

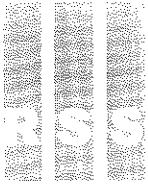
STERLING PARK DISTRICT

FINANCIAL STATEMENTS

APRIL 30, 2012

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
STATEMENT OF NET ASSETS	3
STATEMENT OF ACTIVITIES	4
BALANCE SHEET - GOVERNMENTAL FUNDS	5
COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES	6
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS	7
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	8
MANAGEMENT'S DISCUSSION AND ANALYSIS	9 - 16
NOTES TO THE FINANCIAL STATEMENTS	17 - 34
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCE BUDGET AND ACTUAL (NON GAAP BUDGETARY GENERAL FUND)	35
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION	36
COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS	37
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUND	38
COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS	39
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS	40
SCHEDULE OF ASSESSED VALUATION, TAX LEVIES, RATES AND EXTENSIONS	41



Reifler Sharps Schuetz Ltd.
Certified Public Accountants

Board of Commissioners
Sterling Park District
Sterling, Illinois

Independent Auditor's Report

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, 2012, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sterling Park District of Sterling, Illinois management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sterling Park District of Sterling, Illinois as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 9 through 16 and 34 through 36, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied

certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sterling Park District of Sterling, Illinois basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Reifler Sharps Schuetz, Ltd.
REIFLER SHARPS SCHUETZ, LTD.

October 24, 2012

**STERLING PARK DISTRICT
STATEMENT OF NET ASSETS
APRIL 30, 2012**

	PRIMARY GOVERNMENT	
ASSETS		
CASH AND CASH EQUIVALENTS	801,523	
PROPERTY TAX RECEIVABLE	2,450,411	
INVENTORY	150,429	
LAND	3,570,319	
BUILDINGS	21,939,654	
FURNITURE AND EQUIPMENT	2,999,484	
ACCUMULATED DEPRECIATION	-11,406,544	
TOTAL ASSETS	20,505,276	=====
LIABILITIES		
ACCOUNTS PAYABLE	482,941	
ACCRUED INTEREST	89,510	
ACCRUED EXPENSES	215,531	
ACCRUED PAYROLL	46,489	
LONG TERM LIABILITIES	1,729,000	
DUE WITHIN ONE YEAR	7,298,575	
DUE IN MORE THAN ONE YEAR		
TOTAL LIABILITIES	9,862,046	=====
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS	13,874,349	
UNRESTRICTED NET ASSETS	-3,231,119	
TOTAL NET ASSETS	10,643,230	=====

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**STERLING PARK DISTRICT
STATEMENT OF ACTIVITIES
April 30, 2012**

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUE AND CHANGES IN NET ASSETS
GOVERNMENTAL ACTIVITIES					
PARKS AND RECREATIONS	\$ 3,246,895	\$ 1,660,908	\$ 62,628	\$ 0	\$ -1,523,359
MUSEUM	217,833	1,620	106,598	0	-109,615
INSURANCE	85,805	0		0	-85,805
ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY	239,551	0		0	-239,551
GENERAL ADMINISTRATION	866,661	0	110,629	0	-756,032
DEBT SERVICE	299,664	0	0	0	-299,664
TOTAL PRIMARY GOVERNMENT	4,956,409	1,662,528	279,855	0	-3,014,026
GENERAL REVENUE					
TAXES					
PROPERTY TAXES LEVIED FOR GENERAL PURPOSES					1,061,441
PROPERTY TAXES LEVIED FOR DEBT SERVICES					1,285,148
REPLACEMENT TAX					236,156
INVESTMENT EARNINGS					0
GRANTS AND CONTRIBUTIONS NOT RESTRICTED					103,822
MISCELLANEOUS LOCAL AND INTERMEDIATE REVENUE					21,292
TOTAL GENERAL REVENUE					2,707,859
CHANGE IN NET ASSETS					
NET ASSETS – BEGINNING					-306,167
NET ASSETS – ENDING					-2,014,952

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

STERLING PARK DISTRICT
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 APRIL 30, 2012

GOVERNMENTAL FUND TYPES

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENT FUNDS
ASSETS					
CASH	\$ 1,300	4,816	0	0	6,116
CASH IN BANK - SAVINGS	256,379	-99,683	0	638,711	795,407
PROPERTY TAX RECEIVABLE	223,039	838,407	1,285,148	0	2,346,594
GRANT RECEIVABLE	0	103,822	0	0	103,822
INVENTORY	0	150,429	0	0	150,429
TOTAL ASSETS	\$ 480,718	997,791	1,285,148	638,711	3,402,368
LIABILITIES					
ACCOUNTS PAYABLE	41,177	441,754	0	0	482,931
ACCRUED PAYROLL	17,931	28,558	0	0	46,489
DEFERRED REVENUE	111,519	419,203	642,584	0	1,173,306
BOND PRINCIPAL TO BE PAID - 2011	0	0	0	0	0
BOND PAYABLE	0	0	0	0	0
MORTGAGE PAYABLE	0	0	0	0	0
COMPENSATED ABSENCES	0	0	0	0	0
TOTAL LIABILITIES	\$ 170,627	889,515	642,584	0	1,702,726
FUND EQUITY					
FUND BALANCE:	11,770	0	0	0	11,570
RESERVED FOR RECEIPT OF PROPERTY TAXES	1,1520	419,203	642,584	0	1,173,307
RESERVED FOR INVENTORY UNRESERVED	187,001	150,429	-20	638,711	364,336
TOTAL FUND EQUITY	310,091	108,276	642,564	638,711	1,699,642
TOTAL LIABILITIES AND FUND EQUITY	\$ 480,718	997,791	1,285,148	638,711	3,402,368

SEE ACCOMPANYING NOTES TO THE COMBINED FINANCIAL STATEMENTS

STERLING PARK DISTRICT
 COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 April 30, 2012

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUND
REVENUES					
PROPERTY TAXES	\$ 211,760	750,630	1,271,495	0	2,233,885
REPLACEMENT TAXES	221,349	14,807	0	0	236,156
INTEREST	0	0	0	0	0
PROGRAM FEES AND CHARGES	0	1,662,528	0	0	1,662,528
CONTRIBUTIONS	50,629	169,226	0	60,000	279,855
INSURANCE REIMBURSEMENT	10,964	0	0	0	10,964
GRANTS	0	103,822	0	0	103,822
OTHER	0	10,328	0	0	10,328
TOTAL REVENUE	<u>494,702</u>	<u>2,711,341</u>	<u>1,271,495</u>	<u>60,000</u>	<u>4,537,538</u>
EXPENDITURES					
CURRENT					
SALARIES AND WAGES	555,292	992,859	0	0	1,548,151
MATERIAL AND SUPPLIES	41,186	355,794	0	0	396,980
INSURANCE	53,512	32,293	0	0	85,805
SERVICES	54,959	211,356	0	5,250	271,565
REPAIRS AND MAINTENANCE	139,440	750,439	0	142,526	1,032,405
PRINTING AND PUBLISHING	0	84,595	0	0	84,595
RISK MANAGEMENT	1,201	3,977	0	0	5,178
RENTALS	0	39,815	0	0	39,815
DUES AND SUBSCRIPTIONS	7,777	3,501	0	0	11,678
UTILITIES	18,986	254,306	0	0	283,292
OTHER EMPLOYEE EXPENSES	51,099	60,295	0	0	111,394
CONFERENCES	0	225	0	0	225
EDUCATION AND TRAINING	954	2,296	0	0	3,250
MORTGAGE INTEREST	0	0	287,078	0	287,078
MORTGAGE PRINCIPAL	0	0	285,000	0	285,000
ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY	154,671	84,880	0	0	239,551
AUDIT	0	5,750	0	0	5,750
BOND PRINCIPAL	0	0	1,250,000	0	1,250,000
BOND INTEREST	0	0	11,956	0	11,956
BUILDING AND GROUNDS IMPROVEMENTS	0	0	0	0	0
EQUIPMENT PURCHASES	-4,233	519,234	0	0	515,001
OTHER	0	12,740	0	0	12,740
TOTAL EXPENDITURES	<u>1,074,844</u>	<u>3,424,755</u>	<u>1,834,034</u>	<u>147,776</u>	<u>6,481,409</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-580,142</u>	<u>-713,414</u>	<u>-562,539</u>	<u>-87,776</u>	<u>-1,943,871</u>
OTHER FINANCING SOURCES (USES)					
OPERATING TRANSFERS IN	687,800	1,525,367	572,078	365,891	3,151,136
OPERATING TRANSFERS OUT	0	-1,318,839	-12,463	-1,819,834	-3,151,136
EQUIPMENT LOAN	0	222,575	0	0	222,575
BOND ISSUE PROCEEDS	0	0	0	1,275,000	1,275,000
TOTAL OTHER FINANCING SOURCES	<u>687,800</u>	<u>429,103</u>	<u>559,615</u>	<u>-173,943</u>	<u>1,497,575</u>
NET CHANGE IN FUND BALANCES	107,658	-214,311	-2,924	-266,719	-446,296
FUND BALANCE, BEGINNING OF YEAR	202,433	392,587	645,488	905,430	2,145,938
FUND BALANCE, END OF YEAR	<u>\$ 310,091</u>	<u>108,276</u>	<u>642,564</u>	<u>638,711</u>	<u>1,699,642</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**STERLING PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
APRIL 30, 2011**

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$	1,699,642
CAPITAL ASSETS USED IN THE GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES AND THEREFORE ARE NOT REPORTED IN THE GOVERNMENTAL FUND FINANCIAL STATEMENTS		28,509,457
ACCUMULATED DEPRECIATION HAS NOT BEEN INCLUDED IN THE GOVERNMENTAL FUND FINANCIAL STATEMENTS		(11,406,544)
BONDS PAYABLE AND CONTRACTUAL OBLIGATIONS HAVE NOT BEEN INCLUDED IN THE GOVERNMENT FUND FINANCIAL STATEMENTS		(9,027,575)
ACCRUED INTEREST FOR BOND OBLIGATIONS HAVE NOT BEEN REFLECTED IN THE GOVERNMENTAL FUND FINANCIAL STATEMENTS		(89,510)
ACCRUED LIABILITIES FOR EMPLOYEE BENEFITS HAVE NOT BEEN REFLECTED IN THE GOVERNMENTAL FUND FINANCIAL STATEMENTS		(215,531)
REVENUE REPORTED AS DEFERRED REVENUE IN THE GOVERNMENTAL FUND FINANCIAL STATEMENTS WAS RECORD AS REVENUE IN THE GOVERNMENT - WIDE FINANCIAL STATEMENTS		<u>1,173,291</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	<u>10,643,230</u> =====

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**STERLING PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
APRIL 30, 2012**

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$	(446,296)
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		735,798
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		1,535,000
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		(89,510)
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 FINANCIALS		499,535
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		(653,165)
THE GOVERNMENT FUND FINANCIAL STATEMENTS REFLECT BONDS ISSUE PROCEEDS AS A SOURCE OF FUNDS. THIS IS A NON-REVENUE ITEM GOVERNMENT - WIDE FINANCIALS		(1,497,575)
PAYMENT OF PRIOR YEARS ACCRUED EXPENSES DEDUCTED IN FUND FINANCIAL STATEMENT WHEN PAID. ACCRUED IN PRIOR YEAR GOVERNMENT - WIDE FINANCIALS		<u>(389,954)</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	(306,167) =====

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

STERLING PARK DISTRICT
MANAGEMENT'S DISCUSSION
FOR THE YEAR ENDED APRIL 30, 2012

Our discussion and analysis of Sterling Park District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended April 30, 2012. Please review it in conjunction with the transmittal letter and the District's basic financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- Total net assets decreased \$.3 million.
- General Revenues accounting for \$280 thousand in revenues or 6.0 percent of all revenues. Program specific revenues in the form of charges for services accounted for \$1,663 million or 35.7 percent of all revenues.
- The District expended 735 thousand on capital improvements during the current year.

The major fund is the recreation fund and had expenses of 3.2 million in fiscal year 2012.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 3 and 4) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 5. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most financially significant funds.

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities:

Our analysis of the District as a whole begins on page 11. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

STERLING PARK DISTRICT
MANAGEMENT'S DISCUSSION
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

These two statements report the District's net assets and changes in them. You can think of the District's net assets, the difference between assets, what the District owns, and liabilities, what the District owes, as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's jurisdiction, the availability of grants and contributions to assess the overall health of the District.

Reporting the District's Most Significant Funds

Major Funds:

- General
- Debt Service
- Special Revenue

Fund Financial Statements:

Our analysis of the District's major funds begins on page 36. The fund financial statements begin on page 5 and provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law. However, the Board of Commissioners establishes many other funds to help control and manage money for particular purposes.

Governmental Funds: The District's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation after the fund financial statements.

STERLING PARK DISTRICT
MANAGEMENT'S DISCUSSION
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

Special Revenue Funds are used to account for proceeds from specific revenue sources (other than capital projects) that are legally restricted to expenditures for specific purposes. Funds included in this fund category are:

Recreation	Audit
Special Gifts	Illinois Municipal Retirement
Museum	Insurance
	Police

The Debt Service Fund is used primarily to account for the accumulation of resources and payments of principal and interest on the District's general obligation bonds which are recorded in the General Long-term Debt Account Group. The principal source of revenue is property taxes. Since there are no legal requirements or bond indentures which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

At the present time the District has no proprietary funds.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

STERLING PARK DISTRICT
MANAGEMENT'S ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

THE DISTRICT AS A WHOLE

The District's total net assets decreased .2 million from a year ago, moving to 10.7 million for fiscal year 2012. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the District's governmental activities.

Table 1
Net Assets (in millions)

	2012	2011
Current and other assets	\$ 3.4	\$ 3.6
Capital assets	17.1	17.0
	-----	-----
Total Assets	20.5	20.6
	-----	-----
Long-term obligations	(9.0)	(9.1)
Other liabilities	(.8)	(.6)
	-----	-----
Total Liabilities	(9.8)	(9.7)
	=====	=====
Net assets:		
Invested in capital assets, net of related debt	\$ 13.9	\$ 13.8
Unrestricted	(3.2)	(2.9)
	-----	-----
Total Net Assets	\$ 10.7	\$ 10.9
	=====	=====

Net assets of the District's activities decreased by .2 million. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased from \$(2.9) million to (3.2) million at the end of 2012. The decrease can be attributed to the District's increase in the cost of operating and the Duis Recreation Center renovations cost.

STERLING PARK DISTRICT
MANAGEMENT'S ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

Table 2 compares the 2012 change in net assets to the 2011 change in net assets.

Table 2
Changes in Net Assets for 2012
Compared with 2011 Activity
(in millions)

	<u>2012</u>	<u>2011</u>	<u>Change</u>
Program Revenues:			
Charges for Services	\$ 1.6	\$ 1.6	\$ 0
General Revenues:			
Operating Grants	.3	.3	0
Other	2.7	2.7	0
	-----	-----	-----
Total Revenues	\$ 4.6	\$ 4.6	\$ 0
	=====	=====	=====
Program Expenses:			
General Government	\$ 4.9	\$ 7.8	\$ 2.9
	-----	-----	-----
Total Expenses	4.9	7.8	2.9
	-----	-----	-----
Decrease in Net Assets	\$ (.3)	(3.2)	2.9
	=====	=====	=====

Table 3 presents the cost of each of the District's programs as well as each program's net cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the District by each of these functions.

Table 3
Governmental Activities
(in millions)

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
General Government	\$ 4.9	\$ 8.1	\$ 3.0	\$ 4.8
	-----	-----	-----	-----
Total Expenses	\$ 4.9	\$ 8.1	\$ 3.0	\$ 4.8
	=====	=====	=====	=====

STERLING PARK DISTRICT
MANAGEMENT'S ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

The decrease in general government from 2011 to 2012 from 3.2 million can be attributed to decreased cost due to the significant completion of the Duis Recreation Center renovation project.

THE DISTRICT'S FUNDS

Table 4 presents the fund balances of the individual major funds and total non-major funds and analysis of significant changes in the fund balances.

Table 4
Changes in Year End Fund Balance

	<u>2012</u>	<u>2011</u>	<u>% Change</u>
General	\$ 310,091	\$ 202,433	53.2%
Debt Service	108,276	392,587	(72.4)%
Special Revenue	642,564	645,488	(.5)%
Non-major Funds	638,711	905,430	(29.5)%
	-----	-----	-----
Total Governmental Balances	\$1,699,642	\$2,145,938	(20.8)%
	=====	=====	=====

The overall 20.8% decrease in fund balance is due largely to the fact that most of the alternative bond issue was expended on the Duis Recreation Center renovation project and several ADA projects.

Table 5 presents a summary of governmental fund revenues for the 2012 fiscal year and the amounts and percentages of increases and decreases in relation to the prior year.

Table 5
Total Governmental Fund Revenues

	<u>2012</u>	<u>Percent</u>	<u>Increase</u>	<u>Percent</u>
	<u>Amount</u>	<u>of total</u>	<u>(Decrease)</u>	<u>Increase</u>
		<u>of total</u>	<u>Over 2011</u>	<u>(Decrease)</u>
Property and replacement tax	\$2,573,863	56.7%	\$ 49,684	1.1%
Charges for Services	1,662,528	36.6%	6,257	.1%
Investment Earnings	0	.0%	(18,423)	(.4)%
Other	301,147	6.7%	(102,657)	(2.2)%
	-----	-----	-----	-----
Total	\$4,537,538	100.0%	\$ (65,139)	(1.4)%
	=====	=====	=====	=====

STERLING PARK DISTRICT
MANAGEMENT'S ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

The 1.1% increase in property can be attributed to increases in assessed valuation and the increased tax rate.

The .1% increase in charges for services can be attributed to an increase in program offerings and an increase in participation in those programs.

The (.4)% decrease in investment earnings is attributed to the reduction of invested cash due to the significant completion of the Duis Recreation Center renovation project.

The (2.2)% decrease in other revenues is largely attributed to decreased contributions in 2012.

The General Fund budget was not revised during the current fiscal year. Table 6 discusses the variance between the final budget and the actual results for the fiscal year.

Table 6
Final Budget versus Actual Results
General Fund

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Property and replacement tax	\$ 2,601,475	\$ 2,470,041	\$ (131,434)
Charges for Services	1,616,315	1,662,528	46,213
Investment Earnings	2,475	0	(2,475)
All Other	458,435	404,969	(53,466)
Expenditures:			
Total General Government	6,542,490	6,481,409	(61,081)
Other Financing Sources (Uses):			
Operating Transfers In	2,053,865	3,151,136	1,097,271
Operating Transfers Out	(2,053,865)	(3,151,136)	(1,097,271)
Bond Proceeds	1,497,575	1,497,575	0

Original Versus Final Budget

There was no variance between original and final budgeted amounts.

The difference in General Government can be attributed to the decrease in program participation (expense) and an increase in property taxes.

STERLING PARK DISTRICT
MANAGEMENT'S ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2012 (Continued)

Debt Administration

At April 30, 2012 the District had \$9,028 million in outstanding bonds payable versus \$9,065 million last year, a decrease of .42%. For a breakdown of the interest payment schedule refer to Note 5 of the basic financial statements.

ECONOMIC FACTORS

The District has operated solely in Sterling Township since its formation, providing parks and recreational services to the residents of the District.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Executive Director, Sterling Park District, 1913 3rd Avenue, Sterling, Illinois 61081.

Larry Schuldt
Executive Director

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

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 by providing open spaces, facilities, programs, and activities for all residents regardless of age or disability.

The accounting and reporting policies of the District relating to the funds 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.

Reporting Entity - The District's reporting entity includes all entities for which the Park District exercises oversight responsibility as defined by the GASB.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB.

The basic (but not the only) criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in the reporting entity is the exercise of oversight responsibility over such governmental units by the District's Board of Commissioners. Oversight responsibility is derived from the District's power and includes, but is not limited to:

- * financial interdependency;
- * selection of governing authority;
- * designation of management;
- * ability to significantly influence operations; and
- * accountability for fiscal matters.

Other criteria include the scope of public service and existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibility.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

There are other governmental entities, located primarily within the District's boundaries. These entities have separately elected boards, power to levy taxes, and authorization to expended funds. The District exercises no oversight responsibilities in relation to these entities and they are, therefore, not included in the District's general purpose financial statements. Based on the criteria established by the GASB, the District has not included in its general purpose financial statements the activities of any other entity.

Government-wide and fund financial statements - The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government.

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

Measurement focus, basis of accounting, and financial statement presentation - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Grants and entitlements and interest associated with the current fiscal period are all considered being susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the District receives cash.

Special Revenue Funds are used to account for proceeds from specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes. Funds included in this fund category are:

Recreation	Audit
Special Gifts	Illinois Municipal Retirement
Museum	Insurance
	Police

The Debt Service Fund is used primarily to account for the accumulation of resources and payments of principal and interest on the District's general obligation bonds which are recorded in the General Long-term Debt Account Group. The principal source of revenue is property taxes. Since there are no legal requirements or bond indentures which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

At the present time the District has no proprietary funds.

Expenses/Expenditures - On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end. Under the modified accrual basis, only interest is considered to be both measurable and available at fiscal year-end.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Non-exchange transactions, in which the District receives value without directly giving value in return, includes grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Fund Accounting - The District uses funds and account groups to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types.

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

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required, legally or by sound financial management, to be accounted for in another fund.

Interfund Receivables - Due to and from other funds arise during the course of the District's operations because of numerous transactions between funds to finance operations, provide services, construct assets and service debt.

Cash and Cash Equivalents - The District considers all highly liquid investments acquired by the District to be cash equivalents.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

The District records cash equivalents in the fund that owns the assets and the related earnings on those investments are also recorded in the fund that owns the assets.

State statutes authorize the District to invest in obligations of the U.S. Treasury; federally insured bank accounts, credit union accounts or money markets; high-rated short-term corporate obligations; repurchase agreements; and the Illinois Park District Liquid Asset Fund Plus.

Cash equivalents are carried at cost that approximates market values at April 30, 2012.

Capital Assets - General capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$1,000. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not.

Revenue Recognition - Property Taxes - Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied before the last Tuesday in December and are due and payable at June 1 and September 1. The county bills and collects the taxes for the District. The District property tax revenues are recognized when levied to the extent that they result in current receivables for governmental funds. Property taxes are recognized as revenue in the government-wide financial statements.

Restricted Assets - Restricted assets are cash and cash equivalents whose use is limited by legal requirements. Restricted cash with fiscal agent represents amounts required by debt covenant to be segregated for final year debt payment and accrued interest on the bonds.

Long-term Liabilities - Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-term Debt Account Group.

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures, or expenses as appropriate. Transactions that constitute reimbursements to a fund for expenditure/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

Compensated Absences - The District does accrue compensatory time on exempt employees. Employees can accumulate up to sixty days of vacation time and ninety days of sick time.

Net Assets - Net assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Deferred Revenues - The District reports unearned deferred revenue in the governmental fund balance sheet. Deferred and unearned revenue arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In general, monies received within sixty days after year-end are considered to have been for prior year services.

Accrued Liability - The District reports an accrued liability on the statement of net assets for accrued interest and employee benefits.

Reconciliation of Government-Wide and Fund Financial Statements - Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets: The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net assets of governmental activities as reported in the government-wide statement of net assets.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Fund Balances - Reserved - Represents that portion of the fund balances that may not be appropriated for expenditures or is legally segregated for a specific future use.

Fund Balances - Unreserved - Represents the remainder of the Authority's equity in the fund balance.

NOTE 2 - DEPOSITS:

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 \$795,407 and the bank balance was \$796,047. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$546,047 was collateralized by pledged securities by the financial institution.

Investments - Investments which consist of certificates of deposit, are recorded at cost and are held by the District.

Category:	<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	545,407	546,047
	-----	-----
	\$795,407	\$796,047
	=====	=====

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

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	1,319

Total	\$11,570
	=====

NOTE 4 - GENERAL FIXED ASSETS:

A summary of changes in Fixed Assets is as follows:

	Balance Beginning of Year	Additions	Retire- ments	Balance End of Year
Land, buildings, and improvements	\$24,883,586	\$ 626,387	\$ 0	\$25,509,973
Equipment	2,883,064	116,420	0	2,999,484
	-----	-----	-----	-----
	\$27,766,650	\$ 742,807	\$ 0	\$28,509,457
	=====	=====	=====	=====
Accumulated depreciation	\$10,753,379	\$ 653,165	\$ 0	\$11,406,544
	=====	=====	=====	-----
Net book value of fixed assets				\$17,102,913
				=====

All capital assets are depreciated except for land and construction in process. Depreciation is calculated on the straight-line method over the following useful lives:

<u>Depreciation</u>	<u>Estimated Lives</u>
Building and improvements	40 years
Machinery and equipment	10 years

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 5 - LONG-TERM DEBT:

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	\$1,250,000
Bond payments	1,250,000
Bond proceeds	1,275,000

Bonds payable - End of year	\$1,275,000
	=====

In December, 2011 the District issued General Obligation Bonds in the amount of \$1,275,000. 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 in 2012. The interest rate is .8125% annually.

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 is to be 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.

On May 7, 2011 the Board authorized the purchase of fitness equipment to be financed over a three-year period at 2.24%. Annual payments of \$77,643 inclusive of interest are due on May 7 of each year.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 5 - LONG-TERM DEBT (Continued):

The legal debt margin as of April 30, 2012 for the District is calculated as follows:

Assessed valuation - 2011 tax year	\$224,159,348

Statutory debt limitation (2.875% of assessed valuation)	6,444,581

Debt:	
General Obligation Bonds	1,275,000

Total debt	1,275,000

Legal debt margin	\$ 5,169,581
	=====

Long-term liabilities will be liquidated as follows:

2012	\$1,732,643
2013	527,643
2014	537,643
2015	485,000
2016	495,000

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.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 6 - PENSION PLAN (Continued):

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 2011 used by the Employer was 9.60 percent of annual covered payroll. The Employer annual required contribution rate for calendar year 2011 was 11.89 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

For calendar year ending December 31, 2011 the Employer's actual contributions for pension cost for the Regular plan members were \$117,862. Its required contribution for calendar year 2011 was \$145,977.

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>
12/31/11	\$145,977	81%	\$0
12/31/10	126,575	82%	0
12/31/09	103,760	100%	0

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, 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 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

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 6 - PENSION PLAN (Continued):

C. Annual Pension Cost (continued)

between the actuarial and market value of assets. The Employer Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

D. Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 82.26% funded. The actuarial accrued liability for benefits was \$3,434,846 and the actuarial value of assets was \$2,825,618, resulting in an underfunded actuarial accrued liability (UAAL) of \$609,228. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$1,227,727 and the ratio of the UAAL to the covered payroll was 50 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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))
12/31/11	\$2,825,618	\$3,434,846	\$609,228	82.26%	\$1,227,727	49.62%
12/31/10	2,833,004	3,452,628	619,624	82.05%	1,184,050	52.33%
12/31/09	2,543,083	3,258,434	715,351	78.05%	1,306,807	54.74%

On a market value basis, the actuarial value of assets as of December 31, 2011 is \$2,710,678. On a market basis, the funded ratio would be 78.92%.

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.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 8 - REVENUE RECOGNITION - PROPERTY TAXES:

For funds on the modified accrual basis of accounting, property taxes which have been levied but not collected during the year are recorded as property taxes receivable and deferred revenues.

The statement of net activities records the property tax as revenue in the year the taxes are levied.

NOTE 9 - INSURANCE:

The 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 intergovernmental cooperative agreement among its members. Property, general liability, workers compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2012 through January 1, 2013.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 9 - INSURANCE (Continued):

<u>Coverage</u>	PDRMA		<u>Limits</u>	<u>Insurance Company</u>	<u>Policy Number</u>
	<u>Member Deductible</u>	<u>Self-insured Retention</u>			
1. Property:					
Property/Bldg/Contents				PDRMA Reinsurers:	P070111
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members	Various reinsurers	
All losses annual aggregate		3,000,000	Declaration 11	through the Public	
Flood/except zones A&V	1,000	1,000,000	\$250,000,000/occurrence/annual aggregate	Entity Property Reinsurance Program (PEPIP)	
Flood/zones A&V	1,000	1,000,000	\$200,000,000 " " "		
Earthquake shock	1,000	100,000	\$100,000,000 " " "		
Auto Physical Damage					
Comprehensive and collision	1,000	1,000,000	Included		
Course of Construction/Builders Risk	1,000	Included	\$25,000,000		
Business Interruption, rental 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 SUB-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Boiler and machinery			\$100,000,000 equipment	Travelers Indemnity	BME10525L478
Property damage	\$1,000	\$ 9,000	breakdown-property damage	Co. of Illinois	
Business income	48 hours	N/A	included		
			OTHER SUB-LIMITS APPLY - REFER TO COVERAGE DOCUMENT		
Fidelity and crime	\$1,000	\$24,000	\$2,000,000	National Union	01-436-32-39
Seasonal employees	1,000	9,000	\$1,000,000	Fire Insurance Co.	
Blanket bond	1,000	24,000	\$2,000,000		
2. Workers Compensation					
EMPLOYERS LIABILITY	N/A	\$500,000	Statutory	PDRMA Government	WC01012
		500,000	\$3,500,000 Employers Liability	Entities Mutual, Safety National Casualty Corp	GEM-0003-A11001 SP-4045626
3. Liability					
General	None	\$500,000	\$21,500,000/occurrence/annual aggregate	PDRMA Reinsurers: Government Entities Mutual, Markel	L010112 GEM-0003-A11001
Auto Liability	None	Included	Included		
Employment Practices	None	Included	\$21,500,000/occurrence/annual aggregate		

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 9 - INSURANCE (Continued):

Public Officials' Liability	None	Included		Star Indemnity	8090010
Law Enforcement Liability	None	Included	Included	and Liability Co.	
Uninsured/Underinsured Motorists	None	Included	\$1,000,000/occurrence		
4. <u>Pollution Liability</u>					
Liability - third party	None	\$25,000	\$5,000,000/occurrence	XL Environmental	PEC2535804
Property - first party	\$1,000	\$24,000	\$30,000,000 3-yr general aggregate	Insurance	
5. <u>Outbreak Expense</u>	24 hours	N/A	\$15,000 per day \$450,000 per location \$1,000,000 aggregate policy limit	Markel	
6. <u>Volunteer Medical Accident</u>	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
7. <u>Underground Storage Tank Liability</u>	None	N/A	\$10,000, follows Illinois Leaking Underground Tank Fund	Self-insured	
8. <u>Unemployment Compensation</u>	N/A	N/A	Statutory	Self-funded	

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 District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body. The 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,

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 9 - INSURANCE (Continued):

including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's Property/Casualty Program's balance sheet at December 31, 2011 and the statement of revenues and expenses for the period ending December 31, 2011. The District's portion of the overall equity of the pool is 0.606% or \$200,928.

Assets	\$55,041,677
Liabilities	\$21,875,511
Member Balances	\$33,166,166
Revenues	\$18,480,463
Expenditures	\$17,708,721

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

NOTE 10 - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS:

The following funds had an excess of actual board approved expenditures over legally enacted board budgeted amounts for the year ended April 30, 2011:

Recreation
Renovation and Improvement Fund
Special Recreation Program Fund
Museum Fund

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.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 12 - CONTINGENT LIABILITY:

Although the level of future expenditures for environmental matters, including cleanup obligations, is impossible to determine with any degree of probability, it is the Board of Director's opinion that such cost, when finally determined, will not have a material adverse effect on the comprehensive financial position of the District.

NOTE 13 - INSURANCE FUND EXPENDITURES:

The proceeds from property tax revenue assessed for tort liability of \$198,780 were disbursed as follows:

Salaries and wages	\$ 82,500
Insurance	72,400
Risk management	43,880

Total	\$198,780
	=====

NOTE 14 - 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 2012 represents collection of the 2010 taxes. Property taxes from the 2011 levy will be collected in and are intended to finance fiscal year 2013 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.

STERLING PARK DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2012

NOTE 14 - PROPERTY TAXES (Continued):

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

	Maximum	LEVY		
		2009	2010	2011
Park Corporate	.1000	.0915	.0897	.1000
Park Bonds +1%		.5659	.5628	.5762
Park Illinois Municipal Retirement		.1685	.1532	.0536
Park Police	.0250	.0227	.0222	.0224
Park Audit	.0050	.0046	.0045	.0045
Park Insurance Liability		.0784	.0888	.0893
Park Recreation	.0750	.0689	.0675	.0750
Museum Fund	.0302	.0005	.0005	.0005
Recreation Handicap	.0400	.0000	.0400	.0400
Social Security		.0000	.0000	.0906
		-----	-----	-----
		1.0010	1.0292	1.0521
		=====	=====	=====

NOTE 15 - REQUIRED INDIVIDUAL FUND DISCLOSURE:

Excess of expenditures over appropriation for the year ended April 30, 2012 are as follows:

	<u>Expenditures</u>	<u>Appropriation</u>	<u>Difference</u>
Special recreation	\$ 150,838	\$ 135,000	\$ 15,838
Renovation fund	\$ 185,615	\$ 175,000	\$ 10,615
Recreation	\$2,983,624	\$2,860,790	\$ 122,834
Museum fund	\$ 240,005	\$ 230,075	\$ 9,930

Deficit equity balance for fiscal year 2012 of individual funds are as follows:

P.W. Dillion Museum	\$ 3,985
Recreation Fund	212,274

NOTE 16 - DATE OF MANAGEMENT REVIEW:

Management has evaluated subsequent events through October 24, 2012, the date which the financial statements were available to be issued.

STERLING PARK DISTRICT
SCHEDULE OF REVENUE EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (NON GAAP BUDGETARY GENERAL FUND)
April 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE:				
PROPERTY TAXES	2,318,475	2,318,475	2,233,885	(84,590)
REPLACEMENT TAX	283,000	283,000	236,156	(46,844)
INTEREST	2,475	2,475	0	(2,475)
CONTRIBUTIONS	407,900	407,900	279,855	(128,045)
INSURANCE REIMBURSEMENT	33,500	33,500	10,964	(22,536)
PROGRAM FEES AND CHARGES	1,616,280	1,616,280	1,662,528	46,248
OTHER	17,035	17,035	114,150	97,115
TOTAL REVENUE	4,678,665	4,678,665	4,537,538	(141,127)
DISBURSEMENTS:				
SALARIES AND WAGES	1,618,485	1,618,485	1,548,151	(70,334)
MATERIALS AND SUPPLIES	369,575	369,575	396,980	27,405
INSURANCE	87,000	87,000	86,805	(1,195)
SERVICES	334,050	334,050	271,565	(62,485)
REPAIRS AND MAINTENANCE	1,147,775	1,147,775	1,032,405	(115,370)
PRINTING AND PUBLISHING	43,800	43,800	84,595	40,795
RISK MANAGEMENT	5,100	5,100	5,178	78
RENTALS	54,250	54,250	39,815	(14,435)
DUES AND SUBSCRIPTIONS	10,925	10,925	11,678	753
UTILITIES	277,950	277,950	283,292	5,342
OTHER EMPLOYEE EXPENSES	145,650	145,650	111,394	(34,256)
CONFERENCES	0	0	225	225
EDUCATION AND TRAINING	3,550	3,550	3,250	(300)
CERTIFICATE INTEREST	0	0	0	0
CERTIFICATE PRINCIPAL	0	0	0	0
BOND INTEREST	299,100	299,100	299,034	(66)
BOND PRINCIPAL	1,535,000	1,535,000	1,535,000	0
I.M.R.F. AND SOCIAL SECURITY	248,500	248,500	239,551	(8,949)
AUDIT	7,250	7,250	5,750	(1,500)
EQUIPMENT PURCHASED	338,025	338,025	515,001	176,976
OTHER	16,505	16,505	12,740	(3,765)
TOTAL DISBURSEMENTS	6,542,490	6,542,490	6,481,409	(61,081)
EXCESS OF REVENUES OVER/(UNDER) DISBURSEMENTS	(1,863,825)	(1,863,825)	(1,943,871)	(80,046)
OTHER FINANCING SOURCES:				
OPERATIONAL TRANSFERS IN	2,053,865	2,053,865	3,151,136	1,097,271
OPERATIONAL TRANSFERS OUT	(2,053,865)	(2,053,865)	(3,151,136)	(1,097,271)
BOND PROCEEDS	1,497,575	1,497,575	1,497,575	0
TOTAL OTHER FINANCING SOURCES	1,497,575	1,497,575	1,497,575	0
EXCESS OF REVENUE & OTHER SOURCES OVER/(UNDER) EXPENDITURES & OTHER USES	(366,250)	(366,250)	(446,296)	(80,046)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

STERLING PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
APRIL 30, 2012

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
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
APRIL 30, 2012**

	ILLINOIS MUNICIPAL RECREATION FUND	P.W. DILLON HOME FUND	AUDIT FUND	INSURANCE FUND	SPECIAL GIFTS FUND	POLICE FUND	TOTAL MEMORANDUM ONLY
ASSETS							
CASH	\$ 4,766	0	0	0	0	0	4,816
CASH IN BANK - SAVINGS	-65,122	-68,700	0	0	34,139	0	-99,683
PROPERTY TAX RECEIVABLE	256,495	1,120	10,037	199,173	0	49,961	838,407
GRANT RECEIVABLE	35,122	68,700	0	0	0	0	103,822
INVENTORY	150,429	0	0	0	0	0	150,429
TOTAL ASSETS	\$ 381,690	321,621	10,037	199,173	34,139	49,961	997,791
LIABILITIES							
ACCOUNTS PAYABLE	\$ 440,064	1,710	0	0	0	0	441,774
ACCRUED PAYROLL	25,673	2,885	0	0	0	0	28,558
DEFERRED REVENUE	128,247	160,811	5,019	99,586	0	24,980	419,203
TOTAL LIABILITIES	\$ 593,984	160,811	5,019	99,586	0	24,980	889,535
FUND EQUITY							
FUND BALANCE:							
RESERVED FOR RECEIPT OF PROPERTY TAXES	\$ 128,247	160,810	5,018	99,587	0	24,981	419,203
RESERVED FOR INVENTORY	150,429	0	0	0	0	0	150,429
RESERVED	0	0	0	0	0	0	0
UNRESERVED	-490,950	-4,545	0	0	34,139	0	-461,356
TOTAL FUND EQUITY	\$ -212,274	160,810	5,018	99,587	34,139	24,981	108,276
TOTAL LIABILITIES AND FUND EQUITY	\$ 381,710	321,621	10,037	199,173	34,139	49,961	997,811

SEE ACCOMPANYING NOTES TO THE COMBINED FINANCIAL STATEMENTS

**STERLING PARK DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
YEAR ENDED APRIL 30, 2012**

	RECREATION FUND	ILLINOIS MUNICIPAL RETIREMENT FUND	P.W. DILLON HOME FUND	AUDIT FUND	INSURANCE FUND	SPECIAL GIFTS FUND	POLICE FUND	TOTAL MEMORANDUM ONLY
REVENUES								
PROPERTY TAXES	\$ 158,837	332,009	1,119	10,056	198,821	0	49,788	750,630
REPLACEMENT TAXES	0	0	0	0	0	0	0	0
INTEREST	0	0	0	0	0	0	0	0
PROGRAM FEES AND CHARGES	1,660,908	0	1,620	0	0	0	0	1,662,528
CONTRIBUTIONS	55,128	0	106,598	0	0	7,500	0	169,226
GRANTS	35,122	0	66,700	0	0	0	0	103,822
OTHER	24,603	0	532	0	0	0	0	25,135
TOTAL REVENUE	\$ 1,934,598	332,009	178,569	10,056	198,821	7,500	49,788	2,711,341
EXPENDITURES								
SALARIES AND WAGES	\$ 904,119	0	88,740	0	0	0	0	992,859
MATERIAL AND SUPPLIES	353,165	0	2,628	0	0	0	0	355,794
INSURANCE	31,883	0	400	0	0	0	0	32,283
SERVICES	207,755	0	3,601	0	0	0	0	211,356
REPAIRS AND MAINTENANCE	658,458	0	91,331	0	0	650	0	750,439
PRINTING AND PUBLISHING	84,595	0	0	0	0	0	0	84,595
RISK MANAGEMENT	3,977	0	0	0	0	0	0	3,977
RENTALS	39,715	0	100	0	0	0	0	39,815
DUES AND SUBSCRIPTIONS	3,901	0	0	0	0	0	0	3,901
UTILITIES	253,949	0	10,357	0	0	0	0	264,306
OTHER EMPLOYEE EXPENSES	48,486	0	11,799	0	0	0	0	60,285
CONFERENCES	225	0	0	0	0	0	0	225
EDUCATION AND TRAINING	2,296	0	0	0	0	0	0	2,296
MORTGAGE PAYMENT	0	0	0	0	0	0	0	0
ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY	74,767	-10,230	20,343	0	0	0	0	84,880
AUDIT	3,500	0	2,250	0	0	0	0	5,750
BUILDING AND GROUNDS IMPROVEMENTS	0	0	0	0	0	0	0	0
EQUIPMENT PURCHASED	512,208	0	7,926	0	0	0	0	519,234
INTEREST PAYMENTS	0	0	0	0	0	0	0	0
OTHER	12,740	0	0	0	0	0	0	12,740
TOTAL EXPENDITURES	\$ 3,195,759	-10,230	238,576	0	0	650	0	3,424,755
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-1,261,161	342,239	-60,007	10,056	196,321	6,850	49,788	-713,414
OTHER FINANCING SOURCES (USES)								
EQUIPMENT LOAN	222,575	0	0	0	0	0	0	222,575
OPERATING TRANSFERS IN	1,453,100	14,807	57,460	0	0	0	0	1,525,367
OPERATING TRANSFERS OUT	-640,084	-392,343	0	-10,099	-198,780	-1,175	-76,358	-1,318,839
TOTAL OTHER FINANCING SOURCES	\$ 1,035,591	-377,536	57,460	-10,099	-198,780	-1,175	-76,358	429,103
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-225,570	-35,297	-2,547	-43	41	5,675	-26,570	-284,311
FUND BALANCE, BEGINNING OF YEAR	13,296	196,107	-1,438	5,061	99,546	28,464	51,551	392,587
FUND BALANCE, END OF YEAR	\$ -212,274	160,810	-3,985	5,018	99,587	34,139	24,981	108,276

SEE ACCOMPANYING NOTES TO THE COMBINED FINANCIAL STATEMENTS

STERLING PARK DISTRICT
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
April 30, 2012

	CAPITAL EQUIPMENT FUND	IMAGINATION STATION FUND	CAPITAL PROJECTS FUND	RENOVATION & IMPROVEMENT FUND	SPECIAL DEVELOPMENT FUND	TOTAL MEMORANDUM ONLY
ASSETS						
CASH IN BANK - SAVINGS	\$ 558,711	0	0	80,000	0	638,711
TOTAL ASSETS	<u>\$ 558,711</u>	<u>0</u>	<u>0</u>	<u>80,000</u>	<u>0</u>	<u>638,711</u>
LIABILITIES						
ACCOUNTS PAYABLE	\$ 0	0	0	0	0	0
FUND EQUITY						
FUND BALANCE UNRESERVED	558,711	0	0	80,000	0	638,711
TOTAL FUND EQUITY	<u>558,711</u>	<u>0</u>	<u>0</u>	<u>80,000</u>	<u>0</u>	<u>638,711</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 558,711</u>	<u>0</u>	<u>0</u>	<u>80,000</u>	<u>0</u>	<u>638,711</u>

SEE ACCOMPANYING NOTES TO THE COMBINED FINANCIAL STATEMENTS

STERLING PARK DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUNDS
 YEAR ENDED APRIL 30, 2012

	CAPITAL EQUIPMENT FUND	IMAGINATION STATION FUND	CAPITAL PROJECTS FUND	RENOVATION & IMPROVEMENT FUND	SPECIAL DEVELOPMENTS FUND	TOTAL MEMORANDUM ONLY
REVENUES						
INTEREST	0	0	0		0	0
CONTRIBUTIONS	0	0	0	60,000	0	60,000
INSURANCE REIMBURSEMENTS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL REVENUES	0	0	0	60,000	0	60,000
EXPENDITURES						
MORTGAGE PRINCIPAL	0	0	0	0	0	0
MORTGAGE INTEREST	0	0	0	0	0	0
SERVICES	0	0	5,250	0	0	5,250
BUILDING AND GROUNDS IMPROVEMENTS	0	0	0	0	0	0
REPAIRS AND MAINTENANCE	0	0	0	142,526	0	142,526
OTHER	0	0	0	0	0	0
TOTAL EXPENDITURES	0	0	5,250	142,526	0	147,776
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	0	-5,250	-82,526	0	-87,776
OTHER FINANCING SOURCES (USES)						
OPERATING TRANSFERS IN	122,543	0	0	243,348	0	365,891
OPERATING TRANSFERS OUT	0	0	-1,269,750	-550,084	0	-1,819,834
MORTGAGE PROCEEDS	0	0	0	0	0	0
BOND ISSUE PROCEEDS	0	0	1,275,000	0	0	1,275,000
TOTAL OTHER FINANCING SOURCES	122,543	0	5,250	-306,736	0	-178,943
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	122,543	0	0	-386,262	0	-266,719
FUND BALANCE, BEGINNING OF YEAR	436,168	0	0	469,262	0	905,430
FUND BALANCE, END OF YEAR	558,711	0	0	80,000	0	638,711

SEE ACCOMPANYING NOTES TO THE COMBINED FINANCIAL STATEMENTS

STERLING PARK DISTRICT

SCHEDULE OF ASSESSED VALUATION, TAX LEVIES, RATES AND EXTENSIONS
APRIL 30, 2012

	2011	2010	2009
Equalized assessed valuation (thousand of dollars)	\$ 224,159	\$ 225,330	\$ 220,830
Total Extension After TIF and EZ)			
Corporate	224,159	202,121	202,059
Bond	1,291,606	1,268,159	1,249,675
Recreation Fund	168,120	152,098	152,152
Handicap/Joint Recreation Fund	89,664	90,132	-
Illinois Municipal Retirement Fund	120,149	345,206	372,098
Social Security	203,088	-	-
Liability Insurance Fund	200,174	200,093	173,131
Museum Fund	1,121	1,127	1,104
Audit Fund	10,087	10,140	10,158
Police Fund	50,212	50,023	50,128
	<u>\$ 2,358,380</u>	<u>\$ 2,319,099</u>	<u>\$ 2,210,505</u>
Tax Levy Rates (per \$100 of assessed value)			
Corporate	0.100000	0.089700	0.091473
Bond	0.576200	0.562600	0.563102
Recreation Fund	0.075000	0.067500	0.068831
Handicap/Joint Recreation Fund	0.040000	0.040000	-
Illinois Municipal Retirement Fund	0.053600	0.153200	0.168456
Social Security	0.090600	-	-
Liability Insurance Fund	0.089300	0.088800	0.078341
Museum Fund	0.000500	0.000500	0.000453
Audit Fund	0.004500	0.004500	0.004528
Police Fund	0.022400	0.022200	0.022642
	<u>1.052100</u>	<u>1.029000</u>	<u>0.997826</u>
Total Tax Extension			
Corporate	\$ 237,239	\$ 212,932	\$ 212,424
Bond	\$ 1,366,972	\$ 1,335,986	\$ 1,313,778
Recreation Fund	\$ 177,929	\$ 160,233	\$ 159,956
Handicap/Joint Recreation Fund	\$ 94,896	\$ 94,953	\$ -
Illinois Municipal Retirement Fund	\$ 127,160	\$ 363,669	\$ 391,185
Social Security	\$ 214,939	\$ -	\$ -
Liability Insurance Fund	\$ 211,855	\$ 210,795	\$ 182,011
Museum Fund	\$ 1,186	\$ 1,187	\$ 1,161
Audit Fund	\$ 10,676	\$ 10,682	\$ 10,679
Police Fund	\$ 53,142	\$ 52,699	\$ 52,700
	<u>\$ 2,495,994</u>	<u>\$ 2,443,136</u>	<u>\$ 2,323,894</u>