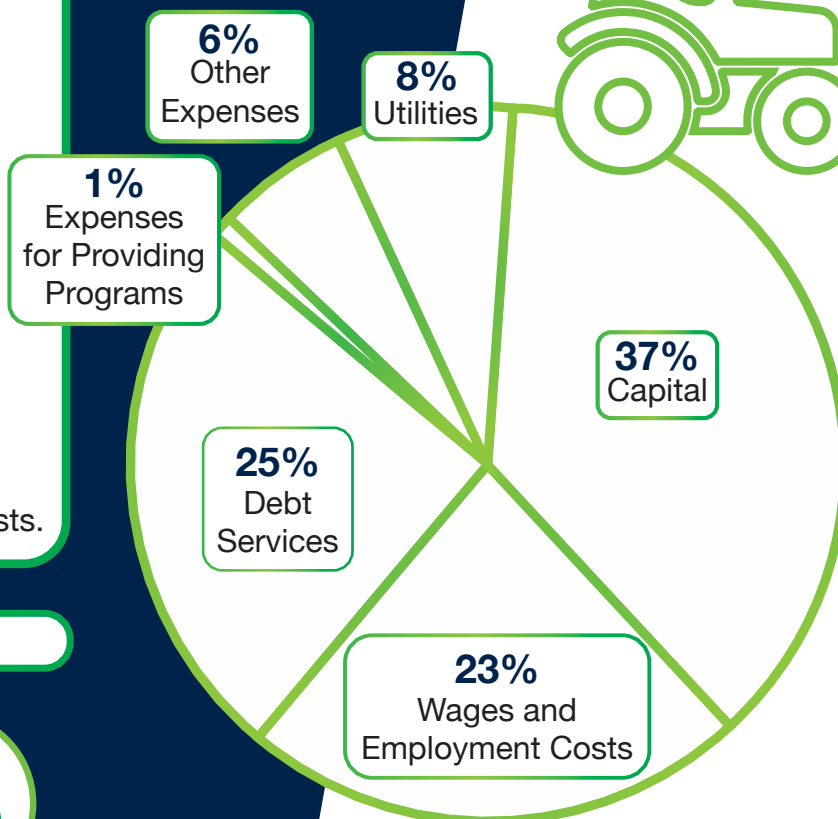
Operations – \$415K (8%)

Administrative, insurance, and other costs.

Park Maintenance Impact

The District spent \$672K (approx. 10% of the budget) on wages, supplies, and services to maintain parks and facilities.

For context, the average cost of contracted mowing in the area is \$42 per ¼ acre. With 192 acres of parkland, outsourcing maintenance would cost over \$516K annually—making HPPD's in-house team a highly efficient and cost-effective solution.



Utilities



2024/25 Major Capital Projects



Discovery Park Redevelopment

Anne Fox Park Redevelopment

Community Park Redevelopment

New Digital Sign at Community Center

New Maintenance Fence Around Shop Yard

Ahlstrand Backyard Sensory Project & Garden

Golf Simulator Build





Understanding District Bonds Alternate Revenue Bonds

These bonds are repaid using income generated from the projects they fund—such as rentals, memberships, or program fees.

Alternate revenue bonds allow the District to finance new facilities or upgrades without raising taxes, using revenue from the users who directly benefit.

This approach helps reduce the burden on taxpayers and supports sustainable growth through self-supported infrastructure improvements.

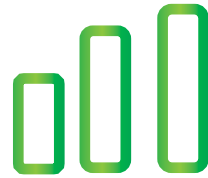
General Obligation Bonds (GO Bonds)

GO bonds are backed by the full taxing authority of the Hanover Park District, meaning repayment is guaranteed by future property tax revenue.

These bonds are typically used for major community investments like renovating parks, building new facilities, or replacing aging infrastructure.

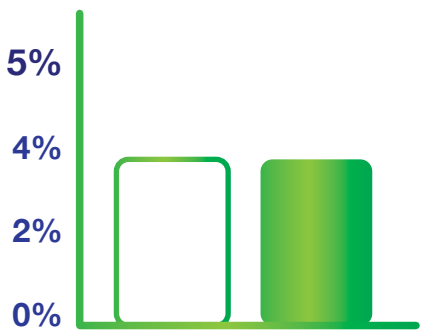
Because they're backed by taxes, GO bonds often come with lower interest rates and long-term repayment plans.

Year	Series	Original Principal	Balance	Maturity
2019	A	450k	200k	2025
2019	B	4,155,000	2.6M	2034
2020	A	804,000	380K	2030
2022	A	2,550,000	1.7M	2031



Financial Trends

Tax & Interest Revenue Growth



Financial Trends

Over the past two years, tax and interest revenue has grown slightly—rising 3.4% in 2024 and 3.25% in 2025. These increases were driven by the end of a local tax-sharing agreement, which redirected property tax dollars back into the District’s base revenue. Additionally, new construction added to the local tax roll helped increase overall revenue.

Charges for services—including memberships, rentals, and programs—have also climbed, reflecting strong participation and updated fees that better keep pace with inflation and rising costs.

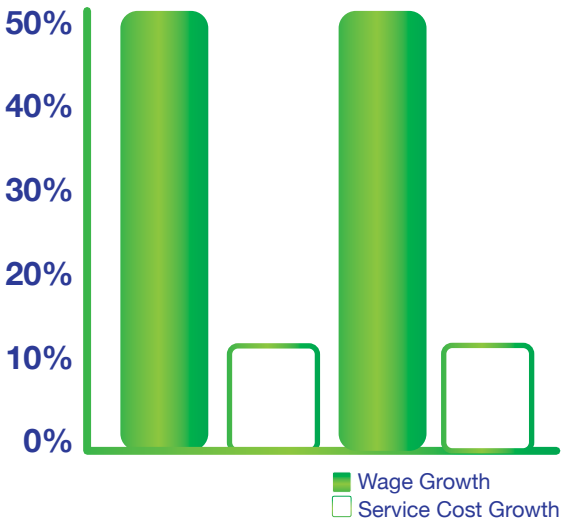
Wages and employment costs rose by 10% in 2024 and 10% in 2025, influenced by minimum wage increases, inflation, and a competitive labor market. These changes were necessary to retain and attract quality staff for our programs and facilities.

Capital expenses vary each year based on the timing and scale of improvement projects. In 2024, several upgrades were deferred for strategic planning and resource optimization.

Interest income increased due to higher rates, but this also contributed to higher interest expenses and debt service payments.

Service delivery costs—including supplies, equipment, and operations—jumped 50% in 2024 and 50% in 2025. Program fees were adjusted to offset these increases while maintaining accessibility for residents.

Wage & Service Cost Growth



Glossary



Accounting – Tracking and reporting financial transactions.

Assets – Valuable resources owned, like cash or equipment.

Liabilities – Debts or obligations owed.

Accounts Payable – Money owed for received goods or services.

Revenue – Income from taxes, fees, or services.

Expenses – Costs of operating the District.

Fund – A separate account for tracking specific services.

Fund Balance – The difference between assets and liabilities in a fund.

Budget – A financial plan for expected income and spending.

Encumbrance – Funds committed for future purchases.

Internal Controls – Safeguards to prevent fraud and ensure accuracy.

GAAP – Standard rules for public accounting.

Fiscal Year – A 12-month period used for budgeting.

Capital Assets – Long-term items like buildings or vehicles.

Debt Service – Payments on loans or bonds.

Enterprise Fund – Tracks fee-based programs or services.

Governmental Fund – Used for general public services.

Net Position – What's left after subtracting debts from assets.

Depreciation – Gradual loss of asset value over time.

Accrual Accounting – Records activity when earned or incurred.

Cash Accounting – Records only when money is exchanged.

Restricted Fund – Funds limited to specific uses.

Unrestricted Fund – Flexible-use funds.

GO Bonds – Repaid with tax dollars for community projects.

Alt. Revenue Bonds – Repaid through income from the project.

GASB – Sets financial reporting standards for governments.

Program Budgeting – Budgeting based on services, not departments.

Financial Sustainability – Ability to meet financial needs long-term.

Reconciliation – Matching records to confirm accuracy.

Government Finance Officers Association

Government Finance Officers Association (GFOA)

The GFOA is a national organization that supports finance professionals in local, state, and federal government agencies. Founded in 1906, it has grown to become a trusted leader in promoting best practices for public finance and transparent governance.

GFOA offers professional development opportunities, including certification programs, training workshops, and a wealth of financial tools and resources. These are designed to help governments improve budgeting, accounting, debt management, and overall financial operations.

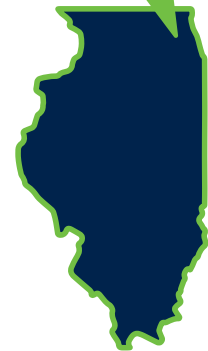
One of GFOA's most recognized roles is encouraging high standards in financial reporting through programs like the Certificate of Achievement for Excellence in Financial Reporting, which promotes accountability and public trust.

The Hanover Park Park District aligns its financial practices with GFOA's principles to maintain strong internal controls, ensure transparent reporting, and manage public funds responsibly.

Stay Connected

Learn more about the Hanover Park Park District's finances, reports, and transparency by visiting:

 hpparks.org/about



Hanover Park, Illinois

Fiscal Year 2024-2025: Final Performance Overview

Corporate & Capital

Personnel Policy Update

- Successfully updated policies to enhance staff support and operational efficiency.

Grant Applications Submitted

- OSLAD, DCEO, and CBDG applications completed to secure additional funding for future projects.

New Staff Additions

- Welcomed 3 new full-time team members:
- Parks Specialist
- Account Manager
- Fitness/Customer Relations Supervisor

OSLAD Projects Completed

- 2 major projects finished, fulfilling \$2M in grant funding and improving community spaces!

Impact

These achievements strengthen our district and position

Interest Earned FY24-25

- Total Interest Earned \$276,223



Recreation

Program & Event Growth

- Enrollment Growth: +34% (+1,111 participants)
- Event Participation: +57% (+2,987 attendees)
- Revenue Increase: +3% (+\$39,560)
- New Programs: 27 added (+20%)

Marketing

Digital Ad Impact: Website Traffic

- Impressions: +6.67% (from 1.5M to 1.6M).
- Average CPC: -28.57% (reduced from \$1.05 to \$0.75).
- Clicks: +80.08% growth (from 25.1K to 45.2K).
- Cost: +28.52% investment (from \$26.3K to \$33.8K).

CCAC

Visits & Revenue

- Visits: 60,784 +6% (+3,647 visits)
- Revenue Increase: +5% (+\$46,143)
- New offerings: 10 (+25%)

