

Sterling Park District
Sterling, Illinois
Annual Financial Report
For the Year Ended April 30, 2016

Sterling Park District
Table of Contents
For the Year Ended April 30, 2016

	Pages(s)
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 – 11
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
FUND FINANCIAL STATEMENTS	
Governmental Funds	
Balance Sheet	14
Statement of Revenue, Expenditures and Changes in Fund Balance	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
NOTES TO FINANCIAL STATEMENTS	18 – 48
REQUIRED SUPPLEMENTARY INFORMATION	
Retirement Fund Commitment – Schedule of Funding Progress	49
Retirement Fund Commitment – Schedule of Funding Progress	50
Schedule of Changes in Net Pension Liability and related Ratios Multiyear	51
Statement of Revenue, Expenditures and Changes in Fund Balance Budget and Actual – General Fund	52
Statement of Revenue, Expenditures and Changes in Fund Balance Budget and Actual – Recreation Fund	53
MAJOR FUNDS	
Schedule of Revenue and Expenditures Budget and Actual	
General Fund	54
Recreation Fund	55
Statement of Revenue, Expenditures and Change in Fund Balance – Budget to Actual	
Debt Service Fund	56
Capital Projects Fund	57
NON-MAJOR FUNDS	
SUPPLEMENTAL SCHEDULES	
COMBINING AND INDIVIDUAL FUNDS	
Governmental Funds	
Special Revenue Funds	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	59
Liability Insurance Fund	

Sterling Park District
Table of Contents
For the Year Ended April 30, 2016

Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Social Security Fund	60
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual P. W. Dillon Museum Fund	61
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Police Fund	62
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Illinois Municipal Retirement Fund	63
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Audit Fund	64
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Special Gift Fund	65
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual Special Recreation Fund	66
Schedule of Revenue, Expenditures and Changes in Fund Balance Budget to Actual	67
Notes to Supplemental Information	68
SUPPLEMENTAL SCHEDULES	
Debt Service Requirement – Bond Issue Dated December 2014	69
Debt Service Requirement – Alternative Revenue Bond Issue Dated July 2009	70
Debt Service Requirement – Alternative Revenue Bond Issue Dated July 2010	71
Debt Service Requirement – Alternative Revenue Bond Issue Dated June 2010	72
Computation of Legal Debt Margin	73
Trend Information	
Schedule of Assessed Valuation, Tax Levies, Rates and Extensions	74

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Sterling Park District
Sterling, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sterling Park District of Sterling, Illinois as of and for the year ended April 30, 2016, and the related notes to the financial statements, and the related notes to the financial statements which collectively comprise the District's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sterling Park District as of April 30, 2016 and the respective changes in financial position and, cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress on pages 4-11 and 44-46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America; which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The major fund budgetary comparison schedules listed on the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standard Board. The Required supplementary Information has been subject to the auditing procedures applied in the audit of the basic financial statements for the year ending April 30, 2016 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the Sterling Park District basic financial statements. The combining and individual fund financial schedules for the year ended April 30, 2016 listed in the table of contents are presented for additional analysis and are not a required of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual fund financial schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2016 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial schedules are fairly stated in all material respects in relation to the basic financial statement taken as a whole.

The Statistical Information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Sterling Park District. The information has not been audited by us and, accordingly, we express no opinion on such information.


REIFLER SHARPS SCHUETZ, LTD.

Chicago, Illinois
November 28, 2016

Sterling Park District Management's Discussion and Analysis

The Sterling Park District was established in 1923, covering approximately 10 square miles, primarily in Sterling Township, and has a service population of about 25,000. The governing body of the district is comprised of five Commissioners elected at large for staggered four year terms. A President and Vice-President are elected by the Commissioners, and a Secretary and Treasurer are appointed by the Commissioners. The daily administrative functions of the District are there responsibility of the Executive Director, who is appointed by the Board. The District employs 16 full-time and 225 part-time employees.

Approximately 17 park sites and recreational facilities totaling about 525 acres are owned by the District. Additional recreation areas are available to District residents through leases with the Illinois Department of Natural Resources. Principal park facilities include the following Frasor Center (Administration and Maintenance), Duis Recreation Center, Westwood Fitness and Sports Center, Dillon Home Museum, Oppold Marina and Emerald Hill Golf Course.

Recreational activities are provided by the District include several miles of bike paths, a multitude of athletic fields, outdoor tennis and basketball courts, playgrounds, several indoor recreational/sports areas, boating, fishing and several hundred organized recreational programs.

Introduction

The Park District's Management's Discussion and Analysis (MD&A) provides an overview of the District's financial activities for the year ended April, 30, 2016. Please read it as a narrative introduction to the financial statements that follow. This report is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position, identify any material deviations from the approved budget and identify individual fund issues and concerns.

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

Financial Highlights

- The District's total assets exceeded its total liabilities at the close of the most recent fiscal year by \$13,902,325 an increase of \$273,382
- Net assets of governmental activities were \$13,902,325.
- Property taxes levied and collected were \$2,512,095 compared to the prior year of \$2,495,394 for an increase of \$16,701.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

- The District's governmental funds reported combined ending fund balances of \$2,013,847, a decrease of \$430,971. The decrease is primarily due to capital improvements in the District.
- The District continues to have the ability to devote resources toward maintaining, improving and expanding its parks, playgrounds and facilities. The District spent \$654,839 on capital improvements.
- The District's outstanding long-term debt decreased by \$623,816 to \$7,443,184.

Overview of the Financial Statements

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

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the District's finances. The two new government-wide financial statements, Statement of Net Position and Statement of Activities represent an overview of the District as a whole, separating its operations between governmental and business type activities. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis of full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position presents information on all District assets and liabilities, with the difference between the two 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.

The Statement of Activities presents changes in the District's net position during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by taxes and intergovernmental revenue, such as grants, Governmental activities that are intended to recover all or significant portion of costs through user fees and charges. Governmental activities include general government and recreation.

The government-wide financial statements are presented on pages 12-13 of this report.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

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 statement, 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 other are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in the later section of this report.

The District has two kinds of funds:

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and change 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 comparisons schedules for other special revenue funds can be found in a later section of the report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic government fund financial statements are presented on pages 14-15 of this report.

Proprietary funds the District has no Proprietary funds.

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 18 of this report.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

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 obligations to provide pension benefits to its employees. Other supplementary information includes detail by funds for receivables, payables transfers and payments within the reporting entity. Required supplementary information can be found on page 44 through 51 of this report.

Major funds are reported in the basic financial statements as discussed. Combined and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 52.

Government-wide Financial Analysis

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

Statement of Net Position

As noted earlier, the District's combined net position for governmental activities increased to \$13,902,325 as of April 30, 2016, an increase of \$273,382.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

<u>Financial Position</u>	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2015</u>
Current Assets	\$ 3,586,280	\$ 4,005,007
Capital Assets	18,244,436	18,171,556
Total Assets	21,830,716	22,176,563
Deferred Outflows	310,617	-
Current Liabilities	2,594,715	2,599,115
Long Term Liabilities	5,518,367	6,133,196
Total Liabilities	8,113,082	8,732,311
Deferred Inflows	125,926	-
Net Assets Invested in Capital Assets		
Net of Related Debt	11,608,667	10,999,435
Restricted Net Assets	2,212,804	2,526,060
Unrestricted Net Assets	<u>80,854</u>	<u>(81,243)</u>
Total Net Position	<u>\$ 13,902,325</u>	<u>\$ 13,444,252</u>

**Sterling Park District
Management's Discussion and Analysis (Continued)**

Statement of Activities

The cost of all governmental activities this was \$5,229,356. This is an increase of \$542,679 from last year, which is primarily due to additional capital improvements in the district.

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2015</u>
Revenue		
Charges for Services	\$ 1,690,798	\$ 1,660,223
Operating Grants and Contributions	903,865	1,162,901
Property Taxes	2,512,095	2,495,394
Replacement Taxes	264,898	261,428
Insurance Reimbursement	118,987	61,450
Miscellaneous	<u>12,095</u>	<u>17,049</u>
 Total Revenue	 <u>5,502,738</u>	 <u>5,658,445</u>
 Expenses		
Government Activities		
General Government	2,041,405	1,565,839
Recreation	2,923,883	2,781,659
Interest on Long Term Debt	<u>264,068</u>	<u>339,179</u>
 Total Expenses	 <u>5,229,356</u>	 <u>4,686,677</u>
 Increase/Decrease in Net Position	 273,382	 971,768
Prior period Adjustment	184,691	-
Net Position - Beginning	<u>13,444,252</u>	<u>12,472,484</u>
 Net Position - Ending	 <u>\$ 13,902,325</u>	 <u>\$ 13,444,252</u>

Governmental Activities

As stated previously, governmental activities increased the District's net position by \$273,382. This is primarily due to increased contributions to the District.

Property taxes increased by \$16,701. The District's tax rate is 1.1813 per \$100.

Program Fees increased by \$30,575.

Total Revenues decreased by \$155,707.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

Business-type Activities

There are no Business-type Activities by the District.

Government Funds

As discussed, government funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$2,102,366. The total ending fund balances of governmental funds show a decrease of \$342,452 from the previous year.

Major Government Funds

The General, Recreation, Special Revenue, Debt Service, and Capital Projects funds are the primary operating funds of the District.

The General fund balance as of April 30, 2016 was \$28,434, a decrease of \$11,850 from the prior year.

The Recreation fund balance was \$184,123, an increase of \$129,137 from the prior year.

The Special Revenue fund balance was \$407,190, an increase of \$9,593 from the prior year.

The Debt Service fund balance was \$670,460, a decrease of \$9,917 from the prior year.

The Capital Projects fund balance was \$723,640, a decrease of \$547,934 from the prior year.

Proprietary Funds

The District has no proprietary funds.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets, for its governmental activities as of April 30, 2016 was \$18,244,436 (net of related depreciation). The investment in capital assets includes land, buildings and land improvements, machinery and equipment and vehicles. For further detail see accompanying notes.

**Sterling Park District
Management's Discussion and Analysis (Continued)**

Debt Administration

As of April 30, 2016 the Park District has general obligation bond issues of \$1,310,000 and alternative bond obligations of \$6,133,184 for a total \$7,443,184. The fund balance of the Debt Service Fund amounted to \$670,460 as of April 30, 2016. Debt decreased by \$623,816 in the current year. For further detail see accompanying notes.

Factors Bearing on the District's Future and Budget

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that would adversely affect its financial health in the near future.

There were no variations to the original budget and the final budget. There were no significant variations to actual results to budget in the general fund.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the Executive Director at:

Sterling Park District
1913 Third Avenue
Sterling, IL. 61081

Sterling Park District
Statement of Net Position
April 30, 2016

	<u>Governmental</u> <u>Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 849,342
Property Tax Receivable	2,512,095
Inventory	<u>224,843</u>
TOTAL CURRENT ASSETS	\$ 3,586,280
NON-CURRENT ASSET	
Land	3,570,319
Buildings	25,461,630
Furniture and Equipment	3,354,860
Accumulated Depreciation	<u>(14,142,373)</u>
TOTAL NON-CURRENT ASSETS	<u>18,244,436</u>
TOTAL ASSETS	<u>21,830,716</u>
DEFERRED OUTFLOWS	<u>310,617</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 669,898
Long Term Liabilities Due Within One Year:	
Loans	619,816
General Obligation Bonds	<u>1,310,000</u>
TOTAL CURRENT LIABILITIES	2,599,714
NON-CURRENT LIABILITIES	
Long Term Liabilities Due In More Than One Year:	
General Obligation Bonds	<u>5,513,368</u>
TOTAL NON-CURRENT LIABILITIES	<u>5,513,368</u>
TOTAL LIABILITIES	<u>8,113,082</u>
DEFERRED INFLOWS	<u>125,926</u>
NET POSITION	
Net Investment in Capital Assets	11,608,667
Non-Spendable Endowment	11,570
Restricted	2,201,234
Unrestricted	<u>80,854</u>
TOTAL NET POSITION	<u>\$ 13,902,325</u>

See Accompanying Notes to the Financial Statements

Sterling Park District
Statement of Activities
For the Year Ended April 30, 2016

	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expenses) Revenue and Changes in Net Assets</u>	
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
GOVERNMENTAL ACTIVITIES					
Parks and Recreations	\$ 2,445,910	\$ 1,686,519	\$ 118,987	\$ 72,375	\$ (568,029)
Museum	118,010	4,279	0	0	(113,731)
Insurance	127,232	0	0	0	(127,232)
Cf and Social Security	232,731	0	0	0	(232,731)
General Administration	2,041,405	0	0	0	(2,041,405)
Debt Service	264,068	0	0	0	(264,068)
TOTAL GOVERNMENT ACTIVITIES	<u>\$ 5,229,356</u>	<u>\$ 1,690,798</u>	<u>\$ 118,987</u>	<u>\$ 72,375</u>	<u>\$ (3,347,196)</u>
GENERAL REVENUE					
Taxes					\$ 1,170,995
Property Taxes Levied for General Purposes					1,340,920
Property Taxes Levied for Debt Services					264,898
Replacement Tax					0
Investment Earnings					831,670
Grants and Contributions not Restricted					12,095
Miscellaneous Local and Intermediate Revenue					
TOTAL GENERAL REVENUE					<u>3,620,578</u>
CHANGE IN NET POSITION					273,382
PRIOR PERIOD ADJUSTMENT					184,691
NET POSITION - BEGINNING					<u>13,444,252</u>
NET POSITION - ENDING					<u>\$ 13,902,325</u>

See Accompanying Notes to the Financial Statements

Sterling Park District
Governmental Funds
Balance Sheet
April 30, 2016

	Governmental Fund Types					Total Government Funds
	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	
ASSETS						
Cash	\$ 300	\$ 2,950	\$ 0	\$ 0	\$ 50	\$ 3,300
Cash In Bank - Savings	30,296	60,168	0	731,472	24,106	846,042
Property Tax Receivable	213,402	159,868	1,340,920	0	791,304	2,505,494
Inventory	19,765	205,078	0	0	0	224,843
TOTAL ASSETS	<u>263,763</u>	<u>428,064</u>	<u>1,340,920</u>	<u>731,472</u>	<u>815,460</u>	<u>3,579,679</u>
DEFERRED OUTFLOWS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 263,763</u>	<u>\$ 428,064</u>	<u>\$ 1,340,920</u>	<u>\$ 731,472</u>	<u>\$ 815,460</u>	<u>\$ 3,579,679</u>
LIABILITIES						
Accounts Payable	\$ 94,469	\$ 127,630	\$ 0	\$ 7,832	\$ 8,849	\$ 238,780
Accrued Payroll	20,487	36,377	0	0	3,764	60,628
Accrued Expenses	13,672	0	0	0	0	13,672
TOTAL LIABILITIES	<u>128,628</u>	<u>164,007</u>	<u>0</u>	<u>7,832</u>	<u>12,613</u>	<u>313,080</u>
DEFERRED INFLOWS						
Deferred Property Taxes	106,701	79,934	670,460	0	395,657	1,252,752
TOTAL DEFERRED INFLOWS	<u>106,701</u>	<u>79,934</u>	<u>670,460</u>	<u>0</u>	<u>395,657</u>	<u>1,252,752</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS	<u>235,329</u>	<u>243,941</u>	<u>670,460</u>	<u>7,832</u>	<u>408,270</u>	<u>1,565,832</u>
FUND BALANCES						
Non-Spendable	11,570	0	0	0	0	11,570
Restricted	126,466	285,012	670,460	723,640	395,656	2,201,234
Assigned	0	0	0	0	0	0
Unassigned	(109,602)	(100,889)	0	0	11,534	(198,957)
TOTAL FUND BALANCE	<u>28,434</u>	<u>184,123</u>	<u>670,460</u>	<u>723,640</u>	<u>407,190</u>	<u>2,013,847</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 263,763</u>	<u>\$ 428,064</u>	<u>\$ 1,340,920</u>	<u>\$ 731,472</u>	<u>\$ 815,460</u>	<u>\$ 3,579,679</u>

See Accompanying Notes to the Financial Statements

**Sterling Park District
Governmental Funds
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended April 30, 2016**

	Governmental Fund Types					Total
	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental	Government Funds
REVENUES						
Property Taxes	\$ 213,986	\$ 160,487	\$ 1,347,881	\$ 0	\$ 774,831	\$ 2,497,185
Replacement Taxes	248,289	0	0	0	16,609	264,898
Program Fees And Charges	0	1,686,519	0	0	4,279	1,690,798
Contributions	33,905	72,375	0	601,000	170,570	877,850
Insurance Reimbursement	26,195	118,987	0	0	0	145,182
Other	220	11,839	0	0	36	12,095
TOTAL REVENUE	522,595	2,050,207	1,347,881	601,000	966,325	5,488,008
EXPENDITURES (CURRENT)						
General	1,256,548	0	0	0	0	1,256,548
Recreation Programs	0	2,457,002	0	0	0	2,457,002
Liability Insurance	0	0	0	0	0	0
Special Recreation	0	0	0	0	3,252	3,252
Municipal Retirement	0	0	0	0	0	0
Museum	0	0	0	0	143,631	143,631
Police Program	0	0	0	0	0	0
Debt Service						
Principal	0	119,816	1,814,000	0	0	1,933,816
Interest	0	10,744	260,351	0	0	271,095
Fees	0	0	3,280	0	0	3,280
Capital Improvements	0	0	0	1,156,234	0	1,156,234
Audit	0	0	0	0	0	0
Special Gift	0	0	0	0	4,121	4,121
TOTAL EXPENDITURES	1,256,548	2,587,562	2,077,631	1,156,234	151,004	7,228,979
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(733,953)	(537,355)	(729,750)	(555,234)	815,321	(1,740,971)
OTHER FINANCING SOURCES (USES)						
OPERATING TRANSFERS IN	722,103	711,468	737,397	0	0	2,170,968
OPERATING TRANSFERS OUT	0	(44,976)	(17,564)	(1,302,700)	(805,728)	(2,170,968)
EQUIPMENT LOAN	0	0	0	0	0	0
BOND ISSUE PROCEEDS	0	0	0	1,310,000	0	1,310,000
TOTAL OTHER FINANCING SOURCES	722,103	666,492	719,833	7,300	(805,728)	1,310,000
NET CHANGE IN FUND BALANCES	(11,850)	129,137	(9,917)	(547,934)	9,593	(430,971)
FUND BALANCE BEGINNING OF YEAR	40,284	54,986	680,377	1,271,574	397,597	2,444,818
FUND BALANCE END OF YEAR	\$ 28,434	\$ 184,123	\$ 670,460	\$ 723,640	\$ 407,190	\$ 2,013,847

See Accompanying Notes to the Financial Statements

Sterling Park District

Governmental Funds

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
April 30, 2016

Total Fund Balances - Governmental Funds	\$ 2,013,847
Capital Assets used in the Governmental Activities are not Financial Resources and therefore are not reported in the Governmental Fund Financial Statements	32,386,809
Accumulated Depreciation has not been included in the Governmental Fund Financial Statements	(14,142,373)
Bonds Payable and Contractual Obligations have not been included in the Governmental Fund Financial Statements	(7,443,184)
Accrued Interest for Bond Obligations have not been reflected in the Governmental Fund Financial Statements	(117,709)
Accrued Liabilities for Employee Benefits have not been reflected in the Governmental Fund Financial Statements	(239,109)
Prior period adjustment related to IMRF GASB 68	184,691
Revenue reported as Deferred Revenue in the Governmental Fund Financial Statements was recorded as revenue in the Government-Wide Financial Statements	<u>1,259,353</u>
Net Position of Governmental Activities	<u>\$ 13,902,325</u>

See Accompanying Notes to the Financial Statements

Sterling Park District

Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended April 30, 2016

Total Net Change in Fund Balances - Total Governmental Funds	\$ (430,971)
Current Year Capital Outlays are Expenditures in the Governmental Fund Financial Statements, but they are shown as Increases in Capital Assets in the Government-Wide Financial Statements	654,839
Current Year Long Term Debt Principal Payments reported as Expenditures in the Government Fund Financial Statements are shown as Reductions in Long Term Debt in the Government-Wide Financial Statements	1,933,816
Interest is accrued on Outstanding Debt in the Government-Wide Financial Statements, whereas in the Governmental Fund Financial Statements, an Interest expenditure is reported when due	(117,709)
Revenue from Property Taxes is deferred in the Fund Financial Statements until they are considered available to finance Current Expenditures, but such Revenue are recognized when assessed net of an Allowance for Uncollectible Accounts in the Government-Wide Financial Statements	(8,129)
Depreciation is not recognized as an Expense in Governmental Funds since it does not require the use of current financial resources. The effect of the Current Year's Depreciation is to decrease Net Assets	(666,264)
The Government Fund Financial Statements reflect Bond Issue Proceeds as a Source of Funds. This is a Non-Revenue item Government-Wide Financial Statement	(1,310,000)
Payment of Prior Years Accrued Expenses deducted in Fund Financial Statement when paid. Accrued in Prior Year Government-Wide Financial Statements	<u>211,199</u>
Change in Net Position of Governmental Activities	<u>\$ 266,781</u>

See Accompanying Notes to the Financial Statements

Sterling Park District
Notes To The Financial Statements
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sterling Park District (District) is operated under a board of commissioners - director form of government and is operated to improve the quality of life for the residents of Sterling Township which include: recreation programs, park management, capital development and general administration.

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

A. Reporting Entity

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

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

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

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

B. New Accounting Standards Implemented

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

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. New Accounting Standards Implemented (Continued)

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

C. Basis of Presentation

GOVERNMENT - WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business type activities, when applicable. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS

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

- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund are at least ten percent of the corresponding total for all funds of that category or type and
- Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.
- 60 days is the length of time used to define available for purposes of revenue recognition in the governmental fund financial statements.

GOVERNMENTAL FUNDS (GOVERNMENTAL ACTIVITIES)

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

General Fund

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

Special Revenue Funds

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

Funds included in this fund category are:

Special Gifts	Illinois Municipal Retirement
Special Recreation	Museum
Liability Insurance	Police Program
Social Security	Audit

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

GOVERNMENTAL FUNDS (GOVERNMENTAL ACTIVITIES) (CONTINUED)

Debt Service Fund

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

Capital Projects Fund

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

Proprietary Fund Types

The proprietary fund type is used to account for activities which are similar to those often found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Park District has no funds which operate as enterprise funds.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS (CONTINUED)

GOVERNMENTAL FUNDS (GOVERNMENTAL ACTIVITIES) (CONTINUED)

Major Funds

The Park District reports the following major governmental funds:

- The General Fund, which accounts for the Park District's primary operating activities.
- The Recreation Fund, which accounts for the operations of the recreation programs offered to residents. Financing is provided by a specific annual property tax levy to the extent user charges are not sufficient to provide such financing.
- The Debt Service Fund, which accounts for the payment of long-term debt principal, interest and related costs.
- The Capital Projects Fund, which accounts for financial resources to be used for the acquisition or construction of major capital facilities, equipment, and capital asset replacements.

Non-Major Funds

The Park District reports the following non-major governmental funds:

- Liability Insurance Fund
- Social Security Fund
- Illinois Municipal Retirement Fund
- Museum Fund
- Police Program Fund
- Audit Fund
- Special Gift Fund
- Special Recreation Fund

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

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

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

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

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

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus

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

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

F. Use of Estimates

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

G. Accrued Vacation

As of April 30, 2016 and 2015, the amount of accumulated vacation and paid time off is, \$239,109 and \$226,280, respectively, reflecting an increase of \$12,829. This liability is accounted for as a governmental activity or a business activity on the Government-Wide Statement of Net Position and in the Fund Financial Statements, depending on the individual fund incurring the liability. Historically, the governmental activities liability has been paid from the General and Recreation Funds. The liability is expected to be paid within one year of the balance sheet date.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Budgetary Data

The Park District operates under the Appropriations Act. All financial statements utilize the term "budget" to reflect estimated revenue and appropriations. The budgets are prepared using the same basis of accounting to reflect revenues and expenditures/expenses as is used in the preparation of the general purpose financial statements.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at a public meeting to obtain taxpayer comments.
3. Prior to June 1, the budget is legally enacted through passage of an ordinance.
4. The Treasurer is authorized to transfer up to 10% of the total budget between budget items within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Commissioners.
5. Formal budgetary integration is employed as a management control device during the year.
6. Budgeted amounts are as adopted by the Board of Commissioners.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are legally adopted on a basis consistent with GAAP. Because the level of legal control is at the individual fund level, expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation at the fund level must be approved by the Park District Board through a supplemental appropriation. No supplemental appropriations were made during the year ending April 30, 2016.

By law, management can make transfers between individual expenditure line items within a fund, but approval by the Board of Commissioners is required in order for management to make transfers between individual funds. The Board may authorize transfers not to exceed 10% of budgeted expenditures for the year. An ordinance must be filed with the county in order for the budget to be amended.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Cash, Cash Equivalents, and Investments

The Park District considers all highly liquid investments with an initial maturity date within three months of the date acquired by the Park District and investment pools to be cash equivalents.

Cash amounts are carried at cost, and represent funds held in the Park District's name by the applicable financial institution, adjusted for outstanding transactions.

Under Illinois law, the Park District is restricted to investing funds in specific types of investment instruments. The following generally represent the types of instruments allowable by State Law:

1. Securities issued or guaranteed by the U.S. Government.
2. Interest-bearing accounts of banks and savings and loan associations insured up to \$250,000 by the Federal Deposit Insurance Corporation.
3. Short-term obligations (less than 270 days) of U.S. corporations with assets over \$500 million dollars rated in the highest classification by at least two rating agencies.
4. Insured accounts of an Illinois credit union chartered under United States or Illinois law.
5. Money market mutual funds with portfolios of securities issued or guaranteed by the U.S. Government or agreements to repurchase these same types of obligations.
6. Illinois Park District Liquid Asset Fund Plus and the Illinois Funds Money Market Fund.
7. Repurchase agreements, which must meet instrument transaction requirements of Illinois law. The Park District does not invest in repurchase agreements.

J. Interfund Receivables / Payables

Amounts due to and due from other funds may arise during the course of the Park District's operations because of numerous transactions between funds to finance operations, provide services, construct assets and service debt at April 30, 2016, the Park District interfund balance was \$0.

K. Transfers

During the normal course of Park operations, transfers between funds may arise to reimburse individual funds for expenditures/expenses incurred for the benefit of other funds. Typical expenses in the category are general administrative and maintenance expenses. Transfers were made for the year ended April 30, 2016 and amounted to \$2,170,968. The District budgets for transfer between funds and all transfer are approved by the board. The transfers cover expenses paid from the General fund, Recreation fund and Debt Service fund for items related to Capital Projects and Non-Major funds

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Inventories

The Park District does carry inventory at recreation facilities. Inventories are valued at the lower of cost or market.

M. Prepaid Expenses / Expenditures

Payments made to vendors for services that will benefit periods beyond April 30, 2016 are recorded as prepaid expenses/expenditures.

N. Capital Assets

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

GOVERNMENT - WIDE FINANCIAL STATEMENTS

In the government-wide financial statements, fixed assets are accounted for as capital assets. The Park has adopted a capitalization threshold of \$1,000 for capital asset additions. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable. Donated capital assets are stated at their fair market value as of the date donated.

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

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

Buildings	20 to 50 Years
Improvements and Equipment	5 to 20 Years

There are no Proprietary funds.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets (Continued)

FUND FINANCIAL STATEMENTS

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlays in the fund from which the expenditure was made. Public domain (infrastructure) assets consisting of roads, curbs and gutters, sidewalks, drainage systems, and lighting systems are not capitalized in the fund financial statements.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included as capitalized assets.

O. Property Taxes

The Park District's property taxes are levied each calendar year on all taxable real property located in the Park District. For governmental funds, property taxes which are levied to fund the current fiscal year and collected for the appropriate levy/budget year are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Whiteside County (County) except for certain railroad property which is assessed directly by the state.

Some portion of the County is reassessed each year on a repeating schedule established by the County Assessor. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one calendar year become due and payable in two installments on June 1 and September 1 during the following calendar year.

The first installment is an estimated bill, and is one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the levy year.

The levy becomes an enforceable lien against the property as of January 1 of the levy year. The 2015 levy has been recorded as a receivable at April 30, 2016.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Long Term Liabilities

In the government-wide financial statements, debt principal payments of both government and business -type activities (when applicable) are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenses when paid.

Q. Equity Classifications

GOVERNMENT – WIDE FINANCIAL STATEMENTS

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

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

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Equity Classifications (Continued)

FUND FINANCIAL STATEMENTS

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

- Non-spendable - consists of resources that cannot be spent because of their form.
- Restricted - consists of resources which have limitations imposed by enabling legislation and limitations imposed by creditors, granters, or contributors.
- Committed - consists of resources which have limitations imposed by the governing board through formal action. The board, which possesses the highest level of decision - making authority, establishes, modifies and rescinds commitments through a majority vote.
- Assigned - consists of resources which have limitations resulting from intended use. Management establishes assignments of fund balances pursuant to board discussion and consent.
- Unassigned - consists of the residual net resources of a fund.

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

Fund	<u>General</u>	<u>Recreation</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Non-Major Funds</u>	<u>Total</u>
Non-Spendable						
Working Cash						
Fund Balance	\$ 11,570	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,570
Restricted						
Corporate	126,466	0	0	0	0	126,466
Recreation	0	285,012	0	0	0	285,012
Special Recreation	0	0	0	0	42,770	42,770
Debt Service	0	0	670,460	0	0	670,460
Insurance	0	0	0	0	118,881	118,881
Social Security	0	0	0	0	110,112	110,112
Retirement	0	0	0	0	63,848	63,848
Museum	0	0	0	0	28,299	28,299
Audit	0	0	0	0	5,067	5,067
Police	0	0	0	0	26,679	26,679
Committed						
Capital Expenditures	0	0	0	723,640	0	723,640
Assigned						
Assigned	0	0	0	0	0	0
Unassigned						
Unassigned	<u>(109,602)</u>	<u>(100,889)</u>	<u>0</u>	<u>0</u>	<u>11,534</u>	<u>(198,957)</u>
	<u>\$ 28,434</u>	<u>\$ 184,123</u>	<u>\$ 670,460</u>	<u>\$ 723,640</u>	<u>\$ 407,190</u>	<u>\$2,013,847</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS

Cash and cash equivalents are held separately and in pools by several of the District's funds.

Deposits - At year end, the carrying amount of the District's deposits was \$846,042 and the bank balance was \$879,731. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$596,042 was collateralized by pledged securities by the financial institution.

The following table categorizes the Park District's cash according to level of risk:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
(1) Deposits covered by federal depository insurance, or by collateral held by the District or its agent in the District's name	\$ 250,000	\$ 250,000
(2) Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent in the District's name	0	0
(3) Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the District's name, and deposits that are uninsured and uncollateralized	<u>629,731</u>	<u>596,042</u>
	<u>\$ 879,731</u>	<u>\$ 846,042</u>

Investments – Investments which consist of certificates of deposit, are recorded at cost and are held by the District. It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state statutes governing the investment in public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal) liquidity and yield.

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

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 3 – RESTRICTED ASSETS

The District maintains savings accounts and certificates of deposit whose use is restricted by request of individuals who made the initial donations. Following is a summary of such restricted assets:

Eberley Endowment - principal may not be used, interest to be used at the district's discretion	\$ 10,251
Sangrey Memorial - use restricted for maintaining and upgrading nature center	<u>1,319</u>
Total	<u>\$ 11,570</u>

NOTE 4 – CAPITAL ASSETS

A summary of the changes in capital assets of the governmental activities for the year ended April 30, 2015 follows. Total depreciation expense for the year charge for governmental activities was \$666,264. Of this amount \$96,907 was charge for general governmental functions, and \$569,357 was charged to the recreation fund.

	Balance April 30 2015	Additions	Retire- ments	Balance April 30 2016
Assets Not Subject to Depreciation				
Land	\$ 3,570,319	\$ 0	\$ 0	\$ 3,570,319
Assets Subject to Depreciation				
Buildings and Improvements	24,848,813	612,817	0	25,461,630
Equipment	<u>3,312,838</u>	<u>42,022</u>	<u>0</u>	<u>3,354,860</u>
Subtotal	31,731,970	654,839	0	32,386,809
Less Accumulated Depreciation	<u>13,476,109</u>	<u>666,264</u>	<u>0</u>	<u>14,142,373</u>
Net Capital Assets	<u>\$ 18,255,861</u>	<u>\$ (11,425)</u>	<u>\$ 0</u>	<u>\$ 18,244,436</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 5 – DEBT COMMITMENTS

General Obligation

The District has issued general obligation park bonds to provide funds for building, maintaining, improving, and protecting park district facilities. Following is a summary of bond transactions:

Bonds payable beginning of year	\$ 1,329,000
Bond payments	1,329,000
Bond proceeds	<u>1,310,000</u>
Bonds payable - End of year	<u>\$ 1,310,000</u>

On December 3, 2015 the District issued General Obligation Bonds in the amount of \$1,310,000. Proceeds from the sale of the bonds will be used to build, maintain, improve, extend and protect the park and recreation facilities of the District. The bond issue matures on December 2, 2016. The interest rate is 1.25% annually.

Alternative Bonds

On June 15, 2009 the Board authorized the issuance of up to \$5,000,000 of alternative bonds payable from pledged revenues of the District. \$2,400,000 of the \$5,000,000 was issued on June 15, 2009 to fund primarily the Duis Recreation Center renovation project. The interest rates vary from 3.00% to 4.70% and mature gradually from 2011 to 2029 with interest payable semi-annually.

On June 1, 2010 the Board authorized the issuance of the \$2,600,000 alternative bond payable from pledge revenues of the District. The \$2,600,000 was used to fund primarily the Duis Recreation Center renovation project. The interest rates vary from 2.85% to 6.25% and mature gradually from 2012 to 2030 with interest payable semi-annually.

On August 3, 2010 the Board authorized the issuance of an additional \$3,000,000 in alternative revenue source bonds. The funds were used to refinance the General Obligation issued in 2001. The interest rates vary from 2.0% to 4.15% and the bonds mature gradually from 2010 to 2020.

Installment Agreement

During the year ended April 30, 2015 the Park District entered into an installment contract to finance new equipment for Westwood Sports Center. The loan has an original principal balance of \$249,000 bearing interest at 1.8% and is payable in annual installments beginning July 15, 2015 of \$65,337.85 and ending May 19, 2018.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 5 – DEBT COMMITMENTS (CONTINUED)

During the year ended May 19, 2015 the Park District entered into an installment contract to finance new equipment for Westwood Sports Center. The loan has an original principal balance of \$249,000 bearing interest at 1.8% and is payable in annual installments beginning July 15, 2015 of \$65,223 and ending May 19, 2018.

Changes in long-term debt during the year are as follows:

	Balance <u>April 30, 2015</u>	Debt <u>Issued</u>	Debt Retired or <u>Defeased</u>	Balance April 30, <u>2016</u>	Amount Due Within <u>One Year</u>
Expected to be repaid by governmental funds:					
Loan Payable	\$ 498,000	\$ 0	\$ 119,816	\$ 378,184	\$ 119,816
Bonds: Alternative					
2009	2,025,000	0	100,000	1,925,000	105,000
2010A	2,345,000	0	95,000	2,250,000	95,000
2010B	1,870,000	0	290,000	1,580,000	300,000
December 3, 2015		1,310,000	-	1,310,000	1,310,000
December 3, 2014	<u>1,329,000</u>	<u>0</u>	<u>1,329,000</u>	<u>0</u>	<u>0</u>
	<u>\$ 8,067,000</u>	<u>\$ 1,310,000</u>	<u>\$ 1,933,816</u>	<u>\$ 7,443,184</u>	<u>\$ 1,929,816</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 5 – DEBT COMMITMENTS (CONTINUED)

The following is a summary of general obligation, alternative bonds and installment agreements, debt service principal and interest maturities for each of the next five fiscal years and in five year increments thereafter required to service all governmental long-term obligations at April 30, 2016:

Fiscal Year	Principal	Interest	Total
2017	\$ 1,929,816	\$ 283,490	\$ 2,213,306
2018	630,915	263,033	893,948
2019	662,453	240,479	902,932
2020	560,000	215,748	775,748
2021	580,000	191,606	771,606
2022 - 2026	1,405,000	664,182	2,069,182
2027 - 2031	<u>1,675,000</u>	<u>274,532</u>	<u>1,949,532</u>
	<u>\$ 7,443,184</u>	<u>\$ 2,133,070</u>	<u>\$ 9,576,254</u>

Long-term liabilities will be liquidated as follows:

2017	\$ 1,929,816
2018	630,915
2019	662,453
2020	560,000
2021	580,000

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 6 – PENSION PLAN

A. Plan Description

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

B. Funding Policy

As set by statute, Employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Employer contribution rate for calendar year 2014 was 10.38 percent. The Employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

C. Annual Pension Cost

The required contribution for calendar year 2015 was \$107,651.

THREE YEAR TREND INFORMATION FOR THE REGULAR PLAN

<u>Calendar Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2015	\$ 107,651	100%	\$ 0
12/31/2014	\$ 122,536	100%	\$ 0
12/31/2013	\$ 136,708	100%	\$ 0

The required contribution for 2015 was determined as part of the December 31, 2013 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 6 – PENSION PLAN (CONTINUED)

C. Annual Pension Cost (Continued)

projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Employer Regular plan's unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payroll on an open 28 year basis.

D. Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the Regular plan was 90.76% funded. The actuarial accrued liability for benefits was \$3,851,706 and the actuarial value of assets was \$3,495,667, resulting in an underfunded actuarial accrued liability (UAAL) of \$356,039. The covered payroll for calendar year 2015 (annual payroll of active employees covered by the plan) was \$1,037,103 and the ratio of the UAAL to the covered payroll was 34 percent.

Note 7 – LEASE AGREEMENT

The lease covering the Harold Oppold Marina is a forty-year lease with the Department of Conservation, State of Illinois, due to expire in the year 2018. This lease may be terminated by either party upon 120 days written notice. The lessee agrees to maintain liability insurance and submit an annual payment of \$5.00. The District also has a certain lease with the Illinois Department of Natural Resources where the District uses the facility and maintains the facility but pays no actual rent.

NOTE 8 – RISK MANAGEMENT

The Sterling 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 May 1, 1989, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2016 through January 1, 2017.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 9 – INSURANCE

Coverage	Member Deductible	PDRMA		Limits	Insurance Company	Policy Number
		Self-insured Retention				
1. Property:						
All losses per occurrence	\$ 1,000	\$ 1,000,000		\$1,000,000,000/all members	PDRMA Reinsurers:	P070115
Flood/except zones A & V	\$ 1,000	\$ 1,000,000		\$250,000,000/occurrence/ annual aggregate	Various Reinsurers through the Public	
Flood zones A & V	\$ 1,000	\$ 1,000,000		\$200,000,000 " " "	Entity Property	
Earthquake shock	\$ 1,000	\$ 1,000,000		\$100,000,000 " " "	Reinsurance Program (PEPIP)	
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/non-reported values		
Service interruption	24 hours		N/A	\$25,000,000 OTHER SUM-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Boiler and machinery Property damage	\$ 1,000	\$ 9,000		\$100,000,000 equipment breakdown-property damage	Travelers Indemnity Co. of Illinois	BME10525L478
Business income	48 hours		N/A	included OTHER SUM-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Fidelity and crime	\$ 1,000	\$ 24,000		\$2,000,000/occurrence	National Union	02-306-54-93
Seasonal employees	\$ 1,000	\$ 9,000		\$1,000,000/occurrence	Fire Insurance Co.	
Blanket bond	\$ 1,000	\$ 24,000		\$2,000,000/occurrence		
2. Workers Compensation						
Employers' Liability	N/A	\$ 500,000		Statutory	PDRMA Government	WC010116
		\$ 500,000		\$3,500,000 Employers Liability	Entities Mutual (GEM)	GEM-0003- A15002
					Safety National	SP4052469
3. Liability						
General	None	\$ 500,000		\$21,500,000/occurrence	PDRMA Reinsurers:	L010116
Auto Liability	None	\$ 500,000		\$21,500,000/occurrence	GEM/Great American/	GEM-0003- A15002
Employment Practices	None	\$ 500,000		\$21,500,000/occurrence		
Public Officials' Liability	None	\$ 500,000		\$21,500,000/occurrence	Genesis	C501
Law Enforcement Liability	None	\$ 500,000		\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$ 500,000		\$1,000,000/occurrence		

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 9 – INSURANCE (CONTINUED)

Coverage	Member Deductible	PDRMA		Limits	Insurance Company	Policy Number
		Self-insured	Retention			
<u>4. Pollution Liability</u>						
Liability - third party	None	\$ 25,000	\$5,000,000/occurrence		XL Environmental	PEC2535805
Property - first party	\$ 1,000	\$ 24,000	\$30,000,000 3-yr aggregate		Insurance	
<u>5. Outbreak Expense</u>						
	24 hours	N/A	\$15,000 per day		Great American	OB010116
			\$1 million aggregate policy limit			
<u>6. Information Security & Privacy Insurance with Electronic Media Liability Coverage</u>						
Information Security & Privacy Liability	None	\$ 100,000	\$2,000,000/occurrence/annual aggregate		Beazley Lloyds Syndicate	
Privacy Notification Costs	None	\$ 100,000	\$500,000/occurrence/annual aggregate		AFB 2623/623 through the PEPPI Program	PH1533938
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			
<u>7. Volunteer Medical Accident</u>						
	None	\$ 5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance		Self-insured	
<u>8. Underground Storage Tank Liability</u>						
	None	N/A	\$10,000 follows Illinois Leaking Underground Tank Fund		Self-insured	
<u>9. Unemployment Compensation</u>						
	N/A	N/A	Statutory		Member-funded	

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 9 – INSURANCE (CONTINUED)

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

As a member of PDRMA's Property/Casualty Program, the 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 Sterling Park District and PDRMA is governed by a contract and by- laws that have been adopted by resolution of the Sterling Park District's governing body. The Sterling 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 followed by the members.

The following represents a summary of PDRMA's Property/Casualty Program's balance sheet at December 31, 2015 and the statement of revenues and expenses for the period ending December 31, 2015. The District's portion of the overall equity of the pool is 0.598% or \$243,339.

Assets	\$	63,181,823
Liabilities	\$	23,063,014
Member Balances	\$	40,708,211
Revenues	\$	18,585,098
Expenditures	\$	19,500,046

Since 96% 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.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 10 – DEFICIT FUND BALANCE

At April 30, 2016 there were no deficit fund balances. However, the General fund and the Recreation fund have negative unassigned fund balances.

NOTE 11 – DEFERRED COMPENSATION PLAN

On May 12, 1993 the District established a deferred compensation plan pursuant to code section 457 of the Internal Revenue Code. The Park District adopted the United States conference of Mayors Master Deferred Compensation Plan. Investments are handled by Public Employees Benefit Service Corporation.

Employees may elect to defer up to 10% of their annual salary. No contributions are made on behalf of employees by the District.

NOTE 12 – INSURANCE FUND EXPENDITURES

The proceeds from property tax revenue assessed for tort liability of \$230,081 were disbursed as follows:

Salary and Wages	\$	58,000
Insurance		94,116
Risk Management		<u>77,965</u>
	\$	<u>230,081</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 13 – PROPERTY TAXES

The District's property tax is levied on January 1 of each year on all taxable real property located in the District. Property tax revenue received in fiscal year 2016 represents collection of the 2013 taxes. Property taxes from the 2016 levy will be collected in and are intended to finance fiscal year 2016 operations.

Property is assessed as of January 1 of each year by the Township Assessors. The values are adjusted by various percentages according to the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Whiteside County Clerk computes the annual tax rate by dividing the requested levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Whiteside County Collector.

Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and the second installment is due no later than September 1. The District receives significant distributions of tax receipts approximately one month after these due dates.

The following are the taxes levied per \$100 of assessed valuation:

	<u>Maximum</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Park Corporate	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Park Bonds		0.5762	0.5861	0.6382	0.6299	0.6268
Park Illinois Municipal Retirement		0.0536	0.0545	0.0578	0.0585	0.0612
Park Police	0.0250	0.0224	0.0227	0.0250	0.0250	0.0250
Park Audit	0.0050	0.0045	0.0046	0.0047	0.0047	0.0048
Park Insurance Liability		0.0893	0.1021	0.1063	0.1076	0.1153
Park Recreation	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Museum Fund	0.3020	0.0005	0.0005	0.0070	0.0234	0.0297
Recreation Handicap	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Social Security		<u>0.0906</u>	<u>0.0898</u>	<u>0.0948</u>	<u>0.1029</u>	<u>0.1035</u>
		<u>1.0521</u>	<u>1.0753</u>	<u>1.1488</u>	<u>1.1670</u>	<u>1.1813</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

NOTE 14 – REQUIRED INDIVIDUAL FUND DISCLOSURE

There were no excess of expenditures over appropriation for the year ended April 30, 2016.

NOTE 15 – DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through November 28, 2016 the date which the financial statements were available to be issued.

NOTE 16 – GASB 68

Implementation of GASB 68, as of May 1, 2015 the District has implemented GASB Statement No. 68 “Accounting and Financial Reporting for Pensions” which is an amendment of GASB Statement No. 27. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The statement results from a comprehensive review of the existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter period equity, and creating additional transparency.

A prior period adjustment of \$184,691 was made to the beginning net position in the government-wide financial statement to properly implement GASB 68.

In accordance with GASB Statement No. 68 “accounting and Financial Reporting for Pension – an amendment of GASB No. 37” the following information provided:

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

Actuarial Valuation Date	December 31, 2015
Measurement Date of the Net Pension Liability	December 31, 2015
Fiscal Year End	April 30, 2016

Membership

Number of	
Retirees and Beneficiaries	19
Inactive, Non-Retired Members	28
Active Members	<u>21</u>
Total	68

Covered Valuation Payroll	\$ 1,037,103
---------------------------	--------------

Net Pension Liability

Total Pension Liability (Asset)	\$ 5,874,489
Plan Fiduciary Net Position	<u>5,383,161</u>
Net Pension Liability (Asset)	\$ 491,328

Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.64%
Net Pension Liability as a Percentage of Covered Valuation Payroll	47.38%

Development of the Single Discount Rate as of December 31, 2015

Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate*	3.57%
Last year ending December 31 in the 2016 or 2015 projection period for which projected benefit payments are fully funded	2090
Resulting Single Discount Rate based on the above development	7.49%

Single Discount Rate calculated using December 31, 1014 Measurement Date	7.50%
--	-------

Total Pension Expense / (Income)	277,134
---	----------------

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 0	\$ 125,926
Changes in assumptions	5,163	0
Net difference between projected and actual earnings on pension plan investments	<u>305,454</u>	<u>0</u>
Total	<u>\$ 310,617</u>	<u>\$ 125,926</u>

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

A. Total pension liability	
1. Service Cost	\$ 112,063
2. Interest on the Total Pension Liability	424,704
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	(179,930)
5. Changes of assumptions	7,377
6. Benefit payments, including refunds of employee contributions	<u>(192,823)</u>
7. Net change in total pension liability	\$ 171,391
8. Total pension liability - beginning	<u>5,703,098</u>
9. Total pension liability -- ending	<u><u>\$ 5,874,489</u></u>
 B. Plan fiduciary net position	
1. Contributions - employer	\$ 107,651
2. Contributions - employee	46,670
3. Net investment income	27,733
4. Benefit payments, including refunds of employee contributions	(192,823)
5. Other (Net Transfer)	<u>(172,014)</u>
6. Net change in plan fiduciary net position	\$ (182,783)
7. Plan fiduciary net position - beginning	<u>5,565,944</u>
8. Plan fiduciary net position - ending	<u><u>\$ 5,383,161</u></u>
 C. Net pension liability / (asset)	 <u><u>\$ 491,328</u></u>
 D. Plan fiduciary net position as a percentage of the total pension liability	 91.64%
 E. Covered Valuation payroll	 \$ 1,037,103
 F. Net pension liability as a percentate of covered valuation payroll	 47.38%

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

Method and Assumptions Used to Determine Total Pension Liability

Actuarial Cost Method	Entry Age	Normal
Asset Valuation Method		Market Value of Assets
Price Inflation		2.75%
Salary Increases		3.75% to 14.50%
Investment Rate of Return		7.49%
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 of the period 2011-2013.
Mortality		<p>For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014(base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.</p> <p>For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF Specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same 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 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.</p>
Notes		There were no benefit changes during the year.
Valuation Date:		
Notes		Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 28-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 23 years for most employers (two employers were financed over 32 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	4.00%
Price Inflation	3.0% -- approximate: No explicit price inflation assumption is used in this Valuation
Salary Increases	4.40% to 16.00% including inflation_
Investment Rate of Return	7.50%
Retirement Age	Experienced-based table rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008 -2010
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality Improvements to 2020 using projections scale AA. For men 120% of the table Rate were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.
Other Information	There were no benefit changes during the year.

Sterling Park District
Notes To The Financial Statements (Continued)
For the Year Ended April 30, 2016

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.57%; and the resulting single discount rate is 7.49%

SENSITIVITY OF NET PENSION LIABILITY/ (ASSET) TO THE SINGLE DISCOUNT RATE

	ASSUMPTION		
	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.49%</u>	<u>7.49%</u>	<u>8.49%</u>
Total Pension Liability	6,674,154	5,874,489	5,220,647
Plan Fiduciary Net Position	<u>5,383,161</u>	<u>5,383,161</u>	<u>5,383,161</u>
Net Pension Liability/(Asset)	<u><u>1,290,993</u></u>	<u><u>491,328</u></u>	<u><u>(162,514)</u></u>

Sterling Park District
 Required Supplementary Information
 Retirement Fund Commitment - Schedule of Funding Progress
 For the Year Ended April 30, 2016

REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2015	\$ 3,495,667	\$ 3,851,706	\$ 356,039	90.76%	\$ 1,037,103	34.33%
12/31/2014	3,223,685	3,688,495	464,810	87.40%	1,094,069	42.48%
12/31/2013	3,505,244	3,929,466	424,222	89.20%	1,207,130	35.14%

On a market value basis, the actuarial value of assets as of December 31, 2015 is \$3,434,212. On a market basis, the funded ratio would be 89.16%.

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

Sterling Park District
 Required Supplementary Information
 Retirement Fund Commitment - Schedule of Funding Progress
 For the Year Ended April 30, 2016

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- sources of changes in the net pension liability (page 11);
- information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll (page 11); and
- comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy (page 12).

These tables may be built prospectively as the information becomes available.

MULTIYEAR SCHEDULE OF CONTRIBUTIONS

Last 10 Calendar Years

Calendar Year Ending <u>December 31,</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contributions</u>	Contribution Deficiency <u>(Excess)</u>	Covered Valuation <u>Payroll</u>	Actual Contribution as a % of <u>Covered Valuation Payroll</u>
2015	\$107,651	\$107,651	\$ 0	\$1,037,103	10.38%

Sterling Park District
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios Multiyear
 For the Year Ended April 30, 2016

	December 31, 2015
A. Total pension liability	
1. Service Cost	\$ 112,063
2. Interest on the Total Pension Liability	424,704
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	(179,930)
5. Changes of assumptions	7,377
6. Benefit payments, including refunds of employee contributions	<u>(192,823)</u>
7. Net change in total pension liability	\$ 171,391
8. Total pension liability - beginning	<u>5,703,098</u>
9. Total pension liability -- ending	<u><u>\$ 5,874,489</u></u>
B. Plan fiduciary net position	
1. Contributions - employer	\$ 107,651
2. Contributions - employee	46,670
3. Net investment income	27,733
4. Benefit payments, including refunds of employee contributions	(192,823)
5. Other (Net Transfer)	<u>(172,014)</u>
6. Net change in plan fiduciary net position	\$ (182,783)
7. Plan fiduciary net position - beginning	<u>5,565,944</u>
8. Plan fiduciary net position - ending	<u><u>\$ 5,383,161</u></u>
C. Net pension liability / (asset)	<u><u>\$ 491,328</u></u>
D. Plan fiduciary net position as a percentage of the total pension liability	91.64%
E. Covered Valuation payroll	\$ 1,037,103
F. Net pension liability as a percentate of covered valuation payroll	47.38%

Sterling Park District
 Required Supplementary Information
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Budget and Actual General Fund
 For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 213,000	\$ 213,000	\$ 213,986	\$ 986
Replacement Tax	251,000	251,000	248,289	(2,711)
Contributions	159,500	159,500	33,905	(125,595)
Insurance Reimbursement	0	0	26,415	26,415
TOTAL REVENUE	<u>623,500</u>	<u>623,500</u>	<u>522,595</u>	<u>(100,905)</u>
DISBURSEMENTS:				
Salaries And Wages	590,000	590,000	568,692	(21,308)
Materials And Supplies	48,000	48,000	77,565	29,565
Insurance	75,000	75,000	96,085	21,085
Services	67,000	67,000	100,216	33,216
Repairs And Maintenance	314,000	314,000	170,011	(143,989)
Risk Management	3,500	3,500	1,735	(1,765)
Dues And Subscriptions	9,000	9,000	6,830	(2,170)
Utilities	44,500	44,500	23,209	(21,291)
Other Employee Expenses	57,500	57,500	63,703	6,203
Education And Training	1,000	1,000	980	(20)
I.M.R.F. And Social Security	132,000	132,000	138,646	6,646
Audit	2,250	2,250	2,250	0
Equipment Purchased	7,000	7,000	6,626	(374)
Other	0	0	0	0
TOTAL DISBURSEMENTS	<u>1,350,750</u>	<u>1,350,750</u>	<u>1,256,548</u>	<u>(94,202)</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>(727,250)</u>	<u>(727,250)</u>	<u>(733,953)</u>	<u>(6,703)</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	727,250	727,250	722,103	(5,147)
Operational Transfers Out	0	0	0	0
TOTAL OTHER FINANCING SOURCES	<u>727,250</u>	<u>727,250</u>	<u>722,103</u>	<u>(5,147)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	<u>(11,850)</u>	<u>\$ (11,850)</u>
FUND BALANCE BEGINNING OF YEAR			<u>40,284</u>	
FUND BALANCE END OF YEAR			<u>\$ 28,434</u>	

Sterling Park District
 Required Supplementary Information
 Statement of Revenue, Expenditures and Changes in Fund Balance
 Budget and Actual Recreation Fund
 For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 160,000	\$ 160,000	\$ 160,487	\$ 487
Contributions	66,100	66,100	72,375	6,275
Insurance Reimbursement	117,000	117,000	118,987	1,987
Program Fees And Charges	1,696,215	1,696,215	1,686,519	(9,696)
Other	13,450	13,450	11,839	(1,611)
TOTAL REVENUE	<u>2,052,765</u>	<u>2,052,765</u>	<u>2,050,207</u>	<u>(2,558)</u>
DISBURSEMENTS:				
Salaries And Wages	905,970	905,970	867,885	(38,085)
Materials And Supplies	300,400	300,400	277,233	(23,167)
Insurance	18,500	18,500	16,498	(2,002)
Services	229,725	229,725	233,456	3,731
Repairs And Maintenance	595,445	595,445	455,484	(139,961)
Printing And Publishing	50,200	50,200	44,874	(5,326)
Risk Management	4,500	4,500	5,037	537
Rentals	46,850	46,850	55,042	8,192
Dues And Subscriptions	5,000	5,000	1,779	(3,221)
Utilities	259,200	259,200	233,964	(25,236)
Other Employee Expenses	57,250	57,250	52,105	(5,145)
Education And Training	2,250	2,250	676	(1,574)
I.M.R.F. And Social Security	83,000	83,000	83,113	113
Audit	4,500	4,500	4,528	28
Equipment Purchased	180,025	180,025	237,297	57,272
Other	18,250	18,250	18,591	341
TOTAL DISBURSEMENTS	<u>2,761,065</u>	<u>2,761,065</u>	<u>2,587,562</u>	<u>(173,503)</u>
EXCESS OF REVENUES OVER/(UNDER)				
DISBURSEMENTS	<u>(708,300)</u>	<u>(708,300)</u>	<u>(537,355)</u>	<u>170,945</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	712,390	712,390	711,468	(922)
Operational Transfers Out	<u>(96,090)</u>	<u>(96,090)</u>	<u>(44,976)</u>	<u>51,114</u>
TOTAL OTHER FINANCING SOURCES	<u>616,300</u>	<u>616,300</u>	<u>666,492</u>	<u>50,192</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES				
	<u>\$ (92,000)</u>	<u>\$ (92,000)</u>	129,137	<u>\$ 221,137</u>
FUND BALANCE BEGINNING OF YEAR			<u>54,986</u>	
FUND BALANCE END OF YEAR			<u>\$ 184,123</u>	

Sterling Park District
 General Fund
 Schedule of Revenue and Expenditures Budget and Actual
 For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 213,000	\$ 213,000	\$ 213,986	\$ 986
Replacement Tax	251,000	251,000	248,289	(2,711)
Contributions	159,500	159,500	33,905	(125,595)
Insurance Reimbursement	0	0	26,415	26,415
TOTAL REVENUE	<u>623,500</u>	<u>623,500</u>	<u>522,595</u>	<u>(100,905)</u>
DISBURSEMENTS:				
Salaries And Wages	590,000	590,000	568,692	(21,308)
Materials And Supplies	48,000	48,000	77,565	29,565
Insurance	75,000	75,000	96,085	21,085
Services	67,000	67,000	100,216	33,216
Repairs And Maintenance	314,000	314,000	170,011	(143,989)
Risk Management	3,500	3,500	1,735	(1,765)
Dues And Subscriptions	9,000	9,000	6,830	(2,170)
Utilities	44,500	44,500	23,209	(21,291)
Other Employee Expenses	57,500	57,500	63,703	6,203
Education And Training	1,000	1,000	980	(20)
I.M.R.F. And Social Security	132,000	132,000	138,646	6,646
Audit	2,250	2,250	2,250	0
Equipment Purchased	7,000	7,000	6,626	(374)
Other	0	0	0	0
TOTAL DISBURSEMENTS	<u>1,350,750</u>	<u>1,350,750</u>	<u>1,256,548</u>	<u>(94,202)</u>
EXCESS OF REVENUES OVER/(UNDER)				
DISBURSEMENTS	(727,250)	(727,250)	(733,953)	(6,703)
OTHER FINANCING SOURCES:				
Operational Transfers In	727,250	727,250	722,103	(5,147)
Operational Transfers Out	0	0	0	0
TOTAL OTHER FINANCING SOURCES	<u>727,250</u>	<u>727,250</u>	<u>722,103</u>	<u>(5,147)</u>
EXCESS OF REVENUE & OTHER SOURCES				
OVER/(UNDER) EXPENDITURES &				
OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,850)</u>	<u>\$ (11,850)</u>

Sterling Park District
Recreation Fund
Schedule of Revenue and Expenditures Budget and Actual
For the Year Ended April 30, 2016

REVENUE:	Budget	Budget	Actual	(Negative)
Property Taxes	\$ 160,000	\$ 160,000	\$ 160,487	\$ 487
Contributions	66,100	66,100	72,375	6,275
Insurance Reimbursement	117,000	117,000	118,987	1,987
Program Fees And Charges	1,696,215	1,696,215	1,686,519	(9,696)
Other	13,450	13,450	11,839	(1,611)
TOTAL REVENUE	2,052,765	2,052,765	2,050,207	(2,558)
Salaries And Wages	905,970	905,970	867,885	(38,085)
Materials And Supplies	300,400	300,400	277,233	(23,167)
Insurance	18,500	18,500	16,498	(2,002)
Services	229,725	229,725	233,456	3,731
Repairs And Maintenance	595,445	595,445	455,484	(139,961)
Printing And Publishing	50,200	50,200	44,874	(5,326)
Risk Management	4,500	4,500	5,037	537
Rentals	46,850	46,850	55,042	8,192
Dues And Subscriptions	5,000	5,000	1,779	(3,221)
Utilities	259,200	259,200	233,964	(25,236)
Other Employee Expenses	57,250	57,250	52,105	(5,145)
Education And Training	2,250	2,250	676	(1,574)
I.M.R.F. And Social Security	83,000	83,000	83,113	113
Audit	4,500	4,500	4,528	28
Equipment Purchased	180,025	180,025	237,297	57,272
Other	18,250	18,250	18,591	341
TOTAL DISBURSEMENTS	2,761,065	2,761,065	2,587,562	(173,503)
DISBURSEMENTS	(708,300)	(708,300)	(537,355)	170,945
Operational Transfers In	712,390	712,390	711,468	(922)
Operational Transfers Out	(96,090)	(96,090)	(44,976)	51,114
TOTAL OTHER FINANCING SOURCES	616,300	616,300	666,492	50,192
EXCESS OF REVENUE & OTHER SOURCES				
OVER(UNDER) EXPENDITURES & OTHER USES	\$ (92,000)	\$ (92,000)	129,137	\$ 221,137

Sterling Park District
Debt Service Fund
Statement of Revenue, Expenditures and Change in Fund Balance
Budget to Actual
For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 1,345,000	\$ 1,345,000	\$ 1,347,881	\$ 2,881
TOTAL REVENUE	<u>1,345,000</u>	<u>1,345,000</u>	<u>1,347,881</u>	<u>2,881</u>
DISBURSEMENTS:				
Services	3,500	3,500	3,280	(220)
Certificate Interest	250,000	250,000	249,117	(883)
Certificate Principal	485,000	485,000	485,000	0
Bond Interest	11,250	11,250	11,234	(16)
Bond Principal	1,329,000	1,329,000	1,329,000	0
TOTAL DISBURSEMENTS	<u>2,078,750</u>	<u>2,078,750</u>	<u>2,077,631</u>	<u>(1,119)</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>(733,750)</u>	<u>(733,750)</u>	<u>(729,750)</u>	<u>4,000</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	738,500	738,500	737,397	(1,103)
Operational Transfers Out	(4,750)	(4,750)	(17,564)	(12,814)
Bond Proceeds	0	0	0	0
TOTAL OTHER FINANCING SOURCES	<u>733,750</u>	<u>733,750</u>	<u>719,833</u>	<u>(13,917)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	(9,917)	<u>\$ (9,917)</u>
FUND BALANCE BEGINNING OF YEAR			<u>680,377</u>	
FUND BALANCE END OF YEAR			<u>\$ 670,460</u>	

Sterling Park District
 Capital Projects Fund
 Statement of Revenue, Expenditures and Change in Fund Balance
 Budget to Actual
 For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Contributions	\$ 900,000	\$ 900,000	\$ 601,000	\$ (299,000)
Total Revenue	<u>900,000</u>	<u>900,000</u>	<u>601,000</u>	<u>(299,000)</u>
DISBURSEMENTS:				
Services	7,500	7,500	7,300	200
Repairs & Maintenance	1,680,584	1,680,584	1,148,934	531,650
Total Disbursements	<u>1,688,084</u>	<u>1,688,084</u>	<u>1,156,234</u>	<u>531,850</u>
Excess Of Revenues Over/(Under)				
Disbursements	<u>(788,084)</u>	<u>(788,084)</u>	<u>(555,234)</u>	<u>(232,850)</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(1,302,500)	(1,302,500)	(1,302,700)	(200)
Bond Proceeds	1,310,000	1,310,000	1,310,000	0
TOTAL OTHER FINANCING SOURCES	<u>7,500</u>	<u>7,500</u>	<u>7,300</u>	<u>(200)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER(UNDER) EXPENDITURES & OTHER USES				
	<u>\$ (780,584)</u>	<u>\$ (780,584)</u>	<u>(547,934)</u>	<u>\$ 232,650</u>
FUND BALANCE BEGINNING OF YEAR			<u>1,271,574</u>	
FUND BALANCE END OF YEAR			<u>\$ 723,640</u>	

Sterling Park District
 Non-Major Governmental Fund
 Combining Balance Sheet
 Special Revenue Funds
 April 30, 2016

	IL Municipal Retirement Fund	Social Security Fund	P. W. Dillon Home Fund	Audit Fund	Insurance Fund	Special Recreation Fund	Special Gifts Fund	Police Fund	Total
ASSETS									
Cash	\$ 0	\$ 0	\$ 50	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50
Cash In Bank - Savings	0	0	0	0	0	0	24,106	0	24,106
Property Tax Receivable	127,696	220,223	56,599	10,134	237,763	85,540	0	53,349	791,304
TOTAL ASSETS	127,696	220,223	56,649	10,134	237,763	85,540	24,106	53,349	815,460
TOTAL DEFERRED OUTFLOWS									
	0	0	0	0	0	0	0	0	0
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 127,696	\$ 220,223	\$ 56,649	\$ 10,134	\$ 237,763	\$ 85,540	\$ 24,106	\$ 53,349	\$ 815,460
LIABILITIES									
Accounts Payable	\$ 0	\$ 0	\$ 7,500	\$ 0	\$ 0	\$ 0	\$ 1,349	\$ 0	\$ 8,849
Accrued Payroll	0	0	3,764	0	0	0	0	0	3,764
TOTAL LIABILITIES	0	0	11,264	0	0	0	1,349	0	12,613
DEFERRED INFLOWS									
DEFERRED REVENUE	63,848	110,111	28,300	5,067	118,882	42,770	0	26,679	395,657
TOTAL DEFERRED INFLOWS	63,848	110,111	28,300	5,067	118,882	42,770	0	26,679	395,657
TOTAL LIABILITIES AND DEFERRED INFLOWS									
	63,848	110,111	39,564	5,067	118,882	42,770	1,349	26,679	408,270
FUND BALANCE:									
Restricted	63,848	110,112	28,299	5,067	118,881	42,770	0	26,679	395,656
Unrestricted	0	0	(11,214)	0	0	0	22,757	(9)	11,534
TOTAL FUND BALANCE	63,848	110,112	17,085	5,067	118,881	42,770	22,757	26,670	407,190
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE									
	\$ 127,696	\$ 220,223	\$ 56,649	\$ 10,134	\$ 237,763	\$ 85,540	\$ 24,106	\$ 53,349	\$ 815,460

Sterling Park District
 Non-Major Governmental Fund
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Special Revenue Funds
 April 30, 2016

	Illinois Municipal Retirement Fund	Social Security Fund	P.W. Dillon Home Fund	Audit Fund	Insurance Fund	Special Recreation Fund	Special Gifts Fund	Police Fund	Total
REVENUES									
Property Taxes	\$ 125,181	\$ 220,189	\$ 50,071	\$ 10,056	\$ 230,245	\$ 85,594	\$ 0	\$ 53,495	\$ 774,831
Replacement Taxes	16,609	0	0	0	0	0	0	0	16,609
Program Fees And Charges	0	0	4,279	0	0	0	0	0	4,279
Contributions	0	0	170,570	0	0	0	0	0	170,570
Other	0	0	36	0	0	0	0	0	36
TOTAL REVENUE	141,790	220,189	224,956	10,056	230,245	85,594	0	53,495	966,325
EXPENDITURES									
Salaries And Wages	0	0	83,782	0	0	0	0	0	83,782
Material And Supplies	0	0	2,559	0	0	0	0	0	2,559
Insurance	0	0	14,649	0	0	0	0	0	14,649
Services	0	0	2,728	0	0	3,252	0	0	5,980
Repairs And Maintenance	0	0	5,719	0	0	0	4,121	0	9,840
Risk Management	0	0	0	0	0	0	0	0	0
Dues And Subscriptions	0	0	251	0	0	0	0	0	251
Utilities	0	0	7,056	0	0	0	0	0	7,056
Other Employee Expenses	0	0	13,415	0	0	0	0	0	13,415
And Social Security	0	0	10,972	0	0	0	0	0	10,972
Audit	0	0	2,500	0	0	0	0	0	2,500
TOTAL EXPENDITURES	0	0	143,631	0	0	3,252	4,121	0	151,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	141,790	220,189	81,325	10,056	230,245	82,342	(4,121)	53,495	815,321
OTHER FINANCING SOURCES (USES)									
Operating Transfers In	0	0	0	0	0	0	0	0	0
Operating Transfers Out	(140,334)	(216,107)	(76,998)	(10,032)	(226,115)	(82,493)	0	(53,649)	(805,728)
TOTAL OTHER FINANCING SOURCES	(140,334)	(216,107)	(76,998)	(10,032)	(226,115)	(82,493)	0	(53,649)	(805,728)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USE	1,456	4,082	4,327	24	4,130	(151)	(4,121)	(154)	9,593
FUND BALANCE, BEGINNING OF YEAR	62,392	106,030	12,758	5,043	114,751	42,921	26,878	26,824	397,597
FUND BALANCE, END OF YEAR	\$ 63,848	\$ 110,112	\$ 17,085	\$ 5,067	\$ 118,881	\$ 42,770	\$ 22,757	\$ 26,670	\$ 407,190

Sterling Park District
 Liability Insurance Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 229,000	\$ 229,000	\$ 230,245	\$ 1,245
TOTAL REVENUE	<u>229,000</u>	<u>229,000</u>	<u>230,245</u>	<u>1,245</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>229,000</u>	<u>229,000</u>	<u>230,245</u>	<u>1,245</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(229,000)	(229,000)	(226,115)	2,885
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(229,000)</u>	<u>(229,000)</u>	<u>(226,115)</u>	<u>2,885</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	4,130	<u>\$ 4,130</u>
FUND BALANCE BEGINNING OF YEAR			<u>114,751</u>	
FUND BALANCE END OF YEAR			<u>\$ 118,881</u>	

Sterling Park District
 Social Security Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 219,000	\$ 219,000	\$ 220,189	\$ 1,189
TOTAL REVENUE	<u>219,000</u>	<u>219,000</u>	<u>220,189</u>	<u>1,189</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>219,000</u>	<u>219,000</u>	<u>220,189</u>	<u>1,189</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(219,000)	(219,000)	(216,107)	2,893
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(219,000)</u>	<u>(219,000)</u>	<u>(216,107)</u>	<u>2,893</u>
EXCESS OF REVENUE & OTHER SOURCES OVER(Under) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	4,082	<u>\$ 4,082</u>
FUND BALANCE BEGINNING OF YEAR			<u>106,030</u>	
FUND BALANCE END OF YEAR			<u>\$ 110,112</u>	

Sterling Park District
P.W. Dillon Museum Fund
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget to Actual
April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 50,000	\$ 50,000	\$ 50,071	\$ 71
Contributions	158,000	158,000	170,570	12,570
Program Fees And Charges	<u>2,600</u>	<u>2,600</u>	<u>4,315</u>	<u>1,715</u>
TOTAL REVENUE	<u>210,600</u>	<u>210,600</u>	<u>224,956</u>	<u>14,356</u>
DISBURSEMENTS:				
Salaries And Wages	93,500	93,500	83,782	(9,718)
Materials And Supplies	3,525	3,525	2,559	(966)
Insurance	7,500	7,500	14,649	7,149
Services	3,500	3,500	2,728	(772)
Repairs And Maintenance	5,000	5,000	5,719	719
Risk Management	500	500	0	(500)
Dues And Subscriptions	225	225	251	26
Utilities	12,000	12,000	7,056	(4,944)
Other Employee Expenses	14,550	14,550	13,415	(1,135)
I.M.R.F. And Social Security	19,500	19,500	10,972	(8,528)
Audit	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
TOTAL DISBURSEMENTS	<u>162,300</u>	<u>162,300</u>	<u>143,631</u>	<u>(18,669)</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS				
	<u>48,300</u>	<u>48,300</u>	<u>81,325</u>	<u>33,025</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(48,300)	(48,300)	(76,998)	(28,698)
Installment Loan	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(48,300)</u>	<u>(48,300)</u>	<u>(76,998)</u>	<u>(28,698)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES				
	<u>\$ 0</u>	<u>\$ 0</u>	4,327	<u>\$ 4,327</u>
FUND BALANCE BEGINNING OF YEAR			<u>12,758</u>	
FUND BALANCE END OF YEAR			<u>\$ 17,085</u>	

Sterling Park District
 Police Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 53,000	\$ 53,000	\$ 53,495	\$ 495
TOTAL REVENUE	<u>53,000</u>	<u>53,000</u>	<u>53,495</u>	<u>495</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>53,000</u>	<u>53,000</u>	<u>53,495</u>	<u>495</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(53,000)	(53,000)	(53,649)	(649)
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(53,000)</u>	<u>(53,000)</u>	<u>(53,649)</u>	<u>(649)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	(154)	<u>\$ (154)</u>
FUND BALANCE BEGINNING OF YEAR			<u>26,824</u>	
FUND BALANCE END OF YEAR			<u>\$ 26,670</u>	

Sterling Park District
 Illinois Municipal Retirement Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUE:				
Property Taxes	\$ 124,000	\$ 124,000	\$ 125,181	\$ 1,181
Replacement Tax	<u>16,000</u>	<u>16,000</u>	<u>16,609</u>	<u>609</u>
TOTAL REVENUE	<u>140,000</u>	<u>140,000</u>	<u>141,790</u>	<u>1,790</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>140,000</u>	<u>140,000</u>	<u>141,790</u>	<u>1,790</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(140,000)	(140,000)	(140,334)	(334)
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(140,000)</u>	<u>(140,000)</u>	<u>(140,334)</u>	<u>(334)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	1,456	<u>\$ 1,456</u>
FUND BALANCE BEGINNING OF YEAR			<u>62,392</u>	
FUND BALANCE END OF YEAR			<u>\$ 63,848</u>	

Sterling Park District
 Audit Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 10,500	\$ 10,500	\$ 10,056	\$ (444)
TOTAL REVENUE	<u>10,500</u>	<u>10,500</u>	<u>10,056</u>	<u>(444)</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>10,500</u>	<u>10,500</u>	<u>10,056</u>	<u>(444)</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(10,500)	(10,500)	(10,032)	468
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(10,500)</u>	<u>(10,500)</u>	<u>(10,032)</u>	<u>468</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	24	<u>\$ 24</u>
FUND BALANCE BEGINNING OF YEAR			<u>5,043</u>	
FUND BALANCE END OF YEAR			<u>\$ 5,067</u>	

Sterling Park District
 Special Gift Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
DISBURSEMENTS:				
TOTAL DISBURSEMENTS	<u>2,000</u>	<u>2,000</u>	<u>4,121</u>	<u>2,121</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>(2,000)</u>	<u>(2,000)</u>	<u>(4,121)</u>	<u>(2,121)</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	0	0	0	0
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	(4,121)	<u>\$ (2,121)</u>
FUND BALANCE BEGINNING OF YEAR			<u>26,878</u>	
FUND BALANCE END OF YEAR			<u>\$ 22,757</u>	

Sterling Park District
 Special Recreation Fund
 Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget to Actual
 April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
REVENUE:				
Contributions	\$ 85,000	\$ 85,000	\$ 85,594	\$ 594
TOTAL REVENUE	<u>85,000</u>	<u>85,000</u>	<u>85,594</u>	<u>594</u>
DISBURSEMENTS:				
Services	10,000	10,000	3,252	(6,748)
Repairs and Maintenance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL DISBURSEMENTS	<u>10,000</u>	<u>10,000</u>	<u>3,252</u>	<u>(6,748)</u>
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	<u>75,000</u>	<u>75,000</u>	<u>82,342</u>	<u>7,342</u>
OTHER FINANCING SOURCES:				
Operational Transfers In	0	0	0	0
Operational Transfers Out	(75,000)	(75,000)	(82,493)	(7,493)
Bond Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	<u>(75,000)</u>	<u>(75,000)</u>	<u>(82,493)</u>	<u>(7,493)</u>
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	<u>\$ 0</u>	<u>\$ 0</u>	(151)	<u>\$ (151)</u>
FUND BALANCE BEGINNING OF YEAR			<u>42,921</u>	
FUND BALANCE END OF YEAR			<u>\$ 42,770</u>	

Sterling Park District
Notes to Supplemental Information
April 30, 2016

Budgetary Data - The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the financial statements. Prior to April 30, the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means of financing them. The District's budgetary operations are governed by the appropriation law detailed in the Illinois Park District Code and administered by the Director under the supervision of the treasurer. Notice is given and public meetings are conducted to obtain taxpayer comments. The Board may add to, subtract from, or change appropriations, but may not change the form of the budget. Prior to the end of the first quarter of each fiscal year, the budget is legally enacted through the passage of a Board Resolution.

Budgets for General and Special Revenue Funds are prepared on a cash basis of accounting. This method is not in compliance with generally accepted accounting principles (GAAP). Budgetary comparisons presented in this report are on this Non-GAAP basis.

The appropriation law allows for budgeted transfers among categories in any fund. The appropriation law also allows for non-budgeted transfers that do not exceed an aggregate of 10% of the total amount appropriated in such fund, without additional District Board action. After the first six months of any fiscal year, the District Board may, by two-thirds vote, amend the initially approved appropriation ordinance. Unused appropriations lapse at the end of the fiscal year.

Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds during the year. All outstanding encumbrances lapse at fiscal year-end.

Budget Basis of Accounting - Budgetary information for individual funds is prepared on the same basis as the general purpose financial statements. The budget is prepared in accordance with the Illinois Park District Code and is derived from the combined annual budget and appropriation ordinance of the District. Working Budgets are prepared for all funds within the governmental fund type. All budgets are prepared based on the annual fiscal year of the District. Budgetary funds are controlled by an integrated budgetary accounting system in accordance, where applicable, with various legal requirements that govern the Park District.

Sterling Park District
 Bond Issue Dated December 2014
 April 30, 2016

<u>Fiscal Year</u>	<u>Bonds Issued</u>	<u>Interest Payable in Future Years</u>	<u>Levy Position</u>
2015	\$ <u>1,310,000</u>	\$ <u>16,375</u>	\$ <u>1,310,000</u>
	\$ <u>1,310,000</u>	\$ <u>16,375</u>	\$ <u>1,310,000</u>

Original Issue: \$ 1,310,000
 Denomination: \$ 1,000
 Bonds Due: December 3
 Interest Dates: December 3
 Interest Rates: 1.25%
 Paying Agent: US Bank
 Purpose: Park Development

Sterling Park District
Alternative Revenue Bond Issue Dated July, 2009
April 30, 2016

<u>Fiscal Year</u>	<u>Bonds Issued</u>	<u>Interest Payable in Future Years</u>	<u>Total</u>
2016	\$ 95,000	\$ 131,546	\$ 226,546
2017	100,000	127,153	227,153
2018	110,000	122,028	232,028
2019	115,000	116,253	231,253
2020	120,000	110,043	230,043
2021	125,000	103,293	228,293
2022	135,000	96,105	231,105
2023	145,000	88,208	233,208
2024	155,000	79,725	234,725
2025	160,000	70,658	230,658
2026	175,000	61,058	236,058
2027	185,000	50,558	235,558
2028	195,000	39,180	234,180
2029	210,000	27,188	237,188
2030	225,000	14,063	239,063
	<u>\$ 2,250,000</u>	<u>\$ 1,237,059</u>	<u>\$ 3,487,059</u>

Original Issue: \$ 2,600,000

Denomination: \$ 5,000

Bonds Due: December 15

Interest Dates: June 15 and December 15

Interest Rates: 2.85% and 6.25%

Paying Agent: Bank New York

Purpose: Duis Center Renovation

Sterling Park District
Alternative Revenue Bond Issue Dated July, 2010
April 30, 2016

<u>Fiscal Year</u>	<u>Bonds Issued</u>	<u>Interest Payable in Future Years</u>	<u>Total</u>
2016	\$ 105,000	\$ 85,025	\$ 190,025
2017	105,000	80,825	185,825
2018	110,000	76,625	186,625
2019	115,000	72,225	187,225
2020	120,000	67,453	187,453
2021	125,000	62,473	187,473
2022	130,000	57,285	187,285
2023	135,000	51,565	186,565
2024	145,000	45,625	190,625
2025	150,000	39,245	189,245
2026	160,000	32,195	192,195
2027	165,000	24,675	189,675
2028	175,000	16,920	191,920
2029	185,000	8,695	193,695
	<u>\$ 1,925,000</u>	<u>\$ 720,831</u>	<u>\$ 2,645,831</u>

Original Issue: \$ 2,400,000

Denomination: \$ 5,000

Bonds Due: December 15

Interest Dates: June 15 and December 15

Interest Rates: 3.00% to 4.70%

Paying Agent: Bank New York

Purpose: Duis Center Renovation

Sterling Park District
Alternative Revenue Bond Issue Dated June, 2010
April 30, 2016

<u>Fiscal Year</u>	<u>Bonds Issued</u>	<u>Interest Payable in Future Years</u>	<u>Total</u>
2016	\$ 295,000	\$ 59,998	\$ 354,998
2017	300,000	50,410	350,410
2018	315,000	39,910	354,910
2019	330,000	27,270	357,270
2020	340,000	14,110	354,110
	<u>\$ 1,580,000</u>	<u>\$ 191,698</u>	<u>\$ 1,771,698</u>

Original Issue: \$ 3,000,000

Denomination: \$ 5,000

Bonds Due: December 15

Interest Dates: June 15 and December 15

Interest Rates: 2.00% to 4.15%

Paying Agent: Bank New York

Purpose: Refinance Bonds

Sterling Park District
Computation of Legal Debt Margin
April 30, 2016

The legal debt margin as of April 30, 2016 for the District is calculated as follows:

Assessed valuation - 2014 tax year	<u>\$ 212,655,147</u>
Statutory debt limitation (2.875% of assessed valuation) (2.875% of assessed valuation)	<u>6,113,835</u>
Debt:	
General Obligation Bonds	<u>1,310,000</u>
Total debt	<u>1,310,000</u>
Legal debt margin	<u>\$ 4,803,835</u>

Sterling Park District
 Schedule Of Assessed Valuation, Tax Levies, Rates And Extensions
 April 30, 2016

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Equalized assessed valuation (Thousand of dollars)	\$ 212,655	\$ 213,830	\$ 216,376	\$ 220,559	\$ 224,159
Total Extension (After TIF and EZ)					
Corporate	\$ 212,655	\$ 213,830	\$ 216,376	\$ 220,559	\$ 224,159
Bond	1,332,923	1,346,914	1,380,910	1,292,698	1,291,606
Recreation Fund	159,491	160,372	162,282	165,419	168,120
Handicap/Joint Recreation Fund	85,062	85,532	86,550	88,224	89,664
Illinois Municipal Retirement Fur	130,145	125,090	125,065	120,205	120,149
Social Security	220,098	220,031	205,124	198,062	203,088
Liability Insurance Fund	245,191	230,081	230,007	225,191	200,174
Museum Fund	63,159	50,036	15,146	1,103	1,121
Audit Fund	10,207	10,050	10,170	10,146	10,087
Police Fund	53,164	53,458	54,094	50,067	50,212
	<u>\$ 2,512,095</u>	<u>\$ 2,495,394</u>	<u>\$ 2,485,724</u>	<u>\$ 2,371,674</u>	<u>\$ 2,358,380</u>
Tax Levy Rates (per \$100 of assessed value)					
Corporate	0.100000	0.100000	0.100000	0.100000	0.100000
Bond	0.626800	0.629900	0.638200	0.586100	0.576200
Recreation Fund	0.075000	0.075000	0.075000	0.075000	0.075000
Handicap/Joint Recreation Fund	0.040000	0.040000	0.040000	0.040000	0.040000
Illinois Municipal Retirement Fur	0.061200	0.058500	0.057800	0.054500	0.053600
Social Security	0.103500	0.102900	0.094800	0.089800	0.090600
Liability Insurance Fund	0.115300	0.107600	0.106300	0.102100	0.089300
Museum Fund	0.029700	0.023400	0.007000	0.000500	0.000500
Audit Fund	0.004800	0.004700	0.004700	0.004600	0.004500
Police Fund	0.025000	0.025000	0.025000	0.022700	0.022400
	<u>1.181300</u>	<u>1.167000</u>	<u>1.148800</u>	<u>1.075300</u>	<u>1.052100</u>
Total Tax Extension					
Corporate	\$ 227,583	\$ 227,955	\$ 231,251	\$ 237,261	\$ 237,239
Bond	1,426,488	1,435,887	1,475,841	1,390,589	1,366,972
Recreation Fund	170,687	170,966	173,438	177,946	177,929
Handicap/Joint Recreation Fund	91,033	91,182	92,500	94,905	94,896
Illinois Municipal Retirement Fur	139,281	133,354	133,663	129,307	127,160
Social Security	235,548	234,565	219,225	213,061	214,939
Liability Insurance Fund	262,403	245,279	245,819	242,244	211,855
Museum Fund	67,592	53,341	16,187	1,186	1,186
Audit Fund	10,923	10,714	10,869	10,914	10,676
Police Fund	56,895	56,989	57,813	53,858	53,142
	<u>\$ 2,688,433</u>	<u>\$ 2,660,232</u>	<u>\$ 2,656,606</u>	<u>\$ 2,551,271</u>	<u>\$ 2,495,994</u>