

**Oregon Park District**  
Oregon, Illinois

**Financial Report**  
Year Ended April 30, 2018



# Oregon Park District, Illinois

Year Ended April 30, 2018

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## **Independent Auditor's Report**

To the Park District Board  
Oregon Park District  
Oregon, Illinois

### **Report on the Financial Statements**

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oregon Park District, Illinois (the "Park District") as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Oregon Park District, Illinois as of April 30, 2018, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

## **Basis of Accounting**

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

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Park District's basic financial statements. The Management's Discussion and Analysis and the additional schedules listed in the table of contents as other information on pages 3 – 8 and 39 - 50, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Wipfli LLP*

Sterling, Illinois  
July 2, 2018

## **Management Discussion And Analysis**

# Oregon Park District, Illinois

## Management Discussion and Analysis

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As management of the Oregon Park District (the "Park District"), we offer the readers of the Park District's financial statements this narrative overview and analysis of the financial activities of the Oregon Park District for the year ended April 30, 2018.

The MD&A is provided at the beginning of the report to provide an overview of the Park District's financial position at April 30, 2018 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the financial statements, notes to the financial statements, and other information.

### **Using This Financial Report**

The financial section of this annual report consists of three parts - Independent Auditor's Reports, the basic financial statements, and other information.

### **Government -Wide Financial Statements**

The first two statements are government-wide financial statements that provide both short term and long term information about the Park District's overall financial status, similar to a private sector business. In the government-wide financial statements the Park District's activities are generally shown in two categories - governmental and business type activities. The Park District does not have any business type activities. The Park District's basic services are general government, parks, building, and programs. Current operations of these activities are largely financed with property taxes.

The statement of net position-modified cash basis presents information on all of the Park District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Park District is improving or deteriorating. To assess the overall health of the Park District you need to consider additional non-financial factors such as the condition of the Park District's buildings and facilities.

The statement of activities-modified cash basis presents information showing how the government's net position changed during the most recent fiscal year. The financial statements are prepared under the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, whereby revenues and assets are recognized when received, regardless of when they were earned and expenditures/expenses and liabilities are recognized when payment is made, regardless of when they are incurred.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Park District's funds - not the Park District as a whole. Funds are accounting devices the Park District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the Park District is properly using certain revenues.

# Oregon Park District, Illinois

## Management Discussion and Analysis

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### Fund Financial Statements (continued)

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for each. By doing so, readers may better understand the long-term impact of the Park District's near-term financing decisions. Both the governmental fund balance sheet – modified cash basis and the governmental fund statement of revenues, expenditures and changes in fund balances – modified cash basis provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Park District maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet - modified cash basis and the governmental funds statement of revenues, expenditures and changes in fund balances – modified cash basis for all these funds.

The Park District adopts annual budgets for all major governmental funds and certain other funds. A budgetary comparison statement has been provided for the major governmental funds only.

#### Corporate Fund Budgetary Variances

##### Revenues –

The most significant revenues for the Corporate Fund during fiscal year 2018 were tax revenues. The overall budgeted revenues were virtually equal to actual revenues.

##### Expenditures –

Budgeted expenditures exceeded actual expenditures in the General Fund by approximately \$103 thousand. The primary budgetary difference was due to less parks expenses than anticipated.

#### Recreation Fund Budgetary Variances

##### Revenues –

The Recreation Fund receives most of its revenues from property taxes and program fees. Overall actual revenues exceeded budgeted revenues by approximately \$30 thousand, which was primarily due to greater program fees.

##### Expenditures –

Actual expenditures exceeded budgeted expenditures in the Recreation Fund by approximately \$15 thousand. The primary budgetary difference was caused by more general control and administration expenses than anticipated.

#### IMRF Fund Budget Variances

##### Revenues –

The IMRF Fund receives most of its revenues from property taxes. The overall budgeted revenues were equal to actual revenues.

##### Expenditures –

The overall expenditures were comparable to budgeted expenditures.



# Oregon Park District, Illinois

## Management Discussion and Analysis

### Condensed Financial Information

Net position is summarized in the table below.

<b>Condensed Statement of Net Position – Modified Cash Basis For the years ended April 30, 2018 and 2017</b>	<b>Governmental Activities (in the thousands)</b>	
	<b>2018</b>	<b>2017</b>
Current assets	\$1,772	\$1,542
Capital assets (net)	10,618	10,767
Total assets	12,390	12,309
Current liabilities	1,334	1,310
Non-current liabilities	13	2
Total liabilities	1,347	1,312
Net position:		
Net investment in capital assets	9,290	9,475
Restricted	808	765
Unrestricted	945	757
Total net position	\$11,043	\$10,997

The largest portion of the Park District's net position are reflected in its investments in capital assets (i.e., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Park District uses these assets to provide services. Therefore, these assets are not available for future spending. Although the Park District investments in its capital assets are reported net of available debt, it should be noted that the resources required to repay this type of debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these types of liabilities.

The Park District's net position consist of net investment in capital assets, restricted net position, and unrestricted net position. Restricted net position represents assets which have restrictions determined by an outside party.

Unrestricted net position represents net position that have not been restricted by an outside party. This includes funds that the Park District has designated for specific uses as well as amounts that are contractually committed for goods and services.

# Oregon Park District, Illinois

## Management Discussion and Analysis

### **Condensed Financial Information (continued)**

Revenues, expenses, and changes in net position are summarized in the table below:

<b>Condensed Statement of Activities – Modified Cash Basis For the years ending April 30, 2018 and 2017</b>	<b>Governmental Activities (in the thousands)</b>	
	<b>2018</b>	<b>2017</b>
Revenues:		
Program revenues:		
Charges for services	\$717	\$696
Operating grants and contributions	6	3
Capital grants and contributions	3	6
General revenues:		
Property taxes	2,943	2,656
Replacement taxes	25	27
Other:		
Unrestricted investment earnings	5	3
Miscellaneous	14	7
<b>Total revenues</b>	<b>3,713</b>	<b>3,398</b>
Program expenses:		
General control and administration	1,691	1,244
Building department	971	951
Programs department	732	751
Parks department	249	426
Debt service	24	28
<b>Total expenses</b>	<b>3,667</b>	<b>3,400</b>
<b>Change in net position</b>	<b>46</b>	<b>(2)</b>
<b>Net position, beginning</b>	<b>10,997</b>	<b>10,999</b>
<b>Net position, ending</b>	<b>\$11,043</b>	<b>\$10,997</b>

Major sources of operating revenues for the Park District's governmental funds include property taxes and membership fees. The primary reason for the increase in net position of \$46 thousand in the current year relates to higher property taxes.

### **Capital Asset and Long-Term Debt Activity**

#### Capital Assets

The Park District's investment in capital assets for its governmental activities at year end totaled \$10.6 million (net of accumulated depreciation). This investment in capital assets includes, land, buildings, office furniture and equipment, and other equipment related to programs. There were \$474 thousand of capital asset additions recorded during the year and \$623 thousand of depreciation charges were expensed on the total capital assets for the primary government. See Note 4 for details of capital assets.

# Oregon Park District, Illinois

## Management Discussion and Analysis

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### **Capital Asset and Long-Term Debt Activity (continued)**

Major capital asset events during the fiscal year included the following:

All Weather Outdoor Court  
2017 Ford F350

<b>Net Book Value of Capital Assets at April 30, 2018 (in thousands)</b>	
	<b>Governmental Activities</b>
Land	\$1,060
Construction in Progress	50
Buildings	8,033
Office furniture and equipment	1,033
Other equipment	442
<b>Total</b>	<b>\$10,618</b>

<b>Net Book Value of Capital Assets at April 30, 2017 (in thousands)</b>	
	<b>Governmental Activities</b>
Land	\$1,060
Construction in Progress	0
Buildings	8,515
Office furniture and equipment	868
Other equipment	324
<b>Total</b>	<b>\$10,767</b>

### Long-term debt activity

At April 30, 2018, the Park District had approximately \$1.3 million in governmental activities long-term debt which consists of one GO Park Bond, a loan payable of approximately \$2 thousand, and a capital lease payable of approximately \$26 thousand. The Park District had a balance of \$1.3 million due in the previous year which consisted of two GO Park Bonds and a loan payable. The amount due next year is approximately \$1.3 million. See Note 9 and 10 for details of debt.

# Oregon Park District, Illinois

## Management Discussion and Analysis

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### **Management's Analysis of the Park District's Overall Financial Position and Results of Operations**

The Statement of Net Position – Modified Cash Basis reflects an overall increase in the Park District's total net position from the prior year of approximately \$46 thousand for all governmental activities. The Park District received more property tax revenue in FY18 than it received in FY17 causing an increase in overall net position.

### **Factors or Conditions Impacting Future Periods**

The settlement agreement with Exelon Generating Co. LLC concerning the assessed valuation of Exelon's Byron nuclear generation plant expired on December 31, 2011. The Ogle County Assessor and the Ogle County Board of Review set the assessed valuation of the Byron plant at \$499,226,061 for 2012, \$509,444,605 for 2013, \$482,617,484 for 2014, \$482,400,000 for 2015, \$546,401,187 for 2016, and \$546,407,417 for 2017. Both Exelon and the Byron School District have appealed the assessments for all six years to the Property Tax Appeal Board. The Property Tax Appeal Board has held hearing on the 2012 assessment appeal and a decision is pending. A final decision on the appeal is expected late 2018 or early 2019. The District does not expect a resolution in the near future. It is possible that a portion of the 2012, 2013, 2014, 2015, 2016, and 2017 tax receipts may need to be refunded to Exelon. Real estate tax revenues for the Park District for the 2018 and future tax years are uncertain because there is not an agreement as to the assessed value of Exelon's Byron nuclear generation facilities.

### **Contacting the Park District's Financial Management**

This financial report is designed to provide our citizens, taxpayers and customers with a general overview of the Park District's finances and to demonstrate the Park District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Oregon Park District P.O. Box 237 Oregon, IL 61061.

## **Basic Financial Statements**

Oregon Park District, Illinois  
Statement of Net Position - Modified Cash Basis  
April 30, 2018

<b>ASSETS</b>	<b>Governmental Activities</b>
Cash and cash equivalents	\$1,772,504
Total current assets	1,772,504
Noncurrent assets:	
Capital assets not being depreciated	1,110,388
Capital assets being depreciated (net of accumulated depreciation)	9,507,527
Total capital assets	10,617,915
Total assets	12,390,419
<b>LIABILITIES</b>	
Payroll withholdings & other	19,897
Loan payable	2,070
Bonds payable	1,300,000
Capital lease payable	12,595
Total current liabilities	1,334,562
Loan payable	0
Bonds payable	0
Capital lease payable	13,195
Total noncurrent liabilities	13,195
Total liabilities	1,347,757
<b>NET POSITION</b>	
Net investment in capital assets	9,290,055
Restricted	807,580
Unrestricted	945,027
Total net position	\$11,042,662

See Accompanying Notes to Financial Statements.

# Oregon Park District, Illinois

## Statement of Activities - Modified Cash Basis

For the year ending April 30, 2018

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Grants and Contributions	Capital	
				Grants and Contributions	
					Governmental Activities
Governmental activities:					
General control and administration	\$1,691,539	\$0	\$5,766	\$3,162	(\$1,682,611)
Building department	971,280	0	0	0	(971,280)
Programs department	732,057	717,070	0	0	(14,987)
Parks department	248,583	0	0	0	(248,583)
Debt service	24,026	0	0	0	(24,026)
<b>Total governmental activities</b>	<b>\$3,667,485</b>	<b>\$717,070</b>	<b>\$5,766</b>	<b>\$3,162</b>	<b>(2,941,487)</b>

### General revenues:

#### Taxes:

Property taxes 2,942,659

Replacement taxes 25,366

#### Other:

Unrestricted investment earnings 5,340

Miscellaneous 13,501

Total general revenues 2,986,866

Change in net position 45,379

Net position, beginning of year 10,997,283

Net position, end of year \$11,042,662

# Oregon Park District, Illinois

Balance Sheet - Modified Cash Basis

Governmental Funds

April 30, 2018

ASSETS	Special Revenue Funds			Debt Service	Other Governmental Funds	Total Governmental Funds
	General Fund	Recreation Fund	IMRF Fund	Bond and Interest Fund		
Cash and cash equivalents	\$952,169	\$391,612	\$89,569	\$702	\$338,452	\$1,772,504
Due from other funds	0	0	0	0	0	0
<b>Total current assets</b>	<b>\$952,169</b>	<b>\$391,612</b>	<b>\$89,569</b>	<b>\$702</b>	<b>\$338,452</b>	<b>\$1,772,504</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Payroll withholdings & other	\$7,142	\$508	\$12,247	\$0	\$0	\$19,897
Due to other funds	0	0	0	0	0	0
<b>Total liabilities</b>	<b>7,142</b>	<b>508</b>	<b>12,247</b>	<b>0</b>	<b>0</b>	<b>19,897</b>
Fund balances:						
Restricted	0	391,104	77,322	702	338,452	807,580
Committed	433,566	0	0	0	0	433,566
Unassigned	511,461	0	0	0	0	511,461
<b>Total fund balances</b>	<b>945,027</b>	<b>391,104</b>	<b>77,322</b>	<b>702</b>	<b>338,452</b>	<b>1,752,607</b>
<b>Total liabilities and fund balances</b>	<b>\$952,169</b>	<b>\$391,612</b>	<b>\$89,569</b>	<b>\$702</b>	<b>\$338,452</b>	<b>\$1,772,504</b>

See Accompanying Notes to Financial Statements.



# Oregon Park District, Illinois

Reconciliation of the Balance Sheet - Modified Cash Basis to the  
Statement of Net Position - Modified Cash Basis  
For the year ending April 30, 2018

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Total fund balances - governmental funds	\$1,752,607
Amounts reported for governmental activities in the statement of net position-modified cash basis are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Net book value of assets reported.	10,617,915
Long-term liabilities, including loan and bond payable are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,327,860)</u>
Total net position - governmental activities	<u><u>\$11,042,662</u></u>

# Oregon Park District, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis  
 Governmental Funds  
 For the year ending April 30, 2018

	Special Revenue Funds			Debt Service	Other Governmental Funds	Total Governmental Funds
	General Fund	Recreation Fund	IMRF Fund	Bond and Interest Fund		
<b>Revenues:</b>						
Taxes	\$672,056	\$504,042	\$115,055	\$1,294,847	\$356,659	\$2,942,659
Intergovernmental revenues	28,528	0	0	0	0	28,528
Program fees	0	359,472	0	0	0	359,472
Memberships	0	164,204	0	0	0	164,204
Revenues from use of money and property	176,344	20,530	245	789	826	198,734
Other revenues	14,616	4,651		0	0	19,267
<b>Total revenues</b>	<b>891,544</b>	<b>1,052,899</b>	<b>115,300</b>	<b>1,295,636</b>	<b>357,485</b>	<b>3,712,864</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General control and administration	922,233	235,120	42,003	0	227,446	1,426,802
Building department	229,478	219,138	21,514	0	51,935	522,065
Programs department	0	674,891	32,999	0	28,888	736,778
Parks department	295,404	0	20,904	0	18,301	334,609
<b>Debt service:</b>						
Principal	18,788	0	0	1,285,000	0	1,303,788
Interest	146	0	0	9,430	0	9,576
Bond issuance costs	14,200	0	0	250	0	14,450
Capital outlay	463,378	6,800	0	0	3,677	473,855
<b>Total expenditures</b>	<b>1,943,627</b>	<b>1,135,949</b>	<b>117,420</b>	<b>1,294,680</b>	<b>330,247</b>	<b>4,821,923</b>
Excess (deficiency) of revenues over expenditures	(1,052,083)	(83,050)	(2,120)	956	27,238	(1,109,059)
<b>Other financing sources (uses):</b>						
Debt proceeds	1,339,724	0	0	0	0	1,339,724
Operating transfers in (out)	(100,000)	100,000	0	(3,850)	3,850	0
<b>Net changes in fund balances</b>	<b>187,641</b>	<b>16,950</b>	<b>(2,120)</b>	<b>(2,894)</b>	<b>31,088</b>	<b>230,665</b>
Fund balances, beginning of year	757,386	374,154	79,442	3,596	307,364	1,521,942
<b>Fund balances, end of year</b>	<b>\$945,027</b>	<b>\$391,104</b>	<b>\$77,322</b>	<b>\$702</b>	<b>\$338,452</b>	<b>\$1,752,607</b>

See Accompanying Notes to Financial Statements.

# Oregon Park District, Illinois

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis to the Statement of Activities - Modified Cash Basis For the year ending April 30, 2018

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Net change in fund balance	\$230,665
Amounts reported for governmental activities in the statement of activities-modified cash basis are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expenses to allocate those expenditures over the life of the assets:	
Capital asset purchases	473,855
Depreciation expense	(623,205)
The issuance of debt is reported in the governmental funds as other financing sources while debt payments are reported in governmental funds as expenditures. However, only the interest on debt is recorded in the statement of activities-modified cash basis. This is the net affect of these differences in the period.	
	(1,339,724)
The repayment of debt principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position - modified cash basis.	
Bond payments	1,285,000
Loan payments	4,854
Capital lease payments	13,934
	<hr/>
Change in net position - modified cash basis of governmental activities	<u><u>\$45,379</u></u>

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies**

#### **Introduction**

The financial statements of Oregon Park District, Illinois (the "Park District"), are presented on the modified cash basis of accounting. This modified cash basis differs from accounting principles generally accepted in the United States of America. Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The significant accounting principles and policies utilized by the Park District are described below.

#### **Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position – modified cash basis and the statement of activities – modified cash basis) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

#### **Financial Reporting Entity**

The Park District is governed by a five member Board of Commissioners. The accompanying financial statements present the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials are financially accountable or whose exclusion would render the financial statements misleading because of nature and significance of their relationship. Based on these criteria, the Park District is considered a primary government and there are no other organizations or agencies whose financial statements should be combined and presented with these financial statements.

#### **Basis of Presentation – Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (continued)**

#### **Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the Park District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Park District reports the following major governmental funds:

#### **General Fund**

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

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

Scholarship Fund – This fund was established to utilize donations and contribution to fund underprivileged youth participation in the Park District programming.

Park and Building Improvement Fund – This fund is used to account for bond proceeds used for the purchase of land condemned or purchased for parks, for the building, maintaining, improving and protecting of the same and the existing land and facilities of the Park District and for the payment of those expenses.

#### **Recreation Fund**

The Recreation Fund is used to account for the proceeds and expenditures of the Park District's recreation programs.

#### **IMRF Fund**

The Illinois Municipal Retirement Fund is used to account for the proceeds and expenditures to provide IMRF retirement benefits to eligible employees.

#### **Bond and Interest Fund**

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

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (continued)**

During the course of operations the Park District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

### **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *modified cash basis of accounting*. Revenues are recorded when received and expenses are recorded when paid.

### **Use of Estimates**

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

### **Budgetary Basis of Accounting**

Annual budgets are adopted on a basis consistent with the modified cash basis of accounting.

The appropriated budget is prepared by fund, function, and department. The Park District's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

### **Cash and Cash Equivalents**

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

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (continued)**

#### **Capital Assets**

Capital assets, which include buildings, building improvements, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the Park District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of four years.

As the Park District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Office furniture, vehicles and office equipment	5 – 15 years
Buildings	15 – 39 years
Building improvements	15 - 39 years

#### **Net Position Flow Assumption**

Sometimes the Park District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Park District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

#### **Fund Balance Flow Assumptions**

Sometimes the Park District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Park District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (continued)**

#### **Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Park District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Park District's highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the Park District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Park District for specific purposes but do not meet the criteria to be classified as committed. The Board of Commissioners has by resolution authorized an official of the Board of Commissioners to assign fund balance. The Board of Commissioners may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

#### **Program Revenues**

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

#### **Property Taxes**

It is the Park District's intention that property taxes generated from the 2016 property tax levy be used to finance the operating budget of the fiscal year ending April 30, 2018. Therefore, property tax receipts represent the receipts primarily generated by the 2016 property tax levy.

The Park District's property tax is levied on or before the last Tuesday in December each year on all taxable real property located in the Park District. The 2016 levy was passed by the Board on December 13, 2016. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments in June and September. The Park District receives significant distributions of tax receipts within one month of these due dates.



# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (continued)**

#### **Compensated Absences**

##### ***Vacation***

The Park District follows the policy of allowing employees to accrue vacation leave throughout the year. Full-time employees earned vacation will cease to accrue once total available vacation exceeds 40 hours beyond their annual vacation time, as based on their years of service vacation calculation. The total amount of unused vacation time for services performed during the year ended April 30, 2018, amounted to \$13,426.

##### ***Sick Leave***

The Park District follows the policy of allowing unused sick days to accumulate to a total of 240 days for full-time employees participating under IMRF. Upon retirement, the employee must elect to either receive compensation at one-quarter pay for every unused sick days or to apply those days to additional pension credit as provided by IMRF. At April 30, 2018, the maximum amount of unused sick time for services performed amounted to \$43,558.

##### ***Personal Days***

The Park District follows the policy of granting 6 personal days in a calendar year. Any unused personal time in the calendar year that is earned will be paid straight time to the employee. The total amount of unused personal time for services performed during the year ended April 30, 2018, amounted to \$5,604.

These amounts are not reported as liabilities in the financial statements because the Park District reports on the modified cash basis of accounting.

### **Note 2 Stewardship, Compliance and Accountability**

#### **Excess of expenditures over appropriations**

For the year ended April 30, 2018, expenditures exceeded appropriations in the following fund (the legal level of budgetary control) by:

<b>Fund</b>	<b>Amount</b>
Park and Building Fund	\$31,596
Bond and Interest Fund	15,438
Recreation Fund	200
Liability and Insurance Fund	6,655

#### **Deficit Fund Equity**

As of April 30, 2018, there were no funds that had a deficit fund balance.

# Oregon Park District, Illinois

## Notes to Financial Statements

### Note 3 Cash Deposit with Financial Institutions

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the Park District's deposits may not be returned to it. As of April 30, 2018, the Park District's bank balance was \$1,864,066 and the entire balance was insured and collateralized with securities in the Park District's name.

### Note 4 Capital Assets

The governmental activities capital asset activity for the year ended April 30, 2018 is as follows:

<b>Governmental Activities:</b>	<b>Balance 05/01/17</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Balance 04/30/18</b>
Capital assets, not being depreciated					
-					
Land	\$1,059,925	\$0	\$0	\$0	\$1,059,925
Construction in Progress	0	50,463	0	0	50,463
<b>Total capital assets, not being depreciated</b>	<b>1,059,925</b>	<b>50,463</b>	<b>0</b>	<b>0</b>	<b>1,110,388</b>
Capital assets, being depreciated:					
Buildings	14,826,271	0	0	0	14,826,271
Office furniture and equipment	2,853,487	243,139	(\$3,385)	0	3,093,241
Other equipment	3,856,287	180,253	0	0	4,036,540
<b>Total capital assets, being depreciated</b>	<b>21,536,045</b>	<b>423,392</b>	<b>(3,385)</b>	<b>0</b>	<b>21,956,052</b>
<b>Total all fixed assets</b>	<b>22,595,970</b>	<b>473,855</b>	<b>(3,385)</b>	<b>0</b>	<b>23,066,440</b>
Accumulated depreciation:					
Buildings	6,311,308	482,315	0	0	6,793,623
Office furniture and equipment	1,985,434	78,321	(3,385)	0	2,060,370
Other equipment	3,531,963	62,569	0	0	3,594,532
<b>Total accumulated depreciation</b>	<b>11,828,705</b>	<b>623,205</b>	<b>(3,385)</b>	<b>0</b>	<b>12,448,525</b>
<b>Total capital assets, being depreciated, net</b>	<b>9,707,340</b>	<b>(199,813)</b>	<b>0</b>	<b>0</b>	<b>9,507,527</b>
<b>Governmental assets, net</b>	<b>\$10,767,265</b>	<b>(\$149,350)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,617,915</b>

Depreciation expense was charged to governmental functions as follows:

<b>Governmental activities:</b>	
General government and administration	\$78,321
Building department	482,315
Programs department	17,654
Parks department	44,915
<b>Total depreciation expense, governmental activities</b>	<b>\$623,205</b>

# Oregon Park District, Illinois

## Notes to Financial Statements

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### Note 5 Pension and Retirement Systems

#### IMRF Plan Description

The Park District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Park District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

#### 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).

All three IMRF benefit plans have two tiers. 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.

#### Employees Covered by the Benefit Terms

As of December 31, 2017, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	26
Inactive plan members entitled to but not yet receiving benefits	31
Active plan members	17
<hr/>	
Total	74
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# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 5 Pension and Retirement Systems (continued)**

#### **Contributions**

As set by statute, the Park District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Park District's annual contribution rate for calendar year 2017 was 12.52%. For the fiscal year ended April 30, 2018, the Park District contributed \$116,127 to the plan. The Park District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

#### **Net Pension Liability**

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

#### **Actuarial assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from year 2014 to 2016.
- **Mortality** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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 as of December 31, 2017:

# Oregon Park District, Illinois

## Notes to Financial Statements

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### Note 5 Pension and Retirement Systems (continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	6.85%
International Equity	17%	6.75%
Fixed Income	27%	3.00%
Real Estate	8%	5.75%
Alternative Investments	9%	2.65-7.35%
Cash Equivalents	1%	2.25%
Total	100%	

#### Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

# Oregon Park District, Illinois

## Notes to Financial Statements

### Note 5 Pension and Retirement Plans (continued)

#### Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance January 1, 2017	\$5,076,585	\$4,396,406	\$680,179
Service costs	91,443	0	91,443
Interest on total pension liability	375,232	0	375,232
Difference between expected and actual experience	16,743	0	16,743
Changes of assumptions	(156,431)	0	(156,431)
Employer contributions	0	112,156	(112,156)
Employee contributions	0	40,432	(40,432)
Net investment income	0	757,587	(757,587)
Benefit payments – net of refunds	(238,437)	(238,437)	0
Other (net transfer)	0	(63,798)	63,798
<b>Net changes</b>	<b>88,550</b>	<b>607,940</b>	<b>(519,390)</b>
<b>Balances as of December 31, 2017</b>	<b>\$5,165,135</b>	<b>\$5,004,346</b>	<b>\$160,789</b>

#### **Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$788,047	\$160,789	(\$338,007)

# Oregon Park District, Illinois

## Notes to Financial Statements

### Note 5 Pension and Retirement Plans (continued)

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

For the year ended April 30, 2018, the Park District recognized pension expense of \$116,127. At April 30, 2018, the Park District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$41,942	\$9,440
Changes of assumptions	0	106,967
Net difference between projected and actual earnings on pension plan investments	132,597	346,774
<b>Total deferred amounts to be recognized in pension expense in future periods</b>	<b>174,539</b>	<b>463,181</b>
Pension contributions made subsequent to the measurement date	37,638	0
<b>Total deferred amounts related to pensions</b>	<b>\$212,177</b>	<b>\$463,181</b>

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:

<b>Year Ending April 30:</b>	<b>Net Deferred Outflows of Resources</b>
2019	(\$53,069)
2020	(66,669)
2021	(82,212)
2022	(86,692)
2023	0
Thereafter	0
<b>Total</b>	<b>(\$288,642)</b>

These amounts are not reported as liabilities and deferred resources in the financial statements because the Park District reports on the modified cash basis of accounting.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### Note 6 Other Post-Employment Benefits

The Park District provides continued medical and prescription drug coverage at the active employee rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree medical and prescription drug coverage. To be eligible for benefits, an employee must qualify for retirement under one of the Park District's retirement plans. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the retiree can choose to not participate in the plan or continue under the Park District's plan at a Medicare Supplement rate.

*Plan Description.* In addition to providing the pension benefits described in Note 5, the Park District provides postemployment health benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Park District and can be amended by the Park District through its personnel manual and employment contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

*Funding Policy.* The Park District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

*Annual OPEB Costs and Net OPEB Obligation.* The Park District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the District. The Park District has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers with plans that have fewer than 100 total members. It includes both the value of benefits earned during the year (normal cost) and an amortization of the unfunded actuarial accrued liability. Although there is no requirement to make contributions equal to the ARC, it serves as the starting point for determining the annual OPEB cost.

The Park District had an actuarial valuation performed for the plan as of May 1, 2015 (most recent actuarial valuation) to determine the funded status of the plan as of the date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2018. The annual OPEB cost is the amount the Park District charges as the cost of the postemployment health care benefits each fiscal year. If there is no net OPEB obligation, then the annual OPEB cost reflects adjustment for interest on the net OPEB obligation. The Park District's annual OPEB cost reflects adjustment for interest on the net OPEB obligation. The Park District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended April 30, 2018 and the preceding fiscal years were as follows:

<b>Fiscal Year Beginning</b>	<b>Annual OPEB Cost</b>	<b>Employer Contributions</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
5/1/17	\$55,334	\$32,112	58%	\$428,662
5/1/16	55,064	44,274	80%	405,440
5/1/15	54,731	41,412	76%	394,650



# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 6 Other Post-Employment Benefits (continued)**

The net OPEB obligation as of April 30, 2018, was calculated as follows:

Annual required contribution	\$62,972
Interest on net OPEB obligation	10,136
Adjustment to annual required contribution	(17,774)
Annual OPEB cost	55,334
Contribution made	(32,112)
Increase in net OPEB obligation	23,222
Net OPEB obligation, beginning of year	405,440
Net OPEB obligation, end of year	\$428,662

*Funded Status and Funding Progress.* As of May 1, 2015, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$547,717, all of which was unfunded. The covered payroll was \$837,984, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 65%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presents as other information following the notes to the financial statements, multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

*Measurement Date.* April 30, 2016

*Data Collection Date.* May 2016

*Participant Data.* Employee and retiree data was supplied by the plan sponsor as of the census date. Data on persons receiving benefits was supplied by the plan sponsor.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 6 Other Post-Employment Benefits (continued)**

*Fiscal Year.* May 1 – April

*Actuarial Cost Method.* Projected Unit Credit (Alternative Measurement Method)

*Asset Valuation Method.* Not Applicable

*Benefits Not Included.* None

*Nature of Actuarial Calculations.* The results are estimates based on assumptions about future events. Assumptions may be made about participant data or other factors. All approximations and assumptions are noted. Reasonable efforts were made in this valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.

*Discount Rate.* 2.5%

*Salary Rate Increase.* Not Applicable

*Expected Rate of Return on Assets.* Not Applicable

*Health Care Trend.*

<u>Period</u>	<u>Medical</u>
FY16 – FY17	7.80%
FY17 – FY18	7.49%
FY18 – FY19	7.18%
FY19 – FY20	6.87%
FY20 – FY21	6.56%
FY21 – FY22	6.24%
FY22 – FY23	5.93%
FY23 – FY24	5.62%
FY24 – FY25	5.31%
FY25 – FY26	5.00%
Subsequent	5.00%

The FY16-FY17 trend rate is based on the 2016 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates fall within a generally accepted rate. (Paragraph 34f of GASB 45).

*Retiree Contribution Trend.* Same as Health Care Trend

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 6 Other Post-Employment Benefits (continued)**

*Mortality.* RP-2000 Combined Mortality Table for males and females with mortality improvement projected to 2016 using Scale AA.

The Mortality Table reflects recent rates developed by the Society of Actuaries with a generally accepted projection of future mortality improvement. (Paragraph 34d of GASB 45).

*Disability Rates.* None

*Average Retirement Age.* Age 62 or 35 Years of Service – Average retirement age used pursuant to paragraph 34b of GASB 45.

*Termination/Turnover Rates.* Age-based Turnover Rates developed based on Probability of Remaining Employed until Assumed Retirement Age table shown in paragraph 35b, Table 1 of GASB 45.

*Starting Per Capita Costs.*

	<b>Medical</b>	
	<b>Retiree</b>	<b>Spouse</b>
Pre-Medicare	\$19,494	\$22,602

*Retiree Contributions.*

	<b>Medical</b>	
	<b>Retiree</b>	<b>Spouse</b>
Pre-Medicare	\$8,901	\$10,321

*Election at Retirement.* 75% of eligible active employees are assumed to elect coverage at retirement.

*Marital Status.* 65% of active employees electing retiree coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data is used for current retirees.

*Retiree Lapse Rate.* 0.0%

This amount not reported as a liability in the financial statements because the Park District reports on the modified cash basis of accounting.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 7 Construction and Other Significant Commitments**

On July 14, 1998, the Park District entered into a 10 year lease, beginning July 15, 1998 with the Chana School Foundation for the purpose of leasing a parcel of real estate located in Oregon Park East to the Foundation. The Foundation is leasing the property for the purpose of relocating and renovating the Chana Country School which is to be operated as a museum by the Foundation. The lease agreement specifies an annual rental fee of five dollars during the lease term. The Park District has agreed, among other things, to maintain the grounds of the leased property. This agreement expired in July of 2008 but because the parties have not agreed on another lease, this lease is rolling forward month by month until a new agreement is made.

On March 14, 1995, the Park District entered into a 25-year lease, beginning April 1, 1995, with the City of Oregon for the purpose of leasing the real estate known as Mix Park from the City of Oregon. The lease agreement specifies that no rent shall be paid on this property. The Park District has agreed, among other things, to use and maintain the property consistent with the terms of the deed held by the City of Oregon.

On March 14, 2006, the Park District entered into an agreement with the Riverview Cemetery Association to provide prairie restoration and annual maintenance of prairie. The agreement is effective for one year commencing on the original date of signing and will automatically renew for additional one year terms.

In June 2015, the Park District entered into an agreement with the Oregon Unit School District No. 220 for the use of the Blackhawk Center, parks, and the reciprocal use of school facilities. The Park District is responsible for management of the Blackhawk Center. The School District agreed to pay the Park District \$168,730 each year of the agreement. The agreement expires August 31, 2017.

In September 2017, the Park District entered into an agreement with the Oregon Unit School District No. 220 for the use of the Blackhawk Center, parks, and the reciprocal use of school facilities. The Park District is responsible for management of the Blackhawk Center. The School District agreed to pay the Park District \$168,730 each year of the agreement. The agreement expires August 31, 2018.

In March 2018, the Park District entered into an agreement with the Oregon Unit School District No. 220 where the Park District will transfer title of the Blackhawk Center to the School District for \$1 on September 1, 2018. School District is responsible for management of the Blackhawk Center. The Park District will pay the School District \$100,000 on September 1, 2019, September 1, 2020, and September 1, 2021 for use of the Blackhawk Center. The final payment of \$179,275 shall be paid on September 1, 2022. The agreement expires August 31, 2028.

On September 11, 2012 the Park District signed an agreement with the iFiber for broadband fiber network services. The District will be charged an annual access fee for access to iFibers gigabit service and dark fiber connecting District buildings. The agreement expires 5 years following the first day of service, expected to be July 2018.

In November 2017, the Park District signed an intergovernmental agreement with the City of Oregon. The agreement allows the use of Park District buildings as designated shelters for warming, cool, and other emergency purposes. This agreement will remain in effect until either party notifies the other in writing that they wish to cancel the agreement.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 7 Construction and Other Significant Commitments (continued)**

In May 2017, the Park District signed an intergovernmental agreement with the City of Oregon. The agreement exchanged services between the City and Park District. The Park District provided the materials and labor for the downtown landscape, while the City of Oregon provided the Park District water for its Park West splash park. The agreement expires April 30, 2019.

In July 2016, the Park District signed an agreement with the City of Oregon. The City of Oregon will provide police services in order to promote and maintain the security and safety of its parks, recreation center, and customers of the District in exchange for an annual fee and hourly officer fees. The agreement expires July 2018.

In March 2017, the Park District signed an agreement with the City of Oregon. The City of Oregon will provide police services during District special events in exchange for hourly officer fees. The agreement expires December 2017.

In April 2018, the Park District signed an agreement with the City of Oregon. The City of Oregon will provide police services during District special events in exchange for hourly officer fees. The agreement expires December 2018.

In April 2014, the Park District signed an agreement with the Ogle County Sheriff's Department. The Ogle County Sheriff's Department will provide police services in order to promote and maintain the security and safety of its parks, recreation center, and customers of the District. The agreement expires April 2018.

### **Note 8 Risk Management**

The Park District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In order to protect against such risks of loss, the Park District on May 30, 2001 entered an agreement with Illinois Parks Association Risk Services, a local Government risk pool, to provide the district with such insurance coverage. The Park District may be subject to additional premiums for its share of any losses of the association. Various deductibles are in effect through these policies as of April 30, 2018, none of which exceed \$1,000.

For risks of loss related to injuries to employees, the Park District purchases coverage through the Illinois Public Risk Fund. Potentially the Park District could be assessed additional premiums for its share of any losses of the fund. Historically, the Park District has not been assessed any additional premiums.

During the year ended April 30, 2018, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### Note 9 Lease Obligations

#### Capital Lease

The Park District obtained a capital lease with American Capital Financial Services, Inc. for various fitness equipment. The value of the lease is \$39,724 with an interest rate of 5.40% payable in yearly installments of \$13,934 through August 15, 2019.

Leased equipment under capital leases in capital assets at April 30, 2018, included the following:

Equipment	\$22,375
Less: Accumulated depreciation	(2,131)
<hr/>	
Total	\$20,244
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Amortization of leased equipment under capital assets is included with depreciation expense.

Annual debt service requirements to maturity are as follows:

#### Governmental activities

Fiscal Year Ended April 30,	Principal	Interest
2019	\$12,595	\$1,339
2019	13,195	739
<hr/>		
	\$25,790	\$2,078
<hr/>		

### Note 10 Long-Term Debt

*General Obligation Bonds* - The Park District issues general obligation park bonds provide funds for the acquisition, building, maintaining, improving, protecting, and related expenses of buildings and parks. General obligation bonds are direct obligations and pledge the full faith and credit of the Park District. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 1 to 4 years. General obligation bonds outstanding at April 30, 2018 are as follows:

General Obligation Bonds	Sale Date	Original Borrowing	Interest Rates To Maturity	Final Maturity	Outstanding 4/30/2018
Series 2012	12/17/12	\$2,300,000	2.00%	11/1/17	\$0
Series 2017	2/23/17	900,000	0.90%	11/1/17	0
Series 2018	1/31/18	1,300,000	1.65%	11/1/18	1,300,000

# Oregon Park District, Illinois

## Notes to Financial Statements

### Note 10 Long-Term Debt (continued)

*Land Acquisition Loan* - The Park District obtained a \$35,522 loan from a private party for the purchase of Park District land with an interest rate of 3.00% payable in monthly installments of \$416 through October 1, 2018.

<b>Note Payable</b>	<b>Date</b>	<b>Original Borrowing</b>	<b>Interest Rates to Maturity</b>	<b>Final Maturity</b>	<b>Outstanding 4/30/18</b>
Loan Acquisition	11/1/10	\$35,522	3.00%	10/1/18	\$2,070

Debt service requirements to maturity are as follows:

### Governmental activities

<b>Year ending April 30:</b>	<b>Loan Acquisition</b>		<b>Bonds Payable</b>		<b>Capital Lease Payable</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2019	\$2,070	\$13	\$1,300,000	\$16,147	\$12,595	\$1,339
2020	0	0	0	0	13,195	739
	\$2,070	\$13	\$1,300,000	\$16,147	\$25,790	\$2,078

Long term liability activity for the year ended April 30, 2018 is as follows:

	<b>Beginning Balance</b>	<b>Increase</b>	<b>Decrease</b>	<b>Ending Balance</b>	<b>Amounts Due Within One Year</b>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$1,285,000	\$1,300,000	\$1,285,000	\$1,300,000	\$1,300,000
Loan acquisition	6,924	0	4,854	2,070	2,070
Capital lease payable	0	39,724	13,934	25,790	12,595
Governmental activity long-term liabilities	\$1,291,924	\$1,339,724	\$1,303,788	\$1,327,860	\$1,314,665

The Park District is subject to a debt limitation of 2.875% of its assessed valuation of \$676,244,840. As of April 30, 2018, the Park District had \$18,139,969 of remaining legal debt margin.

### Note 11 Minimum Year-End Fund Balance Policies

The Park District has adopted the minimum year-end fund balance policies as follows:

<b>Fund</b>	<b>Policy</b>
Corporate, Recreation, IMRF, and Social Security	No less than three months' average annual operating expenses
Insurance, Audit, Paving and Lighting, and Police	No less than half of one year's anticipated expenses

# Oregon Park District, Illinois

## Notes to Financial Statements

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### Note 12 Net Position

Net position reported on the government wide statement of net position – modified cash basis at April 30, 2018:

**Governmental Activities:**

Net investment in capital assets:

Land and other nondepreciable assets	\$1,110,388
Other capital assets, net of accumulated depreciation	9,507,527
Less: related long-term debt outstanding	(1,327,860)

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Total net investment in capital assets	9,290,055
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Restricted:

State statutes and enabling legislation	807,580
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Total restricted	807,580
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Unrestricted	945,027
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Total governmental activities net position	\$11,042,662
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### Note 13 Fund Balance

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the how these balances are reported.

#### **Nonspendable Fund Balance**

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The Park District has no nonspendable balances at year end.

#### **Restricted Fund Balance**

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Examples of these restrictions could be those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Park District has restricted balances at year end that are listed below.

#### **Committed Fund Balance**

The Park District commits fund balance by making motions or passing resolution to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contract requirements. The Park District has committed balances at year end that are listed below.



# Oregon Park District, Illinois

## Notes to Financial Statements

### Note 13 Fund Balance (continued)

#### **Assigned Fund Balance**

The assigned fund balance classification refers to amounts that are constrained by the Park District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board to assign amounts to be used for specific purposes. The Park District has no assigned balances at year end.

#### **Unassigned Fund Balance**

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund and for funds with negative fund balances.

#### **Restricted:**

Major Funds:	
State statutes and enabling legislation:	
Recreation enabling legislation	\$391,104
Illinois Municipal Retirement and Social Security Fund enabling legislation	77,322
Bond and interest	702
Nonmajor Funds:	
State statutes and enabling legislation:	
Audit	13,814
Liability Insurance	159,217
Social Security	112,452
Police	46,253
Paving and Lighting	6,716
Total restricted	807,580
Committed -	
General Fund :	
Scholarship	19,630
Park and Building Improvement	413,936
Total committed	433,566
Unassigned -	
Major Fund -	
General	511,461
Total unassigned	511,461
Total governmental fund balances	\$1,752,607

### Note 14 Interfund Transfers

Below are the interfund transfers as of April 30, 2018:

Fund	Transfer In	Transfer Out
Major funds:		
General	\$0	\$100,000
Recreation	\$100,000	0
Bond and interest	0	3,850
Non-major funds	3,850	0
	\$103,850	\$103,850

All transfers were made to simplify cash flows within the Park District.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 15 Contingencies**

From time to time, the Park District is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the Park District's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Park District's financial position or results of operations.

### **Note 16 Economic Dependency**

Because Exelon Generating Co. LLC Byron nuclear plant's assessed valuation represents 81% of the Park District's total assessed valuation, the Park District is economically dependent upon Exelon Generating Co. LLC in order to maintain its current level of services to the public.

The settlement agreement with Exelon Generating Co. LLC concerning the assessed valuation of Exelon's Byron nuclear generation plant expired on December 31, 2011. The Ogle County Assessor and the Ogle County Board of Review set the assessed valuation of the Byron plant at \$499,226,061 for 2012, \$509,444,605 for 2013, \$482,617,484 for 2014, \$482,400,000 for 2015, \$546,401,187 for 2016, and \$546,407,417 for 2017. Both Exelon and the Byron School District have appealed the assessments for all six years to the Property Tax Appeal Board. The Property Tax Appeal Board has held hearing on the 2012 assessment appeal and a decision is pending. A final decision on the appeal is expected late 2018 or early 2019. The District does not expect a resolution in the near future. It is possible that a portion of the 2012, 2013, 2014, 2015, 2016, and 2017 tax receipts may need to be refunded to Exelon. Real estate tax revenues for the Park District for the 2018 and future tax years are uncertain because there is not an agreement as to the assessed value of Exelon's Byron nuclear generation facilities.

### **Note 17 Deferred Compensation Plan**

The Park District offers its employees a deferred compensation plan created in accordance with Internal Revenue code Section 457. The plan, available to all eligible Park District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan was approved to comply with IRC Section 457(g) which allows for the plan to hold its assets in trust. Under these requirements, the assets of the plan are not subject to the general creditors of the Park District, the Park District does not own the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

### **Note 18 Impact of Pending Accounting Principles**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The Park District has not determined the effect of this Statement.

# Oregon Park District, Illinois

## Notes to Financial Statements

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### **Note 18 Impact of Pending Accounting Principles (continued)**

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* amends the required the presentation to include the covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2017. The Park District has not determined the effect of this Statement.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations, and requires the current value of a government's asset retirement obligations to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this Statement are effective for reporting period in which the measurement date of the pension liability is after June 15, 2018. The Park District has not determined the effect of this Statement.

GASB Statement No. 84, *Fiduciary Activities* establishes criteria for identifying fiduciary activities of all state and local governments. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The Park District has not determined the effect of this Statement.

GASB Statement No. 85, *Omnibus 2017*, addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other post-employment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Park District has not determined the effect of this Statement.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Park District has not determined the effect of this Statement.

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The Park District has not determined the effect of this Statement.

GASB Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements, clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The Park District has not determined the effect of this Statement.

## **Other Information**

# Oregon Park District, Illinois

Budgetary Comparison Schedule

Modified Cash Basis

Corporate Fund

For the year ending April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes	\$671,855	\$672,056	\$201
Intergovernmental revenues	29,000	28,528	(472)
Receipts from use of money and property	176,830	175,675	(1,155)
Other receipts	1,800	8,850	7,050
<b>Total revenues</b>	<b>879,485</b>	<b>885,109</b>	<b>5,624</b>
<b>Expenditures:</b>			
General control and administration	674,788	678,742	(3,954)
Building department	274,024	229,478	44,546
Programs department	0	0	0
Parks department	356,851	295,404	61,447
Capital outlay	49,950	49,800	150
<b>Total expenditures</b>	<b>1,355,613</b>	<b>1,253,424</b>	<b>102,189</b>
Excess (deficiency) of revenues over expenditures	(476,128)	(368,315)	107,813
<b>Other financing sources (uses):</b>			
Operating transfers in (out)	400,000	400,000	0
Net changes in fund balances	<u>(\$76,128)</u>	31,685	<u>\$107,813</u>
Fund balances, beginning of year		<u>479,776</u>	
Fund balances, end of year		<u>\$511,461</u>	
<b>Modified cash basis fund balances for General Revenue Funds:</b>			
Corporate Fund		\$511,461	
Scholarship Fund		19,630	
Park Improvement and Building Fund		<u>413,936</u>	
Modified cash basis fund balances for General Revenue Funds		<u>\$945,027</u>	

# Oregon Park District, Illinois

Budgetary Comparison Schedule

Recreation Fund

Modified Cash Basis

For the year ending April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes	\$503,891	\$504,042	\$151
Program fees	332,435	359,472	27,037
Memberships	167,500	164,204	(3,296)
Revenues from use of money and property	14,575	20,530	5,955
Other revenues	4,550	4,651	101
<b>Total revenues</b>	<b>1,022,951</b>	<b>1,052,899</b>	<b>29,948</b>
<b>Expenditures:</b>			
General control and administration	163,400	235,120	(71,720)
Building department	185,722	219,138	(33,416)
Programs department	709,389	674,891	34,498
Capital outlay	62,000	6,800	55,200
<b>Total expenditures</b>	<b>1,120,511</b>	<b>1,135,949</b>	<b>(15,438)</b>
Excess (deficiency) of revenues over expenditures	(97,560)	(83,050)	14,510
<b>Other financing sources (uses) -</b>			
Operating transfers in (out)	100,000	100,000	0
Net changes in fund balances	<u>\$2,440</u>	16,950	<u>\$14,510</u>
Fund balances, beginning of year		<u>374,154</u>	
Fund balances, end of year		<u><u>\$391,104</u></u>	

# Oregon Park District, Illinois

Budgetary Comparison Schedule

IMRF Fund

Modified Cash Basis

For the year ending April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Taxes	\$115,000	\$115,055	\$55
Revenues from the use of money and property	45	245	200
<b>Total revenues</b>	<b>115,045</b>	<b>115,300</b>	<b>255</b>
Expenditures:			
General control and administration	45,143	42,003	3,140
Building department	23,123	21,514	1,609
Programs department	35,466	32,999	2,467
Parks department	22,468	20,904	1,564
<b>Total expenditures</b>	<b>126,200</b>	<b>117,420</b>	<b>8,780</b>
Excess (deficiency) of revenues over expenditures	(11,155)	(2,120)	9,035
Other financing sources (uses) -			
Operating transfers in (out)	0	0	0
Net changes in fund balances	<u>(\$11,155)</u>	<u>(2,120)</u>	<u>\$9,035</u>
Fund balances, beginning of year		<u>79,442</u>	
Fund balances, end of year		<u>\$77,322</u>	

# Oregon Park District, Illinois

## Other Information - Illinois Municipal Retirement Fund (IMRF)

### Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

#### IMRF Regular Plan

#### Last 10 Calendar Years

(schedule to be built prospectively from 2015)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$91,443	\$101,356	\$103,743							
Interest on the total pension liability	375,232	352,212	342,480							
Changes of benefit changes	0	0	0							
Difference between expected and actual experience of the total pension liability	16,743	86,170	(119,675)							
Changes of assumptions	(156,431)	(5,902)	0							
Benefit payments, including refunds of employee contributions	(238,437)	(217,994)	(172,858)							
Net change in total pension liability	88,550	315,842	153,690							
Total pension liability - beginning	5,076,585	4,760,743	4,607,053							
Total pension liability - ending (a)	\$5,165,135	\$5,076,585	\$4,760,743							
Plan fiduciary net position:										
Contributions - employer	\$112,156	\$118,962	\$121,481							
Contributions - employees	40,432	39,596	41,477							
Net investment income	757,587	278,396	20,436							
Benefit payments, including refunds of employee contributions	(238,437)	(217,994)	(172,858)							
Other (net transfers)	(63,798)	68,707	6,089							
Net change in plan fiduciary net position	607,940	287,667	16,625							
Plan fiduciary net position - beginning	4,396,406	4,108,739	4,092,114							
Plan fiduciary net position - ending (b)	\$5,004,346	\$4,396,406	\$4,108,739							
Net pension liability(asset) - Ending (a) - (b)	160,789	680,179	652,004							
Plan fiduciary net position as a percentage of total pension liability	96.89%	86.60%	86.30%							
Covered valuation payroll	895,818	879,896	921,703							
Net pension liability as a percentage of covered valuation payroll	17.95%	77.30%	70.74%							

The Park District implemented GASB 68 in April 30, 2016.



# Oregon Park District, Illinois

## Other Information

**Regular Illinois Municipal Retirement Fund (IMRF)  
Multiyear Schedule of Contributions  
Last 10 Fiscal Years**

<b>Fiscal Year Ending April 30,</b>	<b>Actuarially Determined Contribution*</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Valuation Payroll</b>	<b>Actual Contribution As a % of Covered Valuation Payroll</b>
2018	\$116,127	\$116,127	\$0	\$888,957	13.06%
2017	121,514	121,514	0	921,464	13.19%
2016	121,543	121,543	0	915,337	13.28%

\*Estimated based on 14.13% 2018 calendar year contribution rate, 12.52% 2017 calendar year contribution rate, and covered valuation payroll of \$888,957.

**Schedule of Other Postemployment  
Benefit Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
5/1/17 - No valuation performed						
5/1/16 - No valuation performed						
5/1/2015	\$0	\$547,717	\$547,717	0%	\$837,984	65%
5/1/14 - No valuation performed						
5/1/13 - No valuation performed						

# Oregon Park District, Illinois

## Notes to Other Information

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### Note 1 Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contribution Rate for IMRF \*

#### Valuation date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

#### Methods and Assumptions Used to Determine 2017 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period.  Taxing bodies (Regular, SLEP and ECO groups): 26-year closed period until remaining period reaches 15 years (then 15-year rolling period).  Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.  SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.



# Oregon Park District, Illinois

Combining Balance Sheet - Modified Cash Basis

General Fund

April 30, 2018

<b>ASSETS</b>	<b>Corporate Fund</b>	<b>Scholarship Fund</b>	<b>Park &amp; Building Improvement</b>	<b>Total General Fund</b>
Current assets -				
Cash and cash equivalents	\$518,603	\$19,630	\$413,936	\$952,169
Due from other funds	0	0	0	0
<b>Total current assets</b>	<b>518,603</b>	<b>19,630</b>	<b>413,936</b>	<b>952,169</b>
<b>Total assets</b>	<b>\$518,603</b>	<b>\$19,630</b>	<b>\$413,936</b>	<b>\$952,169</b>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities -				
Payroll withholdings	7,142	0	0	7,142
<b>Total liabilities</b>	<b>7,142</b>	<b>0</b>	<b>0</b>	<b>7,142</b>
Fund balances:				
Restricted	0	0	0	0
Committed	0	19,630	413,936	433,566
Unassigned	511,461	0	0	511,461
<b>Total fund balance</b>	<b>511,461</b>	<b>19,630</b>	<b>413,936</b>	<b>945,027</b>
<b>Total liabilities and fund balance</b>	<b>\$518,603</b>	<b>\$19,630</b>	<b>\$413,936</b>	<b>\$952,169</b>

# Oregon Park District, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified  
Cash Basis - General Fund  
For the year ending April 30, 2018

	Corporate Fund	Scholarship Fund	Park and Building Improvement Fund	Total General Fund
Revenues:				
Taxes	\$672,056	\$0	\$0	\$672,056
Intergovernmental revenues	28,528	0	0	28,528
Revenues from use of money and property	175,675	30	639	176,344
Other revenues	8,850	5,766	0	14,616
<b>Total revenues</b>	<b>885,109</b>	<b>5,796</b>	<b>639</b>	<b>891,544</b>
Expenditures:				
General control and administration	678,742	4,692	238,799	922,233
Building department	229,478	0	0	229,478
Programs department	0	0	0	0
Parks department	295,404	0	0	295,404
Debt service:				
Principal	0	0	18,788	18,788
Interest	0	0	146	146
Bond issuance costs	0	0	14,200	14,200
Capital outlay	49,800	0	413,578	463,378
<b>Total expenditures</b>	<b>1,253,424</b>	<b>4,692</b>	<b>685,511</b>	<b>1,943,627</b>
Excess (deficiency) of revenues over expenditures	(368,315)	1,104	(684,872)	(1,052,083)
Other financing sources -				
Debt proceeds	0	0	1,339,724	1,339,724
Operating transfer in (out)	400,000	0	(500,000)	(100,000)
<b>Net change in fund balance</b>	<b>31,685</b>	<b>1,104</b>	<b>154,852</b>	<b>187,641</b>
Fund balances, beginning of year	479,776	18,526	259,084	757,386
<b>Fund balances, end of year</b>	<b>\$511,461</b>	<b>\$19,630</b>	<b>\$413,936</b>	<b>\$945,027</b>

# Oregon Park District, Illinois

Combining Balance Sheet - Modified Cash Basis

Nonmajor Governmental Funds

April 30, 2018

	Total Nonmajor Governmental Funds	Special Revenue Funds			Capital Projects	
		Audit	Liability Insurance	Social Security Fund	Police Fund	Paving and Lighting
<b>ASSETS</b>						
Cash and cash equivalents	\$338,452	\$13,814	\$159,217	\$112,452	\$46,253	\$6,716
Total current assets	\$338,452	\$13,814	\$159,217	\$112,452	\$46,253	\$6,716
<b>LIABILITIES AND FUND BALANCES</b>						
Payroll withholdings & other	\$0	\$0	\$0	\$0	\$0	\$0
Total current liabilities	0	0	0	0	0	0
Fund balances:						
Restricted	338,452	13,814	159,217	112,452	46,253	6,716
Committed	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0
Total fund balances	338,452	13,814	159,217	112,452	46,253	6,716
Total liabilities and fund balances	\$338,452	\$13,814	\$159,217	\$112,452	\$46,253	\$6,716

# Oregon Park District, Illinois

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis  
 Nonmajor Governmental Funds  
 For the year ending April 30, 2018

	Total Nonmajor Governmental Funds	Special Revenue Funds				Capital Projects
		Audit	Liability Insurance	Social Security Fund	Police Fund	Paving and Lighting
Revenues:						
Taxes	\$356,659	\$22,985	\$160,016	\$120,028	\$20,028	\$33,602
Intergovernmental revenues	0	0	0	0	0	0
Revenues from the use of money and property	826	18	403	295	74	36
Other revenues	0	0	0	0	0	0
<b>Total revenues</b>	<b>357,485</b>	<b>23,003</b>	<b>160,419</b>	<b>120,323</b>	<b>20,102</b>	<b>33,638</b>
Expenditures:						
General control and administration	227,446	21,500	149,897	36,771	19,278	0
Building department	51,935	0	0	18,835	0	33,100
Programs department	28,888	0	0	28,888	0	0
Parks department	18,301	0	0	18,301	0	0
Capital outlay	3,677	0	0	0	3,677	0
<b>Total expenditures</b>	<b>330,247</b>	<b>21,500</b>	<b>149,897</b>	<b>102,795</b>	<b>22,955</b>	<b>33,100</b>
Excess (deficiency) of revenues over expenditures	27,238	1,503	10,522	17,528	(2,853)	538
Other financing sources (uses) - Operating transfers in (out)	3,850	0	0	0	3,850	0
<b>Net changes in fund balances</b>	<b>31,088</b>	<b>1,503</b>	<b>10,522</b>	<b>17,528</b>	<b>997</b>	<b>538</b>
Fund balances, beginning of year	307,364	12,311	148,695	94,924	45,256	6,178
<b>Fund balances, end of year</b>	<b>\$338,452</b>	<b>\$13,814</b>	<b>\$159,217</b>	<b>\$112,452</b>	<b>\$46,253</b>	<b>\$6,716</b>

# Oregon Park District, Illinois

Schedule of Expenditures from Taxes Extended for Tort Immunity Purposes  
For the year ending April 30, 2018

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Risk management:

Personnel	\$69,489
Property and liability insurance	45,439
Workers' compensation insurance	27,273
Unemployment insurance	7,696
<hr/>	
Total	\$149,897
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**Oregon Park District  
Oregon, Illinois**

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Audit Committee Letter

April 30, 2018

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July 2, 2018

Board of Commissioners  
Oregon Park District  
Oregon, Illinois

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oregon Park District, Illinois (the "Park District") for the year ended April 30, 2018. Professional standards require that we provide you with the following information related to our audit.

### **Our Responsibility Under Auditing Standards Generally Accepted in the United States**

As stated in our engagement letter dated January 16, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Park District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

### **Other Information in Documents Containing Audited Financial Statements**

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We have read the Management Discussion and Analysis and the Other Information and have found no material inconsistencies with the information appearing in the audited financial statements.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to your representative, Steve Pennock, in our meeting about planning matters on June 6, 2018 in addition to our engagement letter dated January 16, 2018, accepted by Erin Folk.

### **Qualitative Aspects of Accounting Practice**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Park District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the period under audit.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were:

- The method of determining fixed asset useful lives
- The actuarial assumptions used in determining pension and other post-employment disclosure information

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are the disclosures of pension and other post-employment information in the notes to the financial statements because the disclosures are subject to actuarial methods and assumptions.

### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated July 2, 2018, a copy of which accompanies this letter.

### **Management Consultations With Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Park District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Park District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Internal Control Matters**

In planning and performing our audit of the financial statements of Oregon Park District, Illinois (the "Park District") as of and for the year ended April 30, 2018, in accordance with auditing standards generally accepted in the United States, we considered the Park District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Park District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We appreciate the opportunity to be of service to the Oregon Park District, Illinois.

This communication is intended solely for the information and use of the management, the Board of Commissioners, and others within the organization, and includes a description of the scope of our testing of internal control over financial reporting and the results of that testing. Accordingly, this communication is not suitable for any other purpose.

*Wipfli LLP*

Sterling, Illinois  
July 2, 2018



July 2, 2018

Wipfli LLP  
403 East Third Street  
Sterling, Illinois 61081

This representation letter is provided in connection with your audit of the financial statements of Oregon Park District, Illinois, (the "Park District") which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of April 30, 2018, and the respective changes in financial position, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States (GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during the audit.

### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 16, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for preparation of the other information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with the modified cash basis of accounting and include all properly classified funds and other financial information of the primary government and all component units required by the modified cash basis of accounting to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of the modified cash basis of accounting.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the modified cash basis of accounting.
- 10) Material concentrations, if any, have been properly disclosed in accordance with the modified cash basis of accounting.
- 11) Guarantees, whether written or oral, under which the Park District is contingently liable, if any, have been properly recorded or disclosed in accordance with the modified cash basis of accounting.

#### **Information Provided**

- 12) We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the Park District from who you determined it necessary to obtain audit evidence.
  - Minutes of the meetings of the Board of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- 15) We have no knowledge of any fraud or suspected fraud that affects the Park District involving:
- Management.
  - Employees who have significant roles in internal control.
  - Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Park District's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statement in accordance with the modified cash basis of accounting, and we have not consulted the following lawyers concerning litigation, claims, or assessments.
- Williams McCarthy LLP
- 19) We have disclosed to you the identity of the Park District's related parties and all the related party relationships and transactions of which we are aware.
- 20) We have made available to you all financial records and related data.
- 21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 22) We have identified to you any previous audits, attestations engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 24) We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 27) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determinations of financial statement amounts or other financial data significant to the audit objectives.
- 28) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.



- 29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting noncompliance.
- 30) As part of your audit, you assisted with preparation of the financial statements and related notes, and capital assets records. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, and capital assets records.
- 31) The Park District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 32) The Park District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 33) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 34) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 35) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Deposits and investment securities are properly classified as to risk, and investments are properly valued and disclosed.
- 41) Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
- 42) We have appropriately disclosed the Park District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

- 43) The Park District has identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
- 44) There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Park District vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
- 45) We believe that the actuarial assumptions and methods used to measure pension and other poste employment liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 46) We acknowledge our responsibility for presenting the Other Information in accordance with the modified cash basis of accounting, and we believe the Other Information, including its form and content, is fairly presented in accordance with the modified cash basis of accounting. The methods of measurement and presentation of the Other Information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the Other Information. If the Other Information is not presented with the audited financial statements, we will make the audited financial statements readily available to the Other information and the auditor's report thereon.

Signed:

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Finance & Technology Administrator, CPRP

**Oregon Park District**  
**Year End: April 30, 2018**  
**Adjusting Journal Entries**  
**Date: 5/1/2017 To 4/30/2018**

**AJE**

Checked Out by	Prepared by JJS 6/8/2018	JJS Review
MJS Reviewed MS 6/13/2018	Concur Review	

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
8	4/30/2018	Spl Events - Dances	12-60-491513 12	PBC		580.00			
8	4/30/2018	Cash in Bank	16-10-110110 16	PBC		580.00			
8	4/30/2018	Scholarship Donations	16-10-470110 16	PBC			580.00		
8	4/30/2018	Scholarship Donations	16-10-570110 16	PBC			580.00		
		To correct \$580 donation entry to balance fund 16, 12.							
						<b>1,160.00</b>	<b>1,160.00</b>		
<b>Net Income (Loss)</b>			<b>45,379.00</b>						

**Oregon Park District**  
**Year End: April 30, 2018**  
**Reclassifying Journal Entries**  
**Date: 5/1/2017 To 4/30/2018**

**RJE**

Checked Out by	Prepared by JJS 6/8/2018	JJS Review
MJS Reviewed MS 6/13/2018	Concur Review	

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	4/30/2018	Prior Year Fund Balance	01-10-310110 01	WTB			1.00		
1	4/30/2018	Interest Savings	01-10-430100 01	WTB		1.00			
1	4/30/2018	Cash in Bank	19-10-110110 19	WTB			3,850.00		
1	4/30/2018	Prior Year Fund Balance	19-10-310110 19	WTB		3,850.00			
1	4/30/2018	Cash in Bank	37-10-110110 37	WTB		3,850.00			
1	4/30/2018	Prior Year Fund Balance	37-10-310110 37	WTB			3,850.00		
		To reconcile to prior year fund balance.							
2	4/30/2018	Land	00-00-0031 GASB34	PY REPORT		1,059,925.00			
2	4/30/2018	Building	00-00-0032 GASB34	PY REPORT		14,826,271.00			
2	4/30/2018	General & Admin Equipment	00-00-0033 GASB34	PY REPORT		2,853,487.00			
2	4/30/2018	Program Equipment	00-00-0034 GASB34	PY REPORT		550,771.00			
2	4/30/2018	Parks Equipment	00-00-0035 GASB34	PY REPORT		3,305,516.00			
2	4/30/2018	Accumulated Depreciation	00-00-1700 GASB34	PY REPORT			11,828,705.00		
2	4/30/2018	Current Bonds Payable	00-00-2000 GASB34	PY REPORT			1,285,000.00		
2	4/30/2018	Current Loan Payable	00-00-2001 GASB34	PY REPORT			4,854.00		
2	4/30/2018	Long-term Loan Payable	00-00-2003 GASB34	PY REPORT			2,070.00		
2	4/30/2018	Invested in Fixed Assets	00-00-2910 GASB34	PY REPORT			9,475,341.00		
		To establish GASB 34 balances.							
3	4/30/2018	Other Professional Services	46-10-524000 46	AA. 1			14,200.00		
3	4/30/2018	Land Purchases	46-10-561000 46	AA. 1			5,000.00		
3	4/30/2018	Park/Building Improvements	46-10-564000 46	AA. 1			13,934.00		
3	4/30/2018	Bond Issuance Costs	46-10-570000 46	AA. 1		14,200.00			
3	4/30/2018	Principal	46-10-590000 46	AA. 1		4,854.00			
3	4/30/2018	Principal	46-10-590000 46	AA. 1		13,934.00			
3	4/30/2018	Interest	46-10-591000 46	AA. 1		146.00			
		To reclassify various debt payments.							
4	4/30/2018	Current Bonds Payable	00-00-2000 GASB34	AA. 1			15,000.00		
4	4/30/2018	Current Loan Payable	00-00-2001 GASB34	AA. 1		2,784.00			
4	4/30/2018	Long-term Loan Payable	00-00-2003 GASB34	AA. 1		2,070.00			
4	4/30/2018	Current Capital Lease Payable	00-00-2505 GASB34	AA. 1			12,595.00		
4	4/30/2018	Long-term Capital Lease Payable	00-00-2510 GASB34	AA. 1			13,195.00		
4	4/30/2018	Bond Proceeds	00-00-4700 GASB34	AA. 1		1,300,000.00			
4	4/30/2018	Bond Proceeds	00-00-4700 GASB34	AA. 1		39,724.00			
4	4/30/2018	Debt Service - Principal Pymts	00-00-5900 GASB34	AA. 1			1,289,854.00		
4	4/30/2018	Debt Service - Principal Pymts	00-00-5900 GASB34	AA. 1			13,934.00		
		To record CY GASB 34 debt entries.							
5	4/30/2018	Cash in Bank	19-10-110110 19	A. 1		3,850.00			
5	4/30/2018	Cash in Bank	37-10-110110 37	A. 1			3,850.00		
5	4/30/2018	Transfers From Other	37-10-480100 37	A. 1		3,850.00			
5	4/30/2018	Transfer Out	19-10-588000 WF 19	A. 1			3,850.00		
		To adjust cash to client balances (Client do not post)							
6	4/30/2018	IMRF	15-10-518000 15	210.10			75,417.00		
6	4/30/2018	FICA	18-10-519000 18	210.10			66,024.00		
6	4/30/2018	IMRF - PROGRAM	15-10-5400 WF 15	210.10		32,999.00			
6	4/30/2018	SS - PROGRAMS	18-10-5400 WF 18	210.10		28,888.00			
6	4/30/2018	IMRF - BUILDING	15-10-5100200 WF 15	210.10		21,514.00			
6	4/30/2018	IMRF - PARKS	15-10-5400200 WF 15	210.10		20,904.00			
6	4/30/2018	SS - BUILDING	18-10-5100200 WF 18	210.10		18,835.00			
6	4/30/2018	SS - PARKS	18-10-5400200 WF 18	210.10		18,301.00			
		To breakout SS & IMRF expense by classification.							
7	4/30/2018	Building	00-00-0032 GASB34	P. 1					
7	4/30/2018	General & Admin Equipment	00-00-0033 GASB34	P. 1		243,139.00			
7	4/30/2018	General & Admin Equipment	00-00-0033 GASB34	P. 1			3,385.00		

**Oregon Park District**  
**Year End: April 30, 2018**  
**Reclassifying Journal Entries**  
**Date: 5/1/2017 To 4/30/2018**

RJE-1

Checked Out by	Prepared by JJS 6/8/2018	JJS Review
MJS Reviewed MS 6/13/2018	Concur Review	

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
7	4/30/2018	Program Equipment	00-00-0034 GASB34	P. 1		22,375.00			
7	4/30/2018	Parks Equipment	00-00-0035 GASB34	P. 1		157,878.00			
7	4/30/2018	CIP	00-00-0036 GASB34	P. 1		50,463.00			
7	4/30/2018	Accumulated Depreciation	00-00-1700 GASB34	P. 1			623,205.00		
7	4/30/2018	Accumulated Depreciation	00-00-1700 GASB34	P. 1		3,385.00			
7	4/30/2018	General expenses	00-00-5100 GASB34	P. 1		78,321.00			
7	4/30/2018	Building expenses	00-00-5105 GASB34	P. 1		482,315.00			
7	4/30/2018	Program expenses	00-00-5200 GASB34	P. 1		17,654.00			
7	4/30/2018	Park expenses	00-00-5400 GASB34	P. 1		44,915.00			
7	4/30/2018	Capital Outlay - General	00-800-5100 GASB34	P. 1			243,139.00		
7	4/30/2018	Capital Outlay - Building	00-800-5105 GASB34	P. 1					
7	4/30/2018	Capital Outlay - Program	00-800-5200 GASB34	P. 1			22,375.00		
7	4/30/2018	Capital Outlay - Park	00-800-5400 GASB34	P. 1			208,341.00		
GASB 34 Fixed Asset Entry									
9	4/30/2018	Park/Building Improvements	46-10-564000 46	AA. 1		39,724.00			
9	4/30/2018	Loan Proceeds	46-10-575000 46	AA. 1			39,724.00		
To record capital lease proceeds.									
						<b>25,270,693.00</b>	<b>25,270,693.00</b>		
<b>Net Income (Loss)</b>			<b>45,379.00</b>						