

ANNUAL Financial Report

For the year ended April 30, 2018



Hanover Park
Park District

1919 Walnut Ave. Hanover Park, IL 60133

HANOVER PARK DISTRICT

Annual Financial Report

For the Year Ended April 30, 2018

Administrative Offices

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Hanover Park, Illinois 60133

(630) 837-2468

Administrative Staff

Bob O'Brien – Executive Director
Nicole Cox – Superintendent of Recreation
Melissa Kress – Athletic Club Manager
Gabe Villar – Superintendent of Parks
and Planning

Board of Park Commissioners

Mary Morrison – President
Jon Duesing – Vice President
Leonard Morgan – Treasurer
Mark Elkins – Commissioner
Amy Andrews – Commissioner
Bryan Mraz – Attorney

**Hanover Park Park District
Audit Report
For the Year Ended April 30, 2018**

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INDEPENDENT AUDITOR'S REPORT

Selden Fox

Accounting for your future

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Hanover Park Park District
Hanover Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Hanover Park Park District**, as of and for the year ended April 30, 2018, and the statements of revenues, expenditures and changes in fund balance – budget and actual for the General Fund, and the Recreation and Centre Court Athletic Club (major Special Revenue) Funds and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hanover Park Park District, as of April 30, 2018, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, and the Recreation and Centre Court Athletic Club (major Special Revenue) Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-12, the multiyear schedule of changes in net pension liability and related ratios – last 10 calendar years (page 62-63), and the multiyear schedule of contributions – last 10 fiscal years (page 64) for the Illinois Municipal Retirement Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Park District's basic financial statements. The combining and individual fund financial statements and schedules listed as supplementary information in the accompany table of contents and the statistical section are presented for purposes of additional analysis, and are not a required part of the basic financial statements.

The supplementary information on pages 66 – 91 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Matters (cont'd)

Other Information (cont'd)

The statistical data 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.

Selden Fox, Ltd.

September 7, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS
APRIL 30, 2018**

The Hanover Park District (District) management's discussion and analysis offers readers of the District's financial statements an overview of the financial activities for the year ended April 30, 2018. Please read it in conjunction with the District's financial statements which begin on page 13.

Financial Highlights

The District's total assets/deferred outflows exceeded its total liabilities/deferred inflows at the close of the most recent fiscal year by \$9,610,709 (net position). Total net position decreased by \$46,850 from \$9,657,559 to \$9,610,709 over the course of the year. Depreciation was \$777,645.

As of the close of the current fiscal year, the governmental funds of the Hanover Park District reported combined ending fund balances of \$1,434,411, an increase of \$116,381 from the beginning fund balances, mainly due to surpluses in the General and Recreation Funds.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$297,686 or 43% of total general fund expenditures. This balance is available for spending at the discretion of the District.

Recreational program registrations increased from the prior year by \$33,466 or 11% to \$338,186. Pool entry and instructional revenues decreased by \$89,468 due to the pool being closed for repairs during a significant portion of the season. Both activities are accounted for in the Recreation Fund. The Recreation Fund balance increased by \$114,674 to \$207,147 or 20% of total Recreation Fund expenditures.

Property taxes levied and collected for the tax year were \$2,992,436 compared to the prior year of \$2,970,302 for a 0.75% increase.

The District's outstanding long-term debt, including unamortized premium and deferred economic gain, decreased by \$470,977, (10.9 percent) during the current year.

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. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The District's annual financial 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.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Government-wide Financial Statements (cont'd)

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 deferred outflows, and liabilities and deferred inflows, 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 which 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 statements 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. Governmental activities include general government, culture and recreation, the Centre Court Athletic Club, and interest on long-term debt. Fiduciary activities such as employee pension plans are not included in the government-wide statements since these assets are not available to fund District programs.

The government-wide financial statements are presented on pages 13 - 15 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. There are three types of funds: governmental, proprietary and fiduciary. All the District's funds are considered governmental.

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 statement 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.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Fund Financial Statements (cont'd)

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, debt service funds, and capital projects 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 16 - 35 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 36 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information starts on page 62 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 66.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Park District, assets/deferred outflows exceeded liabilities/deferred inflows by \$9,610,709.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Government-wide Financial Analysis (cont'd)

The following table reflects the condensed Statement of Net Position:

	2018	2017
Assets		
Current and other assets	\$ 3,236,123	\$ 3,137,356
Capital assets	11,481,665	11,982,686
Total assets	<u>14,717,788</u>	<u>15,120,042</u>
Deferred Outflows	373,242	546,899
Total Assets/Deferred Outflows	<u>15,091,030</u>	<u>15,666,941</u>
Long-Term Debt	3,817,109	4,280,986
Other Liabilities	316,053	374,892
Net Pension Liability	596,841	1,300,528
Total Liabilities	<u>4,730,003</u>	<u>5,956,406</u>
Deferred Inflows	750,318	52,976
Total Liabilities/Deferred Inflows	<u>5,480,321</u>	<u>6,009,382</u>
Net position		
Investment in capital assets	7,631,718	7,661,762
Restricted	1,563,069	1,567,742
Unrestricted	415,922	428,055
Total net position	<u>\$ 9,610,709</u>	<u>\$ 9,657,559</u>

For more information see the Statement of Net Position (page 13).

A large portion of the District's net position, \$9,610,709, reflects its investment in capital assets (for example, land, construction, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The Park District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$1,563,069, of the District's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for property tax funds. The remaining balance of unrestricted net position, \$415,922, may be used to meet the government's ongoing obligations to citizens and creditors.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Government-wide Financial Analysis (cont'd)

The following table reflects the condensed Statement of Changes in Net Position:

		Changes in Net Assets	
		Governmental Activities	
		For the Year Ended	
		April 30, 2018	April 30, 2017
Revenues			
Program revenues			
Charges for services	\$	1,182,779	\$ 1,293,888
Operating grants and donations		146,559	139,366
General revenues			
Taxes		3,059,862	3,016,843
Interest		4,503	1,202
Other		87,789	66,099
Total revenues		<u>4,481,492</u>	<u>4,517,398</u>
Expenses			
General government		2,039,992	1,914,684
Culture and Recreation		1,504,974	1,580,768
Centre Court Athletic Club		868,500	906,825
Interest on long-term debt		114,876	124,863
Total expenses		<u>4,528,342</u>	<u>4,527,140</u>
Increase in net position	\$	(46,850)	\$ (9,742)
Net Position, Beginning of Year		9,657,559	9,667,301
Net Position, Ending of Year	\$	<u>9,610,709</u>	<u>9,657,559</u>

Governmental Activities

Governmental activities decreased the District's net assets by \$46,850. Key elements of the entity-wide performance are as follows:

Total revenues on the statement of activities of \$4,481,492 were made up primarily of property taxes of \$3,029,309 and user charges for recreation programs, Centre Court Athletic Club, and Seafari Springs Family Aquatic Center, totaling \$1,182,779.

Total expenses of \$4,528,342 (\$4,527,140 for the year ended April 30, 2017) included interest of \$114,876 (\$124,863 in 2017) and depreciation of \$777,645 (\$798,220 in 2017) which has been allocated between general government, culture and recreation, and Center Court Athletic Club based on underlying assets.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Financial Analysis of the District's Funds

As noted earlier, the Park District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 \$1,434,411. Of this year-end total, approximately \$297,686 is unassigned in the General Fund and undesignated, indicating availability for general purposes. Assigned fund balances include: \$205,087 in the Recreation Fund assigned for general recreation purposes, and \$207,831 in the Capital Projects Fund committed for capital projects. Restricted fund balances include \$496,443 for Debt Service and \$330,535 in the Special Revenue Funds. These amounts are subject to external enforceable legal restrictions such as property tax levies. Amounts considered to be non-spendable total \$2,784.

Total ending fund balance of governmental funds increased \$116,381 in 2018 from \$1,318,030 in the prior year to \$1,434,411 in the current year. This increase included surpluses in all major funds. Total inter-fund receivables/payables decreased by \$100,174 in 2018 from \$180,174 in the prior year to \$80,000 in the current year.

The General Fund is the chief operating fund of the District. At the end of the current year, unassigned fund balance was \$297,686. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 43% of total General Fund expenditures. This fund balance has increased 184% in the last three years. This General Fund's balance was \$161,877 as of April 30, 2015. During the current fiscal year, the District's General Fund balance increased by \$48,514. Total expenditures decreased by 5% due to reduction in full-time work force and related benefits.

The Recreation Fund accounts for the District's recreation programs that it offers to its residents and is funded by the receipt of both property taxes and user fees. The Recreation Fund reported a positive change in fund balance for the current year of \$114,674 due to better than expected patron usage of District programs and services. Although pool revenues were down \$89,468 due to repairs, operating expenditures were reduced to compensate by \$77,955. Fund balance as of April 30, 2018, of \$207,147 compares favorably to the deficit as of April 30, 2015 of \$31,129.

Disbursements from the Capital Projects Fund in 2018 increased by \$66,855 to \$453,938 from \$387,083 in 2017 with the District incurring costs for major repairs and replacements. During the current year, expenditures included \$133,909 for the completion of an entrance ramp (project cost \$330,748) funded primarily by an NWSRA grant.

The Debt Service Fund's prior year fund balance of \$474,798 at April 30, 2017, improved to \$496,443 at April 30, 2018.

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

General Fund Budgetary Highlights

During the 2017-2018 fiscal year, the District did not revise the annual operating budget.

The general fund is reported as a major fund, and accounts for the routine park operations of the District.

The 2018 revenues in the General Fund were \$743,036 which were \$706 under budget.

General Fund expenditures in 2018 were \$694,522 which was \$63,220 (8.34%) under budget and all expenditures were as planned. The District closely monitors expenditures during the year, utilizing resources efficiently.

The General Fund's net change in fund balance was a positive \$48,514.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets, net of accumulated depreciation for governmental activities as of April 30, 2018 and 2017, was \$11,481,665 and \$11,982,686, respectively. Capital asset additions were funded by residual funds remaining from the 2016 bonds and a portion of the 2017 bonds. There are remaining bond proceeds at April 30, 2018, that are planned to be spent on repairs, replacements and capital outlay in the future totaling \$276,705. Additional information on the Park District's capital assets can be found at Note IV.B.

Capital Assets (Net of Depreciation)

April 30, 2018

	<u>Governmental Activities</u>
Land	\$ 3,764,457
Land improvements	1,737,937
Buildings	5,477,513
Machinery and equipment	485,110
Vehicles	<u>16,648</u>
Capital assets, net	<u><u>\$ 11,481,665</u></u>

**HANOVER PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Debt Administration

As of April 30, 2018, the Park District has general obligation debt outstanding of \$3,742,680 as compared to \$4,193,870 the previous year, a decrease of 10.75%. The fund surplus of the Debt Service Fund amounted to \$496,443 as of April 30, 2018.

	<u>Governmental Activities</u>
General obligation bonds	\$ 1,292,680
General obligation bonds	
Alternative revenue source	\$ 2,450,000
Total	<u><u>\$ 3,742,680</u></u>

The 2017 equalized assessed valuation is \$544,062,308 (most recent available), with \$225,111,482 being Cook County and \$318,950,826 being DuPage County. On July 18, 1991, the Illinois General Assembly approved the Property Tax Extension Limitation Act 87-17 (the Act). The Act limits the increase in property tax extension to 5% or the percent increase in the National Consumers Price Index (CPI), whichever is less. The Act applies to the 1994 levy and all subsequent years. Increases above 5% or the CPI must be approved by the voters in a referendum. The Act contains significant limitations on the amount of property taxes that can be extended and on the ability of taxing districts to issue non-referendum general obligation bonds. Additional information on the District's long-term debt can be found at Note IV.D.

Initiatives

The District's mission is to become a vital asset serving the recreational and leisure needs of our citizens. Planned capital projects for fiscal year 2019 include: pool repairs, tennis facility and basketball court repairs, building and park improvements and computer replacements.

**HANOVER PARK PARK DISTRICT
MANAGEMENT'S DISCUSSIONS AND ANALYSIS (CONTINUED)
APRIL 30, 2018**

Requests for Information

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 Lee J. Howard, CPA, Financial Advisor, Hanover Park Park District, 1919 Walnut Avenue, Hanover Park, Illinois 60133.

BASIC FINANCIAL STATEMENTS

Hanover Park Park District
Statement of Net Position
Governmental Activities
April 30, 2018

Assets and Deferred Outflows of Resources	
Current assets:	
Cash and investments	\$ 875,842
Receivables, net	2,357,497
Prepaid expenses	2,360
Inventory	424
Total current assets	3,236,123
Noncurrent assets:	
Capital assets not being depreciated	3,764,457
Capital assets, net of accumulated depreciation	7,717,208
Total noncurrent assets	11,481,665
Total assets	14,717,788
Deferred outflows of resources (See Note V.D)	373,242
Total assets and deferred outflows of resources	15,091,030
Liabilities and Deferred Inflows of Resources	
Current liabilities:	
Accounts payable	107,962
Accrued salaries and wages	86,131
Accrued interest	48,979
Unearned revenue	72,981
Total current liabilities	316,053
Noncurrent liabilities:	
Due within one year	1,315,333
Due in more than one year	3,098,617
Total noncurrent liabilities	4,413,950
Total liabilities	4,730,003
Deferred inflows of resources:	
Deferred economic gain on an advance refunding (See Note IV.D)	32,838
Deferred pension amounts (See Note V.D)	717,480
Total deferred inflows of resources	750,318
Total liabilities and deferred inflows of resources	5,480,321
Net Position	
Net investment in capital assets	7,631,718
Restricted for:	
Debt Service	900,570
Special Recreation	172,866
Liability Insurance	86,287
Retirement	235,277
Audit	19,309
Paving and Lighting	55,770
Museums and Aquariums	54,453
Police	38,537
Unrestricted	415,922
Total net position	\$ 9,610,709

See accompanying notes.

**Hanover Park Park District
Statement of Activities
For the Year Ended April 30, 2018**

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position - Governmental Activities
Governmental activities:					
General government	\$ 2,039,992	\$ 4,035	\$ -	\$ 146,559	\$ (1,889,398)
Culture and recreation	1,504,974	463,165	-	-	(1,041,809)
Centre Court Athletic Club	868,500	715,579	-	-	(152,921)
Interest on long-term debt	114,876	-	-	-	(114,876)
Total governmental activities	\$ 4,528,342	\$ 1,182,779	\$ -	\$ 146,559	(3,199,004)
General revenues:					
Taxes:					
Property					3,029,309
Replacement					30,553
Unrestricted investment earnings					4,503
Miscellaneous					87,789
Total general revenues					3,152,154
Change in net position					(46,850)
Net position, beginning of the year					9,657,559
Net position, end of the year					\$ 9,610,709

See accompanying notes.

**Hanover Park District
Balance Sheet - Governmental Funds
April 30, 2018**

	General	Recreation	Centre Court Athletic Club	Debt Service	Nonmajor Funds	Totals
Assets						
Equity in pooled cash and investments	\$ 166,319	\$ 96,162	\$ 22,357	\$ 258,802	\$ 332,202	\$ 875,842
Receivables:						
Property taxes, net of allowance for uncollectible amounts	504,600	539,316	-	690,747	615,441	2,350,104
Due from other funds	-	-	-	-	80,000	80,000
Accounts receivable	-	-	7,393	-	-	7,393
Prepaid items	300	2,060	-	-	-	2,360
Inventory	-	-	424	-	-	424
Total assets	\$ 671,219	\$ 637,538	\$ 30,174	\$ 949,549	\$ 1,027,643	\$ 3,316,123
Liabilities						
Accounts payable	\$ 23,400	\$ 31,760	\$ 30,209	\$ -	\$ 22,593	\$ 107,962
Accrued liabilities	20,729	24,381	15,176	-	25,845	86,131
Due to other funds	-	-	40,000	-	40,000	80,000
Recreation and membership fees received in advance	-	22,661	50,320	-	-	72,981
Total liabilities	44,129	78,802	135,705	-	88,438	347,074
Deferred Inflows of Resources						
Property taxes	329,104	351,589	-	453,106	400,839	1,534,638
Total liabilities and deferred inflows of resources	373,233	430,391	135,705	453,106	489,277	1,881,712
Fund Balances (Deficit)						
Nonspendable:						
Reserved for inventory	-	-	424	-	-	424
Reserved for prepaid items	300	2,060	-	-	-	2,360
Restricted for:						
Debt service	-	-	-	496,443	-	496,443
Special recreation programs	-	-	-	-	72,350	72,350
Other purposes	-	-	-	-	189,311	189,311
Capital outlay	-	-	-	-	68,874	68,874
Committed for capital outlay	-	-	-	-	207,831	207,831
Assigned for recreation	-	205,087	-	-	-	205,087
Unassigned, reported in:						
General fund	297,686	-	-	-	-	297,686
Special revenue funds	-	-	(105,955)	-	-	(105,955)
Total fund balance (deficit)	297,986	207,147	(105,531)	496,443	538,366	1,434,411
Total liabilities and fund balance	\$ 671,219	\$ 637,538	\$ 30,174	\$ 949,549	\$ 1,027,643	\$ 3,316,123

See accompanying notes.

**Hanover Park District
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2018**

Total fund balance - governmental funds (page 17)	\$ 1,434,411
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	11,481,665
Interest expense is not subject to accrual in governmental funds.	(48,979)
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	1,534,638
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.	(3,817,109)
Deferred inflows of resources related to a deferred economic gain on an advance refunding are not recorded in the funds.	(32,838)
Deferred inflows of resources related to the net pension liability are not deferred in the governmental funds.	(717,480)
Deferred outflows of resources related to the net pension liability are not deferred in the governmental funds.	373,242
Pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	<u>(596,841)</u>
Net position of governmental activities (page 13)	<u>\$ 9,610,709</u>

See accompanying notes.

Hanover Park Park District
Combined Statement of Revenues, Expenditures and Changes
in Fund Balances (Deficits) - Governmental Funds
For the Year Ended April 30, 2018

	General	Recreation	Centre Court Athletic Club	Debt Service	Nonmajor Funds	Totals
Revenues:						
Property taxes	\$ 643,544	\$ 686,294	\$ -	\$ 885,526	\$ 777,072	\$ 2,992,436
Personal property replacement income tax	30,553	-	-	-	-	30,553
Recreational fees	-	391,341	-	-	-	391,341
Athletic club fees	-	-	692,398	-	-	692,398
Pro shop	-	-	12,549	-	-	12,549
Concession and vending	-	15,510	341	-	-	15,851
Merchandise for resale	-	271	-	-	-	271
Grants and donations	-	-	-	-	146,559	146,559
Interest earned	4,004	-	-	-	499	4,503
Rentals	4,035	56,043	-	-	-	60,078
Other	60,900	5,294	10,291	-	22,168	98,653
Total revenues	743,036	1,154,753	715,579	885,526	946,298	4,445,192
Expenditures:						
Current:						
Salaries and wages	356,766	563,627	353,128	-	187,848	1,461,369
Services	294,327	386,382	337,016	-	656,706	1,674,431
Repairs and maintenance	100	95	500	-	267,098	267,793
Supplies and materials	43,329	89,975	24,483	-	19,753	177,540
Debt service:						
Principal and interest	-	-	-	1,415,206	-	1,415,206
Paying agents' fees	-	-	-	475	-	475
Capital expenditures	-	-	-	-	156,997	156,997
Total expenditures	694,522	1,040,079	715,127	1,415,681	1,288,402	5,153,811
Revenues over (under) expenditures before other financing sources (uses)	48,514	114,674	452	(530,155)	(342,104)	(708,619)

(cont'd)

Hanover Park Park District
Combined Statement of Revenues, Expenditures and Changes
in Fund Balances (Deficits) - Governmental Funds (cont'd)
For the Year Ended April 30, 2018

	General	Recreation	Centre Court Athletic Club	Debt Service	Nonmajor Funds	Totals
Other financing sources (uses):						
Bonds issued	\$ -	\$ -	\$ -	\$ 551,800	\$ 273,200	\$ 825,000
Transfers in	-	-	-	14,027	-	14,027
Transfers out	-	-	-	(14,027)	-	(14,027)
Total other financing sources (uses)	-	-	-	551,800	273,200	825,000
Net changes in fund balances (deficits)	48,514	114,674	452	21,645	(68,904)	116,381
Fund balances (deficits), beginning of the year	249,472	92,473	(105,983)	474,798	607,270	1,318,030
Fund balances (deficits), end of the year	<u>\$ 297,986</u>	<u>\$ 207,147</u>	<u>\$ (105,531)</u>	<u>\$ 496,443</u>	<u>\$ 538,366</u>	<u>\$ 1,434,411</u>

See accompanying notes.

**Hanover Park District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances (Deficits)
of Governmental Funds to the Statement of Activities
For the Year Ended April 30, 2018**

Amounts reported for governmental activities in the statement of activities (pages 14 -15) are different because:

Net changes in fund balances - total governmental funds (page 22)	\$ 116,381
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	276,624
Depreciation	(777,645)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	36,873
In governmental funds, bond proceeds and refunding bond proceeds are an other financing source, but in the statement of net position are recorded as a noncurrent liability.	(825,000)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,276,190
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds.	
Decrease in accrued interest	4,352
Amortization of deferred gain on advance refunding	7,100
Amortization of bond premium	12,687
Outflows and inflows related to the net pension liability, as well as the change in the net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(174,412)</u>
Change in net position of governmental activities (page 15)	<u>\$ (46,850)</u>

See accompanying notes.

Hanover Park Park District
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 645,484	\$ 645,089	\$ (395)
Adjustment to prior year's taxes	-	(1,545)	(1,545)
Total property taxes	645,484	643,544	(1,940)
Replacement income taxes	36,000	30,553	(5,447)
Interest earned	1,000	4,004	3,004
Rentals	1,044	4,035	2,991
Other	60,214	60,900	686
Total revenues	743,742	743,036	(706)
Expenditures:			
Salaries and wages:			
Administrative	58,857	58,749	108
Customer service supervisor	21,406	17,335	4,071
Customer service staff	18,720	12,606	6,114
Secretarial	20,792	19,166	1,626
Bookkeeper	92,963	89,187	3,776
Maintenance - full-time	139,018	139,584	(566)
Maintenance - part-time	11,664	14,283	(2,619)
Computer support	2,083	2,160	(77)
Website technician	3,680	3,696	(16)
Total salaries and wages	369,183	356,766	12,417
Services:			
Contractual	43,323	38,109	5,214
Telephone	7,520	7,866	(346)
Natural gas	11,650	15,077	(3,427)
Water	3,940	2,926	1,014
Electricity	50,457	50,498	(41)
Postage	2,000	-	2,000
Health insurance	146,088	114,406	31,682
Membership dues	7,562	8,001	(439)
Continuing education	600	105	495

(cont'd)

Hanover Park Park District
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Services (cont'd):			
Conferences and workshops	\$ 10,365	\$ 8,579	\$ 1,786
Bank charges	200	10	190
Mileage	250	200	50
Employee incentive program	1,863	1,818	45
Computer services	8,001	7,022	979
Professional services	26,000	22,844	3,156
Legal fees	12,995	15,462	(2,467)
Legal ads	500	154	346
Miscellaneous	1,230	1,250	(20)
Total services	334,544	294,327	40,217
Repairs and maintenance - miscellaneous	100	100	-
Total repairs and maintenance	100	100	-
Supplies and materials:			
Uniforms	2,525	1,224	1,301
Office supplies	3,950	3,594	356
Computer supplies	1,250	261	989
Gasoline	15,500	9,794	5,706
Oil	1,300	320	980
Custodial supplies	6,440	5,991	449
Marketing supplies	5,400	3,951	1,449
Safety supplies	1,200	1,352	(152)
Expendable equipment	750	102	648
Tools	4,000	4,262	(262)
Hardware	1,300	1,249	51

(cont'd)

Hanover Park Park District
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Supplies and materials (cont'd):			
Grass seed	\$ 1,000	\$ -	\$ 1,000
Fertilizer	1,000	-	1,000
Turf chemicals	3,000	254	2,746
Landscape materials	3,000	3,345	(345)
Cost to be reimbursed	2,000	7,332	(5,332)
Miscellaneous supplies	300	298	2
Total supplies and materials	<u>53,915</u>	<u>43,329</u>	<u>10,586</u>
Total expenditures	<u>757,742</u>	<u>694,522</u>	<u>63,220</u>
Revenues over (under) expenditures before other financing sources	<u>(14,000)</u>	<u>48,514</u>	<u>62,514</u>
Other financing sources - proceeds from sale of equipment	<u>14,000</u>	<u>-</u>	<u>(14,000)</u>
Total other financing sources	<u>14,000</u>	<u>-</u>	<u>(14,000)</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>48,514</u>	<u>\$ 48,514</u>
Fund balance, beginning of the year		<u>249,472</u>	
Fund balance, end of the year		<u>\$ 297,986</u>	

See accompanying notes.

**Hanover Park Park District
Recreation Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 686,957	\$ 688,528	\$ 1,571
Adjustment of prior year's taxes	-	(2,234)	(2,234)
Total property taxes	686,957	686,294	(663)
Recreation:			
Program fees	314,975	338,186	23,211
Concessions and vending fees	10,000	5,246	(4,754)
Rentals and advertising	41,000	55,643	14,643
Other	7,200	5,972	(1,228)
Seafari Springs:			
Season passes	15,750	9,425	(6,325)
Daily fees	65,715	23,531	(42,184)
Instruction fees	18,663	4,775	(13,888)
Group admissions	25,200	6,731	(18,469)
Rentals	1,750	400	(1,350)
Concessions and vending fees	24,550	10,264	(14,286)
Merchandise for resale	-	271	271
Swim team fees	9,095	8,693	(402)
Birthday party fees	750	-	(750)
Other	6,425	(678)	(7,103)
Total revenues	1,228,030	1,154,753	(73,277)
Expenditures:			
Recreation:			
Salaries and wages:			
Administrative	125,274	121,511	3,763
Recreation supervisors	64,456	65,068	(612)
Customer services supervisor	32,260	26,123	6,137
Maintenance - full-time	75,073	76,013	(940)
Maintenance - part-time	31,616	28,441	3,175
Program leaders	148,132	130,489	17,643

(cont'd)

**Hanover Park Park District
Recreation Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Recreation (cont'd):			
Salaries and wages (cont'd):			
Customer service staff	\$ 31,044	\$ 33,310	\$ (2,266)
Computer support	2,083	2,089	(6)
Marketing/sales/public information	18,401	18,402	(1)
Recreation coordinators	11,648	10,396	1,252
Total salaries and wages	539,987	511,842	28,145
Services:			
Contractual	55,097	43,615	11,482
Telephone	8,756	6,491	2,265
Natural gas	20,300	24,388	(4,088)
Electricity	48,219	45,069	3,150
Printing	25,500	24,117	1,383
Postage	2,000	66	1,934
Brochure postage	11,700	6,716	4,984
Health insurance	155,369	131,917	23,452
Transportation rental	4,000	2,350	1,650
Membership dues	2,290	2,042	248
Vending machine lease	1,740	1,536	204
Conferences and workshops	10,115	4,871	5,244
School rental	900	2,415	(1,515)
Continuing education	1,000	-	1,000
Bank charges	10,500	20,950	(10,450)
Employee incentive program	1,963	3,018	(1,055)
Computer service contract	8,001	6,776	1,225
Promotional advertising	4,105	3,116	989
Miscellaneous	2,711	1,288	1,423
Total services	374,266	330,741	43,525

(cont'd)

**Hanover Park Park District
Recreation Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Recreation (cont'd):			
Repairs and maintenance - miscellaneous	\$ 500	\$ 95	\$ 405
Total repairs and maintenance	500	95	405
Supplies and materials:			
Uniforms	7,170	9,249	(2,079)
Office supplies	3,000	2,226	774
Computer supplies	2,470	182	2,288
Gasoline	7,000	4,643	2,357
Custodial	7,080	3,842	3,238
Marketing supplies	8,335	6,157	2,178
Awards	1,735	531	1,204
Volunteer recognition	250	-	250
Program	13,630	13,975	(345)
Safety supplies	750	749	1
Field	6,280	7,158	(878)
Expendable equipment	800	-	800
Vending goods	5,750	3,831	1,919
Sales tax	750	650	100
Costs to be reimbursed	3,000	1,496	1,504
Miscellaneous	1,150	1,096	54
Total supplies and materials	69,150	55,785	13,365
Total recreation	983,903	898,463	85,440

(cont'd)

**Hanover Park Park District
Recreation Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Seafari Springs:			
Salaries and wages:			
Maintenance - part-time	\$ 5,705	\$ 1,782	\$ 3,923
Managers	11,645	6,955	4,690
Head lifeguards	4,839	3,592	1,247
Lifeguards	67,288	30,633	36,655
Swim instructors	6,272	986	5,286
Swim lesson coordinator	1,507	-	1,507
Swim team coaches	5,843	2,697	3,146
Cashiers	5,516	3,636	1,880
Concessionaires	3,287	1,504	1,783
Total salaries and wages	111,902	51,785	60,117
Services:			
Telephone	1,000	3,394	(2,394)
Natural gas	16,000	9,838	6,162
Water and sewer	36,000	19,928	16,072
Electricity	18,467	18,891	(424)
Special events	200	-	200
Postage	1,034	-	1,034
Bank charges	2,000	1,377	623
Employee incentive program	250	165	85
Miscellaneous	1,275	2,048	(773)
Total services	76,226	55,641	20,585

(cont'd)

**Hanover Park Park District
Recreation Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Seafari Springs (cont'd):			
Supplies and materials:			
Uniforms	\$ 2,800	\$ 1,631	\$ 1,169
Office supplies	400	19	381
Computer supplies	1,736	-	1,736
Pool chemicals	28,010	22,447	5,563
Custodial supplies	1,209	448	761
Merchandise for resale	200	-	200
Program supplies	450	237	213
Safety supplies	250	96	154
Birthday party supplies	360	-	360
Concession goods	13,000	5,958	7,042
Sales tax	2,200	1,010	1,190
Cost to be reimbursed	4,325	1,526	2,799
Miscellaneous	500	818	(318)
Total supplies and materials	55,440	34,190	21,250
Total Seafari Springs	243,568	141,616	101,952
Total expenditures	1,227,471	1,040,079	187,392
Revenues over expenditures	\$ 559	114,674	\$ 114,115
Fund balance, beginning of the year		92,473	
Fund balance, end of the year		\$ 207,147	

See accompanying notes.

**Hanover Park Park District
Centre Court Athletic Club Fund
Statement of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Athletic Club fees:			
Membership:			
Resident	\$ 65,221	\$ 68,759	\$ 3,538
Nonresident	88,176	63,247	(24,929)
Corporate	3,670	4,099	429
Total membership	157,067	136,105	(20,962)
Court time:			
Tennis	210,640	185,647	(24,993)
Racquetball	664	798	134
Total court time	211,304	186,445	(24,859)
Guest fees	23,000	15,091	(7,909)
Tennis lessons	426,316	347,238	(79,078)
Equipment rental	4,650	2,867	(1,783)
Aerobics and fitness programs	23,021	4,652	(18,369)
Total Athletic Club fees	845,358	692,398	(152,960)
Pro shop:			
Merchandise	5,042	5,566	524
Racquet restringing	7,463	6,983	(480)
Total pro shop	12,505	12,549	44

(cont'd)

**Hanover Park Park District
Centre Court Athletic Club Fund
Statement of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues (cont'd):			
Vending	\$ 1,965	\$ 341	\$ (1,624)
Other:			
Massage therapy	11,168	3,740	(7,428)
Nursery	480	584	104
Other	3,800	5,967	2,167
Total other	15,448	10,291	(5,157)
Total revenues	875,276	715,579	(159,697)
Expenditures:			
Salaries and wages:			
Customer service supervisor	34,856	34,915	(59)
Director of tennis	48,550	31,382	17,168
Maintenance - full-time	44,357	45,099	(742)
Maintenance - part-time	22,276	19,961	2,315
Manager	71,050	70,978	72
Customer service staff	85,043	54,482	30,561
Instructors	69,542	77,919	(8,377)
Computer support	2,083	2,083	-
Marketing/sales/public information	9,201	9,240	(39)
Nursery attendant	603	1,366	(763)
Racquet restringing	2,500	3,221	(721)
Commissions	3,008	1,362	1,646
Tennis support	3,000	1,120	1,880
Fitness technician	4,269	-	4,269
Total salaries and wages	400,338	353,128	47,210

(cont'd)

**Hanover Park Park District
Centre Court Athletic Club Fund
Statement of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Services:			
Contractual	\$ 97,487	\$ 66,075	\$ 31,412
Telephone	5,040	5,257	(217)
Natural gas	39,500	42,231	(2,731)
Water and sewer	8,200	7,531	669
Electricity	80,647	72,954	7,693
Printing	5,750	5,000	750
Postage	902	55	847
Health insurance	116,298	90,477	25,821
Membership dues	3,382	1,785	1,597
Conferences and workshops	750	544	206
Bank charges	23,500	26,798	(3,298)
Employee incentive program	1,850	2,453	(603)
Computer	9,023	6,704	2,319
Professional	8,750	7,481	1,269
Promotional advertising	1,950	265	1,685
Miscellaneous	1,962	1,406	556
Total services	404,991	337,016	67,975
Repairs and maintenance - miscellaneous repairs	500	500	-
Total repairs and maintenance	500	500	-
Supplies and materials:			
Uniforms	900	746	154
Office supplies	2,200	1,558	642
Computer supplies	1,855	287	1,568
Whirlpool supplies	1,500	2,664	(1,164)
Custodial supplies	7,116	4,176	2,940

(cont'd)

**Hanover Park Park District
Centre Court Athletic Club Fund
Statement of Revenues, Expenditures and Changes in
Fund Deficit - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Supplies and materials (cont'd):			
Laundry supplies	\$ 700	\$ 413	\$ 287
Vending goods	1,700	873	827
Pro shop supplies	3,784	2,792	992
Awards	1,500	450	1,050
Program supplies	11,098	7,116	3,982
Safety supplies	500	475	25
Restranging supplies	2,000	1,562	438
Sales tax	645	582	63
Paint	1,200	735	465
Miscellaneous supplies	500	54	446
Total supplies and materials	<u>37,198</u>	<u>24,483</u>	<u>12,715</u>
Total expenditures	<u>843,027</u>	<u>715,127</u>	<u>127,900</u>
Revenues over expenditures	<u>\$ 32,249</u>	<u>452</u>	<u>\$ (31,797)</u>
Fund deficit, beginning of the year		<u>(105,983)</u>	
Fund deficit, end of the year		<u>\$ (105,531)</u>	

See independent auditor's report.

Hanover Park Park District Notes to the Financial Statements

I. Summary of Significant Accounting Policies

A. The Reporting Entity

The Hanover Park Park District, DuPage and Cook Counties, Illinois (Park District), 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 the laws amendatory thereto. The Park District is governed by an elected Board of five Park District commissioners. These financial statements present all the fund types of the Park District and its component units based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. Blended component units, although legally separate entities, are in substance, part of the Park District's operations. The Park District has no discretely presented component units.

Blended Component Unit – The Hanover Park Park Foundation (Foundation) was organized for charitable and educational purposes, and to account for the acquisition of land and the development, implementation, and funding of outdoor recreational/educational programs, and other similar purposes, which utilize land owned by the Hanover Park Park District. The Foundation's capital assets are included in capital assets on the statement of net position. The remaining activity associated with the Foundation is not considered significant to the Park District and has not been included in these financial statements.

A complete financial statement for the Foundation may be obtained from the Foundation's administrative office at the following address:

Hanover Park Park Foundation
1919 Walnut Street
Hanover Park, Illinois 60103

The accounting policies and financial statements of the Hanover Park Park District conform to accounting principles generally accepted in the United States of America, as applicable to governments. Following is a summary of the more significant policies.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government. As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All of the Park District's activities are considered governmental activities.

Hanover Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund Financial Statements (cont'd)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. 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.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures, and certain compensated absences and claims and judgments, which are recorded only when the payment is due.

Property taxes, recreational program fees, instruction fees, facility rental, and interest earned are susceptible to accrual. Replacement income tax collected and held by the state at year end on behalf of the Park District is also recognized as revenue. Other receipts become measurable and available when cash is received and are recognized at that time. The government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Park District. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (cont'd)

Recreation Fund – The Recreation Fund is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreational programs offered by the Park District.

Centre Court Athletic Club Fund – The Centre Court Athletic Club Fund is used to account for the proceeds derived from, and the related costs incurred, in connection with the operations of the Park District's tennis and fitness club.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity

1. Deposits and Investments

The Park District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Statutes authorize the Park District to invest in the following:

- Bonds, notes, certificates of indebtedness, Treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity (cont'd)

1. Deposits and Investments (cont'd)

- Savings accounts, certificates of deposit, time accounts, or any other investment constituting direct obligations of a bank as defined by the Illinois Banking Act. Securities legally issuable by savings and loan associations incorporated under the laws of any state of the United States of America. Share accounts and share certificates of a credit union chartered under the laws of the state of Illinois or the United States of America, provided the principal office of the credit union is located within the state of Illinois. Short-term discount obligations of the Federal National Mortgage Association (FNMA). Investments may be made only in financial institutions which are insured by the Federal Deposit Insurance Corporation and other applicable law for credit unions.
- Short-term obligations (maturing within 180 days of dates of purchase) of corporations with assets exceeding five hundred million dollars (\$500,000,000). Such obligations must be rated, at the time of purchase, at one of the three highest classifications established by at least two standard rating services. This type of obligation is limited to one-third of the Park District's funds available for investment and cannot exceed 10% of the corporation's outstanding obligation.
- Money market mutual funds registered under the Investment Company Act of 1940 which invest only in bonds, notes, certificates of indebtedness, Treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations. In addition, the Park District may also invest in a fund managed, operated and administered by a bank.
- Repurchase agreements of government securities subject to The Government Securities Act of 1986.
- State of Illinois Funds and Illinois Trust.

Investments are stated at fair value. Investment income is allocated to the General Fund.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity (cont'd)

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds are offset by a fund balance reserve account, to indicate that they are not available for appropriation, and are not expendable available resources.

The Park District's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk no later than the last Tuesday in December of each year. Taxes are due and collectible in varying amounts in March, June, August, and September of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Property taxes are based on the assessed valuation of the Park District's real property as equalized by the state of Illinois. The equalized assessed valuation of real property totaled \$544,062,308 for the calendar year 2017.

Property tax receivables are shown net of allowances for doubtful amounts. The property tax receivable allowance is equal to 4.01% of the outstanding property taxes at year end.

3. Inventories

Inventories recorded under the consumption method are stated at cost, using the first-in, first-out (FIFO) method. A portion of governmental fund balance equal to the inventory balance is classified as nonspendable.

4. Capital Assets

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the government-wide financial statements. The Park District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation.

The cost of normal maintenance and repairs, that do not add to the value of the asset or materially extend assets' lives, is not capitalized.

Hanover Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity (cont'd)

4. Capital Assets (cont'd)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental activities is not capitalized.

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	20 – 65 years
Buildings and improvements	7 – 40 years
Equipment, office furniture and fixtures	5 – 20 years
Vehicles	5 years

5. Compensated Absences

Accumulated unpaid vacation and other vested employee benefit amounts are accrued when earned by employees. All vacation pay is accrued when earned in the government-wide financial statements.

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, and the deferred gain on an economic refunding, are deferred and amortized over the life of the bonds using a straight-line method that approximates the interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from actual debt proceeds, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued, and any premiums received are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Hanover Park District
Notes to the Financial Statements (cont'd)**

I. Summary of Significant Accounting Policies (cont'd)

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity (cont'd)

7. Deferred Property Tax Revenue

Property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, approximately one-half of the property taxes levied during the current year are not "available" to finance the current year's expenditures. For those funds on the modified accrual basis of accounting, the current year's tax levy is recorded as property taxes receivable, and approximately one-half of such levy is recorded as deferred tax revenue.

8. Fund Equity

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

- **Net investment in capital assets** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** – Consists of net position with constraints placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** – consists of all other net position that does not meet the definition of restricted or invested in capital assets.

In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent. The Park District's fund balances have the following restrictions, commitments and assignments:

Individual Fund Restrictions, Commitments and Assignments:

A portion of the following fund balance is considered nonspendable:

- A portion of the fund balance in the Centre Court Athletic Club Fund is considered nonspendable fund balance that is intended as an offset to inventory of \$424. Portions of the General Fund (\$300) and Recreation Fund (\$2,060) are considered nonspendable fund balance that are intended as an offset to prepaid items.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets (Deferred Outflows), Liabilities (Deferred Inflows) and Equity (cont'd)

8. Fund Equity (cont'd)

Individual Fund Restrictions, Commitments and Assignments (cont'd):

- The Debt Service Fund and nonmajor special revenue funds are considered restricted, as the source of these fund balances are dedicated property tax levies. Also, the Non-Bond Capital Fund, a nonmajor capital projects fund, is considered restricted, as the source of the fund's balance is developer contributions that are restricted by law for the improvement of specific parks.
- All bond-funded Capital Projects (nonmajor) Funds are considered to be committed for capital projects as decreed by the passage of bond ordinances by the Board of Park Commissioners.
- The deficit balance in the Center Court Athletic Club Fund is considered to be unassigned. Also, the spendable fund balance in the General Fund is considered to be unassigned, as those funds are available for the general use of the Park District, including funding other fund deficits.
- When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Park District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Park District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

II. Budgetary Information

The combined budget and appropriation ordinance is prepared in tentative form by the Park Director and is made available by the Park Secretary for public inspection 30 days prior to final Board action. A public hearing is held on the tentative combined budget and appropriation ordinance to obtain taxpayer comments.

Prior to August 1, the appropriation ordinance, which is generally between fifteen and twenty percent (15-20%) greater than the operating budget, is legally enacted through the passage of a combined budget and appropriation ordinance. All actual expenditures contained herein have been compared to the annual operating budget, such that expenditures may exceed the budgeted amount shown but still be less than the appropriated amount.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

II. Budgetary Information (cont'd)

The Board of Park Commissioners may:

- Amend the budget and appropriation ordinance in the same manner as its original enactment.
- Transfer between items of any fund not exceeding in the aggregate ten percent (10%) of the total amount appropriated in such fund.
- After six months of the fiscal year, by two-thirds vote, transfer any appropriation item it anticipates to be unexpended to any other appropriation item.

All appropriations lapse at year end. There were no supplemental appropriations during the year. Management cannot amend the budget and appropriation ordinance.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis of anticipated revenues to be received in cash and expenditures to be incurred, which does not differ materially from accounting principles generally accepted in the United States of America.

All budgets and appropriations are prepared based on the annual fiscal year of the Park District. The Park District does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements which govern the Park District.

III. Stewardship, Compliance and Accountability

A. Deficit Fund Equity

The Centre Court Athletic Club Fund (Special Revenue Funds) had a deficit fund balance of \$105,531 at April 30, 2018. Funding of the deficit in the Centre Court Athletic Club Fund is expected to be provided from transfers from the General Fund and future Athletic Club fees.

IV. Detailed Notes For All Fund Types

A. Deposits and Investments

Cash and Investments – The Park District maintains cash on hand, cash deposits in financial institutions, and investment pools that are available for use by all funds. Each fund type's portion of these pools is displayed on the combined balance sheet as "equity in pooled cash and investments."

Deposits – At year end, the carrying amount of the Park District's deposits was \$822,621 and the bank balance was \$834,300, of which \$167,619 was uninsured. In addition, the Park District has cash on hand of \$200.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Fund Types (cont'd)

A. Deposits and Investments (cont'd)

Investments – The Illinois Trust (Illinois Trust), formerly known as the Illinois Park District Liquid Asset Fund, is an external investment pool. Illinois Trust is not registered with the Securities and Exchange Commission as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. An annual report for Illinois Trust may be obtained at www.ipdlaf.org. In December 2015, the Government Accounting Standards Board issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. The standard allows the Park District's investment in the Illinois Trust, which does not impose redemption gates or liquidity fees, to continue to be carried at its net asset value, which equals amortized cost. A reconciliation of cash and investments, as shown on the combined balance sheet for the primary government, follows:

Carrying amount of deposits	\$ 822,621
Cash on hand	200
Illinois Trust	<u>53,021</u>
Total	<u>\$ 875,842</u>

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its investment policy, the Park District manages its interest rate risk by structuring its investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Illinois Trust is rated AAAm.

Custodial Credit Risk – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. In accordance with its investment policy, all Park District deposits with financial institutions are fully insured or collateralized. For investments, this is the risk that in the event of the failure of the counterparty, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. It is the Park District's policy that investments in certificates of deposit are fully insured, and that other investments shall be collateralized by the actual security held in safekeeping by the agent.

Hanover Park District
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Fund Types (cont'd)

B. Capital Assets

Capital asset activity for the year ended April 30, 2018, was as follows:

	Balance May 1, 2017	Additions	Transfers	Retirements	Balance April 30, 2018
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 3,764,457	\$ -	\$ -	\$ -	\$ 3,764,457
Construction in progress	139,366	-	(139,366)	-	-
Total capital assets not being depreciated	<u>3,903,823</u>	<u>-</u>	<u>(139,366)</u>	<u>-</u>	<u>3,764,457</u>
Capital assets, being depreciated:					
Land improvements	4,536,479	178,257	139,366	-	4,854,102
Buildings and improvements	16,236,378	47,789	-	-	16,284,167
Equipment, office furniture and fixtures	2,874,231	50,578	-	-	2,924,809
Vehicles	397,295	-	-	-	397,295
Total capital assets being depreciated	<u>24,044,383</u>	<u>276,624</u>	<u>139,366</u>	<u>-</u>	<u>24,460,373</u>
Less accumulated depreciation for:					
Land improvements	2,930,220	185,945	-	-	3,116,165
Buildings and constructed assets	10,354,891	451,763	-	-	10,806,654
Equipment, office furniture and fixtures	2,321,239	118,460	-	-	2,439,699
Vehicles	359,170	21,477	-	-	380,647
Total accumulated depreciation	<u>15,965,520</u>	<u>777,645</u>	<u>-</u>	<u>-</u>	<u>16,743,165</u>
Total capital assets being depreciated, net	<u>8,078,863</u>	<u>(501,021)</u>	<u>139,366</u>	<u>-</u>	<u>7,717,208</u>
Governmental activities' capital assets, net	<u>\$ 11,982,686</u>	<u>\$ (501,021)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,481,665</u>

Depreciation allocated to general government, culture and recreation, and Centre Court Athletic Club totaled \$549,445, \$129,804, and \$98,396, respectively.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Fund Types (cont'd)

B. Capital Assets (cont'd)

The Park District was deeded land from a local school district for construction of a recreation building in the year ended April 30, 2015. The construction is incumbent on the Park District receiving State funding. In the event the funding is not received, the land will revert to the school district. The Park District declined the State funding in the prior fiscal year and returned the land to the school district in the current year. The land was never recorded in the Park District's financial statements.

C. Interfund Receivables, Payables and Transfers

The following interfund receivables and payables as of April 30, 2018, are expected to be liquidated in the next year during the normal course of operations:

Receivable Fund	Payable Fund	Amount
Paving and Lighting	Police	\$ 18,000
Social Security	Liability Insurance	15,000
Illinois Municipal Retirement	Museums and Aquariums	7,000
Capital Projects (non-bond)	Centre Court Athletic Fund	24,000
Illinois Municipal Retirement	Centre Court Athletic Fund	16,000
Total all funds		\$ 80,000

Transfer between funds for the year ended April 30, 2018, consisted of:

Receiving Fund	Paying Fund	Amount
Debt Service (subfund)	Debt Service (subfund)	\$ 14,027
Total all funds		\$ 14,027

The transfer between Debt Service subfunds is to close out Debt Service subfunds for fully paid bond issues.

D. Long-term Debt, Other Noncurrent Liabilities, and Deferred Inflows of Resources

The Park District issues general obligation bonds and alternative revenue source bonds to finance the purchase of major capital items, and the acquisition or construction of major capital facilities. Bonded indebtedness has been entered into in prior years to advance refund several general obligation bonds. General obligation bonds and alternative revenue source bonds have been issued for general government activities, and are being repaid from applicable resources.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Fund Types (cont'd)

D. Long-term Debt, Other Noncurrent Liabilities, and Deferred Inflows of Resources (cont'd)

A summary of changes in the debt commitments of the Park District for the year ended April 30, 2018, is as follows:

	Balance May 1, 2017	New Issues	Principal Paid and Amortization	Balance April 30, 2018	Due within One Year
Governmental Activities					
Noncurrent liabilities:					
General obligation bonds payable:					
Series 2011A (ARS)	\$ 2,895,000	\$ -	\$ 445,000	\$ 2,450,000	\$ 455,000
Series 2013	346,000	-	66,000	280,000	67,000
Series 2015	102,870	-	102,870	-	-
Series 2016	850,000	-	662,320	187,680	187,680
Series 2017	-	825,000	-	825,000	592,680
Total general obligation bonds	4,193,870	825,000	1,276,190	3,742,680	1,302,360
Bond premiums	87,116	-	12,687	74,429	12,973
Net pension liability	1,300,528	*	*	596,841	*
Total noncurrent liabilities	<u>\$ 5,581,514</u>	<u>\$ 825,000</u>	<u>\$ 1,288,877</u>	<u>\$ 4,413,950</u>	<u>\$ 1,315,333</u>
Deferred inflows of resources:					
Deferred economic gain on advance refunding	\$ 39,938	\$ -	\$ 7,100	\$ 32,838	\$ 7,100
Deferred pension amounts	13,038	*	*	717,480	*
Total deferred inflows	<u>\$ 52,976</u>	<u>\$ -</u>	<u>\$ 7,100</u>	<u>\$ 750,318</u>	<u>\$ 7,100</u>

* See Note V.D. for details regarding net pension liability and deferred pension amounts.

On November 16, 2011, the Park District issued \$5,250,000 of General Obligation Bonds, Series 2011A (Alternate Revenue Source), with an average interest rate of 3.13%. The bonds consist of serial bonds bearing various fixed rates ranging from 2.0% to 4.0% with annual maturities due December 15 from 2011 to 2022. The bonds are subject to redemption prior to maturity at the option of the Park District in whole or in part on December 15, 2019, or on any date thereafter at par value plus accrued interest to the redemption date. The bonds were sold at a premium of \$149,686. The unamortized premium at April 30, 2018, is \$74,429. In part, the Series 2011A bonds were an advance refunding of previously issued bonds. The advance refunding was to reduce total debt payments over the following 12 years after issuance by approximately \$83,000. The transaction resulted in a deferred economic gain (difference between the present value of the debt service on the old and the new bonds) of \$78,693. At April 30, 2018, the unamortized deferred economic gain was \$32,838. The unamortized premium is presented as a component of noncurrent liabilities. The unamortized deferred economic gain is a deferred inflow of resources on the statement of net position.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

IV. Detailed Notes For All Fund Types (cont'd)

D. Long-term Debt, Other Noncurrent Liabilities, and Deferred Inflows of Resources (cont'd)

On July 11, 2013, the Park District issued \$500,000 of General Obligation Bonds, Series 2013, with interest rates increasing from 1.25% to 3.15% over the 8-year term of the bonds. Total proceeds received include \$485,500 to be used for the capital improvement of the Park District and the remaining \$14,500 to pay for the issuance costs of the bond. On November 12, 2013, the Park District also issued \$585,585 of General Obligation Bonds, Series 2013A, with an interest rate of 1.23%. Total proceeds received include \$18,066 to be used for the capital improvement of the Park District, \$551,650 to pay certain principal and interest due on the Park District's General Obligation Refunding Park Bond Series 2011A, and the remaining \$15,869 to pay for the issuance costs of the bond.

On November 9, 2015, the Park District issued \$655,000 of General Obligation Bonds, Series 2015, with an interest rate of 2.00%. Total proceeds received include \$87,670 to be used for capital improvement of the Park District, \$550,350 to pay certain principal and interest due on the Park District's General Obligation Refunding Park Bond Series 2011A, and the remaining \$16,980 to pay for the issuance costs of the bond.

On November 7, 2016, the Park District issued \$850,000 of General Obligation Bonds, Series 2016, with an interest rate of 2.25%. Total proceeds received include \$275,050 to be used for capital improvement of the Park District, \$554,850 to pay certain principal and interest due on the Park District's General Obligation Refunding Park Bond Series 2011A, and the remaining \$20,100 to pay for the issuance costs of the bond.

On November 13, 2017, the Park District issued \$825,000 of General Obligation Bonds, Series 2017, with an interest rate of 2.49%. Total proceeds received include \$253,450 to be used for capital improvement of the Park District, \$551,800 to pay certain principal and interest due on the Park District's General Obligation Refunding Park Bond Series 2011A, and the remaining \$19,750 to pay for the issuance costs of the bond.

The debt service to maturity on outstanding debt is as follows:

Year Ending April 30,	Principal	Interest	Total
2019	\$ 1,302,360	\$ 127,736	\$ 1,430,096
2020	771,320	91,772	863,092
2021	561,000	65,358	626,358
2022	583,000	46,399	629,399
2023	525,000	21,000	546,000
	<u>\$ 3,742,680</u>	<u>\$ 352,265</u>	<u>\$ 4,094,945</u>

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information

A. Risk Management – Property, Casualty and Liability

The 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 January 1, 1984, the Park District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a public entity risk pool of park and 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' and 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, 2018 to January 1, 2019:

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits
Property, building, contents:			
All losses per occurrence	\$ 1,000	\$ 1,000,000	\$1,000,000,000 all members
Flood/except Zones A&V	\$ 1,000	\$ 1,000,000	\$250,000,000/occurrence/ annual aggregate
Flood, Zones A&V	\$ 1,000	\$ 1,000,000	\$200,000,000/occurrence/ annual aggregate
Earthquake shock	\$ 1,000	\$ 100,000	\$100,000,000/occurrence/ annual aggregate
Auto physical damage comprehensive and collision	\$ 1,000	\$ 1,000,000	Included
Course of construction	\$ 1,000	Included	\$25,000,000
Business interruption, rental income, tax income combined	\$ 1,000		\$100,000,000/reported values \$500,000/\$2,500,000/ nonreported values
Service interruption	24 hours	N/A	\$25,000,000 other sub-limits apply – refer to coverage document
Boiler and machinery, property damage	\$ 1,000	\$ 9,000	\$100,000,000 equipment breakdown

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

A. Risk Management – Property, Casualty and Liability (cont'd)

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits
Business income	48 hours	N/A	Property damage included, other sub-limits apply – refer to coverage document
Fidelity/crime	\$ 1,000	\$ 24,000	\$2,000,000/occurrence
Seasonal employees	\$ 1,000	\$ 9,000	\$1,000,000/occurrence
Blanket bond	\$ 1,000	\$ 24,000	\$2,000,000/occurrence
Workers' compensation	N/A	\$ 500,000	Statutory; \$3,500,000 employer's liability
General liability	None	\$ 500,000	\$21,500,000/ occurrence
Auto liability	None	\$ 500,000	\$21,500,000/ occurrence
Employment practices	None	\$ 500,000	\$21,500,000/ occurrence
Public officials' liability	None	\$ 500,000	\$21,500,000/ occurrence
Law enforcement liability	None	\$ 500,000	\$21,500,000/ occurrence
Uninsured/underinsured motorist	None	\$ 500,000	\$1,000,000 per occurrence
Pollution liability – liability, third party	None	\$ 25,000	\$5,000,000 per occurrence
Pollution liability – property, first party	\$ 1,000	\$ 24,000	\$30,000,000 3 year aggregate
Outbreak expense	24 hours	N/A	\$15,000 per day; \$1,000,000 aggregate

Hanover Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

A. Risk Management – Property, Casualty and Liability (cont'd)

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits
Volunteer medical accident	None	\$ 5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance
Information security & privacy liability	None	\$ 100,000	\$2,000,000/occurrence /annual aggregate
Privacy notification costs	None	\$ 100,000	\$500,000/occurrence /annual aggregate
Regulatory defense & penalties	None	\$ 100,000	\$2,000,000/occurrence /annual aggregate
Website media content liability	None	\$ 100,000	\$2,000,000/occurrence /annual aggregate
Cyber extortion	None	\$ 100,000	\$2,000,000/occurrence /annual aggregate
Data protection & business interruption	\$ 1,000	\$ 100,000	\$2,000,000/occurrence /annual aggregate
First party business interruption	8 hours	\$ 100,000	\$50,000 hourly sublimit/\$50,000 forensic expense/\$150,000 dependent business interruption
Underground storage tank liability	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund
Unemployment compensation	N/A	N/A	Statutory

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

A. Risk Management – Property, Casualty and Liability (cont'd)

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Park District. Losses have not exceeded the per occurrence self-insured limit in any of the last three years.

As a member of PDRMA's Property/Casualty Program, the 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 Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Park District's Board of Park Commissioners. The 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 Property/Casualty Program's balance sheet at December 31, 2017, and the statement of revenues and expenses for the period ended December 31, 2017, the latest financials available at the time of this report. The Park District's portion of the overall equity of the pool is 0.708%, or \$308,492.

Assets	\$ 65,528,169
Deferred outflows of resources – Pension	1,031,198
Liabilities	22,979,446
Deferred inflows of resources – Pension	5,600
Member balances	43,574,321
Revenues	23,353,271
Expenditures	17,402,060

Since 88.70% 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. A complete financial statement for the Agency can be obtained from the Agency's administrative offices at Post Office Box 4320, Wheaton, Illinois 60189.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

B. Risk Management – Health Care

Since July 1, 1996, the Park District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreational 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.

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

As a member of the PDRMA Health Program, the 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 a 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 any surplus of the pool, based on a decision of the Health Program Council.

The following represents a summary of PDRMA's Health Program's balance sheet at December 31, 2017, and the statement of revenues and expenses for the year ended December 31, 2017, the latest financials available at the time of this report.

Assets	\$ 21,149,057
Deferred outflows of resources – Pension	427,851
Liabilities	5,677,098
Deferred inflows of resources – Pension	(5,600)
Member balances	15,905,410
Revenues	37,960,432
Expenditures	36,867,147

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.

A complete financial statement for the Agency can be obtained from the Agency's administrative offices at Post Office Box 4320, Wheaton, Illinois 60189.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

C. Joint Ventures, Jointly Governed Organizations and Related Organizations

Joint Venture – The Park District is one of seventeen area park districts that have entered into a joint agreement to provide cooperative recreational programs and other activities for handicapped and impaired individuals through the Northwest Special Recreation Association. Each member agency shares equally in the Association, and generally provides funding based on up to 0.0400 cents per \$100 of its equalized assessed valuation. The Park District contributed \$144,618 to the Association during the current fiscal year. The Park District does not have a direct financial interest in the Association, and therefore, its investment therein is not reported within the financial statements. Upon dissolution of the Association, the assets, if any, shall be divided among the members in accordance with an equitable formula, as determined by a unanimous vote of the Board of Directors of the Association.

A complete separate financial statement for the Association can be obtained from the Northwest Special Recreation Association's administrative offices at Park Central, Suite 205, 3000 West Central Road, Rolling Meadows, Illinois 60008.

D. Employee Retirement System – Defined Benefit Pension Plan

General Information about the Pension Plan:

Plan Description – The Park District's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides pensions for all full-time employees of the Park District. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

At December 31, 2017, the IMRF Plan membership consisted of:

Retirees and beneficiaries	33
Inactive, non-retired members	40
Active members	<u>27</u>
Total	<u>100</u>

**Hanover Park District
Notes to the Financial Statements (cont'd)**

V. Other Information (cont'd)

D. Employee Retirement System – Defined Pension Plan (cont'd)

General Information about the Pension Plan (cont'd):

Benefits Provided – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$112,408 at January 1, 2017, and \$113,645 at January 1, 2018. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

Contributions and Funding Policy – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Park District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar years 2018 and 2017 was 14.48 and 11.92 percent, respectively, of annual covered payroll. The Park District's contribution to the Plan totaled \$133,928 for the fiscal year ended April 30, 2018, which was equal to its annual required contribution.

Net Pension Liability:

The Park District's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date.

**Hanover Park District
Notes to the Financial Statements (cont'd)**

V. Other Information (cont'd)

D. Employee Retirement System – Defined Pension Plan (cont'd)

Net Pension Liability (cont'd):

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2017, valuation were based on an actuarial experience study for the period January 1, 2014 – December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Asset valuation method	Market value of assets
Inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.50%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	Lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period subject to a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2017, was 26 years.

Mortality Rates – For non-disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF projection experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Hanover Park District
Notes to the Financial Statements (cont'd)**

V. Other Information (cont'd)

D. Employee Retirement System – Defined Pension Plan (cont'd)

Net Pension Liability (cont'd):

Long-term Expected Rate of Return – The long-term expected rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	37%	6.85%
International Equities	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternatives:	7%	
Private Equity		7.35%
Hedge Funds		5.05%
Commodities		2.65%
Cash Equivalents	1%	2.25%

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31%, and the resulting single discount rate used to measure the total pension liability is 7.50%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 94 years.

Hanover Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

D. Employee Retirement System – Defined Pension Plan (cont'd)

Net Pension Liability (cont'd):

Discount Rate Sensitivity – The following presents the net pension liability of the Park District, calculated using the discount rate of 7.50%, as well as what the Park District's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension (Asset) Liability	\$ 1,623,426	\$ 596,841	\$ (248,981)

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance 12/31/16	\$ 8,003,136	\$ 6,702,608	\$ 1,300,528
Changes for the year:			
Service cost	108,337		108,337
Interest	589,618		589,618
Differences between expected and actual experience	51,864		51,864
Changes in assumptions	(238,356)		(238,356)
Contributions - employer		125,201	(125,201)
Contributions - employee		47,266	(47,266)
Net investment income		1,192,136	(1,192,136)
Benefit payments, including refunds of employee contributions	(391,452)	(391,452)	-
Other changes	-	(149,453)	149,453
Net changes	120,011	823,698	(703,687)
Balances at 12/31/17	\$ 8,123,147	\$ 7,526,306	\$ 596,841

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

Hanover Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

D. Employee Retirement System – Defined Pension Plan (cont'd)

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

For the year ended April 30, 2018, the Park District recognized pension expense of \$308,341 in the government-wide financial statements. At April 30, 2018, the Park District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 119,977	\$ -	\$ 119,977
Changes in assumptions	-	154,874	(154,874)
Net difference between projected and actual earnings in pension plan investments	<u>206,060</u>	<u>562,606</u>	<u>(356,546)</u>
Subtotal	\$ 326,037	\$ 717,480	\$ (391,443)
Contributions made subsequent to measurement date	<u>47,205</u>	<u>-</u>	<u>47,205</u>
Total	<u>\$ 373,242</u>	<u>\$ 717,480</u>	<u>\$ (344,238)</u>

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

Year Ending December 31,

2018	\$ (36,451)
2019	(83,794)
2020	(130,545)
2021	<u>(140,653)</u>
Total	<u>\$ (391,443)</u>

There were no significant changes in assumptions for the year ended April 30, 2018.

Hanover Park Park District
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

E. Deferred Compensation Plan

The Park District offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457. The plan, available to all Park District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All funds are held in trust and administered by an outside third-party trustee for the exclusive benefit of participants and their beneficiaries. The Park District is not required to make a contribution to the plan.

REQUIRED SUPPLEMENTARY INFORMATION

**Hanover Park Park District
Illinois Municipal Retirement Fund
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Calendar Years**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability:			
Service cost	\$ 108,337	\$ 133,361	\$ 121,802
Interest on the total pension liability	589,618	547,401	514,880
Benefit changes	-	-	-
Difference between expected and actual changes	51,864	253,979	91,615
Assumption changes	(238,356)	(19,381)	9,253
Benefit payments and refunds	<u>(391,452)</u>	<u>(327,470)</u>	<u>(271,260)</u>
 Net change in total pension liability	 120,011	 587,890	 466,290
 Total pension liability - beginning	 <u>8,003,136</u>	 <u>7,415,246</u>	 <u>6,948,956</u>
 Total pension liability - ending	 <u>\$ 8,123,147</u>	 <u>\$ 8,003,136</u>	 <u>\$ 7,415,246</u>
 Plan fiduciary net position:			
Employer contributions	\$ 125,201	\$ 142,039	\$ 168,482
Employee contributions	47,266	51,097	56,665
Pension plan net investment income	1,192,136	421,178	31,309
Benefit payments and refunds	(391,452)	(327,470)	(271,260)
Other	<u>(149,453)</u>	<u>118,318</u>	<u>27,435</u>
 Net change in plan fiduciary net position	 823,698	 405,162	 12,631
 Plan fiduciary net position - beginning	 <u>6,702,608</u>	 <u>6,297,446</u>	 <u>6,284,815</u>
 Plan fiduciary net position - ending	 <u>\$ 7,526,306</u>	 <u>\$ 6,702,608</u>	 <u>\$ 6,297,446</u>
 Net pension liability	 <u>\$ 596,841</u>	 <u>\$ 1,300,528</u>	 <u>\$ 1,117,800</u>
 Plan fiduciary net position as a percentage of total pension liability	 <u>92.65%</u>	 <u>83.75%</u>	 <u>84.93%</u>
 Covered valuation payroll	 <u>\$ 1,050,347</u>	 <u>\$ 1,117,528</u>	 <u>\$ 1,259,210</u>
 Net pension liability as a percentage of covered valuation payroll	 <u>56.82%</u>	 <u>116.38%</u>	 <u>88.77%</u>

Note: The Park District adopted GASB 68 in fiscal year 2016 and will build ten-year history prospectively.

See independent auditor's report.

**Hanover Park Park District
Illinois Municipal Retirement Fund
Multiyear Schedule of Contributions
Last Ten Fiscal Years**

<u>Fiscal Year Ended April 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2018	\$ 133,928	\$ 133,928	\$ -	\$ 1,053,547	12.71 %
2017	132,073	132,073	-	1,059,179	12.47
2016	160,804	160,804	-	1,220,911	13.17

Note: The Park District adopted GASB 68 in fiscal year 2016 and will build ten-year history prospectively.

See independent auditor's report.

**Hanover Park District
Notes to Required Supplementary Information**

1. IMRF Actuarial Assumptions

The actuarial assumptions used in determining the 2017 contribution rate in the actuarial report as of December 31, 2017, are as follows:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	5-Year Smoothed Market; 20% Corridor
Inflation	2.75%
Salary Increases	3.75% to 14.50% Including Inflation
Investment Rate of Return	7.5%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study for the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

NONMAJOR GOVERNMENTAL FUNDS

**Hanover Park Park District
Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2018**

	Total	Liability Insurance	Illinois Municipal Retirement	Social Security	Audit	Paving and Lighting	Special Recreation	Museums and Aquariums	Police	Capital Projects
Assets										
Equity in pooled cash and investments	\$ 332,202	\$ 5,220	\$ 14,983	\$ 3,674	\$ 6,144	\$ 20,875	\$ 20,672	\$ 4,084	\$ 3,845	\$ 252,705
Receivables:										
Property taxes, net of allowance for uncollectible amounts	615,441	117,200	111,212	83,775	13,165	18,385	153,753	61,275	56,676	-
Due from other funds	80,000	-	23,000	15,000	-	18,000	-	-	-	24,000
Accounts receivable	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 1,027,643	\$ 122,420	\$ 149,195	\$ 102,449	\$ 19,309	\$ 57,260	\$ 174,425	\$ 65,359	\$ 60,521	\$ 276,705
Liabilities										
Accounts payable	\$ 22,593	\$ 17,776	\$ -	\$ -	\$ -	\$ 1,287	\$ 1,138	\$ 1,373	\$ 1,019	\$ -
Accrued liabilities	25,845	3,357	10,413	5,954	-	202	421	2,533	2,965	-
Due to other funds	40,000	15,000	-	-	-	-	-	7,000	18,000	-
Total liabilities	88,438	36,133	10,413	5,954	-	1,489	1,559	10,906	21,984	-
Deferred Inflows of Resources										
Property taxes	400,839	76,408	72,522	54,561	8,487	11,500	100,516	39,890	36,955	-
Total liabilities and deferred inflows of resources	489,277	112,541	82,935	60,515	8,487	12,989	102,075	50,796	58,939	-
Fund Balances										
Restricted for:										
Special recreation programs	72,350	-	-	-	-	-	72,350	-	-	-
Other purposes	189,311	9,879	66,260	41,934	10,822	44,271	-	14,563	1,582	-
Capital outlay	68,874	-	-	-	-	-	-	-	-	68,874
Committed for capital outlay	207,831	-	-	-	-	-	-	-	-	207,831
Total fund balances	538,366	9,879	66,260	41,934	10,822	44,271	72,350	14,563	1,582	276,705
Total liabilities, deferred inflows of resources and fund balances	\$ 1,027,643	\$ 122,420	\$ 149,195	\$ 102,449	\$ 19,309	\$ 57,260	\$ 174,425	\$ 65,359	\$ 60,521	\$ 276,705

See independent auditor's report.

**Hanover Park Park District
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended April 30, 2018**

	<u>Total</u>	<u>Liability Insurance</u>	<u>Illinois Municipal Retirement</u>	<u>Social Security</u>	<u>Audit</u>	<u>Paving and Lighting</u>	<u>Special Recreation</u>	<u>Museums and Aquariums</u>	<u>Police</u>	<u>Capital Projects Funds</u>
Revenues:										
Property taxes	\$ 777,072	\$ 149,304	\$ 140,470	\$ 106,406	\$ 16,304	\$ 22,888	\$ 192,141	\$ 77,633	\$ 71,926	\$ -
Grants and donations	146,559	-	-	-	-	-	-	-	-	146,559
Interest earned	499	-	-	-	-	-	-	-	-	499
Other	22,168	3,873	-	-	-	-	-	134	-	18,161
Total revenues	946,298	153,177	140,470	106,406	16,304	22,888	192,141	77,767	71,926	165,219
Expenditures:										
Current:										
Salaries and wages	187,848	59,210	-	-	-	2,947	12,942	49,878	62,871	-
Services	656,706	132,425	133,928	109,956	15,500	838	208,268	18,952	6,996	29,843
Repairs and maintenance	267,098	-	-	-	-	-	-	-	-	267,098
Supplies and materials	19,753	-	-	-	-	11,189	-	-	8,564	-
Capital expenditures	156,997	-	-	-	-	-	-	-	-	156,997
Total expenditures	1,288,402	191,635	133,928	109,956	15,500	14,974	221,210	68,830	78,431	453,938
Revenues over (under) expenditures before other financing sources	(342,104)	(38,458)	6,542	(3,550)	804	7,914	(29,069)	8,937	(6,505)	(288,719)
Other financing sources:										
Bonds issued	273,200	-	-	-	-	-	-	-	-	273,200
Net changes in fund balances	(68,904)	(38,458)	6,542	(3,550)	804	7,914	(29,069)	8,937	(6,505)	(15,519)
Fund balances, beginning of the year	607,270	48,337	59,718	45,484	10,018	36,357	101,419	5,626	8,087	292,224
Fund balances, end of the year	\$ 538,366	\$ 9,879	\$ 66,260	\$ 41,934	\$ 10,822	\$ 44,271	\$ 72,350	\$ 14,563	\$ 1,582	\$ 276,705

See independent auditor's report.

**Hanover Park Park District
Liability Insurance Reserve Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 149,409	\$ 149,574	\$ 165
Adjustment to prior year's taxes	-	(270)	(270)
Total property taxes	149,409	149,304	(105)
Other:			
PDRMA recovery	1,500	1,500	-
Aquatic audit reimbursement	2,550	1,800	(750)
Other	-	573	573
Total other	4,050	3,873	(177)
Total revenues	153,459	153,177	(282)
Expenditures:			
Salaries and wages:			
Administrative	13,007	12,634	373
Risk management - full-time	18,988	21,362	(2,374)
Risk management - part-time	28,058	25,214	2,844
Total salaries and wages	60,053	59,210	843
Services:			
Property insurance	25,362	31,906	(6,544)
Employee incentive program	4,000	3,230	770
Liability insurance	12,420	15,608	(3,188)
Workers' compensation	25,427	31,108	(5,681)
Unemployment insurance	5,000	-	5,000
Health insurance	16,464	12,882	3,582
Employment practices	4,313	5,411	(1,098)
Hazardous waste disposal	1,500	-	1,500
Employee safety training	6,000	4,841	1,159
Life safety services	33,178	24,702	8,476
Employment physicals	300	123	177
Background testing	2,870	1,183	1,687

(cont'd)

Hanover Park Park District
Liability Insurance Reserve Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures (cont'd):			
Services (cont'd):			
Pollution liability	\$ 754	\$ 948	\$ (194)
Miscellaneous	2,715	483	2,232
Total services	140,303	132,425	7,878
Total expenditures	200,356	191,635	8,721
Revenues under expenditures	\$ (46,897)	(38,458)	\$ 8,439
Fund balance, beginning of the year		48,337	
Fund balance, end of the year		\$ 9,879	

See independent auditor's report.

**Hanover Park Park District
Illinois Municipal Retirement Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 141,515	\$ 142,047	\$ 532
Adjustment to prior year's taxes	-	(1,577)	(1,577)
Total revenues	141,515	140,470	(1,045)
Expenditures - employer IMRF contributions	153,800	133,928	19,872
Revenues over (under) expenditures	\$ (12,285)	6,542	\$ 18,827
Fund balance, beginning of the year		59,718	
Fund balance, end of the year		\$ 66,260	

See independent auditor's report.

**Hanover Park Park District
Social Security Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 106,754	\$ 106,875	\$ 121
Adjustment to prior year's taxes	-	(469)	(469)
Total revenues	106,754	106,406	(348)
Expenditures - employer FICA contributions	130,090	109,956	20,134
Revenues under expenditures	\$ (23,336)	(3,550)	\$ 19,786
Fund balance, beginning of the year		45,484	
Fund balance, end of the year		\$ 41,934	

See independent auditor's report.

Hanover Park Park District
Audit Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 15,842	\$ 16,329	\$ 487
Adjustment to prior year's taxes	-	(25)	(25)
Total revenues	<u>15,842</u>	<u>16,304</u>	<u>462</u>
Expenditures:			
Services - audit	<u>16,000</u>	<u>15,500</u>	<u>500</u>
Total expenditures	<u>16,000</u>	<u>15,500</u>	<u>500</u>
Revenues over (under) expenditures	<u>\$ (158)</u>	<u>804</u>	<u>\$ 962</u>
Fund balance, beginning of the year		<u>10,018</u>	
Fund balance, end of the year		<u>\$ 10,822</u>	

See independent auditor's report.

**Hanover Park Park District
Paving and Lighting Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 21,718	\$ 22,291	\$ 573
Adjustment to prior year's taxes	-	597	597
Total revenues	21,718	22,888	1,170
Expenditures:			
Salaries and wages	2,991	2,947	44
Services	1,160	838	322
Supplies and materials	22,500	11,189	11,311
Total expenditures	26,651	14,974	11,677
Revenues over (under) expenditures	\$ (4,933)	7,914	\$ 12,847
Fund balance, beginning of the year		36,357	
Fund balance, end of the year		\$ 44,271	

See independent auditor's report.

**Hanover Park Park District
Special Recreation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 185,935	\$ 192,785	\$ 6,850
Adjustment to prior year's taxes	-	(644)	(644)
Total revenues	<u>185,935</u>	<u>192,141</u>	<u>6,206</u>
Expenditures:			
Salaries - part-time maintenance	14,419	12,942	1,477
Services - professional services	500	-	500
Services:			
Natural gas	2,500	5,459	(2,959)
Water and sewer	2,500	1,883	617
Northwest Special Recreation Association	144,618	144,618	-
Americans With Disabilities Act compliance	70,000	56,308	13,692
Total expenditures	<u>234,537</u>	<u>221,210</u>	<u>13,327</u>
Revenues under expenditures	<u>\$ (48,602)</u>	<u>(29,069)</u>	<u>\$ 19,533</u>
Fund balance, beginning of the year		<u>101,419</u>	
Fund balance, end of the year		<u>\$ 72,350</u>	

See independent auditor's report.

**Hanover Park Park District
Museums and Aquariums Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 77,646	\$ 78,019	\$ 373
Adjustment to prior year's taxes	-	(386)	(386)
Other	-	134	134
Total revenues	<u>77,646</u>	<u>77,767</u>	<u>121</u>
Expenditures:			
Salaries:			
Administrative	13,458	15,583	(2,125)
Assistant manager	6,633	5,373	1,260
Maintenance - part-time	10,200	9,173	1,027
Marketing/sales/public information	5,520	5,543	(23)
Recreation coordinators/program leaders	14,205	14,206	(1)
Total salaries	<u>50,016</u>	<u>49,878</u>	<u>138</u>
Services:			
Electricity	4,408	3,318	1,090
Health insurance	19,811	15,634	4,177
Total services	<u>24,219</u>	<u>18,952</u>	<u>5,267</u>
Total expenditures	<u>74,235</u>	<u>68,830</u>	<u>5,405</u>
Revenues over expenditures	<u>\$ 3,411</u>	<u>8,937</u>	<u>\$ 5,526</u>
Fund balance, beginning of the year		<u>5,626</u>	
Fund balance, end of the year		<u>\$ 14,563</u>	

See independent auditor's report.

**Hanover Park Park District
Police Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 71,966	\$ 72,361	\$ 395
Adjustment to prior year's taxes	-	(435)	(435)
Total revenues	71,966	71,926	(40)
Expenditures:			
Salaries:			
Administrative	17,169	12,296	4,873
Security:			
Building	33,150	33,855	(705)
Park rangers	17,140	16,720	420
Total salaries	67,459	62,871	4,588
Services:			
Telephone	1,800	1,650	150
Conferences and workshops	2,205	-	2,205
Health insurance	6,960	5,346	1,614
Miscellaneous	200	-	200
Total services	11,165	6,996	4,169
Supplies and materials:			
Uniforms	500	159	341
Gasoline	8,400	8,400	-
Supplies	500	-	500
Expendable equipment	100	5	95
Total supplies and materials	9,500	8,564	936
Total expenditures	88,124	78,431	9,693
Revenues under expenditures	\$ (16,158)	(6,505)	\$ 9,653
Fund balance, beginning of the year		8,087	
Fund balance, end of the year		\$ 1,582	

See independent auditor's report.

OTHER FINANCIAL SCHEDULES

**Hanover Park Park District
Capital Projects Funds
Combining Balance Sheet
April 30, 2018**

			General Obligation Limited Tax Park Bonds - Series 2017	General Obligation Limited Tax Park Bonds - Series 2016
	<u>Total</u>	<u>Non-Bond</u>		
Assets				
Equity in pooled cash and investments	\$ 252,705	\$ 44,874	\$ 177,991	\$ 29,840
Due from other funds	24,000	24,000	-	-
Accounts receivable	-	-	-	-
Total assets	\$ 276,705	\$ 68,874	\$ 177,991	\$ 29,840
Liabilities and Fund Balance				
Liabilities - accounts payable	\$ -	\$ -	\$ -	\$ -
Fund balance:				
Restricted for capital outlay	68,874	68,874	-	-
Committed for capital outlay	207,831	-	177,991	29,840
Total fund balance	276,705	68,874	177,991	29,840
Total liabilities and fund balance	\$ 276,705	\$ 68,874	\$ 177,991	\$ 29,840

See independent auditor's report.

**Hanover Park Park District
Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Total		Non-Bond		General Obligation Park Bonds - Series 2017		General Obligation Park Bonds - Series 2016	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues:								
Grants and donations	\$ -	\$ 146,559	\$ -	\$ 925	\$ -	\$ -	\$ -	\$ 145,634
Interest earned	-	499	-	-	-	-	-	499
Other	-	18,161	-	845	-	-	-	17,316
Total revenues	-	165,219	-	1,770	-	-	-	163,449
Expenditures:								
Services:								
Professional	-	10,151	-	-	-	4,151	-	6,000
Bond issuance costs	-	19,692	-	-	-	19,692	-	-
Total services	-	29,843	-	-	-	23,843	-	6,000
Repairs and maintenance:								
Buildings	-	66,008	-	-	-	45,958	-	20,050
Grounds	-	15,461	-	-	-	4,640	-	10,821
Equipment	-	37,362	-	-	-	18,309	-	19,053
Vehicle	-	19,130	-	-	-	2,332	-	16,798
Aquatic	-	67,122	-	-	-	-	-	67,122
Athletic club	-	4,596	-	-	-	-	-	4,596
Office equipment	-	12,363	-	-	-	-	-	12,363
Resurface tennis courts	-	41,745	-	-	-	-	-	41,745
Liability	-	931	-	-	-	-	-	931
Expendable equipment	-	2,380	-	-	-	-	-	2,380
Total repairs and maintenance	-	267,098	-	-	-	71,239	-	195,859
Capital expenditures:								
Computer equipment	-	15,155	-	-	-	127	-	15,028
Capital equipment	-	7,933	-	-	-	-	-	7,933
NWSRA ramp project	-	133,909	-	-	-	-	-	133,909
Total capital expenditures	-	156,997	-	-	-	127	-	156,870
Total expenditures	-	453,938	-	-	-	95,209	-	358,729

(cont'd)

**Hanover Park Park District
Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018**

	Total		Non-Bond		General Obligation Park Bonds - Series 2017		General Obligation Park Bonds - Series 2016	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues over (under) expenditures before other financing sources	\$ -	\$ (288,719)	\$ -	\$ 1,770	\$ -	\$ (95,209)	\$ -	\$ (195,280)
Other financing sources: Bonds issued	-	273,200	-	-	-	273,200	-	-
Net changes in fund balance	<u>\$ -</u>	<u>(15,519)</u>	<u>\$ -</u>	<u>1,770</u>	<u>\$ -</u>	<u>177,991</u>	<u>\$ -</u>	<u>(195,280)</u>
Fund balance, beginning of the year		<u>292,224</u>		<u>67,104</u>		<u>-</u>		<u>225,120</u>
Fund balance, end of the year		<u>\$ 276,705</u>		<u>\$ 68,874</u>		<u>\$177,991</u>		<u>\$ 29,840</u>

See independent auditor's report.

**Hanover Park Park District
Debt Service Subfunds
Combining Balance Sheet
April 30, 2018**

		Park Bond and Interest Fund of 2017	Park Bond and Interest Fund of 2016	Park Bond and Interest Fund of 2015	Park Bond and Interest Fund of 2013	Alternate Bond and Interest Fund of 2011A	Fully Paid Bond Issues Fund
Assets	Total						
Equity in pooled cash and investments	\$ 258,802	\$ 147,131	\$ 55,258	\$ -	\$ 19,360	\$ -	\$ 37,053
Property taxes - net of allowance for uncollectible amounts	690,747	481,875	150,351	-	58,521	-	-
Total assets	\$ 949,549	\$ 629,006	\$ 205,609	\$ -	\$ 77,881	\$ -	\$ 37,053
Deferred Inflows and Fund Balance							
Deferred inflows:							
Property taxes	\$ 453,106	\$ 316,093	\$ 98,625	\$ -	\$ 38,388	\$ -	\$ -
Total liabilities	453,106	316,093	98,625	-	38,388	-	-
Fund balance:							
Restricted for debt service	496,443	312,913	106,984	-	39,493	-	37,053
Total fund balance	496,443	312,913	106,984	-	39,493	-	37,053
Total deferred inflows and fund balance	\$ 949,549	\$ 629,006	\$ 205,609	\$ -	\$ 77,881	\$ -	\$ 37,053

See independent auditor's report.

**Hanover Park Park District
Debt Service Subfunds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original and Final Budget	Total	Park Bond and Interest Fund of 2017	Park Bond and Interest Fund of 2016	Park Bond and Interest Fund of 2015	Park Bond and Interest Fund of 2013	Alternate Bond and Interest Fund of 2011A	Fully Paid Bond Issues Fund
Revenues:								
Property taxes	\$ 876,922	\$ 887,813	\$ 312,913	\$ 445,351	\$ 53,383	\$ 76,166	\$ -	\$ -
Adjustment of prior year's taxes	-	(2,287)	-	(2,287)	-	-	-	-
Total revenues	<u>876,922</u>	<u>885,526</u>	<u>312,913</u>	<u>443,064</u>	<u>53,383</u>	<u>76,166</u>	<u>-</u>	<u>-</u>
Expenditures:								
Bond principal	1,276,190	1,276,190	-	662,320	102,870	66,000	445,000	-
Bond interest	139,122	139,016	-	21,144	2,057	9,015	106,800	-
Paying agents' fees	3,250	475	-	-	-	-	475	-
Total expenditures	<u>1,418,562</u>	<u>1,415,681</u>	<u>-</u>	<u>683,464</u>	<u>104,927</u>	<u>75,015</u>	<u>552,275</u>	<u>-</u>
Revenues over (under) expenditures before other financing sources (uses)	<u>(541,640)</u>	<u>(530,155)</u>	<u>312,913</u>	<u>(240,400)</u>	<u>(51,544)</u>	<u>1,151</u>	<u>(552,275)</u>	<u>-</u>
Other financing sources (uses):								
Bond proceeds	551,800	551,800	-	-	-	-	551,800	-
Transfers in	-	14,027	-	-	-	-	475	13,552
Transfers out	-	(14,027)	-	-	(13,552)	-	-	(475)
Total other financing sources (uses)	<u>551,800</u>	<u>551,800</u>	<u>-</u>	<u>-</u>	<u>(13,552)</u>	<u>-</u>	<u>552,275</u>	<u>13,077</u>
Net changes in fund balance	<u>\$ 10,160</u>	<u>21,645</u>	<u>312,913</u>	<u>(240,400)</u>	<u>(65,096)</u>	<u>1,151</u>	<u>-</u>	<u>13,077</u>
Fund balance, beginning of the year		<u>474,798</u>	<u>-</u>	<u>347,384</u>	<u>65,096</u>	<u>38,342</u>	<u>-</u>	<u>23,976</u>
Fund balance, end of the year		<u>\$ 496,443</u>	<u>\$ 312,913</u>	<u>\$ 106,984</u>	<u>\$ -</u>	<u>\$ 39,493</u>	<u>\$ -</u>	<u>\$ 37,053</u>

See independent auditor's report.

**Hanover Park Park District
Schedule of Capital Assets
April 30, 2018**

Land	\$ 3,764,457
Land improvements	4,854,102
Buildings and improvements	16,284,167
Equipment, office furniture and fixtures	2,924,809
Vehicles	397,295
Construction in progress	<u>-</u>
Total capital assets, at cost	28,224,830
Less accumulated depreciation	<u>(16,743,165)</u>
Total capital assets, net	<u>\$ 11,481,665</u>

See independent auditor's report.

Hanover Park Park District
Schedule of Bonds Payable to Maturity
April 30, 2018

	Interest Rate	Maturity Date	Original Issue	Payments to April 30, 2018	Outstanding April 30, 2018	Interest Due
2011A Alternate Revenue Source Bonds						
	3.00%	12-15-17	\$ 445,000	\$ 445,000	\$ -	\$ -
	3.00%	12-15-18	455,000	-	455,000	93,450
	4.00%	12-15-19	470,000	-	470,000	79,800
	4.00%	12-15-20	490,000	-	490,000	61,000
	4.00%	12-15-21	510,000	-	510,000	44,100
	4.00%	12-15-22	525,000	-	525,000	21,000
			<u>2,895,000</u>	<u>445,000</u>	<u>2,450,000</u>	<u>299,350</u>
2013 General Obligation Limited Bonds						
	2.00%	12-15-17	66,000	66,000	-	-
	2.25%	12-15-18	67,000	-	67,000	7,694
	2.65%	12-15-19	69,000	-	69,000	6,187
	2.90%	12-15-20	71,000	-	71,000	4,359
	3.15%	12-15-21	73,000	-	73,000	2,300
			<u>346,000</u>	<u>66,000</u>	<u>280,000</u>	<u>20,539</u>
2015 General Obligation Limited Bonds						
	2.00%	12-15-17	<u>102,870</u>	<u>102,870</u>	<u>-</u>	<u>-</u>
			<u>102,870</u>	<u>102,870</u>	<u>-</u>	<u>-</u>
2016 General Obligation Limited Bonds						
	2.25%	12-15-17	662,320	662,320	-	-
	2.25%	12-15-18	<u>187,680</u>	<u>-</u>	<u>187,680</u>	<u>4,223</u>
			<u>850,000</u>	<u>662,320</u>	<u>187,680</u>	<u>4,223</u>
2017 General Obligation Limited Bonds						
	2.49%	12-15-18	592,680	-	592,680	22,368
	2.49%	12-15-19	<u>232,320</u>	<u>-</u>	<u>232,320</u>	<u>5,785</u>
			<u>825,000</u>	<u>-</u>	<u>825,000</u>	<u>28,153</u>
			<u>\$ 5,018,870</u>	<u>\$ 1,276,190</u>	<u>\$ 3,742,680</u>	<u>\$ 352,265</u>

See independent auditor's report.

STATISTICAL DATA

Hanover Park Park District
Computation of Legal Debt Margin
April 30, 2018

	Without Referendum	With Referendum
Assessed valuation	\$ 544,062,308	\$ 544,062,308
Statutory debt limitation - percent of assessed valuation	2.875%	5.750%
Amount	\$ 15,641,791	\$ 31,283,583
Total debt - general obligation bonds	1,292,680	1,292,680
Legal debt margin	\$ 14,349,111	\$ 29,990,903

Alternate revenue source bonds are not included in the computation of statutory indebtedness, unless taxes levied to pay such obligations are in fact extended.

See independent auditor's report.

**Hanover Park Park District
General and Special Revenue Funds
General Revenue by Source
For the Years Ended April 30, 2009 to 2018**

Year	Total	Property Taxes	Personal Property Replacement Income Tax	Recreational and Athletic Club Fees	Grants and Donations	Rental	Interest Earned	Pro Shop and Concessions	Other
2018	\$ 3,394,447	\$ 2,106,910	\$ 30,553	\$ 1,083,739	\$ -	\$ 60,078	\$ 4,004	\$ 28,671	\$ 80,492
2017	3,476,346	2,089,196	37,485	1,203,820	8,326	37,077	1,001	44,024	55,417
2016	3,316,666	2,016,096	35,685	1,118,264	-	38,140	722	43,369	64,390
2015	3,233,380	1,992,676	35,228	1,058,768	-	37,304	110	37,945	71,349
2014	3,307,153	2,101,202	36,115	1,053,901	-	37,781	189	34,850	43,115
2013	3,270,021	1,959,845	31,559	1,122,842	-	55,658	353	49,730	50,034
2012	3,405,447	2,175,294	31,831	1,040,437	-	50,648	504	47,216	59,517
2011	3,231,355	2,005,193	35,280	1,011,397	-	54,629	624	48,301	75,931
2010	3,202,791	1,874,877	31,744	1,116,288	-	56,283	1,124	46,135	76,340
2009	3,331,033	1,851,478	35,862	1,239,739	-	63,829	10,155	55,195	74,775

See independent auditor's report.

Hanover Park Park District
General and Special Revenue Funds
General Governmental Expenditures by Function
For the Years Ended April 30, 2009 to 2018

<u>Year</u>	<u>Total</u>	<u>Salaries and Wages</u>	<u>Services</u>	<u>Repairs and Maintenance</u>	<u>Supplies and Materials</u>	<u>Seafari Springs</u>	<u>Capital Expenditures</u>
2018	\$ 3,284,192	\$ 1,409,584	\$ 1,588,947	\$ 695	\$ 143,350	\$ 141,616	\$ -
2017	3,321,878	1,478,160	1,471,683	781	151,683	219,571	-
2016	3,341,021	1,507,221	1,505,687	412	122,606	205,095	-
2015	3,444,430	1,488,464	1,554,885	64,074	148,094	188,913	-
2014	3,419,923	1,479,495	1,536,450	53,880	146,612	202,394	1,092
2013	3,485,774	1,516,118	1,482,654	59,409	207,113	219,101	1,379
2012	3,167,565	1,459,361	1,275,794	63,634	150,018	218,758	-
2011	3,218,654	1,432,596	1,307,717	73,025	157,740	245,419	2,157
2010	3,203,498	1,462,939	1,291,399	66,338	153,503	229,025	294
2009	3,448,916	1,498,379	1,383,930	73,510	175,224	316,223	1,650

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Hanover Park Park District
Statistical Comparison of Property Taxes
Levied to Collected - 2008 to 2017
April 30, 2018

	Tax Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Assessed valuation:										
DuPage County	\$ 318,950,826	\$ 296,777,235	\$ 275,333,034	\$ 276,639,836	\$ 287,951,321	\$ 317,294,203	\$ 360,581,528	\$ 400,890,906	\$ 433,445,365	\$ 438,113,207
Cook County	225,111,482	223,173,589	195,206,837	201,978,981	236,103,104	236,103,104	255,467,574	258,156,274	280,951,225	259,336,714
	\$ 544,062,308	\$ 519,950,824	\$ 470,539,871	\$ 478,618,817	\$ 524,054,425	\$ 553,397,307	\$ 616,049,102	\$ 659,047,180	\$ 714,396,590	\$ 697,449,921
Tax rates (% of assessed valuation):										
General Fund	0.1210	0.1241	0.1350	0.1262	0.1190	0.1187	0.1010	0.0922	0.0896	0.0784
Recreation Fund	0.1292	0.1323	0.1417	0.1322	0.1089	0.1064	0.0856	0.0770	0.0742	0.0688
Illinois Municipal Retirement Fund	0.0267	0.0273	0.0316	0.0334	0.0340	0.0280	0.0225	0.0167	0.0173	0.0177
Liability Insurance Fund	0.0281	0.0287	0.0316	0.0300	0.0282	0.0308	0.0249	0.0344	0.0169	0.0199
Audit Fund	0.0031	0.0031	0.0034	0.0031	0.0028	0.0029	0.0029	0.0023	0.0016	0.0025
Paving and Lighting Fund	0.0042	0.0042	0.0049	0.0046	0.0033	0.0035	0.0023	0.0031	0.0034	0.0040
Special Recreation Fund	0.0370	0.0363	0.0401	0.0359	0.0375	0.0418	0.0384	0.0415	0.0401	0.0379
Bond and Interest Fund	0.1666	0.1707	0.1877	0.1795	0.1629	0.1566	0.1309	0.1231	0.1136	0.1107
Museum Fund	0.0147	0.0150	0.0170	0.0166	0.0156	0.0139	0.0119	0.0111	0.0108	0.0105
Police Fund	0.0136	0.0139	0.0159	0.0154	0.0145	0.0150	0.0103	0.0093	0.0118	0.0116
Social Security	0.0201	0.0205	0.0237	0.0236	0.0225	0.0222	0.0186	0.0155	0.0147	0.0205
	0.5643	0.5761	0.6328	0.6005	0.5491	0.5398	0.4493	0.4262	0.3940	0.3825
Tax extensions:										
General Fund	\$ 658,209	\$ 645,133	\$ 635,464	\$ 603,918	\$ 623,433	\$ 656,883	\$ 622,210	\$ 607,641	\$ 640,099	\$ 546,801
Recreation Fund	703,179	687,941	666,919	632,853	570,499	588,815	527,338	507,466	530,082	479,846
Illinois Municipal Retirement Fund	145,043	141,950	148,694	159,962	177,927	154,951	138,611	110,061	123,591	123,449
Liability Insurance Fund	152,816	149,388	148,828	143,475	147,794	170,446	153,396	226,712	120,733	138,793
Audit Fund	16,973	16,023	16,033	14,912	14,770	16,049	17,865	15,158	11,430	17,436
Paving and Lighting Fund	22,998	22,045	23,024	22,128	17,037	19,369	14,169	20,430	24,289	27,898
Special Recreation Fund	201,032	188,559	188,846	171,877	196,289	231,320	236,563	273,505	286,473	264,334
Bond and Interest Fund	906,212	887,536	883,334	858,983	853,824	866,620	806,408	811,287	811,555	772,077
Museum Fund	79,780	77,853	79,965	79,638	81,726	76,922	73,310	73,154	77,155	73,232
Police Fund	73,910	72,292	74,760	73,661	76,201	83,010	63,453	61,291	84,299	80,904
Social Security	109,122	106,810	111,554	112,759	117,829	122,854	114,585	102,152	105,016	142,977
	\$ 3,069,274	\$ 2,995,530	\$ 2,977,421	\$ 2,874,166	\$ 2,877,329	\$ 2,987,239	\$ 2,767,908	\$ 2,808,857	\$ 2,814,722	\$ 2,667,747
Collections	\$ 693,089	\$ 2,975,402	\$ 2,960,759	\$ 2,847,820	\$ 2,835,804	\$ 2,910,290	\$ 2,761,270	\$ 2,780,381	\$ 2,800,380	\$ 2,677,466
Percentage of extensions collected	22.58%	99.33%	99.44%	99.08%	98.56%	97.42%	99.76%	98.99%	99.49%	100.36%

See independent auditor's report.



Hanover Park
Park District



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