



# MUNDELEIN PARK & RECREATION DISTRICT

CONNECTING THE COMMUNITY



## Comprehensive Annual Financial Report

For the Year Ended December 31, 2018

### Administrative Offices

1401 N. Midlothian Road, Mundelein, IL 60060

847.566.0650

[www.mundeleinparks.org](http://www.mundeleinparks.org)



**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2018**

Prepared by the Finance Department

Debra McInerney, Superintendent of Business Services and Technology

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the District including:

- List of Principal Officials
- Organizational Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

# **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

## **List of Principal Officials December 31, 2018**

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### **BOARD OF COMMISSIONERS**

Kevin Dolan, President

Jesse Ortega, Vice President  
Bob Knudson, Commissioner  
Margaret Resnick, Secretary

Wallace Frasier, Treasurer  
Patrick McGrath, Commissioner

### **ATTORNEY**

Adam Simon, Ancel, Glink, Diamond  
James C. Hartman, Magee Hartman, P.C.

### **STAFF**

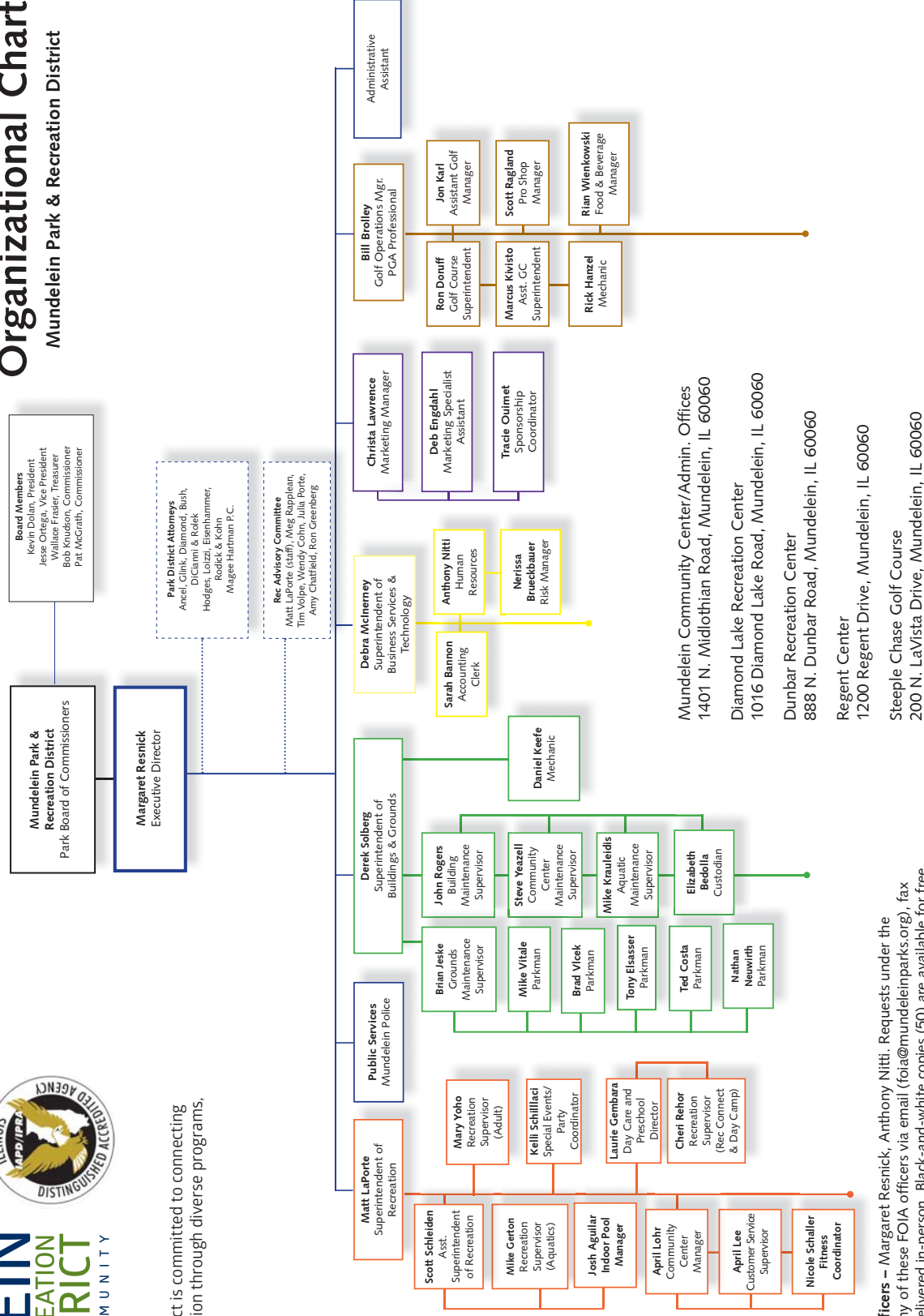
Margaret Resnick, Executive Director  
Debra McInerney, Superintendent of Business Services and Technology



**Our Mission**  
Mundelein Park & Recreation District is committed to connecting the community with quality recreation through diverse programs, facilities and open space.

## Organizational Chart

### Mundelein Park & Recreation District



**2018 Annual Budget – \$13,222,644**  
Full-Time Employees – 34  
Part-Time Employees – 375

**Freedom of Information Act (FOIA) Officers** – Margaret Resnick, Anthony Nitti. Requests under the FOIA may be submitted in writing to any of these FOIA officers via email (foia@mundeleinpark.org), fax (847.566.8557), regular U.S. mail, or delivered in-person. Black-and-white copies (50) are available for free. Additional B/W copies: 15c per page. If the Agency provides copies in color, in a size other than letter or legal, or in an electronic media format, it will charge its actual cost for reproducing the records.





# MUNDELEIN PARK & RECREATION DISTRICT

1401 N. Midlothian Road • Mundelein, IL. 60060 • (847) 566-0650 • Fax (847) 566-8557

April 16, 2019

To the Board of Commissioners and Residents of the Mundelein Park & Recreation District:

**MUNDELEIN  
COMMUNITY CENTER**  
1401 North Midlothian Road  
(847) 566-0650

**BAREFOOT BAY  
FAMILY AQUATIC CENTER**  
1461 North Midlothian Road  
(847) 566-8661

**BIG & LITTLE CHILD  
DEVELOPMENT CENTER**  
1401 North Midlothian Road  
(847) 388-5440

**DIAMOND LAKE  
RECREATION CENTER**  
1016 Diamond Lake Road  
(847) 566-5650

**THE REGENT CENTER**  
1200 Regent Drive  
(847) 566-4790

**PARK VIEW HEALTH  
& FITNESS CENTER**  
1401 North Midlothian Road  
(847) 388-5430

**STEEPLE CHASE  
GOLF CLUB**  
200 North La Vista Drive  
(847) 949-8900



State law requires that every general purpose local government publish within six months of the close of their fiscal year, a complete set of audited financial statements. These statements are presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended December 31, 2018.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the Mundelein Park & Recreation District. All disclosures necessary to enable the reader to gain an understanding of the District's activities have been included.

## Financial Management and Control

The District has established a comprehensive set of internal controls that are designed to protect the District's assets from loss, theft, or misuse. These internal controls are also used to compile sufficient reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements. Included with this report are all disclosures necessary to enable the reader to gain the maximum understanding of the Park District's financial affairs. The District has several policies to monitor and control spending. Monthly financial reports are provided to the Board with a Balance Sheet and Income Statement as well as a Treasurer's Report showing cash and investments as well as fund balances. An emergency appropriation policy requires the Executive Director to be granted Board approval to contract or purchase materials, equipment or services necessary to protect the health or safety of park users and employees. If such action requires amending the budget, the Board will take action to make such adjustments. The legal level of budgetary control is at the fund level.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.



## District Profile

The Mundelein Park & Recreation District is located 34 miles northwest of Chicago in Lake County, Illinois. The District serves all residents of the Village of Mundelein, as well as residents of certain subdivisions in unincorporated Lake County and one subdivision in the Village of Long Grove. The District encompasses 12.3 miles and has a population of 37,687. The area is nearly fully developed with only 10.78 percent of the area assessed as unimproved/undeveloped.

Ethnically the Village is fairly diverse. The Hispanic population is significantly above the State average, but the African-American population is significantly below the State average.

The District was established in 1954 and is governed by a Board-Manager form of government and provides recreation services and opportunities to all residents of the District and non-residents who choose to participate in programs. To accomplish this, the District developed a mission statement, "The Mundelein Park & Recreation District is committed to connecting the community with quality recreation through diverse programs, facilities and open space."

The Park District provides a full range of services that include recreation programming, park management, recreation facility management, preservation of open space and general administration. Recreation facilities include 33 park sites totaling 735 acres of park land, as well as, an aquatic park, community center, golf course, museum, senior center, dance studio, boat launch and beach.

## Mission

The Mundelein Park & Recreation District is committed to connecting the community with quality recreation through diverse programs, facilities and open space.

## Economic Condition and Outlook

The District saw rapid growth between 1990 and 2000 when the population increased from 21,215 to 30,935 (46%). Over the next decade, growth slowed but there was a housing growth spurt with the development of Grand Dominion, an "active adult community." In 2007 there were 406 single family new house construction permits issued. In 2010, permits dropped to 49. New housing in the District was on the rise in 2016, including a residential 40-unit multi-family building in the downtown, a new subdivision of 77 single-family homes, and a 36-unit apartment building on Diamond Lake. In 2017, the District budgeted for \$100,000 for "developer donations" for the construction of new homes. The actual amount collected was \$192,766. Compared to the rest of Illinois, Mundelein's median household income and value are above average, as is the percentage of residents with a bachelor's degree or higher.

The early part of the past decade the EAV had measurable growth, however from 2009 through 2014 the EAV has declined. The EAV has increased the last three years, and the EAV is expected to increase in the year ahead.

Tax Year	EAV	Increase (Decrease)
2008	\$ 1,096,084,600	6.0%
2009	\$ 1,095,907,198	(.02%)
2010	\$ 1,053,833,563	(3.8%)
2011	\$ 997,178,188	(5.4%)
2012	\$ 905,408,941	(9.2%)
2013	\$ 851,643,258	(5.9%)

<b>Tax Year</b>	<b>EAV</b>	<b>Increase (Decrease)</b>
2014	\$ 825,908,952	(3.0%)
2015	\$ 849,410,765	2.85%
2016	\$ 903,497,303	6.37%
2017	\$ 950,637,987	5.22%

## **Financial Policies**

The economy is gradually improving. The District has in place cash reserve policies to ensure funds are available for future operating, emergency and cash flow needs. Additionally, the District has set a policy that determines a goal of no more than 45% of revenue will be realized from property taxes in funds that are restricted by the tax cap. In 2018, the District was within 1% of this goal with taxes accounting for 46% of revenue. In 2010, the District developed its Capital Asset Replacement Plan to plan for the eventual replacement of all capital assets.

## **Planning**

By adopting the Master Plan, the District has positioned itself well for the future. The Americans with Disabilities Act Transition Plan is reviewed during the budget process to ensure the highest priority modifications are included to allow patrons with disabilities to enjoy programs and facilities. The Capital Asset Replacement Plan is also reviewed to make sure capital equipment is replaced at the end of its useful life. This enables the District to operate programs and facilities more efficiently.

The District was awarded a Park and Recreational Facility Construction Grant from the Illinois Department of Natural Resources for \$2,363,800 on October 12, 2014 to replace the Chalet Recreation Center. This construction project was postponed in 2015 since funding from the State of Illinois for this grant was placed on hold. In 2016, we received notification that we would receive the funds for this project. The ground breaking for the new recreational building facility occurred on April 24, 2017 and the grand opening of the Dunbar Recreation Center was held April 7, 2018.

## **Major Initiatives**

The District had great success in 2018 undertaking many major projects that included:

- Awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the 2017 Comprehensive Annual Financial Report
- Opened the Dunbar Recreation Center
- Moved the computer network to virtual servers
- Began construction at Holcomb Park
- Replaced the entire fleet of golf carts
- Renovated the bathrooms and lobby at the Regent Center
- Redesigned the layout of the fitness floor at Park View Health & Fitness and replaced several pieces of cardio equipment
- Due to a pipe burst that damaged the gymnasium floor at the Community Center, replaced the entire wood floor
- Purchased and implemented a new financial software
- Began construction of new athletic courts at Community Park and Scott Brown Park
- Completed a District wide tree inventory
- Applied for an OSLAD grant for the development of park at the District's Shady Lane property

## **Independent Audit**

State statutes require an annual audit by independent certified public accountants. The firm of Lauterbach & Amen, LLP was selected by the Park Board of Commissioners to conduct the 2018 fiscal year audit. The auditor's report on the basic financial statements is included in the financial section of this report.

## **Awards and Acknowledgements**

The December 31, 2017 fiscal year marked the seventh year the District applied for and received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both the generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for a certificate.

In closing, we thank the Board of Commissioners for their continued leadership and support of the efforts of the entire staff of the Mundelein Park & Recreation District.

Sincerely,



Margaret Resnick  
Executive Director



Debra McInerney  
Superintendent of Business Services & Technology



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Mundelein Park & Recreation District  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morrell*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedule

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

April 16, 2019

Members of the Board of Commissioners  
Mundelein Park and Recreation District  
Mundelein, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mundelein Park and Recreation District, Illinois, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Mundelein Park and Recreation District, Illinois, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mundelein Park and Recreation District, Illinois' basic financial statements. The introductory section, individual fund budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have 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 them.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2018**

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Our discussion and analysis of the Mundelein Park and Recreation District's financial performance provides an overview of the Mundelein Park and Recreation District's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the Mundelein Park and Recreation District's transmittal letter beginning on page iii and the financial statements which begin on page 3.

### **FINANCIAL HIGHLIGHTS**

- The Mundelein Park and Recreation District's net position increased as a result of this year's operations. Net position of the governmental activities increased by \$1,004,126 or 2.4 percent.
- During the year, government-wide revenues totaled \$11,154,358, while expenses totaled \$10,150,232 resulting in an increase to net position of \$1,004,126.
- The Mundelein Park and Recreation District's net position totaled \$43,020,882 on December 31, 2018, which includes \$39,673,596 net investment in capital assets, \$682,207 subject to external restrictions, and \$2,665,079 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a surplus this year of \$365,171, resulting in ending fund balance of \$2,991,797, an increase of 13.9 percent.
- The District retired \$390,000 in outstanding long-term debt during the year and did not issue any new debt.
- Beginning net position was restated due to the District implementing GASB Statement No. 75.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 5) provide information about the activities of the Mundelein Park and Recreation District as a whole and present a longer-term view of the Mundelein Park and Recreation District's finances. Fund financial statements begin on page 6. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Mundelein Park and Recreation District's operations in more detail than the government-wide statements by providing information about the Mundelein Park and Recreation District's most significant funds.

# **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2018**

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### **USING THIS ANNUAL REPORT – Continued**

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

The government-wide financial statements provide readers with a broad overview of the Mundelein Park and Recreation District's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 3 - 5 of this report.

The Statement of Net Position reports information on all of the Mundelein Park and Recreation District's assets/deferred outflows and liabilities/deferred inflows, 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 Mundelein Park and Recreation District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Mundelein Park and Recreation District's property tax base and the condition of the Mundelein Park and Recreation District's parks and recreation facilities, is needed to assess the overall health of the Mundelein Park and Recreation District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Mundelein Park and Recreation District that are principally supported by taxes and charges for services. The governmental activities of the Mundelein Park and Recreation District include general government and culture and recreation.

#### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Mundelein Park and Recreation District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Mundelein Park and Recreation District are considered governmental funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Mundelein Park and Recreation District's near-term financing requirements.

# **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

## **Management's Discussion and Analysis December 31, 2018**

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### **USING THIS ANNUAL REPORT – Continued**

#### **Fund Financial Statements – Continued**

#### **Governmental Funds – Continued**

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

The Mundelein Park and Recreation District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Recreation, Debt Service and Capital Projects Funds, which are all considered major funds.

The Mundelein Park and Recreation District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 6 - 11 of this report.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12 - 42 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Mundelein Park and Recreation District's I.M.R.F. employee pension obligations as well as budgetary comparison schedules for the General Fund and Recreation Fund. Required supplementary information can be found on pages 43 - 48 of this report. Additional budgetary comparison schedules can be found on pages 49 - 56 of this report.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Management's Discussion and Analysis December 31, 2018

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Mundelein Park and Recreation District, assets/deferred outflows exceeded liabilities/deferred outflows by \$43,020,882.

	Net Position	
	2018	2017
Current and Other Assets	\$ 10,863,793	11,277,643
Capital Assets	43,463,108	42,995,971
Total Assets	54,326,901	54,273,614
Deferred Outflows	1,208,451	386,855
Total Assets/ Deferred Outflows	55,535,352	54,660,469
Long-Term Debt	6,372,342	4,806,110
Other Liabilities	1,307,407	1,848,601
Total Liabilities	7,679,749	6,654,711
Deferred Inflows	4,834,721	5,772,193
Total Liabilities/ Deferred Inflows	12,514,470	12,426,904
Net Position		
Net Investment in Capital Assets	39,673,596	39,067,601
Restricted	682,207	689,915
Unrestricted	2,665,079	2,476,049
Total Net Position	43,020,882	42,233,565

A large portion of the Mundelein Park and Recreation District's net position, \$39,673,596, or 92.2 percent, reflects its net investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Mundelein Park and Recreation District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Mundelein Park and Recreation District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$682,207, or 1.6 percent, of the Mundelein Park and Recreation District's net position represents resources that are subject to external restrictions on how they may be used. The remaining 6.2 percent, or \$2,665,079, represents unrestricted net position and may be used to meet the District's ongoing obligations to citizens and creditors.

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Management's Discussion and Analysis December 31, 2018

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Position	
	2018	2017
Revenues		
Program Revenues		
Charges for Services	\$ 4,727,549	4,647,677
Capital Grants/Contributions	1,425,305	1,031,714
General Revenues		
Property Taxes	4,438,526	4,315,131
Replacement Taxes	77,435	95,647
Other General Revenues	485,543	344,585
Total Revenues	11,154,358	10,434,754
Expenses		
General Government	1,024,932	1,152,774
Culture and Recreation	9,035,489	8,050,969
Interest on Long-Term Debt	89,811	104,693
Total Expenses	10,150,232	9,308,436
Change in Net Position	1,004,126	1,126,318
Net Position-Beginning as Restated	42,016,756	41,107,247
Net Position-Ending	43,020,882	42,233,565

Net position of the Mundelein Park and Recreation District's governmental activities increased by 2.4 percent (\$42,016,756 restated in 2017 compared to \$43,020,882 in 2018). Entity-wide adjustments for capital assets (capital outlay, depreciation expense, and the net effect of disposals) were higher than the adjustments for long-term debt (compensated absences net activity, net pension liability, total OPEB liability, principal retirement, and debt issuance). Numbers related to these entity-wide adjustments can be found on page 11. Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints, totaled \$2,665,079 at December 31, 2018, and increased from the prior year.



# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Management's Discussion and Analysis December 31, 2018

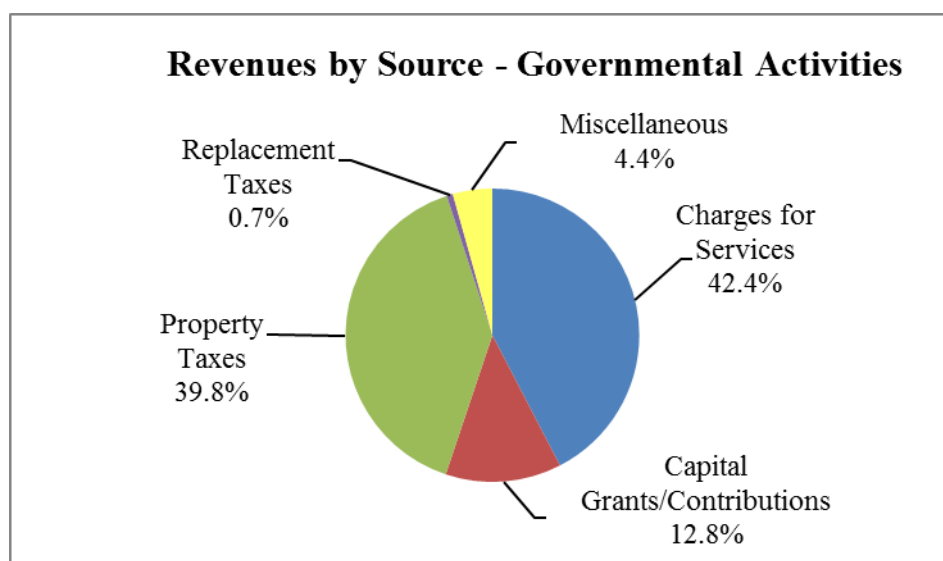
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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities

Revenues for governmental activities totaled \$11,154,358, while the cost of all governmental functions totaled \$10,150,232. This results in a surplus of \$1,004,126. In 2017, revenues of \$10,434,754 exceeded expenses of \$9,308,436, resulting in a surplus of \$1,126,318. Most notably, revenues in the current year increased \$719,604 or 6.9 percent due primarily to increased membership and daily attendance at Barefoot Bay Aquatic Park, strong Day Camp attendance, good return on investments and property tax collections higher than budgeted.

The following table graphically depicts the major revenue sources of the Mundelein Park and Recreation District. It depicts very clearly the reliance of property taxes and charges for services to fund governmental activities. It also clearly identifies the less significant percentage the District receives from replacement taxes, interest and miscellaneous income.



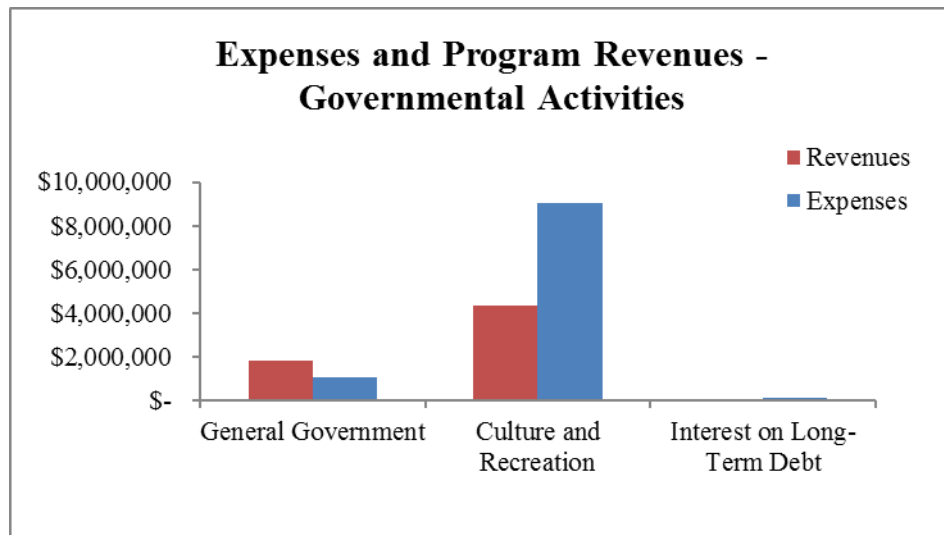
# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Management's Discussion and Analysis December 31, 2018

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Mundelein Park and Recreation District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the Mundelein Park and Recreation District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Mundelein Park and Recreation District's governmental funds reported combining ending fund balances of \$5,336,020, which is \$80,473, or 1.5 percent, lower than last year's total of \$5,416,493. Of the \$5,336,020, \$2,355,971, or approximately 44.2 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported a positive change in fund balance for the year of \$365,171, an increase of 13.9 percent. Revenues came in \$29,330 over budget and the District was budgeting for an overall increase in fund balance of \$98,441. The operating increase to the fund was \$355,840 and this increase was due to overall operating cost controlling measures.

## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Management's Discussion and Analysis December 31, 2018**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued**

##### **Governmental Funds – Continued**

The General Fund is the chief operating fund of the District. At December 31, 2018, unassigned fund balance in the General Fund was \$2,355,971, which represents 78.7 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 56.9 percent of total General Fund expenditures.

At December 31, 2018, the Recreation Fund had a \$140,293 increase in fund balance. The District budgeted for a decrease in the Recreation fund balance of \$127,323. The actual increase to the fund balance was due to decreased expenditures in some recreational functions.

The Debt Service Fund had an increase in fund balance of \$9,710. Ending fund balance of \$138,619 is restricted to future debt service related expenditures.

The Capital Projects Fund had a decrease in fund balance of \$595,647. This decrease was mainly due to the capital outlay for the construction of the Chalet Expansion. Assigned fund balance of \$875,632 will be used to fund future capital needs of the District as determined through the annual budget process.

##### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund actual revenues for the year totaled \$4,497,373 compared to budgeted revenues of \$4,468,043. Property and replacement tax revenues were \$85,332 and \$4,225, respectively, more than what was budgeted. General Fund actual expenditures for the year were \$228,069 lower than budgeted (\$4,141,533 actual compared to \$4,369,602 budgeted). The general government, culture and recreation, and capital outlay functions' actual expenditures were lower than budgeted due to overall cost controlling measures.

##### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

###### **Capital Assets**

The Mundelein Park and Recreation District's net investment in capital assets for its governmental activities as of December 31, 2018 was \$43,463,108 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress land improvements, buildings, infrastructure, machinery and equipment, and vehicles.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Management's Discussion and Analysis December 31, 2018

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

##### Capital Assets – Continued

	Capital Assets - Net of Depreciation	
	2018	2017
Land	\$ 20,973,884	20,973,884
Construction in Progress	684,735	4,035,417
Land Improvements	1,704,186	1,891,318
Buildings	18,578,698	14,617,628
Infrastructure	210,129	213,755
Machinery and Equipment	1,229,596	1,161,973
Vehicles	81,880	101,996
Total	43,463,108	42,995,971

This year's major additions included:

Construction in Progress	\$ 640,662
Buildings	507,719
Machinery and Equipment	247,118
	<u>1,395,499</u>

Additional information on the Mundelein Park and Recreation District's capital assets can be found in note 3 on page 22 of this report.

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Management's Discussion and Analysis December 31, 2018

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### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

#### Debt Administration

At year-end, the Mundelein Park and Recreation District had total outstanding debt of \$3,610,000 as compared to \$4,000,000 the previous year, a decrease of \$390,000. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2018	2017
General Obligation Bonds	\$ 3,610,000	4,000,000

The Mundelein Park and Recreation District maintains an Aa2 rating from Moody's for general obligation debt. This rating was slightly down graded from the prior rating of Aaa. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 2.875 percent of its total assessed valuation. The current debt limit for the Mundelein Park and Recreation District is \$27,330,842. Additional information on the Mundelein Park and Recreation District's long-term debt can be found in Note 3 on pages 23 - 25 of this report.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Mundelein Park and Recreation District's elected and appointed officials considered many factors when setting the fiscal-year 2019 budget, tax rates, and fees that will be charged for its governmental activities. One of those factors is the economy, including unemployment rates, CPI, etc. Although the District considers the economy in setting rates and fees during the budget process, the District does not feel that these economic factors will have a significant bearing on District operations in the coming year.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Mundelein Park and Recreation District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Business Manager, Mundelein Park and Recreation District, 1401 Midlothian Road, Mundelein, IL 60060.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

### **Governmental Funds**

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

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Statement of Net Position

December 31, 2018

	Governmental Activities
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 5,828,932
Receivables - Net of Allowances	4,966,173
Prepays	38,700
Inventory	29,988
Total Current Assets	10,863,793
Noncurrent Assets	
Capital Assets	
Nondepreciable	21,658,619
Depreciable	38,072,168
Accumulated Depreciation	(16,267,679)
Total Noncurrent Assets	43,463,108
Total Assets	54,326,901
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	1,208,451
Total Assets and Deferred Outflows of Resources	55,535,352

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



	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 257,990
Accrued Payroll	77,140
Retainage Payable	64,479
Deposit Payables	23,090
Accrued Interest Payable	4,346
Other Payables	458,774
Current Portion of Long-Term Debt	421,588
Total Current Liabilities	<u>1,307,407</u>
Noncurrent Liabilities	
Compensated Absences Payable	86,353
Net Pension Liability - IMRF	2,680,395
Total OPEB Liability - RBP	216,082
General Obligation Bonds Payable - Net	3,389,512
Total Noncurrent Liabilities	<u>6,372,342</u>
Total Liabilities	<u>7,679,749</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	4,646,300
Deferred Items - IMRF	182,521
Deferred Items - RBP	5,900
Total Deferred Inflows of Resources	<u>4,834,721</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,514,470</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	39,673,596
Restricted	
Special Levies	
Special Recreation	67,557
Liability	82,670
Museum	171,906
Audit	11,681
Illinois Municipal Retirement	109,258
Police Protection	29,186
Social Security	75,676
Debt Service	134,273
Unrestricted	<u>2,665,079</u>
Total Net Position	<u>43,020,882</u>

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

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended December 31, 2018

		Program Revenues		
		Charges	Capital	Net
		for	Grants/	(Expenses)/
	Expenses	Services	Contributions	Revenues
Governmental Activities				
General Government	\$ 1,024,932	1,818,158	-	793,226
Culture and Recreation	9,035,489	2,909,391	1,425,305	(4,700,793)
Interest on Long-Term Debt	89,811	-	-	(89,811)
Total Governmental Activities	10,150,232	4,727,549	1,425,305	(3,997,378)

### General Revenues

#### Taxes

Property Taxes

4,438,526

Replacement Taxes

77,435

Interest

85,031

Miscellaneous

400,512

5,001,504

Change in Net Position

1,004,126

Net Position - Beginning as Restated

42,016,756

Net Position - Ending

43,020,882

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

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds**  
**December 31, 2018**

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**See Following Page**

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Balance Sheet - Governmental Funds

December 31, 2018

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 3,079,275
Receivables - Net of Allowances	
Taxes	3,062,000
Accounts	1,532
Accrued Interest	-
Prepays	25,408
Inventory	<u>29,988</u>
Total Assets	<u><u>6,198,203</u></u>
<b>LIABILITIES</b>	
Accounts Payable	81,140
Accrued Payroll	39,777
Retainage Payable	200
Deposit Payables	23,090
Other Payables	<u>199</u>
Total Liabilities	<u>144,406</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>3,062,000</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>3,206,406</u></u>
<b>FUND BALANCES</b>	
Nonspendable	55,396
Restricted	525,205
Committed	-
Assigned	55,225
Unassigned	<u>2,355,971</u>
Total Fund Balances	<u><u>2,991,797</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>6,198,203</u></u>

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

Special Revenue Recreation	Debt Service	Capital Projects	Totals
1,590,821	138,619	1,020,217	5,828,932
1,080,000	504,300	-	4,646,300
279,840	-	37,500	318,872
-	-	1,001	1,001
13,292	-	-	38,700
-	-	-	29,988
2,963,953	642,919	1,058,718	10,863,793
58,043	-	118,807	257,990
37,363	-	-	77,140
-	-	64,279	64,479
-	-	-	23,090
458,575	-	-	458,774
553,981	-	183,086	881,473
1,080,000	504,300	-	4,646,300
1,633,981	504,300	183,086	5,527,773
13,292	-	-	68,688
22,729	138,619	-	686,553
1,293,951	-	-	1,293,951
-	-	875,632	930,857
-	-	-	2,355,971
1,329,972	138,619	875,632	5,336,020
2,963,953	642,919	1,058,718	10,863,793

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

December 31, 2018

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<b>Total Governmental Fund Balances</b>	<b>\$ 5,336,020</b>
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Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	43,463,108
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	1,025,930
Deferred Items - RBP	(5,900)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(107,941)
Net Pension Liability - IMRF	(2,680,395)
Total OPEB Liability - RBP	(216,082)
General Obligation Bonds Payable - Net	(3,789,512)
Accrued Interest Payable	<u>(4,346)</u>

<b>Net Position of Governmental Activities</b>	<b><u><u>43,020,882</u></u></b>
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The notes to the financial statement are an integral part of this statement.

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2018**

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**See Following Page**

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2018

	<u>General</u>
Revenues	
Taxes	\$ 2,623,855
Charges for Services	1,348,142
Intergovernmental	-
Interest	42,698
Interfund Service Charges	470,016
Miscellaneous	12,662
Total Revenues	<u>4,497,373</u>
Expenditures	
Current	
General Government	1,119,973
Culture and Recreation	3,010,842
Capital Outlay	10,718
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>4,141,533</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	355,840
Other Financing Sources	
Disposal of Capital Assets	<u>9,331</u>
Net Change in Fund Balance	365,171
Fund Balances - Beginning	<u>2,626,626</u>
Fund Balances - Ending	<u><u>2,991,797</u></u>

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



Special Revenue Recreation	Debt Service	Capital Projects	Totals
1,383,989	508,117	-	4,515,961
2,909,391	-	-	4,257,533
-	-	1,425,305	1,425,305
23,216	4,168	14,949	85,031
-	-	-	470,016
38,972	-	348,878	400,512
4,355,568	512,285	1,789,132	11,154,358
-	-	109,657	1,229,630
4,215,275	-	-	7,226,117
-	-	2,275,122	2,285,840
-	390,000	-	390,000
-	112,575	-	112,575
4,215,275	502,575	2,384,779	11,244,162
140,293	9,710	(595,647)	(89,804)
-	-	-	9,331
140,293	9,710	(595,647)	(80,473)
1,189,679	128,909	1,471,279	5,416,493
1,329,972	138,619	875,632	5,336,020

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

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

For the Fiscal Year Ended December 31, 2018

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (80,473)</b>
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Amounts reported for governmental activities in the Statement of Activities  
are different because:

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

Capital Outlays	1,395,499
Depreciation Expense	(921,257)
Disposals - Cost	(208,413)
Disposals - Accumulated Depreciation	201,308

The net effect of deferred outflows (inflows) of resources related  
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	1,981,268
Change in Deferred Items - RBP	(5,900)

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

Decrease in Compensated Absences Payable	5,959
Increase to Net Pension Liability - IMRF	(1,777,356)
Decrease to Total OPEB Liability - RBP	727
Retirement of Debt	390,000
Amortize Premium on Debt Issuance	22,439

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

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**Changes in Net Position of Governmental Activities**

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**1,004,126**

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

## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Notes to the Financial Statements December 31, 2018**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Mundelein Park and Recreation District (District) of Illinois is duly organized and existing under the provisions of the laws of the State of Illinois. The District is operating under the provisions of the District Code of the State of Illinois approved July 8, 1947 and under all laws amendatory thereto. The District operates under the board-manager form of government. The District provides recreation and other services to the residents of Mundelein which include recreation programs, park management, capital development, and general administration.

#### **REPORTING ENTITY**

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

#### **BASIS OF PRESENTATION**

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

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). The District's culture and recreation and general administrative services are classified as governmental activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (general government, culture and recreation, etc.). These functions are supported by general government revenues (property taxes, certain intergovernmental revenues, and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Notes to the Financial Statements December 31, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Government-Wide Statements – Continued

The net costs (by function) are normally covered by general revenue (property tax, intergovernmental revenues, interest income, etc.). The District does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, legal, etc.).

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

##### Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. All of the District's funds are reported as governmental funds. The emphasis in fund financial statements is on the major funds in either the governmental activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

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

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

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

##### Governmental Funds

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

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

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains one major special revenue fund, the Recreation Fund. The Recreation Fund accounts for revenues, including property taxes and user chargers, and expenditures related to the establishment and maintenance of the following activities: sports and fitness, visual and performing arts, youth and adult general interest, camps, teens, preschoolers, seniors and aquatics.

*Debt service funds* are used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs. The Debt Service Fund is treated as a major fund.

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund, a major fund, accounts for financial resources to be used for the acquisition or construction of major capital facilities, equipment, and capital asset replacements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Notes to the Financial Statements December 31, 2018**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

###### **Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. In the fund financial statements, the “current financial resources” measurement focus is used as appropriate.

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

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

###### **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Notes to the Financial Statements December 31, 2018**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

###### **Basis of Accounting – Continued**

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

###### **Cash and Investments**

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

###### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and accounts receivable.

###### **Prepays/Inventories**

Inventories/prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories/prepays are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Capital Assets

Capital assets purchased or acquired with an original cost of more than \$5,000, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

Land Improvements	20 Years
Buildings	20 - 40 Years
Infrastructure	25 - 75 Years
Machinery and Equipment	5 - 20 Years
Licensed Vehicles	5 - 20 Years

##### Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.



## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Notes to the Financial Statements December 31, 2018**

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#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued**

##### **Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

##### **Long-Term Obligations**

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

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

##### **Net Position**

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

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

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

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

## **MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

### **Notes to the Financial Statements December 31, 2018**

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#### **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **BUDGETARY INFORMATION**

The budget for all governmental fund types is prepared on the modified accrual basis of accounting, which is the same basis that is used in financial reporting. This method allows for comparability between budget and actual amounts. The budget was passed at the board meeting on January 22, 2018. The District adopts both an appropriation and a budget. The budget amounts, which are usually lower than the appropriation, are used for purposes of these financial statements. There may be some instances where expenditures may exceed the amount budgeted and appropriated. During the year, there was one appropriation amendment.

All appropriations lapse at the end of each fiscal year.

The District follows the following procedures in establishing the budget:

1. During October, a budget committee is appointed by the Board of Commissioners to prepare a budget for the following fiscal year.
2. During November, the Board of Trustees adopts a tentative budget, which is placed on file and is open for public inspection.
3. The budget and appropriation ordinance is approved on or before December 31 of the fiscal year.

#### **NOTE 3 – DETAIL NOTES ON ALL FUNDS**

##### **DEPOSITS AND INVESTMENTS**

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

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

The Illinois Park District Liquid Asset Fund allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. The Illinois Park District Liquid Asset Fund is composed of finance officials and treasurers all of whom are employees of the Illinois public agencies, which are investors in the Illinois Park District Liquid Asset Fund. The Illinois Park District Liquid Asset Fund is not registered with the SEC as an Investment Company. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

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

At year-end, the carrying amount of the District's deposits totaled \$5,532,060 and the bank balances totaled \$5,605,913. At year-end, the District also had \$296,872 invested in the Illinois Park District Liquid Asset Fund.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy states it should invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield. The District's investment in the Illinois Park District Liquid Asset Fund has an average maturity of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. The District limits its exposure to credit risk by limiting investments of public funds to U.S. Treasury Bonds, Notes and Bills, other securities that are guaranteed by the full faith and credit of the United States of America, U.S. Government Securities, including U.S. Agencies and Instrumentalities, that are rated "AAA", interest bearing savings and money market accounts, certificate of deposit and time deposits, and Illinois Park District Liquid Assets Funds. At year-end, the District's investment in the Illinois Park District Liquid Asset Fund was rated AAAM by Standard & Poor's.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### Interest Rate Risk, Credit Risk, Concentration Risk and Custodial Credit Risk – Continued

*Concentration Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not mitigate concentration risk for investments. At year-end, the District does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance and the amount of collateral provided shall not be less than 110 percent of the fair market value of the net amount of District funds on deposit at each financial institution. Further, the collateral should be held by the District, the Federal Reserve or kept in a safekeeping account by a third party and evidenced by a safekeeping receipt. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy does not mitigate custodial credit risk for investments. At year-end, the District's investment in the Illinois Park District Liquid Asset Fund is not subject to custodial credit risk.

##### PROPERTY TAXES

Property taxes for 2017 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Lake County and are payable in two installments, on or about May 1 and September 1. The County collects such taxes and remits them periodically.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### CAPITAL ASSETS

##### Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 20,973,884	-	-	20,973,884
Construction in Progress	4,035,417	640,662	3,991,344	684,735
	<u>25,009,301</u>	<u>640,662</u>	<u>3,991,344</u>	<u>21,658,619</u>
Depreciable Capital Assets				
Land Improvements	7,425,768	-	97,173	7,328,595
Buildings	21,945,200	4,499,063	36,330	26,407,933
Infrastructure	235,660	-	-	235,660
Machinery and Equipment	3,520,437	247,118	74,910	3,692,645
Licensed Vehicles	407,335	-	-	407,335
	<u>33,534,400</u>	<u>4,746,181</u>	<u>208,413</u>	<u>38,072,168</u>
Less Accumulated Depreciation				
Land Improvements	5,534,450	187,132	97,173	5,624,409
Buildings	7,327,572	532,753	31,090	7,829,235
Infrastructure	21,905	3,626	-	25,531
Machinery and Equipment	2,358,464	177,630	73,045	2,463,049
Licensed Vehicles	305,339	20,116	-	325,455
	<u>15,547,730</u>	<u>921,257</u>	<u>201,308</u>	<u>16,267,679</u>
Total Depreciable Capital Assets	<u>17,986,670</u>	<u>3,824,924</u>	<u>7,105</u>	<u>21,804,489</u>
Total Capital Assets	<u>42,995,971</u>	<u>4,465,586</u>	<u>3,998,449</u>	<u>43,463,108</u>

Depreciation expense was charged to governmental activities as follows:

Culture and Recreation	<u>\$ 921,257</u>
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## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT

###### General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited Tax Bonds of 2016, due in annual installments of \$390,000 to \$505,000 plus interest at 2.00% to 3.00% through December 15, 2026.	\$ 4,000,000	-	390,000	3,610,000

###### Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Compensated Absences	\$ 113,900	5,959	11,918	107,941	21,588
Net Pension Liability - IMRF	903,039	1,777,356	-	2,680,395	-
Total OPEB Liability - RBP	216,809	-	727	216,082	-
General Obligation Bonds	4,000,000	-	390,000	3,610,000	400,000
Plus: Unamortized Items					
Premium on Debt Issuance	201,951	-	22,439	179,512	-
	<u>5,435,699</u>	<u>1,783,315</u>	<u>425,084</u>	<u>6,793,930</u>	<u>421,588</u>

The compensated absences, the net pension liability, and the total OPEB liability are liquidated by the General and Recreation Funds. Payments on the general obligation bonds are made by the Debt Service Fund.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT – Continued

##### Debt Service Requirements to Maturity

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

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2019	\$ 400,000	104,300
2020	405,000	96,300
2021	430,000	84,150
2022	445,000	71,250
2023	460,000	57,900
2024	475,000	44,100
2025	490,000	29,850
2026	505,000	15,150
Totals	<u>3,610,000</u>	<u>503,000</u>

##### Legal Debt Margin

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT – Continued

##### Legal Debt Margin – Continued

Assessed Valuation - 2017	<u>\$ 950,637,987</u>
Legal Debt Limit - 2.875% of Assessed Value	27,330,842
Amount of Debt Applicable to Limit	<u>3,610,000</u>
Legal Debt Margin	<u>23,720,842</u>
Non-Referendum Legal Debt Limit - .575% of Assessed Value	5,466,168
Amount of Debt Applicable to Limit	<u>3,610,000</u>
Legal Debt Margin	<u>1,856,168</u>

#### NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2018:

##### Governmental Activities

Capital Assets - Net of Accumulated Depreciation	\$ 43,463,108
Less Capital Related Debt	
General Obligation Limited Tax Bonds of 2016	(3,610,000)
Unamortized Premium on Debt Issuances	<u>(179,512)</u>
Net Investment in Capital Assets	<u>39,673,596</u>



## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

*Minimum Fund Balance Policy.* The District's policy manual states that the General Fund should maintain a minimum assigned and unassigned fund balance equal to two to four months of budgeted operating expenditures. The Recreation Fund should maintain a minimum fund balance of no less than two months of operating expenditures.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### FUND BALANCE CLASSIFICATIONS – Continued

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

	General	Special Revenue Recreation	Debt Service	Capital Projects	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 25,408	13,292	-	-	38,700
Inventory	29,988	-	-	-	29,988
	55,396	13,292	-	-	68,688
Restricted					
Property Tax Levies					
Special Recreation	67,557	-	-	-	67,557
Liability	82,670	-	-	-	82,670
Museum	171,906	-	-	-	171,906
Audit	11,681	-	-	-	11,681
Illinois Municipal Retirement	97,076	12,182	-	-	109,258
Police Protection	29,186	-	-	-	29,186
Social Security	65,129	10,547	-	-	75,676
Debt Service	-	-	138,619	-	138,619
	525,205	22,729	138,619	-	686,553
Committed					
Recreational Programming, Facility Maintenance, and Future Recreation Capital	-	1,293,951	-	-	1,293,951
Assigned					
Capital Projects	55,225	-	-	875,632	930,857
Unassigned	2,355,971	-	-	-	2,355,971
Total Fund Balances	2,991,797	1,329,972	138,619	875,632	5,336,020

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### NET POSITION RESTATEMENT

Beginning net position was restated due to the implementation of GASB Statement No. 75. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 42,233,565	42,016,756	(216,809)

#### NOTE 4 – OTHER INFORMATION

##### JOINT VENTURE

The District is a member of the Special Recreation Association of Central Lake County (SRACLC), a cooperative formed by Member Agencies to provide community based Therapeutic Recreation services to individuals with disabilities and their families and to share the expenses of such programs on a cooperative basis. Contribution requirements are determined based on a percentage of the individual park district's equalized assessed valuation and population as defined. The District's 2018 contribution was \$207,055.

The District does not exercise direct oversight of the SRACLC, and accordingly, the Association has not been included in these basic financial statements. The audited financial statements of SRACLC are available at 290 Oakwood Road, Vernon Hills, IL 60061.

##### CONTINGENT LIABILITIES

###### Litigations

Legal counsel has expressed the opinion that the District has no significant risk of monetary liability as a result of any pending litigation.

###### Grants

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

#### NOTE 4 – OTHER INFORMATION - Continued

##### RISK MANAGEMENT

##### Park District Risk Management Agency (PDRMA)

The District is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. Since 1992, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect for the period January 1, 2018 through January 1, 2019:

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

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Notes to the Financial Statements December 31, 2018

### NOTE 4 – OTHER INFORMATION – Continued

#### RISK MANAGEMENT – Continued

#### Park District Risk Management Agency (PDRMA) – Continued

Coverage	Member Deductible	PDRMA Self- Insured Retention	Limits
<b>WORKERS COMPENSATION</b>			
Employers Liability	N/A	\$500,000	Statutory
		\$500,000	\$3,500,000 Employers Liability
<b>POLLUTION LIABILITY</b>			
Liability - Third Party	None	\$25,000	\$5,000,000/Occurrence
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 Year Aggregate
<b>OUTBREAK EXPENSE</b>			
Outbreak Expense	24 Hours	N/A	\$15,000 per Day,
			\$1,000,000 Aggregate Policy Limit
<b>INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA</b>			
<b>LIABILITY COVERAGE</b>			
Information Security & Privacy			
Liability	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Privacy Notification, Costs	None	\$100,000	\$500,000/Occurrence/Annual Aggregate
Regulatory Defense & Penalties	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Website Media Content Liability	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Cyber Extortion	None	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
Data Protection & Business			
Interruption	\$1,000	\$100,000	\$2,000,000/Occurrence/Annual Aggregate
First Party Business Interruption	8 Hours	\$100,000	\$50,000 Hourly Sublimit/\$50,000 Forensic
			Exp./\$150,000 Dependent Bus. Interruption
<b>VOLUNTEER MEDICAL ACCIDENT</b>			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense and AD&D
			Excess of any other Collectible Insurance
<b>UNDERGROUND STORAGE TANK LIABILITY</b>			
Underground Storage Tank Liability	None	N/A	\$10,000, Follows Illinois Leaking
			Underground Tank Fund
<b>UNEMPLOYMENT COMPENSATION</b>			
Unemployment Compensation	N/A	N/A	Statutory

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

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

##### RISK MANAGEMENT – Continued

##### Park District Risk Management Agency (PDRMA) – Continued

As a member of PDRMA's Property/Casualty Program, the District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body.

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigations and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2017 and the statement of revenues and expenses for the period ending December 31, 2017:

Assets	\$65,528,169
Deferred Outflows of Resources – Pensions	1,031,198
Liabilities	22,979,446
Deferred Inflows of Resources – Pensions	5,600
Total Net Position	43,574,321
Revenues	23,353,271
Expenditures	17,402,060

The District's portion of the overall equity in the pool is 0.583% or \$254,242.

Since 88.70% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

##### RISK MANAGEMENT – Continued

##### Park District Risk Management Agency (PDRMA) Health Program

Since 1990, the District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$250,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

Members can choose to provide any combination of coverages available to their employees, and pay premiums accordingly.

As a member of the PDRMA Health Program, the District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and PDRMA Health Program is governed by a contract and by-laws that have been adopted by a resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's Health Program balance sheet at December 31, 2017 and the statement of revenues and expenses for the period ending December 31, 2017:

Assets	\$21,149,057
Deferred Outflows of Resources – Pensions	427,851
Liabilities	5,677,098
Deferred Inflows of Resources – Pensions	(5,600)
Total Net Position	15,905,410
Revenues	37,960,432
Expenditures	36,867,147

A large percentage of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

##### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

###### Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

###### Plan Descriptions

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

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

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



## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

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

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

*Plan Membership.* As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	47
Inactive Plan Members Entitled to but not yet Receiving Benefits	85
Active Plan Members	<u>64</u>
Total	<u><u>196</u></u>

*Contributions.* As set by statute, the 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 District's annual contribution rate for the fiscal year 2018 was 12.28% of covered payroll.

*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

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:

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

#### *Actuarial Assumptions – Continued.*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25% and the discount rate used in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

#### Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 4,620,794	2,680,395	1,081,832

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 14,462,185	13,559,146	903,039
Changes for the Year:			
Service Cost	298,965	-	298,965
Interest on the Total Pension Liability	1,072,349	-	1,072,349
Difference Between Expected and Actual Experience of the Total Pension Liability	46,111	-	46,111
Changes of Assumptions	427,341	-	427,341
Contributions - Employer	-	353,545	(353,545)
Contributions - Employees	-	129,556	(129,556)
Net Investment Income	-	(713,976)	713,976
Benefit Payments, including Refunds of Employee Contributions	(627,357)	(627,357)	-
Other (Net Transfer)	-	298,285	(298,285)
Net Changes	1,217,409	(559,947)	1,777,356
Balances at December 31, 2018	15,679,594	12,999,199	2,680,395

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended December 31, 2018, the District recognized pension expense of \$149,633. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 31,052	(18,644)	12,408
Change in Assumptions	287,778	(163,877)	123,901
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	889,621	-	889,621
Total Deferred Amounts Related to IMRF	1,208,451	(182,521)	1,025,930

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2019	\$ 303,965
2020	244,840
2021	129,789
2022	347,336
2023	-
Thereafter	-
Total	1,025,930

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS

###### General Information about the OPEB Plan

*Plan Description.* The District's defined benefit OPEB plan, Mundelein Park and Recreation District's Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP offers medical, prescription drug, dental and vision coverage. Retirees pay the full premium.

*Plan Membership.* As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>34</u>
Total	<u><u>36</u></u>

###### Total OPEB Liability

The District's total OPEB liability was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

#### Total OPEB Liability – Continued

##### *Actuarial Assumptions and Other Inputs – Continued.*

Inflation	2.50%
Salary Increases	3.39% to 10.35%
Discount Rate	4.18%
Healthcare Cost Trend Rates	
Medical	7.00% graded to 4.50% over 17 years
Prescription Drug	9.00% graded to 4.50% over 18 years

Mortality rates were based on Headcount-Weighted RP-2014 Healthy Annuitant Mortality tables projected generationally from 2015 using Scale MP-2017.

#### Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2017	<u>\$ 216,809</u>
Changes for the Year:	
Service Cost	11,549
Interest on the Total Pension Liability	8,062
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	(6,605)
Benefit Payments	<u>(13,733)</u>
Net Changes	<u>(727)</u>
Balance at December 31, 2018	<u>216,082</u>

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.18%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB Liability	\$ 228,434	216,082	204,316

##### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a Healthcare Trend Rate of 7.00%, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	(6.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (7.00% decreasing to 4.50%)	(8.00% decreasing to 5.50%)
Total OPEB Liability	\$ 198,778	216,082	236,319



## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Notes to the Financial Statements December 31, 2018

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#### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

#### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the District recognized OPEB expense of \$18,906. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	-	-
Change in Assumptions		(5,900)	(5,900)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	-	(5,900)	(5,900)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (705)
2020	(705)
2021	(705)
2022	(705)
2023	(705)
Thereafter	(2,375)
Total	(5,900)

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefits Plan
- Budgetary Comparison Schedule  
General Fund  
Recreation – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Illinois Municipal Retirement Fund

#### Required Supplementary Information Schedule of Employer Contributions December 31, 2018

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 360,506	\$ 360,506	\$ -	\$ 3,021,848	11.93%
2016	362,957	362,957	-	2,873,779	12.63%
2017	373,459	373,459	-	2,931,383	12.74%
2018	353,545	353,545	-	2,879,029	12.28%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 (base year 2012)

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

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund

### Required Supplementary Information

#### Schedule of Changes in the Employer's Net Pension Liability

December 31, 2018

	2015
Total Pension Liability	
Service Cost	\$ 329,011
Interest	933,533
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	142,519
Change of Assumptions	34,781
Benefit Payments, Including Refunds of Member Contributions	(395,004)
Net Change in Total Pension Liability	1,044,840
Total Pension Liability - Beginning	12,513,379
Total Pension Liability - Ending	13,558,219
Plan Fiduciary Net Position	
Contributions - Employer	\$ 360,506
Contributions - Members	139,803
Net Investment Income	54,556
Benefit Payments, Including Refunds of Member Contributions	(395,004)
Other (Net Transfer)	(137,303)
Net Change in Plan Fiduciary Net Position	22,558
Plan Net Position - Beginning	10,858,562
Plan Net Position - Ending	10,881,120
Employer's Net Pension Liability	\$ 2,677,099
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.25%
Covered Payroll	\$ 3,021,848
Employer's Net Pension Liability as a Percentage of Covered Payroll	88.59%

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

2016	2017	2018
334,458	320,068	298,965
1,007,023	1,048,733	1,072,349
-	-	-
(277,289)	(43,540)	46,111
(69,655)	(409,416)	427,341
(452,954)	(553,462)	(627,357)
541,583	362,383	1,217,409
13,558,219	14,099,802	14,462,185
14,099,802	14,462,185	15,679,594
362,957	373,459	353,545
129,629	131,912	129,556
745,498	2,009,102	(713,976)
(452,954)	(553,462)	(627,357)
74,883	(142,998)	298,285
860,013	1,818,013	(559,947)
10,881,120	11,741,133	13,559,146
11,741,133	13,559,146	12,999,199
2,358,669	903,039	2,680,395
83.27%	93.76%	82.91%
2,873,779	2,931,383	2,879,029
82.08%	30.81%	93.10%

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Retiree Benefits Plan

#### Required Supplementary Information

#### Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2018

	2018
Total OPEB Liability	
Service Cost	\$ 11,549
Interest	8,062
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	(6,605)
Benefit Payments	(13,733)
Net Change in Total OPEB Liability	(727)
Total OPEB Liability - Beginning	216,809
Total OPEB Liability - Ending	216,082
Covered Payroll	\$ 2,075,768
Total OPEB Liability as a Percentage of Covered Payroll	10.41%

#### Notes:

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

*Changes of Benefit Terms.* There was no change in the retirees' share of health insurance premiums.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the trend rate each period. The following are the trend rates used in each period:

Fiscal Year	Medical	Prescription Drugs
2019	7.00%	9.00%
2020	6.85%	8.75%
2021	6.70%	8.50%
2022	6.55%	8.25%
2023	6.40%	8.00%
2024	6.25%	7.75%
2025	6.10%	7.50%
2026	5.95%	7.25%
2027	5.80%	7.00%
2028	5.65%	6.75%
Ultimate	4.50%	4.50%

In 2018, there was no change in the healthcare trend rates from the prior year.

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 2,494,298	2,494,298	2,579,630
Replacement	40,000	40,000	44,225
Charges for Services	1,452,130	1,452,130	1,348,142
Interest	9,600	9,600	42,698
Interfund Service Charges	470,015	470,015	470,016
Miscellaneous	2,000	2,000	12,662
Total Revenues	4,468,043	4,468,043	4,497,373
Expenditures			
Current			
General Government	1,147,242	1,147,242	1,119,973
Culture and Recreation	3,188,860	3,188,860	3,010,842
Capital Outlay	33,500	33,500	10,718
Total Expenditures	4,369,602	4,369,602	4,141,533
Excess (Deficiency) of Revenues Over (Under) in Expenditures	98,441	98,441	355,840
Other Financing Sources			
Disposal of Capital Assets	-	-	9,331
Net Change In Fund Balance	98,441	98,441	365,171
Fund Balance - Beginning			2,626,626
Fund Balance - Ending			2,991,797

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,354,359	1,354,359	1,383,989
Charges for Services	2,983,898	2,983,898	2,909,391
Interest	7,000	7,000	23,216
Miscellaneous	31,500	31,500	38,972
Total Revenues	4,376,757	4,376,757	4,355,568
Expenditures			
Culture and Recreation			
Administrative	1,008,271	1,063,854	984,294
Recreation	103,426	121,077	132,013
Programs	3,227,929	3,319,149	3,098,968
Total Expenditures	4,339,626	4,504,080	4,215,275
Net Change in Fund Balance	37,131	(127,323)	140,293
Fund Balance - Beginning			1,189,679
Fund Balance - Ending			1,329,972



## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
  - General Fund
  - Recreation - Special Revenue Fund
  - Debt Service Fund
  - Capital Projects Fund

## **INDIVIDUAL FUND SCHEDULES**

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### **GENERAL FUND**

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

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### **SPECIAL REVENUE FUND**

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditures for specified purposes.

### **Recreation Fund**

The Recreation Fund is used to account for revenues and expenditures related to the establishment and maintenance of the following activities: sports and fitness, visual and performing arts, youth and adult general interest, camps, teens, preschoolers, seniors and aquatics.

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### **DEBT SERVICE FUND**

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

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### **CAPITAL PROJECTS FUND**

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

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# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended December 31, 2018

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Compensation and Benefits	\$ 665,734	665,734	651,788
Contracted Services	133,977	133,977	139,459
Operating Supplies/Expenditures	78,355	78,355	67,658
	878,066	878,066	858,905
Police Services			
Compensation and Benefits	7,536	7,536	9,302
Contracted Services	53,075	53,075	51,023
Operating Supplies/Expenditures	1,330	1,330	678
	61,941	61,941	61,003
Risk Management			
Compensation and Benefits	7,000	7,000	2,971
Contracted Services	176,335	176,335	176,812
Operating Supplies/Expenditures	9,000	9,000	5,382
	192,335	192,335	185,165
Audit			
Contracted Services	14,900	14,900	14,900
Total General Government	1,147,242	1,147,242	1,119,973
Culture and Recreation			
Parks and Playgrounds			
Compensation and Benefits	1,113,804	1,113,804	1,077,936
Contracted Services	67,198	67,198	69,073
Operating Supplies/Expenditures	248,249	248,249	220,873
	1,429,251	1,429,251	1,367,882
Golf Operations			
Golf Pro Shop			
Compensation and Benefits	365,617	365,617	357,744
Contracted Services	44,400	44,400	41,647
Operating Supplies/Expenditures	164,450	164,450	147,284

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended December 31, 2018**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Golf Operations - Continued			
Golf Food and Beverage			
Compensation and Benefits	\$ 61,906	61,906	54,955
Operating Supplies/Expenditures	100,764	100,764	103,491
Golf Course Maintenance			
Compensation and Benefits	525,187	525,187	497,119
Contracted Services	49,360	49,360	45,355
Operating Supplies/Expenditures	186,860	186,860	174,282
	<u>1,498,544</u>	<u>1,498,544</u>	<u>1,421,877</u>
Special Recreation			
Compensation and Benefits	2,996	2,996	2,511
Contracted Services	232,000	232,000	210,369
	<u>234,996</u>	<u>234,996</u>	<u>212,880</u>
Healthy Minds/Healthy Bodies			
Compensation and Benefits	5,383	5,383	916
Contracted Services	500	500	-
Operating Supplies/Expenditures	11,650	11,650	1,885
	<u>17,533</u>	<u>17,533</u>	<u>2,801</u>
Fort Hill Museum			
Contracted Services	3,305	3,305	3,312
Operating Supplies/Expenditures	5,231	5,231	2,090
	<u>8,536</u>	<u>8,536</u>	<u>5,402</u>
Total Culture and Recreation	<u>3,188,860</u>	<u>3,188,860</u>	<u>3,010,842</u>
Capital Outlay			
Special Recreation	31,000	31,000	10,718
Fort Hill Museum	2,500	2,500	-
Total Capital Outlay	<u>33,500</u>	<u>33,500</u>	<u>10,718</u>
Total Expenditures	<u>4,369,602</u>	<u>4,369,602</u>	<u>4,141,533</u>

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Revenues - Budget and Actual  
For the Fiscal Year Ended December 31, 2018**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 1,324,359	1,324,359	1,350,779
Replacement Taxes	30,000	30,000	33,210
	<u>1,354,359</u>	<u>1,354,359</u>	<u>1,383,989</u>
Charges for Services			
Facility Rentals	12,500	12,500	6,718
Special Events/Workshops	23,000	23,000	28,807
Program Revenues			
Preschool/Dance	172,865	172,865	191,854
Athletics	133,490	133,490	116,417
Regent Center	131,125	131,125	119,579
Big and Little Development Center	547,200	547,200	472,530
Park View	570,287	570,287	485,641
Aquatics	667,640	667,640	734,652
Trails Day Camp	214,065	214,065	251,778
Recreation Connection	379,676	379,676	389,205
MCC Indoor Pool	132,050	132,050	112,210
	<u>2,983,898</u>	<u>2,983,898</u>	<u>2,909,391</u>
Interest	<u>7,000</u>	<u>7,000</u>	<u>23,216</u>
Miscellaneous			
Other	1,500	1,500	1,464
Contributions and Donations	30,000	30,000	37,508
	<u>31,500</u>	<u>31,500</u>	<u>38,972</u>
Total Revenues	<u><u>4,376,757</u></u>	<u><u>4,376,757</u></u>	<u><u>4,355,568</u></u>

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Recreation - Special Revenue Fund

#### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended December 31, 2018

	Budget		Actual
	Original	Final	
Culture and Recreation			
Administrative			
Compensation and Benefits	\$ 405,517	459,100	388,941
Contracted Services	4,540	4,540	4,265
Operating Supplies/Equipment	128,199	130,199	121,072
Interfund Service Charges	470,015	470,015	470,016
Total Administrative	1,008,271	1,063,854	984,294
Recreation			
Softball Fields	3,087	3,587	2,367
Sandburg Facility	10,015	10,015	8,842
Diamond Lake Facility	14,378	18,329	14,296
MCC Facility	21,960	33,960	27,811
Special Events	43,625	43,625	68,135
Trending Programs	10,361	11,561	10,562
Total Recreation	103,426	121,077	132,013
Programs			
Preschool/Dance			
Learning Center	63,135	68,035	64,083
Long Term Dance	59,650	59,650	67,619
Summer Dance	1,365	1,365	2,393
Preschool Camps	6,160	6,160	6,795
Preschool Miscellaneous	11,850	11,850	14,000
Special Events	-	-	254
Kracklauer Dance Studio	9,939	9,939	7,668
Administration	1,668	1,668	3,558
Trails Day Camp	156,756	160,926	158,023
	310,523	319,593	324,393
Athletics			
Sandburg Facility	2,175	2,175	3,198
Administration	66,175	66,175	59,885
Volleyball - Co-Rec	1,590	1,590	-

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended December 31, 2018**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Programs - Continued			
Athletics - Continued			
Volleyball - Open	\$ 1,026	1,026	961
Basketball - Men's	4,737	4,737	2,510
Basketball - Youth	3,045	3,045	4,803
Gymnastics	8,670	8,670	7,958
Tennis	19,694	19,694	8,975
Sports Contract Programs	19,440	19,440	17,129
Softball League - Men's	15,312	15,312	14,634
Karate	24,156	24,156	26,854
Miscellaneous Programs	8,488	8,488	4,532
	174,508	174,508	151,439
Regent Center	136,181	136,181	129,873
Big and Little Development Center	584,510	616,010	554,495
Park View			
Park View Health and Fitness	495,630	516,230	480,494
Fitness Passport Classes	83,610	83,610	83,334
Childcare	16,280	16,280	18,247
Personal Training	48,100	52,600	44,235
Programs and Camps	19,040	21,040	18,507
	662,660	689,760	644,817
Aquatics			
MCC Indoor Pool	220,600	220,600	193,126
Barefoot Bay	335,040	340,040	351,360
Barefoot Bay Concessions	96,150	96,150	102,818
Barefoot Bay Guards	244,830	244,830	220,048
Junior Lifeguards	50	50	-
Spray Parks	21,305	23,555	19,617
Diamond Lake Beach	27,395	28,395	22,123
Diamond Lake Beach Guards	20,210	20,210	16,895
Administration	86,450	86,450	81,413
	1,052,030	1,060,280	1,007,400

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Recreation - Special Revenue Fund

### Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended December 31, 2018

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Programs - Continued			
Recreation Connection			
Compensation and Benefits	\$ 230,200	230,200	227,276
Contracted Services	25,930	39,230	21,069
Operating Supplies/Equipment	51,387	53,387	38,206
	<u>307,517</u>	<u>322,817</u>	<u>286,551</u>
 Total Programs	 <u>3,227,929</u>	 <u>3,319,149</u>	 <u>3,098,968</u>
 Total Culture and Recreation	 <u>4,339,626</u>	 <u>4,504,080</u>	 <u>4,215,275</u>



# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Debt Service Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended December 31, 2018

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 502,100	502,100	508,117
Interest	2,400	2,400	4,168
Total Revenues	504,500	504,500	512,285
Expenditures			
Debt Service			
Principal Retirement	390,000	390,000	390,000
Interest and Fiscal Charges	112,650	112,650	112,575
Total Expenditures	502,650	502,650	502,575
Net Change in Fund Balance	1,850	1,850	9,710
Fund Balance - Beginning			128,909
Fund Balance - Ending			138,619

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Capital Projects Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended December 31, 2018

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 2,408,500	2,408,500	1,425,305
Interest	5,000	5,000	14,949
Miscellaneous			
Developer Donations	50,000	50,000	182,650
Insurance Claims Reimbursement	-	-	65,812
Miscellaneous	-	-	100,416
Total Revenues	2,463,500	2,463,500	1,789,132
Expenditures			
General Government			
Contracted Services	105,595	105,595	109,657
Capital Outlay			
Equipment	514,600	514,600	514,674
Athletic Courts	850,000	850,000	407,918
Vehicles	43,000	43,000	41,638
Building	355,000	355,000	410,881
Land	252,500	252,500	192,266
Roadways	30,000	30,000	27,413
Chalet Expansion	1,700,000	1,700,000	680,332
Total Expenditures	3,850,695	3,850,695	2,384,779
Net Change in Fund Balance	(1,387,195)	(1,387,195)	(595,647)
Fund Balance - Beginning			1,471,279
Fund Balance - Ending			875,632

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Consolidated Year-End Financial Report December 31, 2018

CSFA #	Program Name	State	Federal	Other	Total
422-11-1165	Park and Recreational Facility Construction	\$ 1,379,805	-	680,332	2,060,137
	Other Grant Programs and Activities	-	-	45,500	45,500
	All Other Costs Not Allocated	-	-	8,044,595	8,044,595
	Totals	1,379,805	-	8,770,427	10,150,232



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING  
STANDARDS**

April 16, 2019

Members of the Board of Commissioners  
Mundelein Park and Recreation District  
Mundelein, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mundelein Park and Recreation District, Illinois, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 16, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. According, we do not express an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **SUPPLEMENTAL SCHEDULE**

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Limited Tax Bonds of 2016

December 31, 2018

Date of Issue	September 13, 2016
Date of Maturity	December 15, 2026
Authorized Issue	\$4,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2019	\$ 400,000	104,300	504,300	2019	52,150	2019	52,150
2020	405,000	96,300	501,300	2020	48,150	2020	48,150
2021	430,000	84,150	514,150	2021	42,075	2021	42,075
2022	445,000	71,250	516,250	2022	35,625	2022	35,625
2023	460,000	57,900	517,900	2023	28,950	2023	28,950
2024	475,000	44,100	519,100	2024	22,050	2024	22,050
2025	490,000	29,850	519,850	2025	14,925	2025	14,925
2026	505,000	15,150	520,150	2026	7,575	2026	7,575
	<u>3,610,000</u>	<u>503,000</u>	<u>4,113,000</u>		<u>251,500</u>		<u>251,500</u>

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***

**December 31, 2018 (Unaudited)**

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**See Following Page**

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Net Position by Component - Last Ten Fiscal Years\*

December 31, 2018 (Unaudited)

	2009	2010	2011
Governmental Activities			
Net Investment in Capital Assets	\$ 38,710,763	38,765,512	38,772,274
Restricted	948,542	799,512	716,839
Unrestricted	1,787,145	1,822,300	2,311,801
Total Governmental Activities Net Position	41,446,450	41,387,324	41,800,914

\* Accrual Basis of Accounting

2012	2013	2014	2015	2016	2017	2018
38,628,662	38,712,989	38,851,716	38,920,039	38,978,150	39,067,601	39,673,596
937,686	975,337	1,034,778	967,950	828,519	689,915	682,207
2,819,642	2,610,913	2,802,512	1,290,672	1,300,578	2,476,049	2,665,079
42,385,990	42,299,239	42,689,006	41,178,661	41,107,247	42,233,565	43,020,882

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Changes in Net Position - Last Ten Fiscal Years\* December 31, 2018 (Unaudited)

	2009	2010	2011
Expenses			
Governmental Activities			
General Government	\$ 1,570,682	833,974	841,349
Culture and Recreation	6,789,676	7,416,066	7,244,353
Interest on Long-Term Debt	152,441	136,896	126,622
Total Governmental Activities Expenses	8,512,799	8,386,936	8,212,324
Program Revenues			
Governmental Activities			
Charges for Services			
General Government	1,505,295	1,463,342	1,420,487
Culture and Recreation	2,543,306	2,709,043	2,877,047
Capital Grants/Contributions	489,625	38,845	75,941
Total Governmental Activities Program Revenues	4,538,226	4,211,230	4,373,475
Net (Expenses) Revenues Governmental Activities	(3,974,573)	(4,175,706)	(3,838,849)
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes			
Property	4,002,762	3,972,517	4,076,103
Replacement	77,634	83,639	74,659
Interest	10,299	4,481	3,948
Miscellaneous	35,936	84,474	97,729
Total Governmental Activities	4,126,631	4,145,111	4,252,439
Changes in Net Position Governmental Activities	152,058	(30,595)	413,590

\* Accrual Basis of Accounting

2012	2013	2014	2015	2016	2017	2018
1,011,447	1,077,772	1,159,790	2,057,134	1,428,112	1,152,774	1,024,932
7,205,791	7,534,393	7,413,443	7,573,621	7,940,854	8,050,969	9,035,489
107,289	88,898	68,414	49,616	60,010	104,693	89,811
8,324,527	8,701,063	8,641,647	9,680,371	9,428,976	9,308,436	10,150,232
1,478,250	1,338,865	1,334,487	1,435,356	1,872,857	1,846,237	1,818,158
3,084,240	2,963,915	3,086,165	2,979,441	2,867,487	2,801,440	2,909,391
-	-	-	-	-	1,031,714	1,425,305
4,562,490	4,302,780	4,420,652	4,414,797	4,740,344	5,679,391	6,152,854
(3,762,037)	(4,398,283)	(4,220,995)	(5,265,574)	(4,688,632)	(3,629,045)	(3,997,378)
4,160,279	4,156,894	4,168,049	4,259,190	4,227,145	4,315,131	4,438,526
74,796	82,918	85,363	57,804	80,656	95,647	77,435
4,268	3,950	3,168	3,461	12,056	53,298	85,031
107,770	67,770	354,182	199,624	297,361	291,287	400,512
4,347,113	4,311,532	4,610,762	4,520,079	4,617,218	4,755,363	5,001,504
585,076	(86,751)	389,767	(745,495)	(71,414)	1,126,318	1,004,126

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Fund Balances of Governmental Funds - Last Ten Fiscal Years\* December 31, 2018 (Unaudited)

	2009	2010	2011
General Fund			
Reserved	\$ 30,100	34,572	-
Unreserved	1,223,438	1,287,515	-
Nonspendable	-	-	30,901
Restricted	-	-	605,634
Assigned	-	-	-
Unassigned	-	-	1,338,591
Total General Fund	1,253,538	1,322,087	1,975,126
All Other Governmental Funds			
Reserved	952,586	837,882	-
Unreserved, Reported in, Special Revenue Funds	631,265	576,008	-
Nonspendable	-	-	12,385
Restricted	-	-	116,403
Committed	-	-	957,109
Assigned	-	-	77,531
Total All Other Governmental Funds	1,583,851	1,413,890	1,163,428
Total Governmental Funds	2,837,389	2,735,977	3,138,554

\* Modified Accrual Basis of Accounting

The District implemented GASB Statement No. 54 for the year ended December 31, 2011.

2012	2013	2014	2015	2016	2017	2018
-	-	-	-	-	-	-
-	-	-	-	-	-	-
38,561	50,435	43,781	56,612	49,982	40,832	55,396
811,470	838,965	887,566	816,894	707,825	565,677	525,205
-	-	-	-	-	55,225	55,225
1,403,625	910,423	961,873	1,226,151	1,547,221	1,964,892	2,355,971
2,253,656	1,799,823	1,893,220	2,099,657	2,305,028	2,626,626	2,991,797
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13,715	11,782	16,719	17,550	17,517	18,725	13,292
129,816	139,203	149,237	152,386	154,226	128,909	161,348
1,461,346	1,651,252	1,706,051	1,340,741	1,224,884	1,170,954	1,293,951
-	87,614	174,221	380,833	4,593,352	1,471,279	875,632
1,604,877	1,889,851	2,046,228	1,891,510	5,989,979	2,789,867	2,344,223
3,858,533	3,689,674	3,939,448	3,991,167	8,295,007	5,416,493	5,336,020

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\* December 31, 2018 (Unaudited)

	2009	2010	2011
Revenues			
Taxes	\$ 4,080,396	4,056,156	4,150,762
Intergovernmental	489,625	38,845	75,941
Charges for Services	4,048,351	4,172,315	4,297,534
Fines and Forfeitures	250	70	-
Interest	10,299	4,481	3,948
Interfund Service Charge	-	-	-
Miscellaneous	35,936	84,474	97,729
Total Revenues	8,664,857	8,356,341	8,625,914
Expenditures			
General Government	772,216	820,836	845,764
Culture and Recreation	6,051,763	6,386,766	6,373,353
Capital Outlay	979,884	752,580	559,916
Debt Service			
Principal Retirement	345,000	360,000	385,866
Interest and Fiscal Charges	153,088	137,571	126,458
Total Expenditures	8,301,951	8,457,753	8,291,357
Excess (Deficiency) of Revenues Over (Under) Expenditures	362,906	(101,412)	334,557
Other Financing Sources (Uses)			
Debt Issuance	-	-	55,047
Disposal of Capital Assets	-	-	12,973
Premium on Debt Issuance	-	-	-
Transfers In	962,063	943,755	270,000
Transfers Out	(962,063)	(943,755)	(270,000)
	-	-	68,020
Net Change in Fund Balances	362,906	(101,412)	402,577
Debt Service as a Percentage of Noncapital Expenditures	6.3250%	6.2885%	6.5564%

\* Modified Accrual Basis of Accounting



2012	2013	2014	2015	2016	2017	2018
4,235,075	4,239,812	4,253,412	4,316,994	4,307,801	4,410,778	4,515,961
-	-	-	-	-	1,031,714	1,425,305
4,562,490	4,302,780	4,420,652	4,414,797	4,289,871	4,192,057	4,257,533
-	-	-	-	-	-	-
4,268	3,950	3,168	3,461	12,056	53,298	85,031
-	-	-	-	-	455,620	470,016
107,770	67,770	354,182	199,624	747,834	291,287	400,512
8,909,603	8,614,312	9,031,414	8,934,876	9,357,562	10,434,754	11,154,358
1,018,558	1,074,784	1,160,250	1,190,902	1,151,586	1,188,238	1,229,630
6,386,875	6,401,640	6,784,807	6,577,757	7,108,232	7,211,654	7,226,117
290,637	830,903	315,366	602,912	520,152	4,400,244	2,285,840
412,880	436,082	494,316	461,362	478,631	372,411	390,000
108,887	89,667	69,220	50,311	114,164	155,993	112,575
8,217,837	8,833,076	8,823,959	8,883,244	9,372,765	13,328,540	11,244,162
691,766	(218,764)	207,455	51,632	(15,203)	(2,893,786)	(89,804)
19,860	44,156	37,485	-	4,000,000	-	-
8,353	5,749	4,834	87	8,297	15,272	9,331
-	-	-	-	310,746	-	-
360,000	360,000	423,050	1,027,315	201,000	-	-
(360,000)	(360,000)	(423,050)	(1,027,315)	(201,000)	-	-
28,213	49,905	42,319	87	4,319,043	15,272	9,331
719,979	(168,859)	249,774	51,719	4,303,840	(2,878,514)	(80,473)
6.5532%	6.3168%	6.7876%	6.0763%	6.6925%	5.9242%	5.1030%

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years December 31, 2018 (Unaudited)

Fiscal Year	Tax Levy Year	Residential Property	Farm
2009	2008	\$ 884,538,013	\$ 1,050,743
2010	2009	881,750,663	1,135,629
2011	2010	841,406,604	988,591
2012	2011	783,292,113	1,005,541
2013	2012	699,153,163	662,046
2014	2013	651,690,606	834,212
2015	2014	629,372,568	602,781
2016	2015	651,916,274	895,347
2017	2016	695,447,400	1,011,987
2018	2017	732,327,776	1,094,641

Data Source: Office of the County Clerk

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Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 139,460,677	\$ 69,817,602	\$ 1,217,565	\$ 1,096,084,600	0.3660
141,196,007	70,647,020	1,177,879	1,095,907,198	0.3630
139,778,179	70,003,073	1,657,116	1,053,833,563	0.3870
138,043,567	73,305,531	1,531,436	997,178,188	0.4180
134,099,372	70,449,142	1,045,218	905,408,941	0.4600
130,105,653	67,750,747	1,262,040	851,643,258	0.4920
127,418,316	67,037,447	1,477,840	825,908,952	0.5145
127,596,524	67,220,379	1,782,241	849,410,765	0.5028
136,411,908	68,657,157	1,968,851	903,497,303	0.4781
142,744,668	72,844,693	1,626,209	950,637,987	0.4660

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years December 31, 2018 (Unaudited)

	2008	2009	2010
District Direct Rates			
Aquarium & Museum	0.0070	0.0060	0.0040
Audit	0.0010	0.0010	0.0010
Bonds	0.0470	0.0460	0.0480
Corporate	0.1040	0.1050	0.1190
IMRF	0.0300	0.0360	0.0350
Police Protection	0.0130	0.0140	0.0130
Recreation	0.0810	0.0800	0.0860
Recreation for Handicapped	0.0400	0.0340	0.0360
Social Security	0.0290	0.0270	0.0280
Tort	0.0140	0.0140	0.0170
Total Direct Rates	0.3660	0.3630	0.3870
Overlapping Rates			
County of Lake	0.4530	0.4640	0.5050
Village of Mundelein	1.1430	1.1790	1.2270
Road and Bridge Libertyville	0.0440	0.0450	0.0480
Fremont Public Library	0.3170	0.3250	0.3470
Ela Public Library	0.3080	0.3080	0.3290
Cook Memorial Public Library	0.2220	0.2230	0.2380
College of Lake County #532	0.1960	0.2000	0.2180
School District #70	2.2780	2.2830	2.4310
School District #73	2.8780	2.8990	3.0810
School District #75	3.2070	3.2600	3.5110
School District #76	3.3780	3.3620	3.3270
School District #79	2.4350	2.4850	2.6630
High School #120	1.7350	1.7630	1.9670
High School #125	2.1390	2.1850	2.3060
High School #128	2.1630	2.1790	2.3240
Lake County Forest Preserve	0.1990	0.2000	0.1980
Central Lake County Joint Action Water Agency	0.0420	0.0420	0.0450
Township of Ela	0.0840	0.0840	0.0910
Township of Libertyville	0.0580	0.0590	0.0580
Township of Fremont	0.1100	0.1130	0.1130
Township of Vernon	0.0490	0.0500	0.0540
Road and Bridge Vernon	0.0220	0.0230	0.0230
Special Road Improvement Vernon Gravel	0.0210	0.0210	0.0250
Countryside Fire Protection District	0.4170	0.4210	0.0453
Special Road Improvement Ela	0.0380	0.0360	0.0390
Road and Bridge Ela	0.0050	0.0070	0.0080
Road and Bridge Fremont	0.0260	0.0260	0.0250
Special Road Improvement Fremont Gravel	0.0960	0.0990	0.1000
Representative Tax Rate (Fremont Township)	7.8900	8.0340	8.6430

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value

2011	2012	2013	2014	2015	2016	2017
0.0040	0.0020	0.0020	0.0013	-	-	0.0001
0.0010	0.0020	0.0020	0.0018	0.0018	0.0017	0.0016
0.0510	0.0560	0.0600	0.0604	0.0589	0.0552	0.0533
0.1320	0.1630	0.1810	0.1931	0.1945	0.1936	0.1875
0.0370	0.0440	0.0450	0.0460	0.0458	0.0426	0.0383
0.0140	0.0080	0.0080	0.0079	0.0059	0.0055	0.0054
0.0910	0.1010	0.1120	0.1181	0.1164	0.1106	0.1077
0.0390	0.0290	0.0240	0.0242	0.0200	0.0188	0.0179
0.0300	0.0350	0.0360	0.0387	0.0370	0.0288	0.0333
0.0190	0.0200	0.0220	0.0230	0.0225	0.0212	0.0208
0.4180	0.4600	0.4920	0.5145	0.5028	0.4781	0.4660
0.5540	0.6080	0.6630	0.6825	0.6628	0.6320	0.6220
1.3440	1.4810	1.5730	1.6163	1.5711	1.5632	1.5590
0.0510	0.0570	0.0590	0.0642	0.0626	0.0599	0.0590
0.3810	0.4300	0.4680	0.4893	0.4835	0.4573	0.3580
0.3560	0.3860	0.4090	0.4100	0.3984	0.3815	0.3714
0.2540	0.2820	0.3030	0.3122	0.3035	0.2894	0.2840
0.2400	0.2720	0.2960	0.3061	0.2994	0.2854	0.2810
2.5180	2.8390	2.9930	3.0785	3.0457	2.8867	2.8100
2.5180	3.6780	3.9970	4.1175	4.0331	3.8708	3.8250
3.3060	4.4760	4.9560	5.2405	5.1409	4.9116	4.7980
3.8420	4.0980	4.4420	4.7370	4.8713	4.6799	4.5670
3.3370	3.2670	3.5210	3.6065	3.5143	3.2980	3.2090
2.9370	2.4390	2.6450	2.8282	2.7713	2.6203	2.5520
2.1650	2.7510	2.9890	3.0487	3.0043	2.8576	2.8620
2.4650	2.5800	2.9190	2.6866	2.7319	2.5318	2.4940
2.3990	0.2120	0.2180	0.2100	0.2079	0.1929	0.1870
0.2010	0.0520	0.0550	0.0559	0.0541	0.0458	0.0410
0.0470	0.0880	0.1000	0.1004	0.0985	0.0950	0.0408
0.0990	0.0650	0.0690	0.0701	0.0683	0.0645	0.0600
0.0600	0.1180	0.1260	0.1273	0.1236	0.1155	0.1100
0.1180	0.0600	0.0650	0.0663	0.0644	0.0611	0.0560
0.0570	0.0260	0.0270	0.0269	0.0257	0.0243	0.0220
0.0240	0.0200	0.0130	0.0200	0.0199	0.0190	0.0220
0.0110	0.5520	0.5970	0.6129	0.5984	0.5699	0.5623
0.4950	0.0300	0.0460	0.0451	0.0448	0.0429	0.0421
0.0420	0.0030	0.0030	0.0029	0.0029	0.0027	0.0097
0.0090	0.0320	0.0330	0.0322	0.0317	0.0276	0.0270
0.1380	0.1100	0.1190	0.1249	0.1229	0.1188	0.1170
9.4480	10.6900	11.6440	12.2277	11.9719	11.4485	11.1210

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2018 (Unaudited)

Taxpayer	Type of Business	2017			2009		
		Taxable Assessed		Rank	Percentage of Total District		Percentage of Total District
		Value	Value		Taxable Assessed	Taxable Assessed	
Park Butterfield Apt Associates, LLC	Commercial Properties - Apartments	\$ 10,558,879	\$ 9,002,833	1	1.11%	\$ 9,002,833	1 0.82%
1200 Townline Rd. Associates	Hospital Supplies - Medline Industries	797,301	7,099,290	2	0.08%	7,099,290	2 0.65%
Sysmex America Inc.	Health Care Business	6,550,621		3	0.69%		
Mundelein 83, LLC	Commercial Properties - Strip Malls	5,867,049		4	0.62%		
Centro Bradley Long Meadow LLC	Long Meadow Commons	4,062,284		5	0.43%	4,852,340	3 0.44%
Target Corporation	Discount Department Store	3,719,181		6	0.39%	3,946,272	6 0.36%
Hickory Walnut LLC	Multi-Family Apartment Buildings	3,401,461		7	0.36%	3,210,406	8 0.29%
Townline Retail Investment LLC	Real Estate Investment Firm	3,142,636		8	0.33%		
JEH Ltd. Partnership	Commercial Real Estate	3,047,088		9	0.32%		
Paul R Binder	Commercial Retail	2,269,636		10	0.24%		
Oak Creek Plaza, LLC	Commercial Properties - Strip Mall		4,089,268			4,089,268	5 0.37%
Apex Investment Assn., Inc.	Retail Shopping Center - Jewel Supermarket		3,585,206			3,585,206	7 0.33%
WAS Creekside Associates, LLC	Commercial Properties		5,491,352			5,491,352	4 0.50%
Northfield Block Company	Concrete and Block Manufacturing		2,782,787			2,782,787	9 0.25%
Wintrust Asset Mgmt Co.	Financial Services Holding Company		2,667,621			2,667,621	10 0.00%
		43,416,136			4.57%	46,727,375	4.02%

Data Source: Office of the County Clerk for 2009 and Village of Mundelein CAFR for 2017.  
County Clerk does not have 2018 values as of 3/15/19

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Property Tax Levies and Collections - Last Ten Fiscal Years December 31, 2018 (Unaudited)

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2009	2008	\$ 4,011,670	\$ 4,001,551	99.75%	\$ 1,179	\$ 4,002,730	99.78%
2010	2009	3,978,143	3,971,171	99.82%	3,226	3,974,397	99.91%
2011	2010	4,078,336	4,070,507	99.81%	1,562	4,072,069	99.85%
2012	2011	4,168,205	4,158,718	99.77%	-	4,158,718	99.77%
2013	2012	4,164,881	4,156,857	99.81%	-	4,156,857	99.81%
2014	2013	4,190,085	4,168,050	99.47%	-	4,168,050	99.47%
2015	2014	4,249,450	4,236,257	99.69%	-	4,236,257	99.69%
2016	2015	4,271,967	4,227,145	98.95%	-	4,227,145	98.95%
2017	2016	4,320,845	4,308,580	99.72%	-	4,308,580	99.72%
2018	2017	4,429,878	4,429,878	100.00%	-	4,429,878	100.00%

Data Source: Office of the County Clerk and Audited Comprehensive Annual Financial Reports for the District

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Ratios of Outstanding Debt by Type - Last Ten Fiscal Years December 31, 2018 (Unaudited)

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Installment Contracts			
2009	\$ 3,245,000	\$ -	\$ 3,245,000	0.40%	\$ 104.90
2010	2,885,000	-	2,885,000	0.28%	93.26
2011	2,510,000	44,181	2,554,181	0.25%	82.22
2012	2,120,000	41,161	2,161,161	0.21%	69.57
2013	1,710,000	59,235	1,769,235	0.17%	56.95
2014	1,280,000	32,404	1,312,404	0.13%	42.25
2015	835,000	16,042	851,042	0.08%	27.40
2016	4,594,390	2,411	4,596,801	0.45%	147.98
2017	4,201,951	-	4,201,951	0.41%	135.27
2018	3,789,512	-	3,789,512	0.37%	100.55

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.



## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Ratios of Net General Obligation Debt to Equalized Assessed Value and Net General Obligation Debt per Capita - Last Ten Fiscal Years December 31, 2018 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Totals	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2009	\$ 3,245,000	\$ 102,350	\$ 3,142,650	0.29%	\$ 101.59
2010	2,885,000	106,932	2,778,068	0.25%	89.80
2011	2,510,000	111,205	2,398,795	0.23%	77.22
2012	2,120,000	126,216	1,993,784	0.20%	64.18
2013	1,710,000	136,372	1,573,628	0.17%	50.66
2014	1,280,000	147,212	1,132,788	0.13%	36.47
2015	835,000	151,053	683,947	0.08%	22.02
2016	4,594,390	120,677	4,473,713	0.53%	144.02
2017	4,201,951	124,238	4,077,713	0.45%	131.27
2018	3,789,512	134,273	3,655,239	0.38%	96.99

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Schedule of Direct and Overlapping Governmental Activities Debt December 31, 2018 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to District (1)	District's Share of Debt
District	\$ 3,789,512	100.000%	\$ 3,789,512
Overlapping Debt			
Village of Mundelein	10,986,262	99.982%	10,984,284
Fremont Public Library	980,000	55.778%	546,624
Ela Public Library	-	1.687%	-
Village of Vernon Hills	39,205,000	0.001%	392
College of Lake County #532	58,748,920	3.818%	2,243,034
School District #70	12,580,164	0.067%	8,429
School District #73	30,023,367	14.250%	4,278,330
School District #75	13,158,419	99.991%	13,157,235
School District #76	12,167,914	55.152%	6,710,848
School District #79	16,272,883	30.307%	4,931,823
High School District #120	16,946,407	62.871%	10,654,376
High School District #125	51,335,000	0.159%	81,623
High School District #128	-	1.453%	-
Lake County Forest Preserve	255,848,168	3.626%	9,277,055
Central Lake County Joint Action Water Agency	3,134,261	10.900%	341,634
Countryside Fire Protection District	3,415,083	6.259%	213,750
Total Overlapping Debt	524,801,848		63,429,436
Total Direct and Overlapping Debt	528,591,360		67,218,948

Data Source: Lake County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the District to valuation of property subject to taxation in overlapping unit.

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS**

**Legal Debt Margin - Last Ten Fiscal Years**  
**December 31, 2018 (Unaudited)**

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**See Following Page**

**MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS****Legal Debt Margin - Last Ten Fiscal Years  
December 31, 2018 (Unaudited)**

	2009	2010	2011	2012
Equalized Assessed Valuation	\$ 1,096,084,600	1,095,907,198	1,053,833,563	997,178,188
Bonded Debt Limit - 2.875% of Assessed Value	31,512,432	31,507,332	30,297,715	28,668,873
Amount of Debt Applicable to Limit	3,245,000	2,885,000	2,554,181	2,120,000
Legal Debt Margin	28,267,432	28,622,332	27,743,534	26,548,873
Percentage of Legal Debt Margin to Bonded Debt Limit	89.70%	90.84%	91.57%	92.61%
Non-Referendum Legal Debt Limit - .575% of Assessed Value	6,302,486	6,301,466	6,059,543	5,733,775
Amount of Debt Applicable to Limit	3,245,000	2,885,000	2,554,181	2,120,000
Legal Debt Margin	3,057,486	3,416,466	3,505,362	3,613,775
Percentage of Legal Debt Margin to Bonded Debt Limit	48.51%	54.22%	57.85%	63.03%

Data Source: District Records

2013	2014	2015	2016	2017	2018
905,408,941	851,643,258	825,908,952	849,410,765	903,497,303	950,637,987
26,030,507	24,484,744	23,744,882	24,420,559	25,975,547	27,330,842
1,710,000	1,280,000	835,000	4,370,000	4,000,000	3,610,000
24,320,507	23,204,744	22,909,882	20,050,559	21,975,547	23,720,842
93.43%	94.77%	96.48%	82.11%	84.60%	86.79%
5,206,101	4,896,949	4,748,976	4,884,112	5,195,109	5,466,168
1,710,000	1,280,000	835,000	4,370,000	4,000,000	3,610,000
3,496,101	3,616,949	3,913,976	514,112	1,195,109	1,856,168
67.15%	73.86%	82.42%	10.53%	23.00%	33.96%

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2018 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2009	30,935	\$ 812,972,000	\$ 26,280	6.60%
2010	30,935	1,022,618,000	33,057	9.60%
2011	31,064	1,025,267,000	33,005	10.40%
2012	31,064	1,025,267,000	33,005	8.40%
2013	31,064	1,025,267,000	33,005	7.80%
2014	31,064	1,025,267,000	33,005	6.80%
2015	31,064	1,025,267,000	33,005	4.30%
2016	31,064	1,025,267,000	33,005	5.50%
2017	31,064	1,025,267,000	33,005	4.40%
2018	37,687	1,025,267,000	33,005	3.90%

Data Source: Village of Mundelein Comprehensive Annual Financial Report

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2018 (Unaudited)

Employer	Type of Business	2018			2009		
		Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Medline Industries	Hospital Supplies	900	1	2.90%	2,200	1	7.11%
Accurate Transmissions	Remanufactured Transmissions	320	2	1.03%			
Amcor Flexibles Healthcare, Inc.	Flexible Polyethylene Packaging	315	3	1.01%	300	3	0.97%
Maclean Fogg Co.	Industrial Fasteners (Plants and Offices)	240	4	0.77%	150	10	0.48%
University of St. Mary of the Lake	Seminary/School for Priesthood	220	5	0.71%	204	7	0.66%
Mundelein Elementary School #75	Public Elementary School	220	6	0.71%	247	4	0.80%
Mundelein High School #120	Public High School	210	7	0.68%	213	6	0.69%
Ruprecht Company	Meat Processing	200	8	0.64%			0.00%
Village of Mundelein	Village Government	185	9	0.60%	195	8	0.63%
Carter Hoffman Co.	Food Service Equipment	110	10	0.35%			
Mundelein Park District	Recreation District				400	2	1.29%
Fremont School District #79	Public Elementary School				245	5	0.79%
Diamond Lake School District #76	Public Elementary School				179	9	0.58%
		2,920		9.40%	4,333		14.00%

Data Source: Village of Mundelein Comprehensive Annual Financial Report

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Full-Time Equivalent District Employees by Function - Last Ten Fiscal Years December 31, 2018 (Unaudited)

	2009	2010	2011
Administration	5	6	7
Golf Operations	60	60	58
Park Operations	16	16	20
Recreation	357	338	366
Totals	438	420	451

Data Source: District Records

The figures represent the number of employees on payroll during the year. Employee turnover and work schedules affect the employee count. Multiple employees may be used to staff a single position.



2012	2013	2014	2015	2016	2017	2018
7	8	8	13	9	11	10
51	48	48	49	51	49	27
20	20	20	32	28	22	48
372	398	367	375	401	387	360
450	474	443	469	489	469	445

## MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2018 (Unaudited)

	2009	2010	2011
Program Registrations			
Adult Athletic Leagues	79	86	78
Early Childhood- Learning Center	1,295	1,255	1,172
Youth Programs	2,461	2,073	1,719
Rec Connection	131	142	138
Aquatics Programs	1,278	1,031	1,215
Regent Center	527	520	469
Adult Programs	893	912	954
Special Events	1,709	2,817	3,462
Big & Little Development Center	78	79	81
Golf Rounds	23,969	23,703	22,919
Memberships/Season Passes			
Barefoot Bay Aquatic Center, Diamond Lake & Combo	3,389	3,092	2,903
Parkview Fitness	1,088	986	1,051
Facility Rentals			
Regent Center	47	50	53
Chalet	37	61	42
Shelters	74	74	89
Dunbar	-	-	-

Data Source: Various District Departments

2012	2013	2014	2015	2016	2017	2018
84	87	69	44	42	47	32
947	914	849	692	527	776	447
1,872	1,671	1,658	2,003	1,793	1,168	1,257
159	174	180	167	172	165	182
1,220	1,040	950	884	566	592	647
495	502	456	462	425	404	404
1,113	1,410	1,379	1,293	1,139	1,004	1,250
3,502	3,960	3,464	3,433	4,012	6,723	6,527
80	76	76	71	64	67	91
24,928	22,755	22,315	24,145	24,019	23,080	21,832
3,196	2,242	1,813	1,371	1,627	1,923	2,021
1,039	1,074	1,180	1,180	1,220	1,110	1,900
48	56	42	56	50	78	53
63	62	64	62	43	26	-
73	103	116	101	116	113	106
-	-	-	-	-	-	37

# MUNDELEIN PARK AND RECREATION DISTRICT, ILLINOIS

## Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2018 (Unaudited)

	2009	2010	2011
Parks			
Owned Acreage	699	699	699
Number of Parks	33	33	33
Facilities (Number of)			
Playgrounds	23	23	23
Outdoor Swimming Facilities	2	2	2
Splash Park	1	1	1
18 Hole Golf Course	1	1	1
Outdoor Skating Rinks	2	2	2
Football Fields	1	1	1
Tennis Courts	16	16	16
Picnic Areas	11	11	13
Indoor Basketball Courts	2	2	2
Outdoor Basketball Courts	11	11	11
Frisbee Golf	2	2	3
Concession Stands	2	2	3
Baseball Fields	19	19	19
Volleyball Courts	1	1	1
Soccer Fields	2	2	2
Parking Lots	17	17	17
Drinking Fountains	4	4	4
Shelters	10	10	10
Ponds/Wetlands	9	9	9
Boat Launch	1	1	1
Facilities			
Community Center			
Barefoot Bay Aquatic Facility			
Diamond Lake Recreation Facility			
Community Park Chalet			
Dance Studio Kracklauer Park			
Fort Hill Museum			
Steeple Chase Golf Club Facility			

Data Source: Various District Departments

2012	2013	2014	2015	2016	2017	2018
714	731	731	731	731	731	732
33	33	33	33	33	33	33
23	23	23	23	23	23	23
2	2	2	2	2	2	2
1	1	1	1	1	1	1
1	1	1	1	1	1	1
2	2	2	2	2	2	1
1	1	1	1	1	1	1
16	16	16	16	16	16	13
13	13	13	13	13	13	13
2	2	2	2	2	2	3
11	11	11	11	11	11	11
3	3	3	3	3	3	2
3	3	3	3	3	3	3
19	19	19	19	19	19	19
1	1	1	1	1	1	2
2	2	2	2	2	2	2
17	17	17	17	17	17	17
4	4	4	4	4	4	4
10	10	10	10	10	10	10
9	9	9	9	9	9	9
1	1	1	1	1	1	1