

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

L&A to Update

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2020

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the District's independent auditing firm.



L&A to Update

DATE

Members of the Board of Trustees
Frankfort Square Park District
Frankfort, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Frankfort Square Park District, Illinois, as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Frankfort Square Park District, Illinois
DATE
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Frankfort Square Park District, Illinois, as of April 30, 2020, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the Frankfort Square Park District, Illinois' basic financial statements. The management's discussion and analysis, other supplementary information, and supplemental schedules, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

Proprietary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Statement of Net Position - Modified Cash Basis

April 30, 2020

See Following Page

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Statement of Net Position - Modified Cash Basis

April 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 421,889	5,230	427,119
Internal Balances	73,212	(73,212)	—
Total Current Assets	495,101	(67,982)	427,119
Noncurrent Assets			
Capital Assets			
Nondepreciable	32,726,077	3,450,000	36,176,077
Depreciable	20,802,256	1,528,745	22,331,001
Accumulated Depreciation	(14,499,300)	(777,661)	(15,276,961)
Total Noncurrent Assets	39,029,033	4,201,084	43,230,117
Total Assets	39,524,134	4,133,102	43,657,236

The notes to the financial statements are an integral part of this statement.

	Primary Government		
	Governmental	Business-Type	Totals
	Activities	Activities	
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 31	5	36
Other Payables	4,042	21,839	25,881
Current Portion of Long-Term Debt	785,000	52,500	837,500
Total Current Liabilities	789,073	74,344	863,417
Noncurrent Liabilities			
General Obligation Bonds Payable	3,660,000	225,000	3,885,000
Capital Appreciation General Obligation Bonds	224,209	—	224,209
Accretions - Capital Appreciation General Obligation Bonds	340,214	—	340,214
Installment Loans Payable	—	17,500	17,500
Total Noncurrent Liabilities	4,224,423	242,500	4,466,923
Total Liabilities	5,013,496	316,844	5,330,340
NET POSITION			
Net Investment in Capital Assets	34,777,748	3,906,084	38,683,832
Restricted			
Property Tax Levies			
Liability Insurance	145,781	—	145,781
Audit	4,013	—	4,013
Social Security	47,489	—	47,489
Paving and Lighting	39,549	—	39,549
Special Recreation	86,647	—	86,647
Debt Service	13,694	—	13,694
Unrestricted (Deficit)	(604,283)	(89,826)	(694,109)
Total Net Position	34,510,638	3,816,258	38,326,896

The notes to the financial statements are an integral part of this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Statement of Activities - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
Culture and Recreation	\$ 4,395,212	1,043,974	13,173	—
Interest on Long-Term Debt	364,477	—	—	—
Total Governmental Activities	4,759,689	1,043,974	13,173	—
Business-Type Activities				
Golf Operations	414,477	319,020	—	—
Total Primary Government	5,174,166	1,362,994	13,173	—

General Revenues

Taxes

 Property Taxes

 Replacement Taxes

Interest Income

Miscellaneous

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues		
Total Primary Government		
Governmental Activities	Business-Type Activities	Totals
(3,338,065)	—	(3,338,065)
(364,477)	—	(364,477)
(3,702,542)	—	(3,702,542)
—	(95,457)	(95,457)
(3,702,542)	(95,457)	(3,797,999)
3,506,161	—	3,506,161
624	—	624
6,909	—	6,909
102,285	(967)	101,318
3,615,979	(967)	3,615,012
(86,563)	(96,424)	(182,987)
34,597,201	3,912,682	38,509,883
34,510,638	3,816,258	38,326,896

The notes to the financial statements are an integral part of this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds - Modified Cash Basis

April 30, 2020

See Following Page

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds - Modified Cash Basis

April 30, 2020

	<u>General</u>
ASSETS	
Cash and Investments	\$ 420,406
Due from Other Funds	<u>701</u>
Total Assets	<u><u>421,107</u></u>
LIABILITIES	
Accounts Payable	28
Other Payables	—
Due to Other Funds	<u>199,464</u>
Total Liabilities	<u><u>199,492</u></u>
FUND BALANCES	
Restricted	—
Committed	—
Unassigned	<u>221,615</u>
Total Fund Balances	<u><u>221,615</u></u>
Total Liabilities and Fund Balances	<u><u>421,107</u></u>

The notes to the financial statements are integral part this statement.

Special Revenue <u>Recreation</u>	Debt Service	Capital Projects <u>2018</u> Referendum	Nonmajor	Totals
—	—	1,483	—	421,889
139,610	894	—	323,479	464,684
139,610	894	1,483	323,479	886,573
3	—	—	—	31
4,042	—	—	—	4,042
701	—	191,307	—	391,472
4,746	—	191,307	—	395,545
—	894	—	323,479	324,373
134,864	—	—	—	134,864
—	—	(189,824)	—	31,791
134,864	894	(189,824)	323,479	491,028
139,610	894	1,483	323,479	886,573

The notes to the financial statements are integral part this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis
April 30, 2020

Total Governmental Fund Balances \$ 491,028

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds. 39,029,033

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Bonds Payable (3,795,000)

General Obligation Capital Appreciation Bonds - Net (1,214,423)

Net Position of Governmental Activities 34,510,638

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified
Cash Basis**

For the Fiscal Year Ended April 30, 2020

See Following Page

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	<u>General</u>
Revenues	
Taxes	\$ 1,866,924
Charges for Services	—
Grants and Donations	13,173
Rentals	—
Interest	5,986
Miscellaneous	102,285
Total Revenues	<u>1,988,368</u>
Expenditures	
Current	
Culture and Recreation	1,569,522
Capital Outlay	—
Debt Service	
Principal Retirement	107,938
Interest and Fiscal Charges	4,048
Total Expenditures	<u>1,681,508</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>306,860</u>
Other Financing Sources (Uses)	
Debt Issuance	—
Premium on Debt Issuance	—
Payment to Escrow Agent	—
Transfers In	314,632
Transfers Out	<u>(232,374)</u>
	<u>82,258</u>
Net Change in Fund Balances	389,118
Fund Balances - Beginning	<u>(167,503)</u>
Fund Balances - Ending	<u><u>221,615</u></u>

The notes to the financial statements are integral part this statement.

Special Revenue Recreation	Debt Service	Capital Projects 2018 Referendum	Nonmajor	Totals
430,132	732,842	—	476,887	3,506,785
984,788	—	—	—	984,788
—	—	—	—	13,173
59,186	—	—	—	59,186
—	—	923	—	6,909
—	—	—	—	102,285
<u>1,474,106</u>	<u>732,842</u>	<u>923</u>	<u>476,887</u>	<u>4,673,126</u>
1,459,617	—	—	317,485	3,346,624
—	—	523,318	—	523,318
—	735,000	—	—	842,938
—	260,136	—	—	264,184
<u>1,459,617</u>	<u>995,136</u>	<u>523,318</u>	<u>317,485</u>	<u>4,977,064</u>
14,489	(262,294)	(522,395)	159,402	(303,938)
—	2,325,000	—	—	2,325,000
—	98,369	—	—	98,369
—	(2,367,298)	—	—	(2,367,298)
14,268	207,184	—	10,922	547,006
(213,808)	—	—	(100,824)	(547,006)
<u>(199,540)</u>	<u>263,255</u>	<u>—</u>	<u>(89,902)</u>	<u>56,071</u>
(185,051)	961	(522,395)	69,500	(247,867)
319,915	(67)	332,571	253,979	738,895
<u>134,864</u>	<u>894</u>	<u>(189,824)</u>	<u>323,479</u>	<u>491,028</u>

The notes to the financial statements are integral part this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities - Modified Cash Basis
For the Fiscal Year Ended December 31, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ (247,867)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	272,691
Depreciation Expense	(797,961)
Disposals - Cost	(18,000)
Disposals - Accumulated Depreciation	18,000

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Issuance of Debt	(2,325,000)
Retirement of Debt	3,162,938
Accretion Expense - Alternate Revenue Capital Appreciation Bonds	<u>(151,364)</u>

Changes in Net Position of Governmental Activities (86,563)

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Statement of Net Position - Proprietary Fund - Modified Cash Basis
For the Fiscal Year Ended April 30, 2020**

	<u>Business-Type Activities Golf Operations</u>
ASSETS	
Current Assets	
Cash and Investments	\$ <u>5,230</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	3,450,000
Depreciable	1,528,745
Accumulated Depreciation	<u>(777,661)</u>
Total Noncurrent Assets	<u>4,201,084</u>
Total Assets	<u>4,206,314</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	5
Other Payables	21,839
Due to Other Funds	73,212
Current Portion of Long-Term Debt	<u>52,500</u>
Total Current Liabilities	<u>147,556</u>
Noncurrent Liabilities	
General Obligation (ARS) Park Bonds	225,000
Installment Loans Payable	<u>17,500</u>
Total Noncurrent Liabilities	<u>242,500</u>
Total Liabilities	<u>390,056</u>
NET POSITION	
Net Investment in Capital Assets	3,906,084
Unrestricted (Deficit)	<u>(89,826)</u>
Total Net Position	<u><u>3,816,258</u></u>

The notes to the financial statements are integral part this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund - Modified Cash Basis
For the Fiscal Year Ended April 30, 2020**

	<u>Business-Type Activities</u> <u>Golf Operations</u>
Operating Revenues	
Charges for Services	\$ 262,333
Miscellaneous	56,687
Total Operating Revenues	<u>319,020</u>
Operating Expenses	
Operations	345,967
Depreciation	58,131
Total Operating Expenses	<u>404,098</u>
Operating (Loss)	<u>(85,078)</u>
Nonoperating (Expenses)	
Disposal of Capital Assets	(967)
Interest Expense	(10,379)
	<u>(11,346)</u>
Change in Net Position	(96,424)
Net Position - Beginning	<u>3,912,682</u>
Net Position - Ending	<u><u>3,816,258</u></u>

The notes to the financial statements are integral part this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Statement of Cash Flows - Proprietary Fund - Modified Cash Basis
For the Fiscal Year Ended April 30, 2020**

	Business - Type Activities <u>Golf Operations</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 319,020
Payments to Suppliers	(214,438)
Payments to Employees	(63,534)
	<u>41,048</u>
Cash Flows from Capital and Related Financing Activities	
Payment on Principal	(52,500)
Interest and Fiscal Charges	(10,379)
	<u>(62,879)</u>
Net Change in Cash and Cash Equivalents	(21,831)
Cash and Cash Equivalents - Beginning	<u>27,061</u>
Cash and Cash Equivalents - Ending	<u><u>5,230</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	<u>(85,078)</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization Expense	58,131
(Increase) Decrease in Current Assets	—
Increase (Decrease) in Current Liabilities	67,995
	<u>67,995</u>
Net Cash Provided by Operating Activities	<u><u>41,048</u></u>

The notes to the financial statements are integral part this statement.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Frankfort Square Park District, Illinois (District) of Illinois was incorporated in June 1974 under the laws of the State of Illinois. The District operates under the Board of Commissioners Manager form of government. The District's Board of Commissioners is composed of the Board President and six members. The District provides services to the community that includes recreation, park facility management, capital development and general administration services.

The basic financial statements of the District have been presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant of the District's accounting policies are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's preservation of open space, recreational program activities, development and maintenance of the District's various parks and facilities, and general administration are all classified as governmental activities. The District's golf operations are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (culture and recreation, golf, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District may electively add funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a single column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains one major special revenue fund. The Recreation Fund reports charges for services for recreation programs and property taxes as the major revenue sources.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accounts for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District maintains one major capital projects funds. The 2018 Referendum Fund accounts for all revenues and expenditures authorized by the voter approval of the issuance of \$1.4 million in general obligation bonds to pay for capital projects and improvements.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Proprietary Funds - Continued

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Golf Operations Fund, a major fund, accounts for the financial resources of the golf course operations.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the modified cash basis of accounting. This basis recognized revenue when cash is received and expenditures are recorded when payment is made. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements are modified from the cash basis method because the Village records capital assets, depreciation, and long-term debt.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds' Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At year-end, the District does not have any investments.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Capital Assets

Capital assets purchased or acquired with an original cost of \$20,000, depending on asset class, or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	20 Years
Buildings	50 Years
Machinery and Equipment	15 - 20 Years
Vehicles	8 Years

Notes to the Financial Statements

April 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued****Compensated Absences**

All full-time District employees accumulate vacation and personal leave hours for subsequent use or for payment upon termination, death, or retirement. The District has not recorded a liability for compensated absences as all vacation and personal leave hour liabilities are considered current liabilities and the District prepares its financial statements on the modified cash basis of accounting.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Net Position

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget is prepared on the same basis and uses the same accounting principles as are used to prepare the financial statements. For each fund, the total fund disbursements may not legally exceed the budgeted disbursements. The budget lapses at the end of each fiscal year. Spending control for most funds is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line item levels. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In February, the Board directs the Director and Treasurer to prepare a tentative budget.
2. During April, they submit to the Board of Commissions a proposed operating budget for the fiscal year. The operating budget includes proposed disbursements and the means of financing them.
3. Public hearings are conducted at a public meeting to obtain taxpayer comments.
4. Prior to July 31, the budget is legally enacted through passage of an ordinance.
5. The Treasurer is authorized to transfer up to 10% of the total budget between budget items within the fund; however, the Board of Commissioners must approve any revisions that alter the total disbursements of any fund.
6. Formal budgetary integration is employed as a management control device during the year in all funds, except the improvement referendum and golf course acquisition funds.
7. Budgeted amounts are as adopted by the Board of Commissioners.

No supplemental appropriations were made during the year.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Recreation	\$ 23,170
Special Recreation	2,143
Golf Course	27,659

DEFICIT FUND BALANCE

The following funds had deficit fund balance as of the date of this report:

Fund	Deficit
2018 Referendum	\$ 189,824

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services.

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk

At year-end, the carrying amount of the District's deposits totaled \$427,119 and the bank balances totaled \$449,440.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's formal investment policy limits investment maturities to money market mutual funds and short-term investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District limits the amount it may invest in any one bank or savings and loan to ten percent of the investment portfolio.

Custodial Credit Risk. In the case of deposits, this 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 that all deposits be fully insured or collateralized. At April 30, 2020, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District has no investments subject to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy does not further limit its investment choices.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Transfer In	Transfer Out	Amount
General	Recreation	\$ 213,808
General	Nonmajor Governmental	100,824
Recreation	General	14,268
Debt Service	General	207,184
Nonmajor Governmental	General	<u>10,922</u>
		<u><u>547,006</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Recreation	\$ 701
Recreation	2018 Referendum	139,610
Debt Service	General	894
Nonmajor Governmental	General	198,570
Nonmajor Governmental	2018 Referendum	51,697
Nonmajor Governmental	Golf Course	<u>73,212</u>
		<u><u>464,684</u></u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances as Restated	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 32,879,077	—	153,000	32,726,077
Depreciable Capital Assets				
Land Improvements	11,247,786	132,964	—	11,380,750
Buildings	6,388,680	199,466	—	6,588,146
Machinery and Equipment	2,432,167	31,557	4,000	2,459,724
Vehicles	325,932	61,704	14,000	373,636
	<u>20,394,565</u>	<u>425,691</u>	<u>18,000</u>	<u>20,802,256</u>
Less Accumulated Depreciation				
Land Improvements	9,370,799	515,807	—	9,886,606
Buildings	2,562,187	133,201	—	2,695,388
Machinery and Equipment	1,554,627	113,399	4,000	1,664,026
Vehicles	231,726	35,554	14,000	253,280
	<u>13,719,339</u>	<u>797,961</u>	<u>18,000</u>	<u>14,499,300</u>
Total Net Depreciable Capital Assets	<u>6,675,226</u>	<u>(372,270)</u>	<u>—</u>	<u>6,302,956</u>
Total Net Capital Assets	<u>39,554,303</u>	<u>(372,270)</u>	<u>153,000</u>	<u>39,029,033</u>

Depreciation expense was charged to governmental activities as follows:

Culture and Recreation	<u>\$ 797,961</u>
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FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 3,450,000	—	—	3,450,000
Depreciable Capital Assets				
Land Improvements	\$ 840,000	—	—	840,000
Buildings	541,182	—	—	541,182
Machinery and Equipment	153,563	—	6,000	147,563
	<u>1,534,745</u>	<u>—</u>	<u>6,000</u>	<u>1,528,745</u>
Less Accumulated Depreciation				
Land Improvements	452,615	40,250	—	492,865
Buildings	166,377	11,562	—	177,939
Machinery and Equipment	105,571	6,319	5,033	106,857
	<u>724,563</u>	<u>58,131</u>	<u>5,033</u>	<u>777,661</u>
Total Net Depreciable Capital Assets	<u>810,182</u>	<u>(58,131)</u>	<u>967</u>	<u>751,084</u>
Total Net Capital Assets	<u>4,260,182</u>	<u>(58,131)</u>	<u>967</u>	<u>4,201,084</u>

Depreciation expense of \$58,131 was charged to the golf operations business-type activities.

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the Will/Cook County and are payable in two installments, on or about June 1 and September 1/March 1 and August 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

SHORT-TERM DEBT

The District issues tax anticipation warrants to provide funds cash flows for operations in anticipation of tax receipts. Tax anticipation warrants are direct obligations and pledge the full faith and credit of the District. The schedule below details the changes in short-term debt for the year:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Anticipation Warrants of 2019 - Due in one payment of \$350,000 plus interest at 4.13% on June 28, 2019.	\$ 350,000	—	350,000	—

LONG-TERM DEBT

General Obligation Park/Alternate Revenue Source Bonds

The District issues general obligation park/alternate revenue source (ARS) bonds to provide funds for the acquisition, construction and maintenance of major capital facilities. General obligation/ARS bonds are direct obligations and pledge the full faith and credit of the District. General obligation/ARS bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Park (ARS) Bonds of 2009, due in annual installments of \$40,000 to \$90,000 plus interest at 3.00% - 5.00% through January 1, 2030.	\$ 780,000	—	665,000 *	60,000
General Obligation Park (ARS) Bonds of 2010, due in annual installments of \$20,000 to \$310,000 plus interest at 3.70% - 4.55% through January 1, 2031.	1,705,000	—	1,655,000 *	25,000

*Refunded

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Park/Alternate Revenue Source Bonds - Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Park (ARS) Bonds of 2013, due in annual installments of \$30,000 to \$115,000 plus interest at 2.00% - 2.85% through April 1, 2023.	\$ 295,000	—	35,000	260,000
General Obligation Park Bonds of 2018, due in annual installments of \$20,000 to \$100,000 plus interest at 3.00% - 4.125% through January 1, 2039.	1,405,000	—	20,000	1,385,000
General Obligation Park (ARS) Bonds of 2019A, due in annual installments of \$65,000 to \$85,000 plus interest at 3.00% through January 1, 2030.	—	665,000	—	665,000
General Obligation Park (ARS) Bonds of 2019B, due in annual installments of \$30,000 to \$300,000 plus interest at 3.00% through January 1, 2031.	—	1,660,000	—	1,660,000
	<u>4,185,000</u>	<u>2,325,000</u>	<u>2,455,000</u>	<u>4,055,000</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Capital Appreciation Bonds

Governments issue general obligation capital appreciation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation capital appreciation bonds are direct obligations and pledge the full faith and credit of the government. General obligation capital appreciation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Capital Appreciation Bonds of 2002, due in annual installments of \$110,000 to \$510,000 plus interest at 4.45% - 5.65% through January 1, 2022.	\$ 697,947	—	241,662	456,285

Installment Loans Payable

The District also issues installment loans payable to provide funds for the purchase of capital assets. Installment loans currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Loan of 2012, due in annual installments of \$17,500 plus interest at 4.35% through January 27, 2022.	\$ 52,500	—	17,500	35,000
Installment Loan of 2013, due in annual installments of \$11,875 plus interest at 4.20% through October 22, 2020.	23,750	—	23,750	—
Installment Loan of 2017, due in annual installments of \$17,500 to \$84,188 plus interest at 3.30% through July 1, 2019.	84,188	—	84,188	—
	<u>160,438</u>	<u>—</u>	<u>125,438</u>	<u>35,000</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Operating Leases

The District leased office equipment and vehicles paid by the governmental activities that was paid in full in the current year. In addition, the District leased golf carts paid by the business-type activities that were paid in full in the current year. Total lease expense for the years ended April 30, 2020 and 2019 for the governmental activities are \$9,520 and \$9,520, and business-type activities are \$37,005 and \$14,737, respectively. Future minimum lease payments are \$0 as of April 30, 2020.

Long-Term Liability Activity

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
General Obligation/ARS Park Bonds	\$ 3,890,000	2,325,000	2,420,000	3,795,000	135,000
General Obligation Capital					
Appreciation Bonds	697,947	—	241,662	456,285	232,076
General Obligation Capital					
Appreciation Bonds - Accretion	1,000,112	151,364	393,338	758,138	417,924
Installment Loans Payable	107,938	—	107,938	—	—
	<u>5,695,997</u>	<u>2,476,364</u>	<u>3,162,938</u>	<u>5,009,423</u>	<u>785,000</u>
Business-Type Activities					
General Obligation (ARS) Park Bonds	\$ 295,000	—	35,000	260,000	35,000
Installment Loans Payable	52,500	—	17,500	35,000	17,500
	<u>347,500</u>	<u>—</u>	<u>52,500</u>	<u>295,000</u>	<u>52,500</u>

For the governmental activities, the Debt Service Fund makes payments on the general obligation/ARS park bonds and the general obligation capital appreciation bonds. The General Fund makes payments on the installment loans payable. For the business-type activities, the general obligation (ARS) park bonds and the installment loans payable are liquidated by the Golf Course Fund.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities			
	General Obligation/ARS Park Bonds		Capital Appreciation General Obligation Park Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 135,000	140,472	232,076	417,924
2022	145,000	123,344	224,209	445,791
2023	155,000	118,994	—	—
2024	295,000	113,794	—	—
2025	305,000	104,394	—	—
2026	315,000	94,644	—	—
2027	325,000	84,594	—	—
2028	335,000	74,194	—	—
2029	345,000	63,494	—	—
2030	355,000	52,444	—	—
2031	375,000	41,094	—	—
2032	75,000	29,094	—	—
2033	80,000	26,094	—	—
2034	85,000	22,894	—	—
2035	85,000	19,388	—	—
2036	90,000	15,881	—	—
2037	95,000	12,169	—	—
2038	100,000	8,250	—	—
2039	100,000	4,125	—	—
Totals	3,795,000	1,149,357	456,285	863,715

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity - Continued

Fiscal Year	Business-Type Activities			
	General Obligation (ARS)		Installment	
	Park Bonds		Loans Payable	
	Principal	Interest	Principal	Interest
2021	\$ 35,000	7,158	17,500	1,548
2022	110,000	6,248	17,500	772
2023	115,000	3,278	—	—
	<u>260,000</u>	<u>16,684</u>	<u>35,000</u>	<u>2,320</u>

Legal Debt Margin

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides "...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more that .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question."

Assessed Valuation - 2018 Tax Levy	<u>\$ 563,890,558</u>
Legal Debt Limit - 2.875% of Assessed Value	16,211,854
Amount of Debt Applicable to Limit	<u>1,841,285</u>
Legal Debt Margin	<u>14,370,569</u>
Non-Referendum Legal Debt Limit	
0.575% of Equalized Assessed Valuation	3,242,371
Amount of Debt Applicable to Debt Limit	<u>—</u>
Non-Referendum Legal Debt Margin	<u>3,242,371</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 39,029,033
Less Capital Related Debt:	
General Obligation/ARS Park Bonds	(3,795,000)
Capital Appreciation General Obligation Bonds	<u>(456,285)</u>
Net Investment in Capital Assets	<u><u>34,777,748</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	4,201,084
Less Capital Related Debt:	
General Obligation (ARS) Park Bonds	(260,000)
Installment Loans Payable	<u>(35,000)</u>
Net Investment in Capital Assets	<u><u>3,906,084</u></u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum fund balance equal to 4.25% of budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Recreation	Debt Service	Capital Projects 2018 Referendum	Nonmajor	Totals
Fund Balances						
Restricted						
Property Tax Levies						
Liability Insurance	\$ —	—	—	—	145,781	145,781
Audit	—	—	—	—	4,013	4,013
Social Security	—	—	—	—	47,489	47,489
Paving and Lighting	—	—	—	—	39,549	39,549
Special Recreation	—	—	—	—	86,647	86,647
Debt Service	—	—	894	—	—	894
	—	—	894	—	323,479	324,373
Committed						
Recreational Programming, Facility Maintenance, and Future Recreation Capital	—	134,864	—	—	—	134,864
Unassigned	221,615	—	—	(189,824)	—	31,791
Total Fund Balances	221,615	134,864	894	(189,824)	323,479	491,028

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION RESTATEMENT

Beginning net position was restated to correct an error in recognition of prior year capital assets. The following is a summary of the net position as originally reported and as restated:

<u>Net Position/Fund Balance</u>	<u>As Reported</u>	<u>As Restated</u>	<u>(Decrease)</u>
Governmental Activities	\$ 34,756,864	34,597,201	(159,663)

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

Park District Risk Management Agency (PDRMA)

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 1992, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation 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 coverage in effect as of January 1, 2019 to January 1, 2020:

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
PROPERTY			
Property/Bldg/Contents			
All Losses Per Occurrence	\$1,000	\$1,000,000	\$1,000,000,000/All Members
Flood/Except Zones A & V	\$1,000	\$1,000,000	\$250,000,000/Occurrence/Annual Aggregate
Flood, Zones A & V	\$1,000	\$1,000,000	\$200,000,000/Occurrence/Annual Aggregate
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/Occurrence/Annual Aggregate
Auto Physical Damage			
Comprehensive and Collision	\$1,000	\$1,000,000	Included
Course of Construction	\$1,000	Included	\$25,000,000
Business Interruption, Rental			
Income, Tax Income Combined	\$1,000		\$100,000,000/Reported Values
			\$500,000/\$2,500,000/Non-Reported Values
Service Interruption	24 Hours	N/A	\$25,000,000
Boiler and Machinery			\$100,000,000 Equipment Breakdown
Property Damage	\$1,000	\$9,000	Property Damage - Included
Business Income	48 Hours	N/A	Included
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000/Occurrence
Seasonal Employees	\$1,000	\$9,000	\$1,000,000/Occurrence
Blanket Bond	\$1,000	\$24,000	\$2,000,000/Occurrence
WORKERS COMPENSATION			
Employers Liability	N/A	\$500,000	Statutory
		\$500,000	\$3,500,000 Employers Liability
LIABILITY			
General	None	\$500,000	\$21,500,000/Occurrence
Auto Liability	None	\$500,000	\$21,500,000/Occurrence
Employment Practices	None	\$500,000	\$21,500,000/Occurrence
Public Officials' Liability	None	\$500,000	\$21,500,000/Occurrence
Law Enforcement Liability	None	\$500,000	\$21,500,000/Occurrence
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/Occurrence
POLLUTION LIABILITY			
Liability - Third Party	None	\$25,000	\$5,000,000/Occurrence
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 Year Aggregate

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
OUTBREAK EXPENSE			
Outbreak Expense	24 Hours	N/A	\$15,000 per Day
			\$1,000,000 Aggregate Policy Limit
INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA			
LIABILITY COVERAGE			
Information Security & Privacy			
Liability	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Privacy Notification, Costs	None	\$100,000	\$500,000/Occurrence/Annual Aggregate
Regulatory Defense & Penalties	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Website Media Content Liability	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Cyber Extortion	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Data Protection & Business			
Interruption	\$1,000	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
First Party Business Interruption	8 Hours	\$100,000	\$50,000 Hourly Sublimit/\$50,000 Forensic
			Exp./\$150,000 Dependent Bus. Interruption
VOLUNTEER MEDICAL ACCIDENT			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense and AD&D
			Excess of any other Collectible Insurance
UNDERGROUND STORAGE TANK LIABILITY			
Underground Storage Tank Liability	None	N/A	\$10,000, Follows Illinois Leaking
			Underground Tank Fund
UNEMPLOYMENT COMPENSATION			
Unemployment Compensation	N/A	N/A	Statutory

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

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

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 investigations 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.

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 investigations and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2018 and the statement of revenues and expenses for the period ending December 31, 2018. The District's portion of the overall equity of the pool is 0.081% or \$40,171.

Assets	\$	64,598,180
Deferred Outflows of Resources - Pensions		735,579
Liabilities		20,358,043
Deferred Inflows of Resources - Pension		1,157,368
Total Net Position		43,818,350
Revenues		18,891,688
Expenditures		18,647,660

Since 98.39% 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.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the District's operations and financial position cannot be determined.

OTHER POST-EMPLOYMENT BENEFITS

The District has evaluated its potential other postemployment benefits liability. The District does not have a health insurance policy and does not offer health insurance through the District to current or retired employees, and thus there is no benefit to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the District has not recorded a liability as of April 30, 2020.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2020

NOTE 4 - OTHER INFORMATION - Continued

JOINT VENTURE

Lincolnway Special Recreation Association

The District is a member of the Lincolnway Special Recreation Association (LWSRA), an association of seven area park districts and two municipalities that provides recreation programs and other activities for handicapped and impaired individuals. Each member agency shares ratably in LWSRA, and generally provides funding based on its equalized assessed valuation. The District contributed \$126,875 to LWSRA during the current fiscal year.

The District does not have a direct financial interest in LWSRA, and therefore its investment therein is not reported within the financial statements. Upon dissolution of LWSRA, the assets, if any, shall be divided between the members, in accordance with an equitable formula, as determined by a unanimous vote of the LWSRA's Board of Directors. Complete separate financial statements for LWSRA can be obtained from LWSRA's administrative offices at 1900 Heather Glen Drive, New Lenox, Illinois, 60451.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules
 - General Fund
 - Recreation - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,882,267	1,882,267	1,866,924
Grants and Donations	17,000.00	17,000.00	13,173.00
Interest	2,500	2,500	5,986
Miscellaneous	151,000	151,000	102,285
Total Revenues	<u>2,052,767</u>	<u>2,052,767</u>	<u>1,988,368</u>
Expenditures			
Culture and Recreation			
Administration	1,197,146	1,197,146	1,038,211
Building and Grounds	551,309	551,309	531,311
Debt Service			
Principal Retirement	207,938	207,938	107,938
Interest and Fiscal Charges	6,135	6,135	4,048
Total Expenditures	<u>1,962,528</u>	<u>1,962,528</u>	<u>1,681,508</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>90,239</u>	<u>90,239</u>	<u>306,860</u>
Other Financing Sources (Uses)			
Transfers In	142,131	142,131	314,632
Transfers Out	(232,371)	(232,371)	(232,374)
	<u>(90,240)</u>	<u>(90,240)</u>	<u>82,258</u>
Net Change In Fund Balance	<u>(1)</u>	<u>(1)</u>	389,118
Fund Balance - Beginning			<u>(167,503)</u>
Fund Balance - Ending			<u><u>221,615</u></u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 434,759	434,759	429,508
Intergovernmental			
Replacement Taxes	550	550	624
Charges for Services	974,178	974,178	984,788
Rentals	53,000	53,000	59,186
Total Revenues	<u>1,462,487</u>	<u>1,462,487</u>	<u>1,474,106</u>
Expenditures			
Culture and Recreation			
Recreation Programs	958,871	958,871	875,341
Building and Grounds	477,576	477,576	584,276
Total Expenditures	<u>1,436,447</u>	<u>1,436,447</u>	<u>1,459,617</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>26,040</u>	<u>26,040</u>	<u>14,489</u>
Other Financing Sources (Uses)			
Transfers In	14,267	14,267	14,268
Transfers Out	(41,307)	(41,307)	(213,808)
	<u>(27,040)</u>	<u>(27,040)</u>	<u>(199,540)</u>
Net Change in Fund Balance	<u>(1,000)</u>	<u>(1,000)</u>	(185,051)
Fund Balance - Beginning			<u>319,915</u>
Fund Balance - Ending			<u><u>134,864</u></u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

Budgetary Comparison Schedules - Major Governmental Funds

Combining Statements - Nonmajor Governmental Funds

Budgetary Comparison Schedules - Nonmajor Governmental Funds

Budgetary Comparison Schedules - Enterprise Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Recreation Fund

The Recreation Fund is used to account for financial resources of the recreation activities and programs.

Liability Insurance Fund

The Liability Insurance Fund is used to account for costs associated with the District's liability insurance. Financing is provided by a specific annual property tax levy.

Audit Fund

The Audit Fund is used to account for costs associated with the District's annual audit. Financing is provided by a specific annual property tax levy.

Social Security Fund

The Social Security Fund is used to account for the specific levy of taxes to fund payments for federally administered Social Security and Medicare.. Financing is provided by a specific property tax levy.

Paving and Lighting Fund

The Paving and Lighting Fund is used to account for the maintenance and repairs of paving and lighting operations of the District. Financing is provided by a specific annual tax.

Special Recreation Fund

The Special Recreation Fund is used to account for the expenditures in connection with the Special Recreation Services of Lincolnway Special Recreation Association, which provides recreation programs to the handicapped and impaired.

INDIVIDUAL FUND DESCRIPTIONS

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

2018 Referendum Fund

The 2018 Referendum Fund is used to account for accounts for all revenues and expenditures authorized by the voter approval of the issuance of \$1.4 million in general obligation bonds to pay for capital projects and improvements.

ENTERPRISE FUND

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been 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 purpose.

Golf Course Fund

The Golf Course Fund is used to account for the financial resources and operations of the Golf Course.

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation			
Administration			
Personnel Services	\$ 763,453	763,453	702,690
Contractual Services	199,638	199,638	176,219
Commodities	15,500	15,500	16,020
Utilities	176,555	176,555	101,041
Maintenance and Repairs	42,000	42,000	42,241
	<u>1,197,146</u>	<u>1,197,146</u>	<u>1,038,211</u>
Building and Grounds			
Personnel Services	185,417	185,417	140,367
Contractual Services	132,350	132,350	110,920
Commodities	15,000	15,000	9,032
Maintenance and Repairs	218,542	218,542	270,992
	<u>551,309</u>	<u>551,309</u>	<u>531,311</u>
Debt Service			
Principal Retirement	207,938	207,938	107,938
Interest and Fiscal Charges	6,135	6,135	4,048
	<u>214,073</u>	<u>214,073</u>	<u>111,986</u>
Total Expenditures	<u>1,962,528</u>	<u>1,962,528</u>	<u>1,681,508</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Recreation - Special Revenue Fund

Schedule of Expenditures - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation			
Recreation Programs			
Personnel Services	\$ 498,303	498,303	422,780
Contractual Services	295,118	295,118	258,857
Commodities	157,180	157,180	171,240
Maintenance and Repairs	8,270	8,270	22,464
	<u>958,871</u>	<u>958,871</u>	<u>875,341</u>
Building and Grounds			
Personnel Services	129,986	129,986	162,935
Contractual Services	128,432	128,432	155,833
Commodities	120,719	120,719	170,038
Maintenance and Repairs	98,439	98,439	95,470
	<u>477,576</u>	<u>477,576</u>	<u>584,276</u>
Total Expenditures	<u>1,436,447</u>	<u>1,436,447</u>	<u>1,459,617</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 738,133	738,133	732,842
Expenditures			
Debt Service			
Principal Retirement	735,000	735,000	735,000
Interest and Fiscal Charges	210,316	210,316	260,136
Total Expenditures	945,316	945,316	995,136
Excess (Deficiency) of Revenues Over (Under) Expenditures	(207,183)	(207,183)	(262,294)
Other Financing Sources (Uses)			
Debt Issuance	—	—	2,325,000
Debt Issuance Premium	—	—	98,369
Payment to Escrow Agent	—	—	(2,367,298)
Transfers In	207,183	207,183	207,184
	207,183	207,183	263,255
Net Change in Fund Balance	—	—	961
Fund Balance - Beginning			(67)
Fund Balance - Ending			894

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

2018 Referendum - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Interest	\$ 2,500	2,500	923
Miscellaneous	535,000	535,000	—
Total Revenues	537,500	537,500	923
Expenditures			
Capital Outlay	537,500	537,500	523,318
Net Change in Fund Balance	—	—	(522,395)
Fund Balance - Beginning			332,571
Fund Balance - Ending			(189,824)

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
April 30, 2020**

	Liability Insurance	Audit
ASSETS		
Due from Other Funds	\$ 145,781	4,013
LIABILITIES		
Accounts Payable	—	—
FUND BALANCES		
Restricted	145,781	4,013
Total Liabilities and Fund Balances	145,781	4,013

Social Security	Paving and Lighting	Special Recreation	Totals
47,489	39,549	86,647	323,479
—	—	—	—
47,489	39,549	86,647	323,479
47,489	39,549	86,647	323,479

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Liability Insurance	Audit
Revenues		
Taxes	\$ 133,655	14,472
Expenditures		
Current		
Culture and Recreation	77,510	14,210
Excess (Deficiency) of Revenues Over (Under) Expenditures	56,145	262
Other Financing Sources (Uses)		
Transfers In	—	—
Transfers Out	—	—
Net Change in Fund Balances	56,145	262
Fund Balances - Beginning	89,636	3,751
Fund Balances - Ending	145,781	4,013

Social Security	Paving and Lighting	Special Recreation	Totals
96,891	10,053	221,816	476,887
98,889	—	126,876	317,485
(1,998)	10,053	94,940	159,402
10,922	—	—	10,922
—	—	(100,824)	(100,824)
10,922	—	(100,824)	(89,902)
8,924	10,053	(5,884)	69,500
38,565	29,496	92,531	253,979
47,489	39,549	86,647	323,479

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Liability Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 135,898	135,898	133,655
Expenditures			
Culture and Recreation			
Contractual Services	94,545	94,545	73,624
Maintenance and Repairs	41,353	41,353	3,886
Total Expenditures	135,898	135,898	77,510
Net Change in Fund Balance	—	—	56,145
Fund Balance - Beginning			89,636
Fund Balance - Ending			145,781

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Audit - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 14,661	14,661	14,472
Expenditures			
Culture and Recreation			
Contractual Services	14,661	14,661	14,210
Net Change in Fund Balance	<u>—</u>	<u>—</u>	262
Fund Balance - Beginning			<u>3,751</u>
Fund Balance - Ending			<u><u>4,013</u></u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 98,117	98,117	96,891
Expenditures			
Culture and Recreation			
Personnel Services	109,038	109,038	98,889
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,921)	(10,921)	(1,998)
Other Financing Sources			
Transfers In	10,921	10,921	10,922
Net Change in Fund Balance	<u>—</u>	<u>—</u>	8,924
Fund Balance - Beginning			<u>38,565</u>
Fund Balance - Ending			<u><u>47,489</u></u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Paving and Lighting - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 10,150	10,150	10,053
Expenditures			
Culture and Recreation			
Contractual Services	10,150	10,150	—
Net Change in Fund Balance	—	—	10,053
Fund Balance - Beginning			29,496
Fund Balance - Ending			39,549

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Special Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 225,556	225,556	221,816
Expenditures			
Culture and Recreation			
Contractual Services	124,732	124,732	126,876
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,824	100,824	94,940
Other Financing (Uses)			
Transfers Out	(100,824)	(100,824)	(100,824)
Net Change in Fund Balance	<u>—</u>	<u>—</u>	(5,884)
Fund Balance - Beginning			<u>92,531</u>
Fund Balance - Ending			<u><u>86,647</u></u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Golf Course - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended April 30, 2020**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Operating Revenues			
Charges for Services			
Golf Course Fees	\$ 312,000	312,000	247,763
Concessions	12,000	12,000	14,570
Miscellaneous	57,191	57,191	56,687
Total Operating Revenues	<u>381,191</u>	<u>381,191</u>	<u>319,020</u>
Operating Expenses			
Operations			
Personnel Services	67,500	67,500	63,534
Contractual Services	225,808	225,808	256,128
Commodities	24,000	24,000	25,735
Maintenance and Repairs	1,000	1,000	570
Depreciation	—	—	58,131
Total Operating Expenses	<u>318,308</u>	<u>318,308</u>	<u>404,098</u>
Operating Income (Loss)	<u>62,883</u>	<u>62,883</u>	<u>(85,078)</u>
Nonoperating (Expenses)			
Disposal of Capital Assets	—	—	(967)
Interest Expense	(62,883)	(62,883)	(10,379)
	<u>(62,883)</u>	<u>(62,883)</u>	<u>(11,346)</u>
Change in Net Position	<u>—</u>	<u>—</u>	<u>(96,424)</u>
Net Position - Beginning			<u>3,912,682</u>
Net Position - Ending			<u><u>3,816,258</u></u>

SUPPLEMENTAL SCHEDULES

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Park (ARS) Bonds of 2009

April 30, 2020

Date of Issue	May 5, 2009
Date of Maturity	January 1, 2030
Authorized Issue	\$1,200,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 5.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2021	\$ 60,000	2,760	62,760	2020	1,380	2021	1,380

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Park (ARS) Bonds of 2010

April 30, 2020

Date of Issue	June 30, 2010
Date of Maturity	January 1, 2031
Authorized Issue	\$1,870,000
Denomination of Bonds	\$5,000
Interest Rate	3.70% - 4.55%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2021	\$ 25,000	1,050	26,050	2020	525	2021	525

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Park (ARS) Bonds of 2013

April 30, 2020

Date of Issue	March 14, 2013
Date of Maturity	April 1, 2023
Authorized Issue	\$485,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% - 2.85%
Interest Dates	October 1 and April 1
Principal Maturity Date	April 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Oct. 1	Amount	Apr. 1	Amount
2021	\$ 35,000	7,158	42,158	2020	3,579	2021	3,579
2022	110,000	6,248	116,248	2021	3,124	2022	3,124
2023	115,000	3,278	118,278	2022	1,639	2023	1,639
	<u>260,000</u>	<u>16,684</u>	<u>276,684</u>		<u>8,342</u>		<u>8,342</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Park Bonds of 2018

April 30, 2020

Date of Issue	June 4, 2018
Date of Maturity	January 1, 2039
Authorized Issue	\$1,405,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% - 4.125%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2021	\$ 50,000	55,094	105,094	2020	27,547	2021	27,547
2022	50,000	53,594	103,594	2021	26,797	2022	26,797
2023	55,000	52,094	107,094	2022	26,047	2023	26,047
2024	55,000	49,894	104,894	2023	24,947	2024	24,947
2025	60,000	47,694	107,694	2024	23,847	2025	23,847
2026	60,000	45,294	105,294	2025	22,647	2026	22,647
2027	65,000	42,894	107,894	2026	21,447	2027	21,447
2028	65,000	40,294	105,294	2027	20,147	2028	20,147
2029	70,000	37,694	107,694	2028	18,847	2029	18,847
2030	70,000	34,894	104,894	2029	17,447	2030	17,447
2031	75,000	32,094	107,094	2030	16,047	2031	16,047
2032	75,000	29,094	104,094	2031	14,547	2032	14,547
2033	80,000	26,094	106,094	2032	13,047	2033	13,047
2034	85,000	22,894	107,894	2033	11,447	2034	11,447
2035	85,000	19,388	104,388	2034	9,694	2035	9,694
2036	90,000	15,881	105,881	2035	7,941	2036	7,940
2037	95,000	12,169	107,169	2036	6,084	2037	6,085
2038	100,000	8,250	108,250	2037	4,125	2038	4,125
2039	100,000	4,125	104,125	2038	2,063	2039	2,062
	<u>1,385,000</u>	<u>629,429</u>	<u>2,014,429</u>		<u>314,715</u>		<u>314,714</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Park (ARS) Bonds of 2019A

April 30, 2020

Date of Issue	October 31, 2019
Date of Maturity	January 1, 2030
Authorized Issue	\$665,000
Denomination of Bonds	\$5,000
Interest Rate	3.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2021	\$ —	23,330	23,330	2020	13,355	2021	9,975
2022	65,000	19,950	84,950	2021	9,975	2022	9,975
2023	70,000	18,000	88,000	2022	9,000	2023	9,000
2024	70,000	15,900	85,900	2023	7,950	2024	7,950
2025	70,000	13,800	83,800	2024	6,900	2025	6,900
2026	75,000	11,700	86,700	2025	5,850	2026	5,850
2027	75,000	9,450	84,450	2026	4,725	2027	4,725
2028	75,000	7,200	82,200	2027	3,600	2028	3,600
2029	80,000	4,950	84,950	2028	2,475	2029	2,475
2030	85,000	2,550	87,550	2029	1,275	2030	1,275
	<u>665,000</u>	<u>126,830</u>	<u>791,830</u>		<u>65,105</u>		<u>61,725</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Park (ARS) Bonds of 2019B

April 30, 2020

Date of Issue	October 31, 2019
Date of Maturity	January 1, 2031
Authorized Issue	\$1,660,000
Denomination of Bonds	\$5,000
Interest Rate	3.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2021	\$ —	58,238	58,238	2020	33,338	2021	24,900
2022	30,000	49,800	79,800	2021	24,900	2022	24,900
2023	30,000	48,900	78,900	2022	24,450	2023	24,450
2024	170,000	48,000	218,000	2023	24,000	2024	24,000
2025	175,000	42,900	217,900	2024	21,450	2025	21,450
2026	180,000	37,650	217,650	2025	18,825	2026	18,825
2027	185,000	32,250	217,250	2026	16,125	2027	16,125
2028	195,000	26,700	221,700	2027	13,350	2028	13,350
2029	195,000	20,850	215,850	2028	10,425	2029	10,425
2030	200,000	15,000	215,000	2029	7,500	2030	7,500
2031	300,000	9,000	309,000	2030	4,500	2031	4,500
	<u>1,660,000</u>	<u>389,288</u>	<u>2,049,288</u>		<u>198,863</u>		<u>190,425</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

Capital Appreciation General Obligation Park Bonds of 2002

April 30, 2020

Date of Issue	May 8, 2002
Date of Maturity	July 1, 2023
Authorized Issue	\$5,000,632
Denomination of Bonds	\$5,000
Interest Rate	4.45% - 5.650
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	NLSB, New Lenox

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Beginning Principal Balance	Accretion	Principal Payment	Ending Principal Balance
2021	\$ 456,285	417,924	232,076	224,209
2022	224,209	445,791	224,209	—
		<u>863,715</u>	<u>456,285</u>	

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

Installment Loan of 2012

April 30, 2020

Date of Issue	January 27, 2012
Date of Maturity	January 27, 2022
Authorized Issue	\$175,000
Interest Rate	4.35%
Interest Dates	July 27 and January 27
Principal Maturity Date	January 27
Payable at	Old Plank Trail Community Bank, NA

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 27	Amount	Jan. 27	Amount
2021	\$ 17,500	1,548	19,048	2020	770	2021	778
2022	17,500	772	18,272	2021	383	2022	389
	<u>35,000</u>	<u>2,320</u>	<u>37,320</u>		<u>1,153</u>		<u>1,167</u>

FRANKFORT SQUARE PARK DISTRICT, ILLINOIS

**Schedule of Assessed Valuations, Tax Rates, Extensions and Collections - Last Five Tax Levy Years
April 30, 2020**

Tax Levy Year	2014		2015		2016		2017		2018	
Assessed Valuations										
Will County	\$	464,251,003	\$	467,983,719		486,824,055		506,314,208		520,959,770
Cook County		26,702,956		33,936,937		35,160,984		36,919,034		41,685,275
		<u>490,953,959</u>		<u>501,920,656</u>		<u>521,985,039</u>		<u>543,233,242</u>		<u>562,645,045</u>
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
Will County Tax Extensions										
Corporate	0.3514	1,631,378	0.3330	1,558,386	0.3490	1,699,016	0.3311	1,676,406	0.3338	1,738,964
Recreation	0.0678	314,762	0.0786	367,835	0.0699	340,290	0.0836	423,279	0.0771	401,660
Social Security	0.0232	107,706	0.0243	113,720	0.0180	87,628	0.0188	95,187	0.0174	90,647
Liability Insurance	0.0277	128,598	0.0328	153,499	0.0260	126,574	0.0260	131,642	0.0240	125,030
Audit	0.0042	19,499	0.0048	22,463	0.0028	13,631	0.0028	14,177	0.0026	13,545
Paving and Lighting	0.0030	13,928	0.0039	18,251	0.0020	9,736	0.0020	10,126	0.0018	9,377
Special Recreation	0.0402	186,629	0.0400	187,193	0.0400	194,730	0.0401	203,032	0.0398	207,342
Debt Service	0.1382	641,595	0.1518	710,399	0.1356	660,133	0.1338	677,448	0.1309	681,936
Total Will County Extensions	0.6557	3,044,095	0.6692	3,131,746	0.6433	3,131,738	0.6382	3,231,297	0.6274	3,268,501
Cook County Tax Extensions										
Corporate	0.3108	82,993	0.3340	113,349	0.3230	113,570	0.3216	118,732	0.3479	145,023
Recreation	0.1056	28,198	0.0801	27,183	0.0792	27,847	0.0820	30,274	0.0722	30,097
Social Security	0.0233	6,222	0.0247	8,382	0.0232	8,157	0.0201	7,421	0.0162	6,753
Liability Insurance	0.0280	7,477	0.0333	11,301	0.0347	12,201	0.0280	10,337	0.0224	9,338
Audit	0.0043	1,148	0.0048	1,629	0.0046	1,617	0.0046	1,698	0.0024	1,000
Paving and Lighting	0.0030	801	0.0039	1,324	0.0040	1,406	0.0035	1,292	0.0017	709
Special Recreation	0.0399	10,654	0.0400	13,575	0.0399	14,029	0.0396	14,620	0.0400	16,674
Debt Service	0.1441	38,479	0.1441	48,903	0.1427	50,175	0.1390	51,317	0.1390	57,943
Total Cook County Extensions	0.6590	175,972	0.6649	225,646	0.6513	229,002	0.6384	235,691	0.6418	267,537
Total Tax Extensions		<u>3,220,067</u>		<u>3,357,392</u>		<u>3,360,740</u>		<u>3,466,988</u>		<u>3,536,038</u>
Tax Collections		<u>3,127,566</u>		<u>3,264,670</u>		<u>3,354,155</u>		<u>3,359,619</u>		<u>3,502,588</u>
Percent Collected		<u>97.13%</u>		<u>97.24%</u>		<u>99.80%</u>		<u>96.90%</u>		<u>99.05%</u>

* Per \$100 of Assessed Valuation