

FLAGG-ROCHELLE COMMUNITY
PARK DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2022

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

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.



INDEPENDENT AUDITORS' REPORT

January 6, 2023

Members of the Board of Commissioners
Flagg-Rochelle Community Park District
Rochelle, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Flagg-Rochelle Community Park District, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Flagg-Rochelle Community Park District, Illinois, as of April 30, 2022, and the respective changes in financial position for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Flagg-Rochelle Community Park District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information - Continued

Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

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

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.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Net Position - Modified Cash Basis

April 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 3,424,195
Noncurrent Assets	
Capital Assets	
Nondepreciable	16,576,240
Depreciable	10,188,337
Accumulated Depreciation	(5,578,703)
Total Noncurrent Assets	<u>21,185,874</u>
Total Assets	<u>24,610,069</u>
LIABILITIES	
Current Liabilities	
Accrued Payroll	1,505
Other Payables	24,181
Current Portion of Long-Term Debt	<u>1,370,000</u>
Total Current Liabilities	1,395,686
Noncurrent Liabilities	
General Obligation Bonds Payable - Net	<u>13,931,069</u>
Total Liabilities	<u>15,326,755</u>
NET POSITION	
Net Investment in Capital Assets	7,034,805
Restricted	
Social Security	18,027
Liability Insurance	47,778
Lighting and Paving	53,186
Audit	5,966
IMRF	88,537
Museum	5,167
Special Recreation	79,214
Capital Projects	1,024,193
Working Cash	66,361
Unrestricted	<u>860,080</u>
Total Net Position	<u>9,283,314</u>

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

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Statement of Activities - Modified Cash Basis

For the Fiscal Year Ended April 30, 2022

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 176,357	—	—	—	(176,357)
Recreation	1,935,142	1,001,725	111,991	—	(821,426)
Interest on Long-Term Debt	496,454	—	—	—	(496,454)
Total Governmental Activities	2,607,953	1,001,725	111,991	—	(1,494,237)
		General Revenues			
		Taxes			
		Property Taxes			2,235,718
		Intergovernmental - Unrestricted			
		Replacement Taxes			203,736
		Investment Income			6,447
		Miscellaneous			197,311
					<u>2,643,212</u>
		Change in Net Position			1,148,975
		Net Position - Beginning			<u>8,134,339</u>
		Net Position - Ending			<u><u>9,283,314</u></u>

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

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2022

See Following Page

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds - Modified Cash Basis

April 30, 2022

	General	Special Revenue Recreation
ASSETS		
Cash and Investments	\$ 568,062	317,704
Due from Other Funds	—	721,078
	<hr/>	<hr/>
Total Assets	568,062	1,038,782
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES		
Accrued Payroll	1,505	—
Other Payables	6,045	18,136
Bonds Payable	—	—
Due to Other Funds	—	—
Total Liabilities	7,550	18,136
	<hr/>	<hr/>
FUND BALANCES		
Nonspendable	—	—
Restricted	—	—
Assigned	—	1,020,646
Unassigned	560,512	—
Total Fund Balances	560,512	1,020,646
	<hr/>	<hr/>
Total Liabilities and Fund Balances	568,062	1,038,782
	<hr/> <hr/>	<hr/> <hr/>

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

Debt Service	Capital Projects			Nonmajor	Totals
	Capital Projects	Community Center Capital			
—	2,173,248	945		364,236	3,424,195
—	—	—		—	721,078
—	2,173,248	945		364,236	4,145,273
—	—	—		—	1,505
—	—	—		—	24,181
—	1,150,000	—		—	1,150,000
721,078	—	—		—	721,078
721,078	1,150,000	—		—	1,896,764
—	—	—		66,361	66,361
—	1,023,248	945		297,875	1,322,068
—	—	—		—	1,020,646
(721,078)	—	—		—	(160,566)
(721,078)	1,023,248	945		364,236	2,248,509
—	2,173,248	945		364,236	4,145,273

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

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis
April 30, 2022

Total Governmental Fund Balances	\$ 2,248,509
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.	21,185,874
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds Payable - Net	<u>(14,151,069)</u>
Net Position of Governmental Activities	<u><u>9,283,314</u></u>

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

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

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

For the Fiscal Year Ended April 30, 2022

See Following Page

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

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

For the Fiscal Year Ended April 30, 2022

	General	Special Revenue Recreation
Revenues		
Taxes	\$ 286,255	210,527
Intergovernmental	203,736	111,991
Charges for Services	—	1,001,725
Investment Income	466	603
Miscellaneous	192,067	5,244
Total Revenues	<u>682,524</u>	<u>1,330,090</u>
Expenditures		
General Government	126,587	—
Recreation	198,273	857,589
Capital Outlay	—	—
Debt Service		
Principal Retirement	—	—
Interest and Fiscal Charges	—	—
Total Expenditures	<u>324,860</u>	<u>857,589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>357,664</u>	<u>472,501</u>
Other Financing Sources (Uses)		
Transfers In	10,323	—
Transfers Out	—	(10,323)
	<u>10,323</u>	<u>(10,323)</u>
Net Change in Fund Balances	367,987	462,178
Fund Balances - Beginning	<u>192,525</u>	<u>558,468</u>
Fund Balances - Ending	<u><u>560,512</u></u>	<u><u>1,020,646</u></u>

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

Debt Service	Capital Projects		Nonmajor	Totals
	Capital Projects	Community Center Capital		
1,515,931	—	—	223,005	2,235,718
—	—	—	—	315,727
—	—	—	—	1,001,725
772	1,368	2,923	315	6,447
—	—	—	—	197,311
1,516,703	1,368	2,923	223,320	3,756,928
—	—	—	49,770	176,357
—	294,097	—	137,981	1,487,940
—	658,169	170,366	5,520	834,055
210,000	—	—	—	210,000
519,568	—	—	—	519,568
729,568	952,266	170,366	193,271	3,227,920
787,135	(950,898)	(167,443)	30,049	529,008
—	1,220,809	—	—	1,231,132
(1,075,000)	—	(145,809)	—	(1,231,132)
(1,075,000)	1,220,809	(145,809)	—	—
(287,865)	269,911	(313,252)	30,049	529,008
(433,213)	753,337	314,197	334,187	1,719,501
(721,078)	1,023,248	945	364,236	2,248,509

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

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities - Modified Cash Basis
For the Fiscal Year Ended April 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 529,008

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	632,370
Depreciation Expense	(245,517)
Disposals - Cost	(111,590)
Disposals - Accumulated Depreciation	111,590

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.

Retirement of Debt	210,000
Amortization of Bond Premium	<u>23,114</u>

Changes in Net Position of Governmental Activities 1,148,975

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Flagg-Rochelle Community Park District (District), Illinois was organized in 1966 and operates under a Board-Manager form of government, providing recreation and other services to the residents of the City of Rochelle, which include: recreation programs, park management, capital development, and general administration. 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). The District's general government and recreation activities are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a modified cash, economic resource basis, which recognizes some 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.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (general government, recreation, etc.). These functions are supported by general government revenues (property taxes and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, recreation, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property and replacement taxes, certain intergovernmental revenues, interest, etc.).

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

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. All of the District's funds are reported as governmental funds. An emphasis is placed on major funds within the governmental category. 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 are at least 10 percent of the corresponding total for all governmental funds combined.

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 Recreation Fund is treated as a major fund and accounts for the operations of the recreation programs offered to residents. Additionally, the District maintains eight nonmajor special revenue funds.

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 the accumulation of resources restricted, committed, or assigned for the payment of 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 two major capital projects funds. The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities, equipment, and capital asset replacements. The Community Center Capital Fund is used to account for financial resources restricted, committed, or assigned for the acquisition or construction of the Community Center.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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, governmental 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.

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental 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 District records capital assets, depreciation, and long-term debt.

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.

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. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

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 \$5,000 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.

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

Land Improvements	20 - 50 Years
Buildings	20 - 40 Years
Machinery and Equipment	5 - 20 Years
Spring Lake Facility	10 - 30 Years

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. Immaterial premiums and discounts are expensed in the year of issuance in the entity-wide statements. 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.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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 legislations.

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Board of Commissioners followed these procedures in establishing the budgetary data reflected in the financial statements. Prior to August 1 the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means for financing. The budgetary operations of the District are governed by appropriation laws detailed in the Illinois Park District Code. Notice is given, and public meetings are conducted to obtain taxpayer comments. The Board of Commissioners may add to, subtract from, or change appropriations, but may not change the form of the budget. Prior to the end of the first quarter of each fiscal year, the budget is legally enacted through the passage of an annual combined budget and appropriation ordinance.

Budgets for the Governmental Funds of the District are legally adopted on a basis consistent with the modified cash basis of accounting. Expenditures may not legally exceed appropriations at the fund level. No supplemental appropriations were required during fiscal year 2022.

After the first six months of any fiscal year, the Board of Commissioners may, by a two-thirds vote, amend the initially approved appropriation ordinance. Unused appropriations lapse at the end of the fiscal year.

Management can make transfers between individual expenditure categories of a fund (i.e., services, utilities, etc.) for up to 10% of the budgeted amount. However, Board of Commissioners approval is required in order for management to make transfers between different funds.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

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

Fund	Excess
Social Security and Medicare	\$ 128
Audit	525
Museum	120
Community Center Capital	70,366

DEFICIT FUND BALANCE

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

Fund	Deficit
Debt Service	\$ 721,078

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, and IPRIME.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

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

At year-end, the carrying amount of the District's deposits totaled \$2,305,253 and the bank balances totaled \$2,356,257. In addition, the District had \$1,118,942 invested in IPRIME, which has an average maturity of less than one year and is measured at net asset value per share as determined by the pool.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Concentration of Credit Risk and Custodial Credit Risk - Continued

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 limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy limits exposure to credit risk by primarily investing in obligation guaranteed by the U.S. Government or securities issued by agencies of the U.S. Government that are explicitly or implicitly guaranteed by the U.S. Government. As of April 30, 2022, the District's investment in IPRIME is rated AAAM by Standard & Poor's.

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's investment policy requires the District to diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. At year-end, the District does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Custodial Credit Risk - Deposits. 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 pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name. At April 30, 2022, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk - Investments. 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's investment policy prefers that all security transactions that are exposed to custodial credit risk are processed with the underlying investments held by a third-party custodian. At April 30, 2022, the District's investments in IPRIME is not subject to custodial credit risk.

PROPERTY TAXES

Property taxes for 2021 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 County and are payable in two installments on or about June 1 and September 1. The County collects such taxes and remits them periodically.

INTERFUND BALANCES

Interfund balances result from payments between funds are made or advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances are as follows:

Receivable Fund	Payable Fund	Amount
Recreation	Debt Service	\$ 721,078

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Recreation	\$ 10,323
Capital Projects	Debt Service	1,075,000
Capital Projects	Community Center Capital	145,809
		<u>1,231,132</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,301,984	—	—	2,301,984
Construction in Progress	14,657,064	—	382,808	14,274,256
	<u>16,959,048</u>	<u>—</u>	<u>382,808</u>	<u>16,576,240</u>
Depreciable Capital Assets				
Buildings	1,330,921	—	—	1,330,921
Land Improvements	4,672,455	—	—	4,672,455
Machinery and Equipment	1,293,708	259,677	111,590	1,441,795
Spring Lake Facility	1,987,665	755,501	—	2,743,166
	<u>9,284,749</u>	<u>1,015,178</u>	<u>111,590</u>	<u>10,188,337</u>
Less Accumulated Depreciation				
Buildings	819,980	3,173	—	823,153
Land Improvements	2,417,933	116,656	—	2,534,589
Machinery and Equipment	782,460	78,594	111,590	749,464
Spring Lake Facility	1,424,403	47,094	—	1,471,497
	<u>5,444,776</u>	<u>245,517</u>	<u>111,590</u>	<u>5,578,703</u>
Total Net Depreciable Capital Assets	<u>3,839,973</u>	<u>769,661</u>	<u>—</u>	<u>4,609,634</u>
Total Net Capital Assets	<u>20,799,021</u>	<u>769,661</u>	<u>382,808</u>	<u>21,185,874</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Governmental Activities - Continued

Depreciation expense was charged to governmental activities as follows:

Recreation	<u>\$ 245,517</u>
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SHORT-TERM DEBT

General Obligation Park Bonds

The District issues general obligation park bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds 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 fiscal year:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Park Bonds of 2021A, due in one installment of \$775,000 plus interest at 0.50% through January 1, 2022.	\$ 775,000	—	775,000	—
General Obligation Park Bonds of 2021B, due in one installment of \$300,000 plus interest at 0.60% through January 1, 2022.	300,000	—	300,000	—
General Obligation Park Bonds of 2022A, due in one installment of \$850,000 plus interest at 0.50% through January 1, 2023.	—	850,000	—	850,000
General Obligation Park Bonds of 2022B, due in one installment of \$300,000 plus interest at 0.60% through January 1, 2023.	—	300,000	—	300,000
	<u>1,075,000</u>	<u>1,150,000</u>	<u>1,075,000</u>	<u>1,150,000</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2019A, due in annual installments of \$100,000 to \$420,000 plus interest at 3.125% to 4.000% through January 1, 2040.	\$ 5,900,000	—	210,000	5,690,000
General Obligation Bonds of 2019B, due in annual installments of \$265,000 to \$540,000 plus interest at 3.250% to 5.000% through January 1, 2045.	8,000,000	—	—	8,000,000
	<u>13,900,000</u>	<u>—</u>	<u>210,000</u>	<u>13,690,000</u>

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
General Obligation Bonds	\$ 13,900,000	—	210,000	13,690,000	220,000
Plus: Unamortized Premium	484,183	—	23,114	461,069	—
	<u>14,384,183</u>	<u>—</u>	<u>233,114</u>	<u>14,151,069</u>	<u>220,000</u>

Payments on the general obligation bonds are made by the Debt Service Fund.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

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 Bonds	
	Principal	Interest
2023	\$ 220,000	505,018
2024	225,000	496,218
2025	235,000	487,218
2026	510,000	477,818
2027	540,000	452,318
2028	560,000	425,319
2029	590,000	397,319
2030	620,000	367,819
2031	650,000	339,819
2032	680,000	310,419
2033	710,000	279,669
2034	735,000	255,019
2035	755,000	232,969
2036	775,000	210,319
2037	800,000	187,069
2038	825,000	162,069
2039	850,000	136,287
2040	880,000	109,725
2041	475,000	82,225
2042	490,000	66,788
2043	505,000	50,863
2044	520,000	34,450
2045	540,000	17,550
Totals	<u>13,690,000</u>	<u>6,084,287</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

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 than .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 - 2021	<u>\$ 299,140,085</u>
Legal Debt Limit - 2.875% of Assessed Value	8,600,277
Amount of Debt Applicable to Limit	<u>6,840,000</u>
Legal Debt Margin	<u>1,760,277</u>
Non-Referendum Legal Debt Limit	
0.575% of Assessed Valuation	1,720,055
Amount of Debt Applicable to Debt Limit	<u>—</u>
Non-Referendum Legal Debt Margin	<u>1,720,055</u>

Pledged Revenues

The General Obligation Bonds of 2019B have a pledged revenue source consisting of the proceeds received by the District from the issuance of its annual general obligation rollover bonds, as well as other funds of the District as lawfully available and annually appropriated for such payment. The remaining pledge as of April 30, 2022 was \$12,000,707 with a commitment end date of January 1, 2045. The District paid \$291,618 of interest expense in fiscal year 2022, which was 15.90% of the pledged revenue of \$1,832,521.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

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, 2022:

Governmental Activities		
Capital Assets - Net of Accumulated Depreciation	\$	21,185,874
Less Capital Related Debt:		
General Obligation Bonds		(13,690,000)
Bond Premium		<u>(461,069)</u>
Net Investment in Capital Assets		<u><u>7,034,805</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 Commissioners; 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.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Commissioners' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Commissioners itself or b) a body or official to which the Board of Commissioners 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 Commissioners, who is authorized to assign amounts to a specific purpose.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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 fund balance policy states the unassigned fund balance of the General Fund should be at least 40% of current year 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	Debt Service	Capital Projects		Nonmajor	Totals
		Revenue Recreation		Capital Projects	Community Center Capital		
Fund Balances							
Nonspendable							
Working Cash	\$ —	—	—	—	—	66,361	66,361
Restricted							
Social Security	—	—	—	—	—	18,027	18,027
Liability Insurance	—	—	—	—	—	47,778	47,778
Lighting and Paving	—	—	—	—	—	53,186	53,186
Audit	—	—	—	—	—	5,966	5,966
IMRF	—	—	—	—	—	88,537	88,537
Museum	—	—	—	—	—	5,167	5,167
Special Recreation	—	—	—	—	—	79,214	79,214
Capital Projects	—	—	—	1,023,248	945	—	1,024,193
	—	—	—	1,023,248	945	297,875	1,322,068
Assigned							
Recreational Programming, Facility Maintenance, and Future Recreation Capital	—	1,020,646	—	—	—	—	1,020,646
Unassigned	560,512	—	(721,078)	—	—	—	(160,566)
Total Fund Balances	560,512	1,020,646	(721,078)	1,023,248	945	364,236	2,248,509

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

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 2017, 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, 2022 to January 1, 2023:

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	\$100,000,000/Occurrence/Annual Aggregate
Flood, Zones A & V	\$1,000	\$1,000,000	\$50,000,000/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/projects in excess of \$15,000,000 require approval
Tax Revenue Interruption	\$1,000	\$1,000,000	\$3,000,000/Reported Values \$1,000,000/Non-Reported Values
Business Interruption, Rental Income	\$1,000		\$100,000,000/Reported Values \$500,000/\$2,500,000/Non-Reported Values
Off Premises 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
Communicable Disease	\$1,000/\$5,000	\$5,000,000	\$250,000/Claim/Aggregate; \$5,000,000 Aggregate All Members

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
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
OUTBREAK EXPENSE			\$1,000,000 Aggregate Policy Limit
Outbreak Suspension	24 Hours	N/A	\$5,000/\$25,000/Day All Locations
			\$150,000/\$500,000 Aggregate
Workplace Violence Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum
Fungus Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum
INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA LIABILITY COVERAGE			
Breach Response	\$1,000	\$50,000	\$500,000/Occurrence/Annual Aggregate
Business Interruption due to Security Breach	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Business Interruption due to System Failure	8 Hours	\$50,000	\$500,000/Occurrence/Annual Aggregate
Dependent Business Loss	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Liability	\$1,000	\$50,000	\$2,000,000/Occurrence/Annual Aggregate
eCrime	\$1,000	\$50,000	\$75,000/Occurrence/Annual Aggregate
Criminal Reward	\$1,000	\$50,000	\$25,000/Occurrence/Annual Aggregate
DEADLY WEAPON RESPONSE			
Liability	\$1,000	\$9,000	\$500,000/Occurrence/\$2,500,000 Annual Aggregate
First Party Property	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Crisis Management Services	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Counseling/Funeral Expenses	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Medical Expenses	\$1,000	\$9,000	\$25,000/person/\$500,000 Annual Aggregate
AD&D	\$1,000	\$9,000	\$50,000/person/\$500,000 Annual Aggregate
VOLUNTEER MEDICAL ACCIDENT			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense 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.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

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, 2021 and the statement of revenues and expenses for the period ending December 31, 2021. The District's portion of the overall equity of the pool is 0.053% or \$30,439.

Assets	\$	77,156,496
Deferred Outflows of Resources - Pension		871,829
Liabilities		19,465,811
Deferred Inflows of Resources - Pension		1,466,716
Total Net Position		57,095,798
Operating Revenues		17,390,850
Nonoperating Revenues		2,635,445
Expenditures		19,688,616

Since 96.36% 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.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

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.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	14
Active Plan Members	<u>12</u>
Total	<u><u>40</u></u>

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2022, the District's contribution was 0.85% of covered payroll.

Net Pension (Asset). The District's net pension (asset) was measured as of December 31, 2021. The total pension (asset) used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	3.25%
Inflation	2.25%

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	(0.60%)
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	(0.90%)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the District calculated using the discount rate as well as what the District's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	134,105	(760,655)	(257,353)

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2020	\$ 1,817,152	2,347,236	(530,084)
Changes for the Year:			
Service Cost	38,353	—	38,353
Interest on the Total Pension Liability	127,345	—	127,345
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	72,213	—	72,213
Changes of Assumptions	—	—	—
Contributions - Employer	—	4,648	(4,648)
Contributions - Employees	—	21,339	(21,339)
Net Investment Income	—	417,695	(417,695)
Benefit Payments, Including Refunds of Employee Contributions	(159,687)	(159,687)	—
Other (Net Transfer)	—	24,800	(24,800)
Net Changes	78,224	308,795	(230,571)
Balances at December 31, 2021	1,895,376	2,656,031	(760,655)

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2022, the District recognized pension expense of \$4,263, on a modified cash basis. At April 30, 2022, the District would report deferred outflows or resources and deferred inflows of resources related to pensions, on a GAAP basis, from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Totals
Difference Between Expected and Actual Experience	\$ 79,829	—	79,829
Change in Assumptions	—	(8,067)	(8,067)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(329,115)	(329,115)
	<u>79,829</u>	<u>(337,182)</u>	<u>(257,353)</u>
Pension Contributions Made Subsequent to the Measurement Date	1,393	—	1,393
	<u>81,222</u>	<u>(337,182)</u>	<u>(255,960)</u>

\$1,393 would report, on a GAAP basis, deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and would recognize as a reduction of the net pension liability in the reporting year ended April 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (29,541)
2024	(103,597)
2025	(73,923)
2026	(50,292)
2027	—
Thereafter	—
Total	<u>(257,353)</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The District has evaluated its potential other postemployment benefits liability. The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, no former employees have chosen to stay in the District's health insurance plan. Additionally, the District had no former employees for which the District was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. As a result, the District has determined that no material liability is required to be reported under GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. In addition, the total OPEB liability, deferred outflows of resources and deferred inflows of resources would not be reported on the District's financial statements as the District reports on the modified cash basis of accounting as discussed in Note 1e. Therefore, the District has not recorded any postemployment benefit liability as of April 30, 2022.

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:

- Schedule Employer Contributions
 Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension (Asset)
 Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The 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.

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 revenue and expenditures related to recreation programs funded by a restricted tax levy and user fees.

Social Security and Medicare

The Social Security and Medicare Fund is used to account for revenues received for the payment of social security and medicare taxes.

Liability Insurance

The Liability Insurance Fund is used to account for revenues received for payment of liability insurance expenditures.

Lighting and Paving

The Paving and Lighting Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for paving and lighting improvements throughout the Park District.

Audit

The Audit Fund is used to account for revenues received for payment of audit expenditures.

Illinois Municipal Retirement

The Illinois Municipal Retirement Fund (IMRF) Fund is used to account for revenues received for the purpose of funding the plan and the related expenditures paid.

INDIVIDUAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS - Continued

Museum

The Museum Fund is used to account for the revenue and expenditures of the museum. An annual tax levy in conjunction with program revenue is used to finance the fund.

Special Recreation

The Special Recreation Fund is used to account for revenues and expenditures related to the provision of recreational services for disabled individuals.

Working Cash

The Working Cash Fund is used to account for payments for general government expenditures if tax revenue is temporarily unavailable.

DEBT SERVICE FUND

The Debt Service Fund are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital assets.

Community Center Capital

The Capital Projects Fund is used to account for financial resources restricted, committed, or assigned for the acquisition or construction of major capital facilities, equipment, and capital asset replacements.

Community Center Capital

The Community Center Capital Fund is used to account for financial resources restricted, committed, or assigned for the acquisition or construction of the Community Center.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2022**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 22,781	\$ 22,781	\$ —	\$ 322,304	7.07%
2017	22,532	22,532	—	334,477	6.74%
2018	16,591	16,591	—	297,132	5.58%
2019	12,073	12,073	—	292,666	4.13%
2020	10,290	10,290	—	331,913	3.10%
2021	4,323	4,323	—	371,291	1.16%
2022	4,263	4,263	—	500,911	0.85%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension (Asset)
April 30, 2022**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 40,750
Interest	117,428
Differences Between Expected and Actual Experience	(30,928)
Change of Assumptions	—
Benefit Payments, Including Refunds of Member Contributions	<u>(116,349)</u>
Net Change in Total Pension Liability	10,901
Total Pension Liability - Beginning	<u>1,603,512</u>
 Total Pension Liability - Ending	 <u><u>1,614,413</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 22,969
Contributions - Members	14,517
Net Investment Income	8,867
Benefit Payments, Including Refunds of Member Contributions	(116,349)
Other (Net Transfer)	<u>15,961</u>
Net Change in Plan Fiduciary Net Position	(54,035)
Plan Net Position - Beginning	<u>1,812,793</u>
 Plan Net Position - Ending	 <u><u>1,758,758</u></u>
 Employer's Net Pension (Asset)	 <u><u>\$ (144,345)</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 108.94%
 Covered Payroll	 \$ 322,597
 Employer's Net Pension (Asset) as a Percentage of Covered Payroll	 (44.74%)

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2021. Changes in assumptions related to the demographics were made in 2017.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
36,228	31,822	30,606	30,676	36,547	38,353
118,156	117,044	114,442	120,159	123,717	127,345
(49,923)	(1,440)	68,560	49,194	86,229	—
—	(59,797)	39,541	—	(23,577)	72,213
(114,215)	(119,967)	(123,460)	(119,952)	(187,851)	(159,687)
(9,754)	(32,338)	129,689	80,077	35,065	78,224
1,614,413	1,604,659	1,572,321	1,702,010	1,782,087	1,817,152
1,604,659	1,572,321	1,702,010	1,782,087	1,817,152	1,895,376
23,871	18,433	12,474	12,440	4,209	4,648
15,456	13,487	13,334	14,245	14,886	21,339
121,659	329,903	(120,241)	362,625	303,639	417,695
(114,215)	(119,967)	(123,460)	(119,952)	(187,851)	(159,687)
24,368	(34,886)	54,501	27,149	42,371	24,800
71,139	206,970	(163,392)	296,507	177,254	308,795
1,758,758	1,829,897	2,036,867	1,873,475	2,169,982	2,347,236
1,829,897	2,036,867	1,873,475	2,169,982	2,347,236	2,656,031
(225,238)	(464,546)	(171,465)	(387,895)	(530,084)	(760,655)
114.04%	129.55%	110.07%	121.77%	129.17%	140.13%
343,473	299,726	296,320	316,560	328,797	474,207
(65.58%)	(154.99%)	(57.86%)	(122.53%)	(161.22%)	(160.41%)

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 290,000	290,000	286,255
Intergovernmental			
Replacement Tax	85,000	85,000	203,736
Investment Income	600	600	466
Miscellaneous	1,400	1,400	192,067
Total Revenues	<u>377,000</u>	<u>377,000</u>	<u>682,524</u>
Expenditures			
General Government	140,503	140,503	126,587
Recreation	197,716	197,716	198,273
Total Expenditures	<u>338,219</u>	<u>338,219</u>	<u>324,860</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	38,781	38,781	357,664
Other Financing Sources			
Transfers In	—	—	10,323
Net Change in Fund Balance	<u>38,781</u>	<u>38,781</u>	367,987
Fund Balance - Beginning			<u>192,525</u>
Fund Balance - Ending			<u><u>560,512</u></u>

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 210,000	210,000	210,527
Intergovernmental			
Grants	124,100	124,100	111,991
Charges for Services			
Recreation Program	764,946	764,946	824,999
Driving Range	10,000	10,000	14,470
Spring Lake Pool	82,886	82,886	99,636
Facility Rental	44,810	44,810	62,620
Investment Income	600	600	603
Miscellaneous	1,000	1,000	5,244
Total Revenues	<u>1,238,342</u>	<u>1,238,342</u>	<u>1,330,090</u>
Expenditures			
Recreation	<u>862,392</u>	<u>862,392</u>	<u>857,589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	375,950	375,950	472,501
Other Financing (Uses)			
Transfers Out	<u>—</u>	<u>—</u>	<u>(10,323)</u>
Net Change in Fund Balance	<u>375,950</u>	<u>375,950</u>	462,178
Fund Balance - Beginning			<u>558,468</u>
Fund Balance - Ending			<u><u>1,020,646</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
General Government			
Administration			
Salaries and Wages	\$ 57,951	57,951	42,034
Employee Benefits	2,852	2,852	2,628
Contractual Services	75,400	75,400	77,660
Commodities	3,800	3,800	3,861
Other	500	500	404
	<u>140,503</u>	<u>140,503</u>	<u>126,587</u>
Recreation			
Maintenance Department			
Salaries and Wages	80,229	80,229	71,009
Employee Benefits	13,969	13,969	15,942
Contractual Services	64,668	64,668	76,941
Commodities	38,850	38,850	34,381
	<u>197,716</u>	<u>197,716</u>	<u>198,273</u>
Total Expenditures	<u>338,219</u>	<u>338,219</u>	<u>324,860</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Recreation - Special Revenue Fund

Schedule of Expenditures - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended April 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Recreation			
Recreation			
Salaries and Wages	\$ 408,838	408,838	346,816
Employee Benefits	55,892	55,892	46,839
Program Expenses	96,400	96,400	124,098
Contractual Services	97,350	97,350	111,769
Commodities	29,335	29,335	29,503
Other	500	500	484
	<u>688,315</u>	<u>688,315</u>	<u>659,509</u>
Driving Range			
Salaries and Wages	7,000	7,000	6,356
Contractual Services	1,500	1,500	1,731
Commodities	500	500	1,100
	<u>9,000</u>	<u>9,000</u>	<u>9,187</u>
Spring Lake			
Salaries and Wages	50,307	50,307	43,668
Program Expenses	14,420	14,420	3,998
Contractual Services	79,250	79,250	123,223
Commodities	21,100	21,100	18,004
	<u>165,077</u>	<u>165,077</u>	<u>188,893</u>
Total Expenditures	<u>862,392</u>	<u>862,392</u>	<u>857,589</u>

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 1,512,049	1,512,049	1,515,931
Investment Income	30	30	772
Total Revenues	<u>1,512,079</u>	<u>1,512,079</u>	<u>1,516,703</u>
Expenditures			
Debt Service			
Principal Retirement	1,512,049	1,512,049	210,000
Interest and Fiscal Charges	—	—	519,568
Total Expenditures	<u>1,512,049</u>	<u>1,512,049</u>	<u>729,568</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	30	30	787,135
Other Financing (Uses)			
Transfers Out	—	—	<u>(1,075,000)</u>
Net Change In Fund Balance	<u>30</u>	<u>30</u>	(287,865)
Fund Balance - Beginning			<u>(433,213)</u>
Fund Balance - Ending			<u><u>(721,078)</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 155,300	155,300	—
Investment Income	1,200	1,200	1,368
Total Revenues	<u>156,500</u>	<u>156,500</u>	<u>1,368</u>
Expenditures			
Recreation			
Salaries and Wages	219,441	219,441	228,068
Employee Benefits	36,255	36,255	33,566
Contractual Services	26,000	26,000	32,463
Capital Outlay	1,640,526	1,640,526	658,169
Total Expenditures	<u>1,922,222</u>	<u>1,922,222</u>	<u>952,266</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,765,722)</u>	<u>(1,765,722)</u>	<u>(950,898)</u>
Other Financing Sources			
Debt Issuance	800,000	800,000	—
Transfers In	—	—	1,220,809
	<u>800,000</u>	<u>800,000</u>	<u>1,220,809</u>
Net Change In Fund Balance	<u>(965,722)</u>	<u>(965,722)</u>	269,911
Fund Balance - Beginning			<u>753,337</u>
Fund Balance - Ending			<u><u>1,023,248</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Community Center Capital - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Investment Income	\$ —	—	2,923
Expenditures			
Capital Outlay	100,000	100,000	170,366
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000)	(100,000)	(167,443)
Other Financing (Uses)			
Transfers Out	—	—	(145,809)
Net Change in Fund Balance	<u>(100,000)</u>	<u>(100,000)</u>	(313,252)
Fund Balance - Beginning			<u>314,197</u>
Fund Balance - Ending			<u><u>945</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2022

See Following Page

ST. CHARLES PARK DISTRICT, ILLINOIS

**Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
April 30, 2022**

	Social Security and Medicare	Liability Insurance
ASSETS		
Cash and Investments	\$ 18,027	47,778
LIABILITIES		
None	—	—
FUND BALANCES		
Nonspendable	—	—
Restricted	18,027	47,778
	18,027	47,778
Total Liabilities and Fund Balances	18,027	47,778

Lighting and Paving	Audit	Illinois Municipal Retirement	Museum	Special Recreation	Working Cash	Totals
53,186	5,966	88,537	5,167	79,214	66,361	364,236
—	—	—	—	—	—	—
—	—	—	—	—	66,361	66,361
53,186	5,966	88,537	5,167	79,214	—	297,875
53,186	5,966	88,537	5,167	79,214	66,361	364,236
53,186	5,966	88,537	5,167	79,214	66,361	364,236

FLAGG-ROCHELLE COMMUNITY 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, 2022**

	Social Security and Medicare	Liability Insurance
Revenues		
Taxes	\$ 45,112	15,028
Investment Income	47	73
Total Revenues	<u>45,159</u>	<u>15,101</u>
Expenditures		
General Government	10,569	29,926
Recreation	45,193	—
Capital Outlay	—	—
Total Expenditures	<u>55,762</u>	<u>29,926</u>
Net Change in Fund Balances	(10,603)	(14,825)
Fund Balances - Beginning	<u>28,630</u>	<u>62,603</u>
Fund Balances - Ending	<u><u>18,027</u></u>	<u><u>47,778</u></u>

Lighting and Paving	Audit	Illinois Municipal Retirement	Museum	Special Recreation	Working Cash	Totals
6,022	9,034	3,012	30,084	114,713	—	223,005
17	15	32	34	86	11	315
6,039	9,049	3,044	30,118	114,799	11	223,320
—	9,275	—	—	—	—	49,770
—	—	4,263	28,680	59,845	—	137,981
5,520	—	—	—	—	—	5,520
5,520	9,275	4,263	28,680	59,845	—	193,271
519	(226)	(1,219)	1,438	54,954	11	30,049
52,667	6,192	89,756	3,729	24,260	66,350	334,187
53,186	5,966	88,537	5,167	79,214	66,361	364,236

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Social Security and Medicare - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 45,000	45,000	45,112
Investment Income	80	80	47
Total Revenues	<u>45,080</u>	<u>45,080</u>	<u>45,159</u>
Expenditures			
General Government			
Employee Benefits	10,545	10,545	10,569
Recreation			
Employee Benefits	45,089	45,089	45,193
Total Expenditures	<u>55,634</u>	<u>55,634</u>	<u>55,762</u>
Net Change In Fund Balance	<u>(10,554)</u>	<u>(10,554)</u>	(10,603)
Fund Balance - Beginning			<u>28,630</u>
Fund Balance - Ending			<u><u>18,027</u></u>

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 15,000	15,000	15,028
Investment Income	300	300	73
Total Revenues	<u>15,300</u>	<u>15,300</u>	15,101
Expenditures			
General Government			
Contractual Services	<u>34,000</u>	<u>34,000</u>	29,926
Net Change In Fund Balance	<u>(18,700)</u>	<u>(18,700)</u>	(14,825)
Fund Balance - Beginning			<u>62,603</u>
Fund Balance - Ending			<u><u>47,778</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Lighting and Paving - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 6,000	6,000	6,022
Investment Income	100	100	17
Total Revenues	<u>6,100</u>	<u>6,100</u>	<u>6,039</u>
Expenditures			
Capital Outlay	<u>24,385</u>	<u>24,385</u>	<u>5,520</u>
Net Change In Fund Balance	<u>(18,285)</u>	<u>(18,285)</u>	519
Fund Balance - Beginning			<u>52,667</u>
Fund Balance - Ending			<u><u>53,186</u></u>

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 9,000	9,000	9,034
Investment Income	15	15	15
Total Revenues	<u>9,015</u>	<u>9,015</u>	<u>9,049</u>
Expenditures			
General Government			
Contractual Services	8,750	8,750	9,275
Net Change In Fund Balance	<u>265</u>	<u>265</u>	(226)
Fund Balance - Beginning			<u>6,192</u>
Fund Balance - Ending			<u><u>5,966</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Illinois Municipal Retirement - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 3,000	3,000	3,012
Investment Income	200	200	32
Total Revenues	<u>3,200</u>	<u>3,200</u>	<u>3,044</u>
Expenditures			
Recreation			
Employee Benefits	<u>28,425</u>	<u>28,425</u>	<u>4,263</u>
Net Change In Fund Balance	<u>(25,225)</u>	<u>(25,225)</u>	(1,219)
Fund Balance - Beginning			<u>89,756</u>
Fund Balance - Ending			<u><u>88,537</u></u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Museum - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 30,000	30,000	30,084
Investment Income	40	40	34
Total Revenues	<u>30,040</u>	<u>30,040</u>	<u>30,118</u>
Expenditures			
Recreation			
Contractual Services	<u>28,560</u>	<u>28,560</u>	<u>28,680</u>
Net Change In Fund Balance	<u>1,480</u>	<u>1,480</u>	1,438
Fund Balance - Beginning			<u>3,729</u>
Fund Balance - Ending			<u>5,167</u>

FLAGG-ROCHELLE COMMUNITY 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 117,000	117,000	114,713
Investment Income	125	125	86
Total Revenues	<u>117,125</u>	<u>117,125</u>	<u>114,799</u>
Expenditures			
Recreation			
Contractual Services	<u>116,622</u>	<u>116,622</u>	<u>59,845</u>
Net Change In Fund Balance	<u>503</u>	<u>503</u>	54,954
Fund Balance - Beginning			<u>24,260</u>
Fund Balance - Ending			<u>79,214</u>

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

Working Cash - 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, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Investment Income	\$ 15	15	11
Expenditures			
General Government	—	—	—
Net Change in Fund Balance	<u>15</u>	<u>15</u>	11
Fund Balance - Beginning			<u>66,350</u>
Fund Balance - Ending			<u>66,361</u>

SUPPLEMENTAL SCHEDULES

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2019A
April 30, 2022**

Date of Issue	July 11, 2019
Date of Maturity	January 1, 2040
Authorized Issue	\$6,000,000
Interest Rates	3.125% to 4.000%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal				
Year	Principal	Interest	Totals	
2023	\$ 220,000	213,400	433,400	
2024	225,000	204,600	429,600	
2025	235,000	195,600	430,600	
2026	245,000	186,200	431,200	
2027	260,000	173,950	433,950	
2028	270,000	160,950	430,950	
2029	285,000	147,450	432,450	
2030	300,000	133,200	433,200	
2031	310,000	121,200	431,200	
2032	325,000	108,800	433,800	
2033	335,000	95,800	430,800	
2034	350,000	82,400	432,400	
2035	360,000	71,900	431,900	
2036	370,000	61,100	431,100	
2037	380,000	50,000	430,000	
2038	395,000	38,125	433,125	
2039	405,000	25,781	430,781	
2040	420,000	13,125	433,125	
	<u>5,690,000</u>	<u>2,083,581</u>	<u>7,773,581</u>	

FLAGG-ROCHELLE COMMUNITY PARK DISTRICT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2019B
April 30, 2022**

Date of Issue	July 11, 2019
Date of Maturity	January 1, 2045
Authorized Issue	\$8,000,000
Interest Rates	3.250% to 5.000%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ —	291,618	291,618
2024	—	291,618	291,618
2025	—	291,618	291,618
2026	265,000	291,618	556,618
2027	280,000	278,368	558,368
2028	290,000	264,369	554,369
2029	305,000	249,869	554,869
2030	320,000	234,619	554,619
2031	340,000	218,619	558,619
2032	355,000	201,619	556,619
2033	375,000	183,869	558,869
2034	385,000	172,619	557,619
2035	395,000	161,069	556,069
2036	405,000	149,219	554,219
2037	420,000	137,069	557,069
2038	430,000	123,944	553,944
2039	445,000	110,506	555,506
2040	460,000	96,600	556,600
2041	475,000	82,225	557,225
2042	490,000	66,788	556,788
2043	505,000	50,863	555,863
2044	520,000	34,450	554,450
2045	540,000	17,550	557,550
	<u>8,000,000</u>	<u>4,000,706</u>	<u>12,000,706</u>