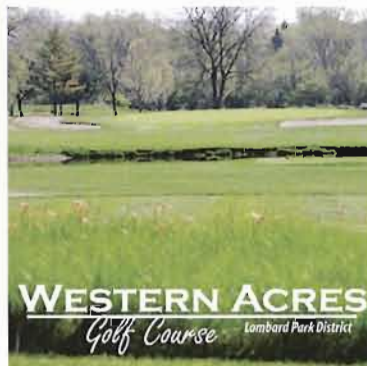
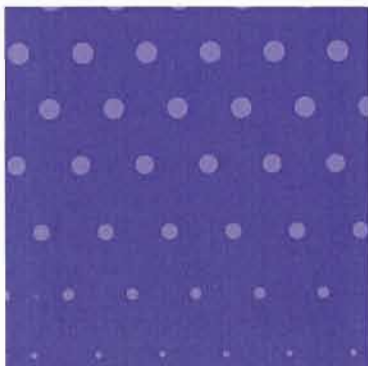
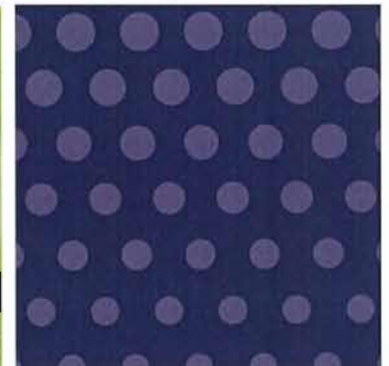


# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the fiscal year ended December 31, 2012*



**LOMBARD PARK DISTRICT**  
**LOMBARD, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**Prepared by:**

**The Business Office**

**Jason S. Myers – Superintendent of Finance  
and Personnel**

**Lombard Park District  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2012**

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## **PART I – INTRODUCTORY SECTION**



June 14, 2013

**To the Board of Park Commissions of Lombard Park District:**

State Law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the Lombard Park District for the year ended December 31, 2012.

This report consists of management's representations concerning the finances of the Lombard Park District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Lombard Park District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Lombard Park District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Lombard Park District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. The District has implemented GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for state and local governments. As management, we assert that to the best of our knowledge and belief, this financial report is complete in all material respects.

Selden Fox, Ltd., a firm of licensed certified public accountants, has audited the Lombard Park District's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Lombard Park District for the fiscal year ended December 31, 2012, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the Lombard Park District's financial statements for the year ended December 31, 2012 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.





GAAP requires 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 should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

**This report is presented in three sections:**

The introductory section contains a table of contents, this transmittal letter, a list of elected and appointed officials, and an organizational chart.

The financial section contains the auditor's report on the financial statements and schedules, management's discussion and analysis, the basic financial statements, the notes to financial statements, required supplementary information, and the combining and individual fund schedules.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

**General Information**

The Lombard Park District is a unit of government subject to the rules of the Park District Code 70ILCS Articles 1 through 13. The District is located in the eastern portion of DuPage County, Illinois, which is about 20 miles west of downtown Chicago. The Village is bordered by the Village of Addison to the north, Downers Grove to the south, Glen Ellyn to the west and Villa Park to the east. The Village population is approximately 43,395 per the 2010 Census and covers approximately 10 square miles. The Village tax base is largely residential, with significant retail and some industrial development as well.

The legislative authority is a seven member Board elected at large, each serving a six-year term. Terms are staggered to allow for the election of either two or three members every two years. The Board of Park Commissioners, among other things, is responsible for passing ordinances, adopting a budget, appointing committees, policy, and hiring of an Executive Director.

The Lombard Park District provides a full range of recreation services, including 13 passive recreation areas, a public golf course and a water park, as well as other recreation activities.

The annual appropriation ordinance serves as the foundation for the Lombard Park District's financial planning and control. All departments of the District are required to submit budgets to the Board of Park Commissioners for review and approval with final passage of the appropriations ordinance after a public hearing before the end of the first quarter (March 31) of the fiscal year (January 1 through December 31). The appropriation ordinance is prepared by fund. Transfer of monies between the different funds require approval of the Board of Park Commissioners. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual appropriated budget has been adopted.

### **Major Initiatives**

The Park District staff, following objectives of the Board of Park Commissioners, has been involved in various projects throughout the year. The Park District is committed to ensuring that its residents are well served. Some of the significant projects are listed below.

- ☐ The District invested over \$160,000 in ADA improvements some of which included truncated dome pavers throughout the District; accessible picnic tables and benches; improvements to accessible paths at Madison, Lombard Commons and Sunset Knoll; parking lot improvements at Southland, Edson and the Administration Office; and bathroom accessibility at Western Acres. Most of these areas of improvement were identified in District's ADA Accessibility Plan or part of new capital projects.
- ☐ Financial and recreation software upgrades.
- ☐ The construction of an artificial turf field at School District #87 through an intergovernmental agreement.
- ☐ Entered into a contract with Hitchcock Design Group to complete a Master Plan.
- ☐ Addition of a brick patio at Lilacia Park and Western Acres Golf Course which a tent can go over for special events and golf outings.
- ☐ Driveway improvements at Paradise Bay Water Park through an intergovernmental agreement with the Village of Lombard.
- ☐ Began construction on a CXT restroom and concession stand in partnership with Lombard Baseball League.
- ☐ Purchase of a backhoe for the Parks Department and rough mower for Western Acres Golf Course.

## **Factors affecting Financial Condition**

### **Local Economy**

The majority of the Lombard Park District's tax base is residential, followed by retail and industrial. The Lombard Park District provides a large source of employment opportunities to the local economy, employing over 450 people each year. Unemployment remains at a significant level, however, in Lombard it did decrease to 8.5%. There are over 1,200 hotels rooms, 90 restaurants, and 30 churches in Lombard. The labor force in Lombard is comprised of 12% manufacturing, 84% non-manufacturing, and .6% agricultural. The top employers in terms of employees continue to include the Village and Park District, as well as Acosta Sales & Marketing (marketing) and Hillcrest Adjustable Forms, Inc. (Industrial).

### **Long-term Financial Planning**

Each year the budget is developed to dispense the optimum portion of resources to serve resident needs through sound financial management, while meeting the limitations of a mandated tax cap. Although during 2003 some non-referendum bonding authority was granted back to the District, we are still faced with significant challenges brought by the limitation of non-referendum bonding powers for future years, as well as federal and state mandates such as ADA. The District also puts great emphasis at holding expenses down and providing the residents and businesses with quality services at a reasonable cost.

Due to the Tax Cap legislation passed in 1993, the Lombard Park District was unable to issue non-referendum debt for more than 10 years. This forced District officials to be extremely wary of using Park District funds. District officials continue this conservative nature of budgeting and spending.

During 2003, the District had its non-referendum bonding restored by legislative action. Therefore, for years 2004 and beyond, the District has had some tools needed to combat an aging infrastructure. Management continues to monitor and balance the short-term and long-term needs of the community. With this in mind, the Board and Staff began the process of developing a new five-year master plan which will be based in part on a survey of residents' attitudes and interests and will be completed in the middle of 2013.

Unemployment remains at a significant level, housing values are decreasing, and a decreasing economy challenges the District's growth in the future. Although it is always difficult, if not impossible, to predict the long-term economic trends which impact so heavily on and thereby determine the financial planning prospects of an individual community, it is likely that the general trend for the Lombard Park District will be a slow but steady progress in terms of its financial health.

## **Cash Management Policies and Practices**

The Lombard Park District operates under a formal investment policy that is approved by the Board of Park Commissioners. This policy is reviewed on a normal basis. The policy provides basic guidelines as to ratings of the obligations according to Standard & Poors Corporation or Moody's Investors Service, Inc. The District's investment policy has been established to minimize the credit and market risks while earning the highest interest rates possible with banks located throughout the United States. Cash investments are invested in instruments offered by investment pools including Illinois Park District Liquid Asset Fund Plus (IPDLAF+). Maturities of these investments range from 90 to 365 days. The amount of interest earned during 2012 by the Governmental Funds totaled \$8,012.

## **Risk Management**

The Park District is exposed to various risks of loss related to employee health benefits, worker's compensation claims, theft of, damage to, and destruction of assets, as well as natural disasters. The Park District participates in a self insurance pool, the Park District Risk Management Agency (PDRMA). This pool provides all necessary first dollar coverage for the District's Property and Casualty program. Premiums have been recorded as expenditures in the appropriate fund. There have been no significant reductions in insurance coverage from coverage in prior years. For additional information regarding Risk Management and PDRMA, please refer to Note V.B. in the notes to the financial statements.

## **Retirement Plans**

The Park District sponsors a defined benefit pension plan for its employees. The Park District contributes to the Illinois Municipal Retirement Fund (IMRF), which is an agent of the multiple employer public employee retirement system that acts as a common investment and administrative agent for the majority of local governments and school districts in Illinois. For additional information regarding IMRF, please refer to Note V.A. in the notes to the financial statements.

## **Financial Management and Control**

The Lombard Park District is committed to establishing and maintaining internal controls while providing quality services and maintenance of its facilities in Parks and Recreation. These controls ensure the assets of the District are protected and there are minimal risks for discrepancies. The Business Department created, tested and trained staff on cash control procedures for its facilities and regularly monitors the application of these standards. Internal control practices are at all levels of operation including budgeting, monthly financial reporting, daily operations including recording of receipts and disbursements of funds and throughout all accounting activities. The Park District is committed to strong financial management and controls will continue to evaluate and strengthen all business activities.

## **Awards and Acknowledgements**

The year began with Jill Hastings receiving the 2011 IPRA Communications and Marketing Rising Star Award at the IPRA/IAPD Annual Conference. She received this award due to her work for designing and maintaining the IPRA/IAPD Annual Conference website, co-chairing of the Conference Committee and co-chairing of the Agency Showcase.

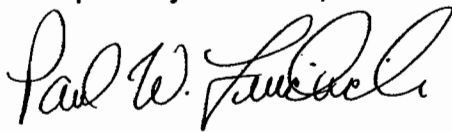
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Lombard Park District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2011. To be awarded this Certificate of Achievement, the Park District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

This report will be submitted to the Governmental Finance Officers Association for consideration for awarding to the Lombard Park District the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2012. We believe this report complies with and meets the Certificate of Achievement Requirements and are submitting it to the GFOA to determine its' eligibility for a certificate.

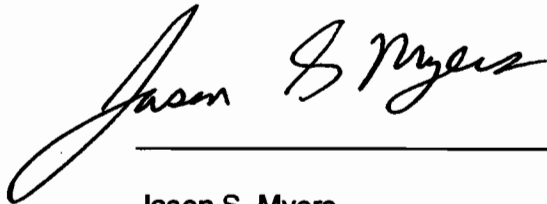
Finally, PDRMA conducted their Loss Control Review (LCR) of the District in November. This accreditation is the highest level of achievement earned by a PDRMA member through exceptional performance on the LCR. An agency must score better than the membership average for a five-year loss history cycle, in at least two of the five lines of insurance coverage (workers' compensation, property, general liability, employment practices liability or pollution). The District scored a 97.6, a score of 95.0 is necessary for a three year re-accreditation.

The preparation of this report on a timely basis is possible through the dedicated service of the entire finance department. Each member of the department has our sincere appreciation of their contributions made in the preparation of this report. Also, without the leadership and commitment towards excellence in financial reporting by the Park District Board of Park Commissioners, this report would not have been possible.

Respectfully submitted,



Paul W. Friedrichs  
Executive Director



Jason S. Myers  
Superintendent of Finance and Personnel

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lombard Park District  
Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



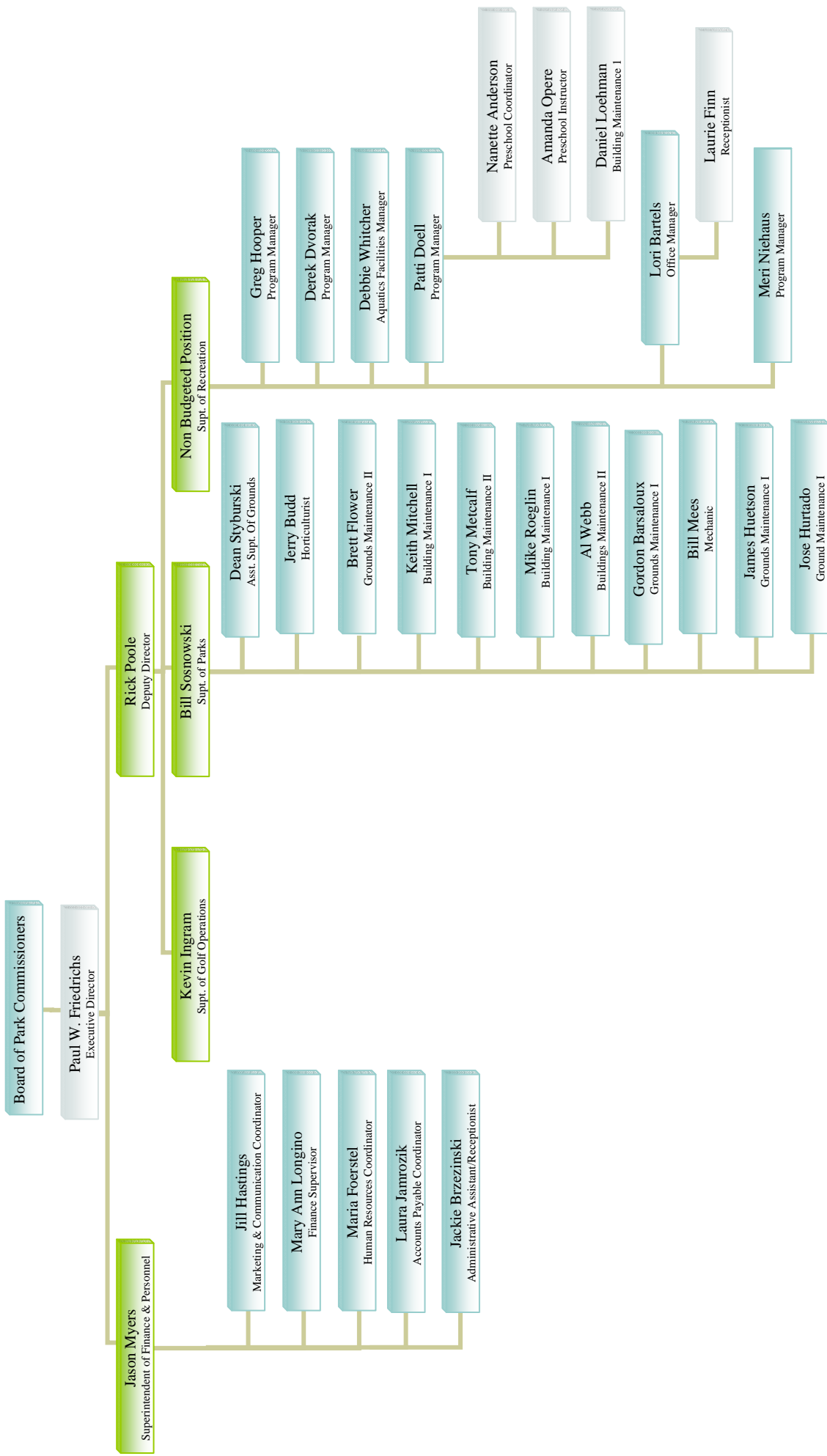
*Christopher P. Moynell*

President

*Jeffrey R. Emer*

Executive Director

# Lombard Park District Organizational Chart 2012





# **LOMBARD PARK DISTRICT**

## **PRINCIPAL OFFICIALS**

December 31, 2012

## **LEGISLATIVE**

### **DISTRICT BOARD OF COMMISSIONERS**

Janice Mills, President  
Gregory Ludwig, Vice President  
John Bielenda  
Kathleen Hogan  
David Kundrot  
Peter Nolan  
Char Roberts

## **ADMINISTRATIVE**

Paul W. Friedrichs, Executive Director  
Rick C. Poole, Deputy Director  
Jason S. Myers, Superintendent of Finance and Personnel  
William Sosnowski, Superintendent of Parks  
Kevin Ingram, Superintendent of Golf Operations

## **ADMINISTRATIVE OFFICE**

227 West Parkside Avenue  
Lombard, Illinois 60148  
Telephone (630) 627-1281

## **PART II – FINANCIAL SECTION**

# **Selden Fox, LTD.**

A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

630-954-1400  
630-954-1327 FAX

619 Enterprise Drive  
Oak Brook, Illinois 60523-8835

email@seldenfox.com  
www.seldenfox.com

## **INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Lombard Park District  
Lombard, Illinois

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the statements of revenues, expenditures and changes in fund balance – budget and actual for the General and major Special Revenue Funds, of the **Lombard Park District** as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the accompanying 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 from material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lombard Park District as of December 31, 2012, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the General and Major Special Revenue Funds 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 (pages 3-111) and the schedule of funding progress (page 52) be presented to supplement the basic financial statements. Such information, although not 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 other form of assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other form of assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lombard Park District's basic financial statements. The accompanying financial information listed as supplementary information and other financial schedules in the accompanying table of contents and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and other financial schedules as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 information is 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.

*Selden Fox, Ltd.*

June 14, 2013

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

**Lombard Park District  
Management's Discussion and Analysis  
For the Year Ended December 31, 2012**

The discussion and analysis of Lombard Park District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2012. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

**Financial Highlights**

- In total, net position increased approximately \$0.5 million. This represents a 2.4 percent increase from 2011 net position.
- General revenues accounted for \$5.5 million in revenue or 69.3 percent of all revenues. Program specific revenues in the form of charges for services and sales and grants accounted for \$2.4 million or 30 percent of total revenues of \$8.0 million.
- The District had \$7.5 million in expenses related to governmental activities. However, \$2.4 million of these expenses were offset by program specific charges for services. General revenues (primarily taxes) of \$5.5 million were adequate to provide for these programs.
- The General Fund had \$2.2 million in revenues and \$2.0 million in expenditures. The General Fund's fund balance increased by approximately \$92,000 during the 2012 year.
- The District's total debt decreased to \$8.2 million.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

## **Overview of the Financial Statements (cont'd)**

### *Government-wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the fiscal year being reported. 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.

The government-wide financial statements present the functions of the District that are principally supported by taxes and program income (governmental activities). The District's governmental activities include general governmental and recreational activities.

### *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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, 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 a district's near-term financing requirements.

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 this comparison between governmental funds and governmental activities.



## **Overview of the Financial Statements (cont'd)**

### *Fund Financial Statements (cont'd)*

The District maintains eight 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, Special Recreation, Bond and Interest and Capital Projects Funds. All funds are considered major with the exception of IMRF/FICA Fund, Audit Fund and Liability Insurance Funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement has been provided for each of the other funds to demonstrate compliance with this budget. There were no amendments to the current year's budget.

### *Notes to Basic Financial Statements*

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### *Other Information*

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

## **District-wide Financial Analysis**

### *Current Year Impacts*

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Lombard Park District, total net position increased approximately \$0.5 million to \$19.2 million during 2012. This increase is primarily due to increases in revenue at the golf course, other facility rentals and in property tax collection. The Districts' total assets equal \$33.2 million. The District's total liabilities equal \$14.0 million.

The Lombard Park District was one of 16 Park District's that lost more than half of their non-referendum bonding authority due to the 1993 Tax Cap Legislation. In fact, the Lombard Park District lost 100% of this type of funding. Late in 2003, both Houses of the State of Illinois overrode the Governor's veto of Senate Bill 83, and with it, restored to the Districts \$741,000 of non-referendum bonding authority. With recent legislation, this amount will increase by the lesser of 5% or the percentage increase in the Consumer Price Index (CPI). As was the case in 2010, future year's net position will be positively affected due to this change in legislation.

## District-wide Financial Analysis (cont'd)

### *Current Year Impacts (cont'd)*

The largest portion of the District's net position reflects its investment in capital assets, less any relating debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the net position of the District is restricted for recreation, pension payments, audit, liability, debt service and capital projects. The unrestricted combined balance, for both governmental type activities, of \$3.0 million may be used to meet the ongoing obligations to the District's citizens and creditors. All net position categories show positive balances at year end.

### *Governmental Activities*

The Governmental Activities experienced an increase in revenue due primarily to increase in rounds at the golf course and increase in pool pass sales along with daily admissions. This increase combined with continued prudent spending and making debt payments resulted in an increase in net position to \$19.2 million compared to \$18.7 million in the prior fiscal year. Overall, the District's financial position has improved since the prior fiscal year.

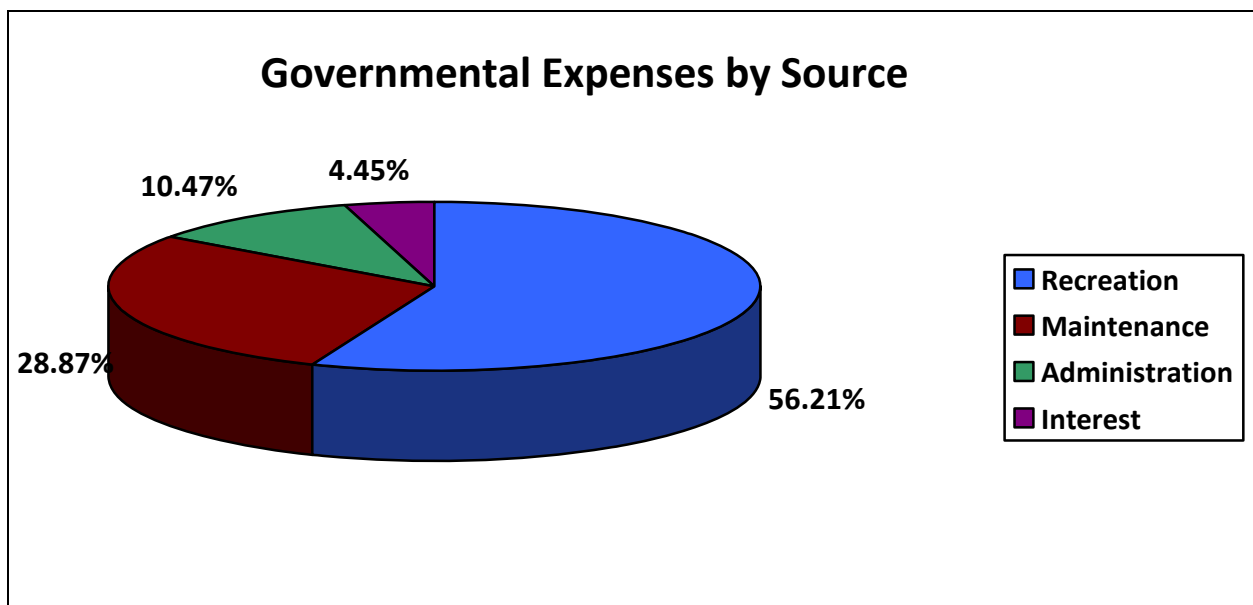
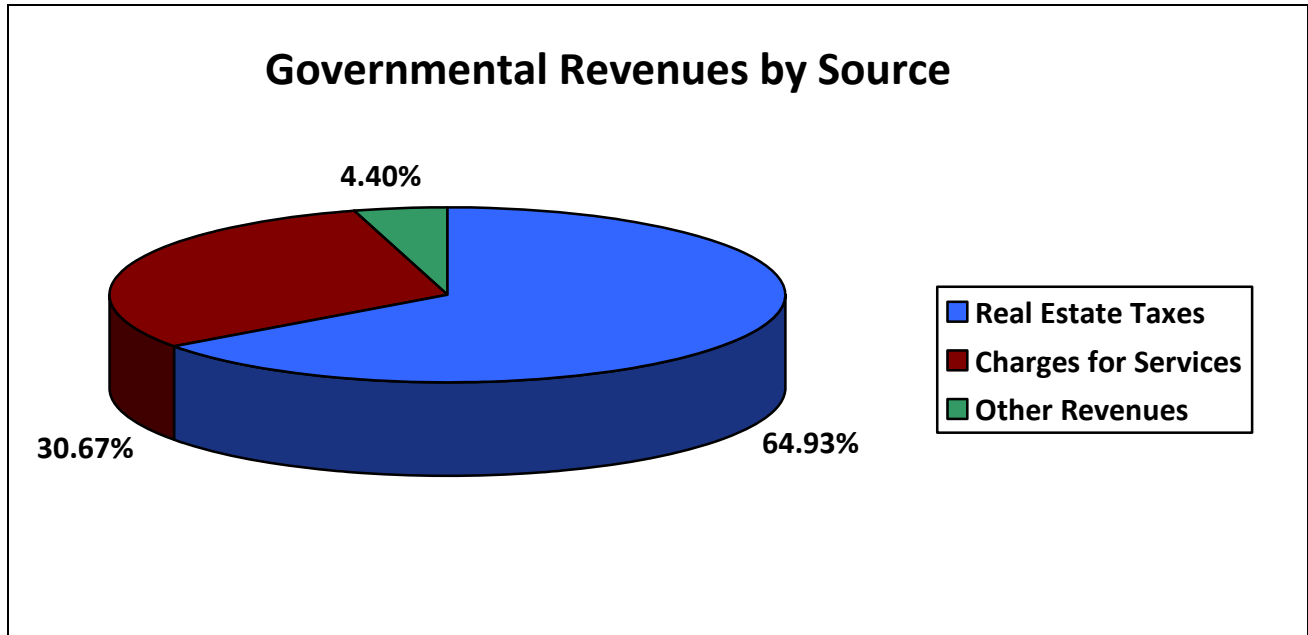
<b>Table 1</b> <b>Condensed Statement of Net Position</b> <i>(in millions of dollars)</i>			
	<i>Governmental-Type Activities</i>		
	<i>2011</i>	<i>2012</i>	
<b>Current and other assets</b>	<b>\$ 9.5</b>	<b>\$ 9.2</b>	
<b>Capital assets</b>	<b>24.3</b>	<b>24.0</b>	
<b>Total assets</b>	<b>33.8</b>	<b>33.2</b>	
<b>Long-term outstanding</b>			
<b>debt</b>	<b>9.4</b>	<b>8.3</b>	
<b>Other liabilities</b>	<b>5.7</b>	<b>5.7</b>	
<b>Total liabilities</b>	<b>15.1</b>	<b>14.0</b>	
<b>Net position:</b>			
<b>Invested in capital assets,</b>			
<b>net of related debt</b>	<b>16.0</b>	<b>15.7</b>	
<b>Restricted</b>	<b>0.8</b>	<b>0.4</b>	
<b>Unrestricted</b>	<b>1.9</b>	<b>3.1</b>	
<b>Total net position</b>	<b>\$ 18.7</b>	<b>\$ 19.2</b>	

## District-wide Financial Analysis (cont'd)

<b>Table 2</b> <b>Changes in Net Position</b> <i>(in millions of dollars)</i>				
	<i>Governmental-Type Activities</i>		<i>Business-Type Activities</i>	
	<i>2011</i>	<i>2012</i>	<i>2011</i>	<i>2012</i>
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 2.0	\$ 2.4	\$ 0.3	\$ N/A
General revenues:				
Property taxes	5.1	5.2	0.0	N/A
Other	0.9	0.4	0.0	N/A
Total revenues	8.0	8.0	0.3	N/A
<b>Expenses:</b>				
Administration	0.9	0.8	0.0	N/A
Recreation	3.6	4.2	0.0	N/A
Maintenance	1.6	2.2	0.0	N/A
Interest and other bank fees	0.4	0.3	0.0	N/A
Golf course	0.0	0.0	0.4	N/A
Total expenses	6.5	7.5	0.4	N/A
<b>Transfer</b>	0.2	0.0	(0.2)	N/A
<b>Increase (decrease) in net position</b>	1.7	0.5	(0.3)	N/A
<b>Net position, beginning of year</b>	17.0	18.7	0.3	N/A
<b>Net position, end of year</b>	\$ 18.7	\$ 19.2	\$ 0.0	\$ N/A

The Golf Proprietary Fund was closed into the Recreation Fund on December 31, 2011. Therefore, no business-type activities are reported for 2012.

## District-wide Financial Analysis (cont'd)



## Financial Analysis of the District's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

*Governmental Funds:* The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the Lombard Park District's financing requirements.

## **Financial Analysis of the District's Funds (cont'd)**

The District's major funds are the General Fund, Recreation Fund, Special Recreation, Bond and Interest Fund and the Capital Projects Fund.

As reflected in the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances, the District's overall fund balance decreased by \$0.3 million during fiscal year 2012. The primary reason for this decrease was due to \$1.2 million in capital expenses during the year.

The fund balance in the General Fund increased \$0.1 million, which was higher than budgeted. The primary reason for this change in fund balance was the fact that personnel services expenses were lower than budgeted. The two areas within personnel services affected the most were a decrease in wages and a decrease in insurance costs due to employees paying a larger percentage of their health care costs.

The Recreation Fund increased its fund balance by \$0.4 million. This was a budgeted increase in order to continue to meet fund balance policy. Also, all proceeds from pool operations are assigned for future pool capital projects.

The Special Recreation Fund experienced an increase in fund balance by \$0.1 million due to several ADA capital improvement projects being carried over to 2013.

Also reflected in the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances, the Non-Major Funds (Liability, Audit and IMRF and Social Security Funds) had an increase of approximately \$30,000 during fiscal year 2012. The District saved money on its insurance rates which accounts for the increase in the Liability Fund. Overall, staff costs were lower throughout the year than anticipated which reduced the amount paid in IMRF and Social Security Expenses and increasing the fund balance in this fund.

### **General Fund Budgetary Highlights**

The General Fund generated approximately \$125,000 better than anticipated during the 2012 budget process for operations. Revenue was more than expected due to additional property taxes and reimbursement from storm damage. The expenditures were less than budget largely due to the reduction of personnel services which is primarily made up of a reduction in salaries and insurance expenses. The combination of these factors resulted in the increase in the General Fund.

### **Capital Asset and Debt Administration**

#### *Capital Assets*

At the end of fiscal year 2012, the Lombard Park District had total capital assets (net of accumulated depreciation) of \$23.9 million, invested in a broad range of capital assets including buildings, vehicles and equipment, playgrounds, swimming pools and golf course. As noted

## Capital Asset and Debt Administration (cont'd)

earlier, the passage of Senate Bill 83 at the end of 2003 will greatly impact the ability of the District to acquire capital assets in the future. Additional information regarding the District's Capital Assets can be found in Note IV.C. to the financial statements.

<b>Table 3</b> <b>Capital Assets</b> <b>(net of depreciation)</b>			
		<b><u>2011</u></b>	<b><u>2012</u></b>
Land and land improvements	\$	9,285,272	\$ 9,354,549
Buildings		4,755,218	4,691,293
Pool buildings and facilities		8,600,738	8,289,259
Machinery and equipment		1,351,017	1,605,341
Total	\$	<u>23,992,245</u>	<u>\$ 23,940,442</u>

### *Long-term Debt*

At December 31, 2012, the District had \$8.3 million in total outstanding long-term debt. (More detailed information about the District's long-term liabilities is presented in Note IV.E. to the financial statements.)

<b>Table 4</b> <b>Outstanding Long-term Debt</b> <b>(in thousands of dollars)</b>			
		<b><u>2011</u></b>	<b><u>2012</u></b>
General obligation bonds	\$	9,000	\$ 8,063
Debt certificates and other		359	204
Total	\$	<u>9,359</u>	<u>\$ 8,267</u>

## Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the Lombard Park District was unaware of any existing circumstances that would significantly affect its financial health in both the immediate as well as long-term future.

## **Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives.

If you have questions about this report, or need additional financial information, contact the Business Office:

Jason S. Myers  
Superintendent of Finance and Personnel  
227 W. Parkside Avenue  
Lombard, Illinois 60148



## **BASIC FINANCIAL STATEMENTS**

**Lombard Park District  
Statement of Net Position  
December 31, 2012**

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash	\$ 781,485
Investments	3,094,779
Receivables	5,263,197
Prepaid items	20,222
Deferred bond issuance costs	64,796
Capital assets not being depreciated	4,838,538
Capital assets net of accumulated depreciation	<u>19,101,904</u>
<b>Total assets</b>	<u>33,164,921</u>
<b>Liabilities</b>	
Accounts payable and other current liabilities	380,370
Accrued interest	12,927
Unearned revenue	5,325,637
Noncurrent liabilities:	
Due within one year	1,197,065
Due in more than one year	<u>7,070,000</u>
<b>Total liabilities</b>	<u>13,985,999</u>
<b>Net Position</b>	
Investment in capital assets, net of related debt	15,707,632
Restricted for:	
Audit services	4,399
Debt service	95,536
General liability	33,026
IMRF reserves	45,043
Special recreation programs and improvements	248,654
Unrestricted	<u>3,044,632</u>
<b>Total net position</b>	<u>\$ 19,178,922</u>

See accompanying notes.

**Lombard Park District  
Statement of Activities  
For the Year Ended December 31, 2012**

<b>Functions/Programs</b>	<b>Net (Expense) Revenue and Changes in Net Assets</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Total</b>
<b>Governmental activities:</b>			
Administration	\$ 787,419	\$ -	\$ (787,419)
Recreation	4,226,385	2,445,571	(1,780,814)
Maintenance	2,173,640	-	(2,173,640)
Interest on long-term debt	334,370	-	(334,370)
<b>Total activities</b>	<b>\$ 7,521,814</b>	<b>\$ 2,445,571</b>	<b>(5,076,243)</b>
<b>General revenues:</b>			
<b>Taxes:</b>			
Property			5,067,638
Tax increment financing			200,224
Replacement			106,332
Investment earnings			8,012
Miscellaneous			144,983
<b>Total general revenues</b>			<b>5,527,189</b>
<b>Change in net position</b>			<b>450,946</b>
Net position, beginning of the year			18,727,976
Net position, end of the year			<b>\$ 19,178,922</b>

See accompanying notes.

**Lombard Park District  
Balance Sheet - Governmental Funds  
December 31, 2012**

	General	Recreation
<b>Assets</b>		
Assets:		
Cash	\$ 76,589	\$ 153,395
Investments	917,440	1,425,000
Accrued interest receivable	1,907	635
Property taxes receivable	1,884,643	919,281
Other receivables	13,638	17,583
Inventory and prepaid items	9,345	10,877
<b>Total assets</b>	<b>\$ 2,903,562</b>	<b>\$ 2,526,771</b>
<b>Liabilities and Fund Balance</b>		
Liabilities:		
Accounts payable	\$ 60,811	\$ 94,466
Accrued salaries	28,356	27,830
Accrued other	25,578	10,126
Deferred recreation program revenue	1,806	123,254
Deferred property tax revenue	1,884,643	919,281
<b>Total liabilities</b>	<b>2,001,194</b>	<b>1,174,957</b>
Fund balance:		
Nonspendable	9,345	10,877
Restricted for:		
Special recreation programs and improvements	-	-
General liability	-	-
Audit services	-	-
IMRF reserves	-	-
Debt service	-	-
Assigned, reported in:		
Recreation Fund	-	1,340,937
Capital Projects Fund	-	-
Unassigned, reported in:		
General Fund	893,023	-
<b>Total fund balance</b>	<b>902,368</b>	<b>1,351,814</b>
<b>Total liabilities and fund balance</b>	<b>\$ 2,903,562</b>	<b>\$ 2,526,771</b>

Special Recreation	Bond and Interest	Capital Projects	Nonmajor Funds	Total
\$ 74,956	\$ 95,536	\$ 289,480	\$ 91,529	\$ 781,485
200,000	-	552,339	-	3,094,779
21	-	116	-	2,679
554,407	1,292,022	-	550,224	5,200,577
9,440	-	19,085	195	59,941
-	-	-	-	20,222
<b>\$ 838,824</b>	<b>\$ 1,387,558</b>	<b>\$ 861,020</b>	<b>\$ 641,948</b>	<b>\$ 9,159,683</b>
\$ 35,763	\$ -	\$ 46,099	\$ 9,256	\$ 246,395
-	-	-	-	56,186
-	-	-	-	35,704
-	-	-	-	125,060
554,407	1,292,022	-	550,224	5,200,577
<b>590,170</b>	<b>1,292,022</b>	<b>46,099</b>	<b>559,480</b>	<b>5,663,922</b>
-	-	-	-	20,222
248,654	-	-	-	248,654
-	-	-	33,026	33,026
-	-	-	4,399	4,399
-	-	-	45,043	45,043
-	95,536	-	-	95,536
-	-	-	-	1,340,937
-	-	814,921	-	814,921
-	-	-	-	893,023
<b>248,654</b>	<b>95,536</b>	<b>814,921</b>	<b>82,468</b>	<b>3,495,761</b>
<b>\$ 838,824</b>	<b>\$ 1,387,558</b>	<b>\$ 861,020</b>	<b>\$ 641,948</b>	<b>\$ 9,159,683</b>

See accompanying notes.

**Lombard Park District  
Reconciliation of Balance Sheet of Governmental Funds  
to the Statement of Net Position  
December 31, 2012**

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Total fund balance - governmental funds (pages 14 and 15)	\$ 3,495,761
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.	23,940,442
Interest expense is not subject to accrual in governmental funds.	(12,927)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(34,255)
Bond issuance costs are not deferred in governmental funds.	22,711
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(8,232,810)</u>
Net position of governmental activities (page 12)	<u>\$ 19,178,922</u>

See accompanying notes.

**Lombard Park District  
Statement of Revenues, Expenditures and Changes  
in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2012**

	General	Recreation
Revenues:		
Property taxes	\$ 1,800,465	\$ 921,545
Tax increment financing proceeds	200,224	-
Personal property replacement income tax	103,142	-
Interest	1,808	590
Charges for services	34,698	2,410,873
Reimbursements	16,630	24,717
Donations	2,658	4,042
Other	66,872	4,018
<b>Total revenues</b>	<b>2,226,497</b>	<b>3,365,785</b>
Expenditures:		
Current:		
Administration	626,057	-
Recreation	-	2,859,346
Maintenance	1,337,642	-
Debt service:		
Principal	-	-
Interest	-	-
Capital outlay	-	114,425
<b>Total expenditures</b>	<b>1,963,699</b>	<b>2,973,771</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>262,798</b>	<b>392,014</b>
Other financing sources (uses):		
Transfers in	-	-
Transfers out	(170,565)	-
<b>Total other financing sources (uses)</b>	<b>(170,565)</b>	<b>-</b>
<b>Changes in fund balances</b>	<b>92,233</b>	<b>392,014</b>
Fund balances, beginning of the year	810,135	959,800
Fund balances, end of the year	\$ 902,368	\$ 1,351,814

See accompanying notes.

Special Recreation	Bond and Interest	Capital Projects	Nonmajor Funds	Total
\$ 538,915	\$ 1,258,367	\$ -	\$ 548,346	\$ 5,067,638
-	-	-	-	200,224
-	-	-	3,190	106,332
24	-	5,409	181	8,012
-	-	-	-	2,445,571
-	-	-	-	41,347
-	-	-	-	6,700
-	-	20,529	5,517	96,936
<b>538,939</b>	<b>1,258,367</b>	<b>25,938</b>	<b>557,234</b>	<b>7,972,760</b>
-	-	-	99,310	725,367
283,292	-	-	294,892	3,437,530
-	-	-	132,999	1,470,641
-	1,096,855	-	-	1,096,855
-	335,852	-	-	335,852
-	-	1,076,003	-	1,190,428
<b>283,292</b>	<b>1,432,707</b>	<b>1,076,003</b>	<b>527,201</b>	<b>8,256,673</b>
<b>255,647</b>	<b>(174,340)</b>	<b>(1,050,065)</b>	<b>30,033</b>	<b>(283,913)</b>
-	170,565	156,008	-	326,573
(156,008)	-	-	-	(326,573)
<b>(156,008)</b>	<b>170,565</b>	<b>156,008</b>	<b>-</b>	<b>-</b>
99,639	(3,775)	(894,057)	30,033	(283,913)
149,015	99,311	1,708,978	52,435	3,779,674
\$ 248,654	\$ 95,536	\$ 814,921	\$ 82,468	\$ 3,495,761

**Lombard Park District  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2012**

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Amounts reported for governmental activities in the statement of activities  
(page 13) are different because:

Net changes in fund balances - total governmental funds (pages 17 and 18)	\$ (283,913)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the current period.	(348,543)
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the cost of the capital assets disposed.	(3,335)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,090,643
Interest expense on long-term debt is accrued in the government- wide statement of activities, but does not require the use of current financial resources; therefore, it is recorded as an expenditure when due in governmental funds.	1,482
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(5,388)</u>
Change in net position of governmental activities (page 14)	<u>\$ 450,946</u>

See accompanying notes.



**Lombard Park District  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
<b>Revenues:</b>			
Property taxes	\$ 1,787,615	\$ 1,800,465	\$ 12,850
Tax increment financing proceeds	175,826	200,224	24,398
Replacement taxes	120,320	103,142	(17,178)
Interest	1,105	1,808	703
Permits and licenses	33,575	31,200	(2,375)
Plant sale/buy a brick	3,650	3,498	(152)
Reimbursements	21,210	16,630	(4,580)
Donations	700	2,658	1,958
Miscellaneous	42,756	66,872	24,116
<b>Total revenues</b>	<b>2,186,757</b>	<b>2,226,497</b>	<b>39,740</b>
<b>Expenditures:</b>			
Administrative:			
Personnel services	589,576	547,871	41,705
Purchased services	52,375	37,116	15,259
Utilities	7,105	3,752	3,353
Supplies/maintenance	28,483	31,563	(3,080)
Marketing/publicity	25,244	21,475	3,769
Other charges	6,746	5,755	991
Operating:			
Personnel services	795,919	756,508	39,411
Purchased services	4,300	3,796	504
Supplies/maintenance	289,299	298,565	(9,266)
Marketing/publicity	6,130	8,064	(1,934)
Other charges	2,400	1,142	1,258
Building:			
Utilities	105,825	109,679	(3,854)
Supplies/maintenance	22,779	25,519	(2,740)
Horticulture:			
Personnel services	62,614	62,330	284
Supplies/maintenance	50,158	50,564	(406)
<b>Total expenditures</b>	<b>2,048,953</b>	<b>1,963,699</b>	<b>85,254</b>
<b>Revenues over expenditures before other financing uses</b>	<b>137,804</b>	<b>262,798</b>	<b>124,994</b>

(cont'd)

**Lombard Park District  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (cont'd)  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Other financing uses - transfer to debt service fund	\$ (170,565)	\$ (170,565)	\$ -
<b>Changes in fund balance</b>	<b>\$ (32,761)</b>	<b>92,233</b>	<b>\$ 124,994</b>
Fund balance, beginning of the year		<b>810,135</b>	
Fund balance, end of the year		<b>\$ 902,368</b>	

See accompanying notes.

**Lombard Park District**  
**Major Special Revenue Fund - Recreation Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Revenues:			
Property taxes	\$ 920,610	\$ 921,545	\$ 935
Interest	368	590	222
Charges for services:			
Recreation programs	1,474,856	1,306,670	(168,186)
Pool	428,347	486,734	58,387
Golf	244,426	289,204	44,778
Reimbursements	39,962	24,717	(15,245)
Donations	7,749	4,042	(3,707)
Miscellaneous	1,477	4,018	2,541
Rentals and concessions:			
Pool	112,504	118,317	5,813
Golf	86,664	102,380	15,716
Other facilities	113,563	107,568	(5,995)
<b>Total revenues</b>	<b>3,430,526</b>	<b>3,365,785</b>	<b>(64,741)</b>
Expenditures:			
Current:			
Recreation:			
Programs:			
Personnel services	1,271,513	1,173,367	98,146
Purchased services	329,467	270,835	58,632
Utilities	2,728	2,159	569
Supplies/maintenance	139,195	127,425	11,770
Marketing/publicity	92,022	87,311	4,711
Other charges	49,603	46,368	3,235
Pool:			
Personnel services	271,232	282,317	(11,085)
Purchased services	3,763	2,900	863
Utilities	79,062	55,796	23,266
Supplies/maintenance	40,054	40,517	(463)
Marketing/publicity	12,749	12,448	301
Other charges	42,871	44,241	(1,370)

(cont'd)

**Lombard Park District**  
**Major Special Revenue Fund - Recreation Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual (cont'd)**  
**For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Expenditures (cont'd):			
Current (cont'd):			
Recreation (cont'd):			
Golf:			
Personnel services	\$ 218,939	\$ 231,192	\$ (12,253)
Utilities	26,552	27,713	(1,161)
Supplies/maintenance	98,660	99,635	(975)
Marketing/publicity	7,100	5,905	1,195
Other charges	29,812	25,060	4,752
Other facilities:			
Personnel services	126,886	128,517	(1,631)
Utilities	127,936	124,081	3,855
Supplies/maintenance	65,641	65,795	(154)
Other charges	5,639	5,764	(125)
Capital expenditures	166,600	114,425	52,175
<b>Total expenditures</b>	<b>3,208,024</b>	<b>2,973,771</b>	<b>234,253</b>
<b>Revenues over expenditures</b>	<b>222,502</b>	<b>392,014</b>	<b>169,512</b>
Fund balance, beginning of the year		<b>959,800</b>	
Fund balance, end of the year		<b>\$ 1,351,814</b>	

See accompanying notes.

**Lombard Park District**  
**Major Special Revenue Fund - Special Recreation Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget and Actual**  
**For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Revenues:			
Property taxes	\$ 589,190	\$ 538,915	\$ (50,275)
Interest	12	24	12
<b>Total revenues</b>	<b>589,202</b>	<b>538,939</b>	<b>(50,263)</b>
Expenditures:			
Current:			
Recreation:			
Payments to NEDSRA	283,258	282,065	1,193
Program integration	4,000	1,227	2,773
<b>Total expenditures</b>	<b>287,258</b>	<b>283,292</b>	<b>3,966</b>
<b>Revenues over expenditures before other financing uses</b>	<b>301,944</b>	<b>255,647</b>	<b>(46,297)</b>
Other financing uses - transfer to Capital Projects Fund	(301,944)	(156,008)	145,936
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>99,639</b>	<b>\$ 99,639</b>
Fund balance, beginning of the year		<b>149,015</b>	
Fund balance, end of the year		<b>\$ 248,654</b>	

See accompanying notes.

## **Lombard Park District Notes to the Financial Statements**

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### **I. Summary of Significant Accounting Policies**

The Lombard Park District (Park District) is organized under the 1970 Illinois Constitution, and is located in DuPage County, Illinois. The Park District operates under a President-Trustee form of government and provides the following services as authorized by its charter: traditional parks and recreational services and programs, and general administrative services.

The accounting policies of the Lombard Park District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### **A. The Reporting Entity**

This report includes all of the funds of the Lombard Park District. The reporting entity for the Park District consists of: (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body, and: (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents, (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization, and (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government. This report does not contain any component units.

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**B. Government-wide and Fund Financial Statements**

**Government-wide Financial Statements** – The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Park District does not allocate indirect expenses to functions in the statement of activities. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

**Fund Financial Statements** – Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net position/fund equity, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental statements. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of the Park District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category type, and
2. The same element of the individual governmental fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental funds combined.
3. In addition, any other governmental fund that the Park District believes is particularly important to financial statement users may be reported as a major fund.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**B. Government-wide and Fund Financial Statements (cont'd)**

**Fund Financial Statements (cont'd)**

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Park District reports the following major governmental funds:

**General Fund** – Accounts for the Park District's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

**Recreation Fund** – Accounts for all the revenues and expenditures resulting from the Park District's community programs. Revenue is derived mainly from program fees and expenditures consist of salaries, supplies and contractual services.

**Special Recreation Fund** – This fund is used for expenditures made to the Northeast DuPage Special Recreation Association (NEDSRA). The Park District makes payments to NEDSRA in order to provide special recreation programs to the physically and mentally handicapped within their district. Revenue to finance the payments is derived primarily from local property taxes.

**Bond and Interest Fund** – Is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs not being financed by nonexpendable trust funds. The primary revenue source is local property taxes levied specifically for debt service.

**Capital Projects Fund** – Is used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities.



**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**B. Government-wide and Fund Financial Statements (cont'd)**

**Fund Financial Statements (cont'd)**

The Park District reports the following nonmajor governmental funds:

**Illinois Municipal Retirement Fund** – Accounts for the Park District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare for certified employees and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes.

**Liability Insurance Fund** – Is used for expenditures made for liability insurance. Revenue consists primarily of local property taxes.

**Audit Fund** – Accounts for audit expenditures. Revenue is a result of the real estate tax levy.

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

**Government-wide Financial Statements** – The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

**Fund Financial Statements** – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Park District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Park District is entitled the resources and the amounts are available. Amounts owed to the Park District which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The Park District reports deferred revenues on its governmental funds' balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

Deferred revenues also arise when resources are received before the Park District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Park District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

**All Financial Statements** – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**D. Assets, Liabilities, and Net Position or Equity**

**1. Deposits and Investments**

Illinois statutes authorize the Park District to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

The Park District has adopted an investment policy. That policy follows the state statute for allowable investments.

**Interest Rate Risk** – The Park District's investment policy seeks to ensure preservation of capital in the Park District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The Park District's policy does not specifically address interest rate risk. However, the policy requires the Park District's investment portfolio to be sufficiently liquid to enable the Park District to meet all operating requirements as they come due.

**Credit Risk** – State statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Park District's policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**1. Deposits and Investments (cont'd)**

**Concentration of Credit Risk** – The Park District's policy requires diversification of the investment portfolio to minimize risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The Park District operates its investments as an internal investment pool where each fund reports pro rata share of the investments made by the Park District.

**Custodial Credit Risk – Deposits** – The Park District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution. As of December 31, 2012, all of the Park District's deposits were collateralized in accordance with their investment policy.

**Custodial Credit Risk – Investments** – The Park District's investment policy requires all securities to be collateralized to the extent of 110% of the fair market value of the investment. The Park District's investment policy requires all securities to be held by: (a) the government, (b) a third party custodian designated by the Park District and evidenced by safekeeping receipts, or (c) by an escrow agency of the pledging institution.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Illinois Park District Liquid Asset Fund Plus (IPDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. Neither is registered with the SEC as an investment company. Investments are valued at share price, which is the price for which the investment could be sold.

See Note III.A. for further information.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**2. Receivables**

Property taxes for levy year 2012 attach as an enforceable lien on January 1, 2012, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2012 are prepared by DuPage County and issued on or about February 1, 2013 and September 1, 2013, and are payable in two installments, on or about June 1, 2013 and September 1, 2013 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2012 property tax levy is recognized as a receivable and deferral in fiscal year 2012. There is no allowance for uncollectibles. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2012, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2012 levy.

The 2012 property tax levy is recorded as a receivable. The Park District expects to collect all receivables. The balance at year end is made up of the original levy net of uncollectible amounts and amounts collected in the current period. Net taxes receivable less the amount expected to be received within 60 days is reflected as deferred revenue.

**3. Inventories and Prepaid Items**

Governmental fund inventory items are charged to expenditure accounts when purchased. Yearend inventory was not significant. Inventories consist of golf pro shop merchandise. They are valued at the lower of cost based on FIFO or market value. Cost of sales is recognized when the merchandise is sold.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**4. Capital Assets**

**Government-wide Financial Statements** – Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,500 for general capital assets and an estimated useful life in excess of one year.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**4. Capital Assets (cont'd)**

**Government-wide Financial Statements (cont'd)**

All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 – 50 years
Land improvements	25 – 30 years
Machinery and equipment	10 – 25 years

**Fund Financial Statements** – In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**5. Other Assets**

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**6. Compensated Absences**

Full-time employees earn a specified amount of vacation and sick leave each year which is dependent upon the length of the employee's continuous full-time service at the Park District. Vacations must be taken by June 30 of the following fiscal year in which earned, or time is lost. Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon retirement, unless the employee worked for the Park District prior to December 31, 1995. Those employees will be compensated for one-half of the accumulated unpaid sick time that was accumulated as of December 31, 1995, up to a maximum of 180 days, upon retirement. This amount is immaterial and therefore not shown on the statement of net position.

**7. Long-term Obligations**

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of notes and bonds payable.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts is reported as an other financing source and payments of principal and interest are reported as expenditures.

**8. Claims and Judgments**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**9. Equity Classifications**

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net positions with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net positions that do not meet the definitions of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the Park District’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Fund Statements** – In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Park District’s Board of Commissioners, which is considered the Park District’s highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Park District’s intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Park District’s management. Any residual fund balance is reported as unassigned in the General Fund.



**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**I. Summary of Significant Accounting Policies (cont'd)**

**D. Assets, Liabilities, and Net Position or Equity (cont'd)**

**9. Equity Classifications (cont'd)**

The Park District's fund balances have the following restrictions, commitments and assignments:

**General Fund** – A portion of the fund balance is considered nonspendable fund balance. The nonspendable portion of the fund balance is intended as an offset to prepaid and inventory items totaling \$9,345. The remaining portion of fund balance is considered unassigned.

**Recreation Fund** – A portion of the fund balance is considered nonspendable fund balance. The nonspendable portion of the fund balance is intended as an offset to prepaid and inventory items totaling \$10,877. The remaining \$1,340,937 is considered to be assigned for the purposes of the fund.

**Bond and Interest Fund** – The fund balance is considered restricted fund balance. The restricted fund balance is intended for future debt service payments totaling \$95,536.

**Special Revenue Funds** – A portion of the fund balance is considered restricted fund balance. The restricted portion of the fund balance is restricted for the purposes of their respective funds totaling \$331,122 (\$248,654 in the special recreation fund and \$82,468 in nonmajor funds).

**Capital Projects Fund** – The fund balance of \$814,921 is considered assigned for purposes of the fund.

The Park District assumes that funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If unrestricted funds are available for spending, committed funds are spent first followed by assigned and then unassigned funds.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**II. Budgetary Information**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Park Commissioners. All annual appropriations lapse at fiscal year end.

Prior to December 31, the Park District submits to the Board of Park Commissioners a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the General Fund and Special Revenue Funds.

The Board of Park Commissioners is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. The appropriated budget is prepared by fund, function and department. The Board of Park Commissioners is authorized to transfer budget amounts between departments within any fund not exceeding in the aggregate 10% of the total budgeted amount in the fund; however, the Board of Park Commissioners must approve revisions that alter the total expenditures of any fund.

**B. Excess of Expenditures Over Appropriations**

For the year ended December 31, 2012, expenditures exceeded appropriations in the Bond and Interest fund by \$688. This excess expenditure was funded by available fund balance.

**III. Reconciliation of Government-wide and Fund Financial Statements**

The governmental fund statement of revenues, expenditures and changes in fund balance includes a reconciliation between net changes in fund balance – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains “Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$348,543 are as follows:

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

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**III. Reconciliation of Government-wide and Fund Financial Statements (cont'd)**

Capital outlay	\$ 626,924
Depreciation expense	<u>(975,467)</u>
<b>Net adjustment to decrease net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities</b>	<b><u>\$ (348,543)</u></b>

Another element of the reconciliation states "In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets disposed." The details of this \$3,335 difference are as follows:

Accumulated depreciation of capital assets	\$ 81,632
Cost of capital assets	<u>(84,967)</u>
<b>Net adjustment to decrease net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities</b>	<b><u>\$ (3,335)</u></b>

Another element of the reconciliation states "The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$1,090,643 difference are as follows:

Principal repayments – general obligation debt	\$ 1,096,855
Amortization of deferred bond issuance costs	(10,420)
Amortization of bond premium	<u>4,208</u>
<b>Net adjustments to increase net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities</b>	<b><u>\$ 1,090,643</u></b>

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes For All Funds**

**A. Deposits and Investments**

The Park 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 statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the Park District's funds.

The Park District's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits with financial institutions	\$ 1,771,100	\$ 1,826,130	Custodial credit risk
IPDLAF	2,102,779	2,102,779	Interest rate risk and credit risk
Cash on hand	<u>2,385</u>	<u>2,385</u>	N/A
<b>Total deposits and investments</b>	<u><b>\$ 3,876,264</b></u>	<u><b>\$ 3,779,588</b></u>	

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for interest bearing accounts.

A reconciliation of cash and investments as of December 31, 2012 is as follows:

Cash	\$ 781,485
Investments	<u>3,094,779</u>
Combined carrying value on balance sheet	<u><b>\$ 3,876,264</b></u>

**Custodial Credit Risk**

**Deposits** – Custodial credit risk is the risk that in the event of a financial institution failure, the Park District's deposits may not be returned to the Park District. The Park District does not have any deposits exposed to custodial credit risk.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**IV. Detailed Notes For All Funds (cont'd)**

**A. Deposits and Investments (cont'd)**

**Custodial Credit Risk (cont'd)**

**Investments** – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Park District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

**Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Park District held investments in the Illinois Park District Liquid Asset Fund Plus which is not rated.

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2012, the Park District's investments were as follows:

<u>Investment Type</u>	<u>Maturity (in Months)</u>	
	<u>Fair Value</u>	<u>Less Than One Year</u>
Illinois Park District Liquid Asset Fund Plus	<u>\$ 2,102,779</u>	<u>\$ 2,102,779</u>

See Note I.D.1. for further information on deposit and investment policies.

**B. Receivables**

All of the receivables on the financial statements are expected to be collected within one year.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Under the accrual method, deferred revenue is recognized as revenue in the period earned. An exception in Illinois is real estate taxes, whereby the intent of the Park District is to finance the following year's operations with those monies. Therefore, these amounts will remain deferred revenue or unearned for the government-wide statements.

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes For All Funds (cont'd)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Balance, December 31, 2011	Additions	Retirements/ Adjustments	Balance December 31, 2012
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 4,838,538	\$ -	\$ -	\$ 4,838,538
Construction in progress	-	87,904	-	87,904
<b>Total capital assets not being depreciated</b>	<u>4,838,538</u>	<u>87,904</u>	<u>-</u>	<u>4,926,442</u>
Capital assets, being depreciated:				
Land improvements	6,360,213	199,765	-	6,559,978
Buildings	7,300,325	36,019	-	7,336,344
Pool buildings/facilities	9,497,290	49,176	-	9,546,466
Machinery and equipment	4,361,143	254,060	84,967	4,530,236
<b>Total capital assets being depreciated</b>	<u>27,518,971</u>	<u>539,020</u>	<u>84,967</u>	<u>27,973,024</u>
<b>Total capital assets</b>	<u>32,357,509</u>	<u>626,924</u>	<u>84,967</u>	<u>32,899,466</u>
Less accumulated depreciation for:				
Land improvements	1,887,193	244,678	-	2,131,871
Buildings	2,453,346	191,705	-	2,645,051
Pool buildings/facilities	896,552	360,655	-	1,257,207
Machinery and equipment	2,828,098	178,429	81,632	2,924,895
<b>Total accumulated depreciation</b>	<u>8,065,189</u>	<u>975,467</u>	<u>81,632</u>	<u>8,959,024</u>
<b>Total capital assets being depreciated, net</b>	<u>19,453,782</u>	<u>(436,447)</u>	<u>3,335</u>	<u>19,014,000</u>
<b>Total governmental activities' capital assets, net of accumulated depreciation</b>	<u>\$ 24,292,320</u>	<u>\$ (348,543)</u>	<u>\$ 3,335</u>	<u>\$ 23,940,442</u>

Depreciation expense of \$41,428, \$776,404, and \$157,635 was charged to the Administration Fund, Recreation Fund, and Maintenance Fund, respectively. Total depreciation expense at December 31, 2012 was \$975,467.

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

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**IV. Detailed Notes For All Funds (cont'd)**

**D. Interfund Transfers**

The composition of interfund transfers as of December 31, 2012 is as follows:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Debt Service	General	\$ 170,565	Assist in debt repayment
Capital Projects	Special Recreation	156,008	Payment of Capital Project activities related to Special Recreation
		<u>\$ 326,573</u>	

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities are netted and eliminated.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes For All Funds (cont'd)**

**E. Long-term Obligations**

Long-term obligations activity for the year ended December 31, 2012 was as follows:

	Balance, December 31, 2011	Additions	Retirements/ Adjustments	Balance, December 31, 2012	Due Within One Year
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 8,999,665	\$ -	\$ 936,855	\$ 8,062,810	\$ 992,810
Debt certificates	330,000	-	160,000	170,000	170,000
<b>Total bonds and notes payable</b>	9,329,665	-	1,096,855	8,232,810	1,162,810
Other liabilities - compensated absences	28,867	34,255	28,867	34,255	34,255
	<u>\$ 9,358,532</u>	<u>\$ 34,255</u>	<u>\$ 1,125,722</u>	<u>\$ 8,267,065</u>	<u>1,197,065</u>

**General Obligation Debt** – All general obligation notes and bonds payable are backed by the full faith and credit of the Park District. Notes and bonds in the governmental funds will be retired by future property tax levies.

Principal  
Outstanding

**\$3,040,000 General Obligation Bonds, Series 2005B, Dated June 15, 2005** – Principal is payable on December 15 of each year as follows:

2013	\$ 170,000	2020	\$ 225,000
2014	175,000	2021	235,000
2015	185,000	2022	245,000
2016	190,000	2023	255,000
2017	200,000	2024	270,000
2018	210,000		
2019	215,000		

Interest is payable on June 15 and December 15 of each year, at rates ranging from 3.50% to 4.25%. \$ 2,575,000

(cont'd)



**Lombard Park District  
Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes For All Funds (cont'd)**

**E. Long-term Obligations (cont'd)**

**\$5,900,000 General Obligation Park Bonds, Series 2008, Dated March 1, 2008** – Principal is payable on December 15 of each year as follows:

				<u>Principal Outstanding</u>
2013	\$	315,000	2020	\$ 510,000
2014		335,000	2021	540,000
2015		360,000	2022	580,000
2016		390,000	2023	615,000
2017		415,000		
2018		445,000		
2019		475,000		

Interest is payable on June 30 and December 30 of each year, at rates ranging from 3.50% to 4.00%.

\$ 4,980,000

**\$994,665 General Obligation Bonds, Series 2010, Dated November 2, 2010** – Principal is payable on December 15 of each year as follows:

2013           \$    507,810

Interest is payable on June 15 and December 15 of each year, at rates ranging from 2.00% to 2.20%.

507,810

**\$1,200,000 Debt Certificates, Series 2002, Dated January 1, 2003** – Principal is payable on December 1 of each year as follows:

2013           \$    170,000

Interest is payable on June 15 and December 15 of each year, at rates ranging from 3.05% to 3.25%.

170,000

\$ 8,232,810

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

**IV. Detailed Notes For All Funds (cont'd)**

**E. Long-term Obligations (cont'd)**

**Debt Service Requirement to Maturity** – Annual requirements to amortize all debt outstanding as of December 31, 2012, including interest payments of \$2,358,811, are as follows:

Year Ending December 31,	Long-term Obligations		
	Total	Principal	Interest
Due in 2013:			
Series 2005B	\$ 271,490	\$ 170,000	\$ 101,490
Series 2008	501,550	315,000	186,550
Series 2010	518,982	507,810	11,172
Series 2002	175,525	170,000	5,525
<b>Total 2012</b>	<b>1,467,547</b>	<b>1,162,810</b>	<b>304,737</b>
2014	781,065	510,000	271,065
2015	798,215	545,000	253,215
2016	813,955	580,000	233,955
2017	828,275	615,000	213,275
2018 – 2022	4,368,913	3,680,000	688,913
2023 – 2024	1,198,388	1,140,000	58,387
<b>Totals</b>	<b>\$ 10,256,358</b>	<b>\$ 8,232,810</b>	<b>\$ 2,023,547</b>

**V. Other Information**

**A. Illinois Municipal Retirement Fund**

The Park District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases and death benefits to plan members and beneficiaries. The Park District is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

As set by statute, the Park District's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual required contribution rate for calendar year 2012 was 12.95 percent. The Park District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Lombard Park District**  
**Notes to the Financial Statements (cont'd)**

**V. Other Information (cont'd)**

**A. Illinois Municipal Retirement Fund (cont'd)**

For the year ended December 31, 2012, the Park District's annual pension cost of \$237,472 for the plan was equal to the Park District's required and actual contributions.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Trend information for the three years ended December 31, 2012, 2011 and 2010 is as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
December 31, 2012	\$ 237,472	100 %	\$ -
December 31, 2011	233,228	100	-
December 31, 2010	216,386	100	-

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010 included: (a) 7.50% investment rate of return (net of administrative expenses and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Park District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Park District's Regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 74.94 percent funded. The actuarial accrued liability for benefits was \$6,240,987 and the actuarial value of assets was \$4,677,004, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,563,983. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$1,833,757 and the ratio of the UAAL to the covered payroll was 85 percent.

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

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

**V. Other Information (cont'd)**

**B. Risk Management**

The Park District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; injuries to employees; and net income losses. The Park District participates in a public entity risk pool called PDRMA to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omissions; and workers' compensation which are accounted for and financed by the Park District in the General Fund.

**Public Entity Risk Pool**

**PDRMA Property/Casualty Program** – Since 1984, the Park District has been a member of the Park District Risk Management Agency (PDRMA). PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers' compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2012 through January 1, 2013.

<b>Coverage</b>	<b>Member Deductible</b>	<b>PDRMA Self-insured Retention</b>	<b>Limits</b>
Property, building, and contents:			
All losses per occurrence	\$1,000	\$ 1,000,000	\$1,000,000,000 All members
All losses annual aggregate		\$ 3,000,000	
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
Construction/builder's risk	\$1,000	Included	\$ 25,000,000
Business interruption	\$1,000		\$ 100,000,000
Service interruption	24 Hours	N/A	\$ 25,000,000

(cont'd)

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

**V. Other Information (cont'd)**

**B. Risk Management (cont'd)**

**Public Entity Risk Pool (cont'd)**

**PDRMA Property/Casualty Program (cont'd)**

<b>Coverage</b>	<b>Member Deductible</b>	<b>PDRMA Self-insured Retention</b>	<b>Limits</b>
Boiler and machinery:			
Property damage	\$1,000	\$ 9,000	\$ 100,000
Business income	48 Hours	N/A	Included
Fidelity and crime:	\$1,000	\$ 24,000	\$ 2,000,000
Seasonal employees	\$1,000	\$ 9,000	\$ 1,000,000
Blanket bond	\$1,000	\$ 24,000	\$ 2,000,000
Workers' compensation	N/A	\$ 500,000	Statutory
Employer's liability		\$ 500,000	\$ 3,500,000
General	None	\$ 500,000	\$ 21,500,000 / Occurrence
Auto liability	None	Included	Included
Employment practices	None	Included	\$ 21,500,000 / Occurrence
Public official's liability	None	Included	
Law enforcement liability	None	Included	Included
Uninsured/underinsured motorists	None	Included	\$ 1,000,000 / Occurrence
Pollution liability:			
Liability – third party	None	\$ 25,000	\$ 5,000,000 / Occurrence 3-year General
Property – first party	\$1,000	\$ 24,000	\$ 30,000,000 Aggregate
Outbreak expense	24 Hours	N/A	\$ 15,000 / day \$ 450,000 / location \$ 1,000,000 aggregate
Volunteer medical accident	None	\$ 5,000	\$ 5,000
Underground storage tank	None	N/A	\$ 10,000 Follows IL law
Unemployment compensation	N/A	N/A	Statutory

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**V. Other Information (cont'd)**

**B. Risk Management (cont'd)**

**Public Entity Risk Pool (cont'd)**

**PDRMA Property/Casualty Program (cont'd)**

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Lombard Park District. Insurance coverage exceeded settlements in fiscal years 2012, 2011 and 2010.

As a member of PDRMA, the Park District is represented on the Property/Liability/Workers' Compensation Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Park District's governing body. The Park District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, 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 balance sheet at December 31, 2011 and the statement of revenues and expenses for the period ended December 31, 2011. The Park District's portion of the overall equity of the pool is 1.279% or \$424,185.

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

Since 97% of PDRMA's liabilities are reserved 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.

A complete financial statement for the Agency can be obtained from the Agency's administrative offices at Post Office Box 4320, Wheaton, Illinois 60189.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**V. Other Information (cont'd)**

**B. Risk Management (cont'd)**

**Public Entity Risk Pool (cont'd)**

**PDRMA Health Program** – In 1990, the Lombard Park District became 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 \$225,000. Until January 1, 2001, the 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 Park 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 the PDRMA Health Program is governed by a contract and by-laws that have been adopted by 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 balance sheet for December 31, 2011 and the statement of revenues and expenses for the period ended December 31, 2011.

Assets	\$ 9,142,121
Liabilities	3,957,021
Member balances	5,185,100
Revenues	25,189,745
Expenditures	25,786,675

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.

**Lombard Park District  
Notes to the Financial Statements (cont'd)**

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**V. Other Information (cont'd)**

**C. Joint Ventures**

**Northeast DuPage Special Recreation Association (NEDSRA)** – The Park District is a member of the Northeast DuPage Special Recreation Association (NEDSRA), which was organized by several area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each member park district's contribution is based on its respective assessed valuation. Each year the Park District levies taxes for its contribution to NEDSRA. The Park District's contribution to NEDSRA for fiscal 2012, 2011, and 2010 was \$282,063, \$279,062, and \$271,703, respectively.

NEDSRA utilized the annual contributions it receives from park districts to meet its annual operating expenses. NEDSRA is not accumulating assets or incurring liabilities that would have a financial effect on the Park District. Separate financial statements for NEDSRA are available from the Association's management.



**REQUIRED SUPPLEMENTARY INFORMATION**

**Lombard Park District  
Illinois Municipal Retirement Fund  
Required Supplementary Information -  
Schedule of Funding Progress  
December 31, 2012**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2012	\$4,677,004	\$ 6,240,987	\$1,563,983	74.94 %	\$1,833,757	85.29 %
12/31/2011	4,132,394	5,813,855	1,681,461	71.08	1,791,307	93.87
12/31/2010	4,140,121	5,717,803	1,577,682	72.41	1,818,366	86.76
12/31/2009	3,694,067	5,421,411	1,727,344	68.14	1,930,376	89.48
12/31/2008	3,509,221	4,699,352	1,190,131	74.67	1,726,383	68.94
12/31/2007	3,905,453	4,918,293	1,012,840	79.41	1,709,320	59.25
12/31/2006	4,056,045	4,625,255	569,210	87.69	1,752,436	32.48
12/31/2005	3,832,168	4,429,533	597,365	86.51	1,723,210	34.67

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$4,854,237.  
On a market basis, the funded ratio would be 77.78%.

See independent auditor's report.



**Lombard Park District  
Bond and Interest Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Revenues - property taxes	\$ 1,261,314	\$ 1,258,367	\$ (2,947)
Expenditures:			
Debt service:			
Principal	1,096,855	1,096,855	-
Interest	335,164	335,852	(688)
<b>Total expenditures</b>	<b>1,432,019</b>	<b>1,432,707</b>	<b>(688)</b>
<b>Revenues under expenditures before other financing sources</b>	<b>(170,705)</b>	<b>(174,340)</b>	<b>(3,635)</b>
Other financing sources - transfer from General Fund	170,565	170,565	-
<b>Changes in fund balance</b>	<b>\$ (140)</b>	<b>(3,775)</b>	<b>\$ (3,635)</b>
Fund balance, beginning of the year		<b>99,311</b>	
Fund balance, end of the year		<b>\$ 95,536</b>	

See independent auditor's report.

**Lombard Park District  
Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Revenues:			
Interest	\$ 10,453	\$ 5,409	\$ (5,044)
Other	5,529	20,529	15,000
<b>Total revenues</b>	<b>15,982</b>	<b>25,938</b>	<b>9,956</b>
Expenditures:			
Capital outlay:			
Permanent improvements and equipment purchase	1,713,810	576,003	1,137,807
Turf field	-	500,000	(500,000)
<b>Total expenditures</b>	<b>1,713,810</b>	<b>1,076,003</b>	<b>637,807</b>
<b>Revenues under expenditures before other financing sources</b>	<b>(1,697,828)</b>	<b>(1,050,065)</b>	<b>647,763</b>
Other financing sources - transfer from Special Recreation Fund	301,944	156,008	(145,936)
<b>Changes in fund balance</b>	<b>\$(1,395,884)</b>	<b>(894,057)</b>	<b>\$ 501,827</b>
Fund balance, beginning of the year		<b>1,708,978</b>	
Fund balance, end of the year		<b>\$ 814,921</b>	

See independent auditor's report.

**Liability Fund** – To account for monies provided by the tax levy for the purpose of protecting the Park District from various risks of loss.

**Audit Fund** – To account for the expenditures in connection with the Park District's annual financial and compliance audit which is mandated by state statute.

**Municipal Retirement and Social Security Fund** – To account for the activities resulting from the Park District's participation in the Illinois Municipal Retirement Fund and the Federal Social Security Program.

## **NONMAJOR SPECIAL REVENUE FUNDS**

**Lombard Park District  
Combining Balance Sheet -  
Nonmajor Governmental Funds  
December 31, 2012**

	Liability	Audit	Municipal Retirement and Social Security	Total
<b>Assets</b>				
Cash	\$ 42,213	\$ 4,399	\$ 44,917	\$ 91,529
Receivables:				
Property taxes	142,490	11,153	396,581	550,224
Other	69	-	126	195
<b>Total assets</b>	<b>\$ 184,772</b>	<b>\$ 15,552</b>	<b>\$ 441,624</b>	<b>\$ 641,948</b>
<b>Liabilities and Fund Balance</b>				
Liabilities:				
Accounts payable	\$ 9,256	\$ -	\$ -	\$ 9,256
Deferred property tax revenue	142,490	11,153	396,581	550,224
<b>Total liabilities</b>	<b>151,746</b>	<b>11,153</b>	<b>396,581</b>	<b>559,480</b>
Fund balance - restricted for:				
General liability	33,026	-	-	33,026
Audit services	-	4,399	-	4,399
IMRF reserves	-	-	45,043	45,043
<b>Total liabilities and fund balance</b>	<b>\$ 184,772</b>	<b>\$ 15,552</b>	<b>\$ 441,624</b>	<b>\$ 641,948</b>

See independent auditor's report.

**Lombard Park District**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2012**

	<u>Liability</u>	<u>Audit</u>	<u>Municipal Retirement and Social Security</u>	<u>Total</u>
<b>Revenues:</b>				
Property taxes	\$ 142,813	\$ 10,778	\$ 394,755	\$ 548,346
Replacement taxes	-	-	3,190	3,190
Interest	64	-	117	181
Miscellaneous	5,517	-	-	5,517
<b>Total revenues</b>	<u>148,394</u>	<u>10,778</u>	<u>398,062</u>	<u>557,234</u>
<b>Expenditures:</b>				
Current:				
Liability	128,555	-	-	128,555
Audit	-	10,300	-	10,300
Pension fund contribution	-	-	388,346	388,346
<b>Total expenditures</b>	<u>128,555</u>	<u>10,300</u>	<u>388,346</u>	<u>527,201</u>
<b>Revenues over expenditures</b>	<u>19,839</u>	<u>478</u>	<u>9,716</u>	<u>30,033</u>
Fund balance, beginning of the year	<u>13,187</u>	<u>3,921</u>	<u>35,327</u>	<u>52,435</u>
Fund balance, end of the year	<u>\$ 33,026</u>	<u>\$ 4,399</u>	<u>\$ 45,043</u>	<u>\$ 82,468</u>

See independent auditor's report.



**Lombard Park District  
Liability Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
<b>Revenues:</b>			
Property taxes	\$ 144,514	\$ 142,813	\$ (1,701)
Interest	40	64	24
PDRMA safety incentive award	1,500	1,500	-
Miscellaneous	2,580	4,017	1,437
<b>Total revenues</b>	<u>148,634</u>	<u>148,394</u>	<u>(240)</u>
<b>Expenditures:</b>			
Current:			
Recreation:			
Insurance	142,353	125,358	16,995
Professional services	4,000	2,867	1,133
Supplies	2,000	330	1,670
<b>Total expenditures</b>	<u>148,353</u>	<u>128,555</u>	<u>19,798</u>
<b>Revenues over expenditures</b>	<u>\$ 281</u>	<u>19,839</u>	<u>\$ 19,558</u>
Fund balance, beginning of the year		<u>13,187</u>	
Fund balance, end of the year		<u>\$ 33,026</u>	

See independent auditor's report.

**Lombard Park District  
Audit Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
Revenues - property taxes	\$ 11,800	\$ 10,778	\$ (1,022)
Expenditures - current - audit	11,800	10,300	1,500
<b>Revenues over expenditures</b>	<b>\$ -</b>	<b>478</b>	<b>\$ 478</b>
Fund balance, beginning of the year		<u>3,921</u>	
Fund balance, end of the year		<u><b>\$ 4,399</b></u>	

See independent auditor's report.

**Lombard Park District  
Municipal Retirement and Social Security Fund  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
For the Year Ended December 31, 2012**

	Original and Final Budget	Actual	Variance to Budget
<b>Revenues:</b>			
Property taxes	\$ 398,715	\$ 394,755	\$ (3,960)
Replacement taxes	3,721	3,190	(531)
Interest	73	117	44
<b>Total revenues</b>	<u>402,509</u>	<u>398,062</u>	<u>(4,447)</u>
<b>Expenditures:</b>			
Current:			
Pension Fund contributions:			
IMRF	221,840	217,184	4,656
FICA	180,069	171,162	8,907
<b>Total expenditures</b>	<u>401,909</u>	<u>388,346</u>	<u>13,563</u>
<b>Revenues over expenditures</b>	<u>\$ 600</u>	<u>9,716</u>	<u>\$ 9,116</u>
Fund balance, beginning of the year		<u>35,327</u>	
Fund balance, end of the year		<u>\$ 45,043</u>	

See independent auditor's report.

**Lombard Park District  
Noncurrent Liabilities  
Schedule of Long-term Obligations to Maturity  
December 31, 2012**

Year Ending December 31,	Total		General Obligation Bonds, Series 2005B Dated June 15, 2005		General Obligation Park Bonds, Series 2008 Dated March 1, 2008	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 1,162,810	\$ 304,737	\$ 170,000	\$ 101,490	\$ 315,000	\$ 186,550
2014	510,000	271,065	175,000	95,540	335,000	175,525
2015	545,000	253,215	185,000	89,415	360,000	163,800
2016	580,000	233,955	190,000	82,755	390,000	151,200
2017	615,000	213,275	200,000	75,725	415,000	137,550
2018	655,000	191,150	210,000	68,125	445,000	123,025
2019	690,000	166,063	215,000	59,725	475,000	106,338
2020	735,000	139,650	225,000	51,125	510,000	88,525
2021	775,000	111,525	235,000	42,125	540,000	69,400
2022	825,000	80,525	245,000	32,725	580,000	47,800
2023	870,000	46,912	255,000	22,312	615,000	24,600
2024	270,000	11,475	270,000	11,475	-	-
	<u>\$ 8,232,810</u>	<u>\$ 2,023,547</u>	<u>\$ 2,575,000</u>	<u>\$ 732,537</u>	<u>\$ 4,980,000</u>	<u>\$ 1,274,313</u>

General Obligation Park Bonds, Series 2010 Dated November 2, 2010		Debt Certificates Series 2002 Dated January 1, 2003	
Principal	Interest	Principal	Interest
\$ 507,810	\$ 11,172	\$ 170,000	\$ 5,525
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 507,810</u>	<u>\$ 11,172</u>	<u>\$ 170,000</u>	<u>\$ 5,525</u>

See independent auditor's report.

## **PART III – STATISTICAL SECTION**

This part of the Lombard Park District's 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 Park District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	62 – 69
These schedules contain trend information to help the reader understand how the Park District's financial performance and wellbeing have changed over time.	
<b>Revenue Capacity</b>	70 - 75
These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	76 - 80
These schedules present information to help the reader assess the affordability of the Park District's current levels of outstanding debt and the Park District's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	81 - 82
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Park District's financial activities take place, and to help make comparisons over time and with other governments.	
<b>Operating Information</b>	83 - 90
These schedules contain information about the Park District's operations and resources, to help the reader understand how the Park District's financial information relates to the services the Park District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in the fiscal year ended December 31, 2004; schedules presenting government-wide information include information beginning in that year.

## **STATISTICAL SECTION**

**Lombard Park District  
Net Position by Component  
Last Nine Fiscal Years  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)**

	2012	2011	2010
<b>Governmental activities:</b>			
Invested in capital assets, net of related debt	\$ 15,708	\$ 15,957	\$ 14,398
Restricted	427	1,030	1,213
Unrestricted	3,044	1,741	1,405
<b>Total governmental activities</b>	<b>\$ 19,179</b>	<b>\$ 18,728</b>	<b>\$ 17,016</b>
<b>Business-type activities:</b>			
Invested in capital assets, net of related debt	\$ -	\$ -	\$ 282
Unrestricted	-	-	(33)
<b>Total business-type activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 249</b>
<b>Primary government:</b>			
Invested in capital assets, net of related debt	\$ 15,708	\$ 15,957	\$ 14,680
Restricted	427	1,030	1,213
Unrestricted	3,044	1,741	1,372
<b>Total primary government</b>	<b>\$ 19,179</b>	<b>\$ 18,728</b>	<b>\$ 17,265</b>

December 31,					
2009	2008	2007	2006	2005	2004
\$ 10,767	\$ 8,770	\$ 8,397	\$ 11,988	\$ 11,732	\$ 11,042
4,184	5,279	5,742	1,461	-	-
1,071	933	436	188	1,092	1,793
<b>\$ 16,022</b>	<b>\$ 14,982</b>	<b>\$ 14,575</b>	<b>\$ 13,637</b>	<b>\$ 12,824</b>	<b>\$ 12,835</b>
\$ 352	\$ 386	\$ 429	\$ 397	\$ 463	\$ 532
103	132	121	112	154	156
<b>\$ 455</b>	<b>\$ 518</b>	<b>\$ 550</b>	<b>\$ 509</b>	<b>\$ 617</b>	<b>\$ 688</b>
\$ 11,119	\$ 9,156	\$ 8,826	\$ 12,385	\$ 12,195	\$ 11,574
4,184	5,279	5,742	1,461	-	-
1,174	1,065	557	300	1,246	1,949
<b>\$ 16,477</b>	<b>\$ 15,500</b>	<b>\$ 15,125</b>	<b>\$ 14,146</b>	<b>\$ 13,441</b>	<b>\$ 13,523</b>

The Park District implemented GASB Statement Number 34 in the fiscal year ended December 31, 2004.

See independent auditor's report.

**Lombard Park District  
Changes in Net Position  
Last Nine Fiscal Years  
(Accrual Basis of Accounting)  
(Amounts Expressed in Thousands)**

	2012	2011
<b>Expenses:</b>		
Governmental activities:		
Administration	\$ 788	\$ 842
Recreation	4,226	3,636
Maintenance	2,174	1,582
Interest and fees	334	370
<b>Total governmental activities' expenses</b>	<b>7,522</b>	<b>6,430</b>
Business-type activities - golf course	-	368
<b>Total primary government expenses</b>	<b>\$ 7,522</b>	<b>\$ 6,798</b>
<b>Program revenues:</b>		
Governmental activities:		
Charges for services - recreation	\$ 2,446	\$ 1,957
Capital grants and contributions	-	-
<b>Total governmental activities' revenues</b>	<b>2,446</b>	<b>1,957</b>
Business-type activities - charges for services - golf course	-	327
<b>Total primary government revenues</b>	<b>\$ 2,446</b>	<b>\$ 2,284</b>
<b>Net (expense) revenue:</b>		
Governmental activities	\$ (5,076)	\$ (4,473)
Business-type activities	-	(41)
<b>Total primary government net expense</b>	<b>(5,076)</b>	<b>(4,514)</b>
<b>General revenues and other changes in net position:</b>		
Governmental activities:		
Taxes	5,374	5,147
Investment earnings	8	14
Miscellaneous	145	784
<b>Total governmental activities</b>	<b>5,527</b>	<b>5,945</b>
Business-type activities:		
Investment earnings	-	-
Capital contribution	-	31
<b>Total business-type activities</b>	<b>-</b>	<b>31</b>
<b>Total primary government</b>	<b>\$ 5,527</b>	<b>\$ 5,976</b>
<b>Changes in net position:</b>		
Governmental activities	\$ 451	\$ 1,472
Business-type activities	-	(10)
<b>Total primary government</b>	<b>\$ 451</b>	<b>\$ 1,462</b>

The Park District implemented GASB Statement Number 34 in the fiscal year ended December 31, 2004.

See independent auditor's report.

December 31,							
2010	2009	2008	2007	2006	2005	2004	
\$ 828	\$ 762	\$ 1,034	\$ 784	\$ 1,027	\$ 1,000	\$ 990	
3,700	3,403	3,864	3,133	2,586	2,676	2,764	
1,523	1,474	1,281	1,058	1,236	1,133	888	
392	379	361	210	225	55	46	
6,443	6,018	6,540	5,185	5,074	4,864	4,688	
431	514	513	578	567	572	583	
\$ 6,874	\$ 6,532	\$ 7,053	\$ 5,763	\$ 5,641	\$ 5,436	\$ 5,271	
\$ 1,980	\$ 1,876	\$ 1,385	\$ 1,649	\$ 1,570	\$ 1,560	\$ 1,574	
-	-	-	-	35	160	-	
1,980	1,876	1,385	1,649	1,605	1,720	1,574	
216	417	463	510	457	499	513	
\$ 2,196	\$ 2,293	\$ 1,848	\$ 2,159	\$ 2,062	\$ 2,219	\$ 2,087	
\$ (4,463)	\$ (4,142)	\$ (5,155)	\$ (3,536)	\$ (3,469)	\$ (3,144)	\$ (3,114)	
(215)	(97)	(50)	(68)	(110)	(73)	(70)	
(4,678)	(4,239)	(5,205)	(3,604)	(3,579)	(3,217)	(3,184)	
5,027	4,751	4,561	3,946	3,782	3,647	3,462	
20	79	330	323	294	161	37	
411	353	405	205	205	57	48	
5,458	5,183	5,296	4,474	4,281	3,865	3,547	
-	-	-	2	-	-	-	
8	33	18	107	-	-	-	
8	33	18	109	-	-	-	
\$ 5,466	\$ 5,216	\$ 5,314	\$ 4,583	\$ 4,281	\$ 3,865	\$ 3,547	
\$ 995	\$ 1,041	\$ 141	\$ 938	\$ 812	\$ 721	\$ 433	
(207)	(64)	(32)	41	(110)	(73)	(70)	
\$ 788	\$ 977	\$ 109	\$ 979	\$ 702	\$ 648	\$ 363	



**Lombard Park District**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Amounts Expressed in Thousands)**

	2012	2011	2010
General Fund:			
Reserved	\$ -	\$ -	\$ 26
Unreserved	-	-	643
Nonspendable	9	13	-
Assigned	-	33	-
Unassigned	893	764	-
<b>Total General Fund</b>	<b>\$ 902</b>	<b>\$ -</b>	<b>\$ 669</b>
All other governmental funds:			
Reserved	\$ -	\$ -	\$ 103
Unreserved, reported in:			
Recreation	-	-	693
Bond and Interest	-	-	-
Capital Projects	-	-	2,091
Other governmental funds	-	-	63
Nonspendable	11	25	-
Restricted, reported in:			
Special Revenue Funds	331	202	-
Debt Service Funds	96	99	-
Assigned, reported in:			
Recreation Fund	1,341	946	-
Capital Projects Fund	815	1,698	-
<b>Total all other governmental funds</b>	<b>\$ 2,594</b>	<b>\$ 2,970</b>	<b>\$ 2,950</b>

December 31,						
2009	2008	2007	2006	2005	2004	2003
\$ 25	\$ 93	\$ 24	\$ 27	\$ -	\$ -	\$ -
546	381	412	281	287	246	291
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 571	\$ 474	\$ 436	\$ 308	\$ 287	\$ -	\$ 291
\$ 105	\$ 106	\$ 138	\$ 145	\$ -	\$ -	\$ -
461	422	519	462	471	482	493
-	-	-	99	12	6	-
3,179	7,835	5,146	5,192	5,692	1,131	377
42	42	99	55	60	85	123
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 3,787	\$ 8,405	\$ 5,902	\$ 5,953	\$ 6,235	\$ 1,704	\$ 993

Source: Audited financial statements from December 31, 2003 to December 31, 2012.

See independent auditor's report.

**Lombard Park District**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Amounts Expressed in Thousands)**

	2012	2011	2010
<b>Revenues:</b>			
Taxes	\$ 5,374	\$ 5,147	\$ 5,027
Grants	-	-	-
Interest earned	8	15	20
Charges for services	2,446	1,957	1,980
Donations	7	8	9
Reimbursements	41	34	47
Other	97	768	363
<b>Total revenues</b>	<b>7,973</b>	<b>7,929</b>	<b>7,446</b>
<b>Expenditures:</b>			
Administration	725	789	771
Recreation	3,438	2,918	3,033
Maintenance	1,471	1,422	1,363
Debt service:			
Principal	1,097	1,048	986
Interest and fees	336	372	405
Capital outlay	1,190	1,136	2,615
<b>Total expenditures</b>	<b>8,257</b>	<b>7,685</b>	<b>9,173</b>
<b>Revenues over (under) expenditures before other financing sources (uses)</b>	<b>(284)</b>	<b>244</b>	<b>(1,727)</b>
<b>Other financing sources (uses):</b>			
Proceeds from borrowing	-	-	995
Proceeds from sale of capital asset	-	9	-
Payment to escrow agent	-	-	-
Insurance recovery	-	-	-
Transfers in	327	368	518
Transfers out	(327)	(460)	(526)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(83)</b>	<b>987</b>
<b>Net changes in fund balances</b>	<b>\$ (284)</b>	<b>\$ 161</b>	<b>\$ (740)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>20.3%</b>	<b>21.7%</b>	<b>21.2%</b>

See independent auditor's report.

December 31,						
2009	2008	2007	2006	2005	2004	2003
\$ 4,751	\$ 4,561	\$ 3,946	\$ 3,782	\$ 3,647	\$ 3,499	\$ 2,555
-	-	-	27	160	-	-
78	330	323	293	158	36	20
1,876	1,385	1,604	1,516	1,520	1,480	1,424
12	23	8	16	8	6	15
66	82	66	39	40	46	51
308	317	283	213	49	42	630
7,091	6,698	6,230	5,886	5,582	5,109	4,695
686	907	686	929	900	985	459
3,226	2,879	2,867	2,349	2,327	2,286	2,111
1,318	1,152	1,056	1,137	1,058	888	919
851	849	720	555	768	762	35
380	360	204	317	55	50	43
6,015	3,973	600	996	1,038	937	2,866
12,476	10,120	6,133	6,283	6,146	5,908	6,433
(5,385)	(3,422)	97	(397)	(564)	(799)	(1,738)
898	5,963	-	-	5,215	1,455	-
-	-	-	-	-	11	-
-	-	-	-	(79)	-	-
-	-	116	-	-	-	-
602	490	351	194	72	203	-
(635)	(490)	(351)	(194)	(72)	(203)	(151)
865	5,963	116	-	5,136	1,466	(151)
\$ (4,520)	\$ 2,541	\$ 213	\$ (397)	\$ 4,572	\$ 667	\$ (1,889)
19.1%	19.7%	16.7%	16.5%	16.1%	16.3%	2.2%

**Lombard Park District  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years**

Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property
2011	\$ 231	\$ 1,005,680,442	\$ 272,132,424	\$ 74,035,520
2010	776	1,082,845,168	300,077,301	75,046,170
2009	705	1,160,607,078	316,718,466	78,895,680
2008	641	1,146,280,518	328,464,995	77,625,270
2007	583	1,054,548,388	311,157,120	72,672,940
2006	648	984,972,730	290,623,185	69,600,320
2005	295	904,535,414	270,093,622	65,202,950
2004	492	843,594,875	256,578,435	63,435,390
2003	492	781,788,895	229,167,950	58,698,070
2002	547	711,245,951	230,240,195	58,869,380

Railroad Property	Total Assessed Valuation	Estimated Actual Taxable Value	Total Direct Tax Rate
\$ 562,578	\$ 1,352,411,195	\$ 4,057,233,585	\$ 0.3760
531,409	1,458,500,824	4,375,502,472	0.3462
430,788	1,556,652,717	4,669,958,151	0.3165
362,272	1,552,733,696	4,658,201,088	0.2995
334,140	1,438,713,171	4,316,139,513	0.3088
307,281	1,345,504,164	4,036,512,492	0.2843
308,955	1,240,141,236	3,720,423,708	0.2962
327,159	1,163,936,351	3,491,809,053	0.3051
294,008	1,069,949,415	3,209,848,245	0.3171
274,557	1,000,630,630	3,001,891,890	0.2487

Source: DuPage County Clerk.

Note: Property is assessed using a multiplier of 33.33%, therefore estimated actual taxable values are equal to assessed values times 3.

See independent auditor's report.

**Lombard Park District  
Property Tax Rates - Direct and Overlapping Governments\*  
Last Ten Fiscal Years**

	2011	2010	2009	2008
<b>Lombard Park District:</b>				
General	\$ 0.1335	\$ 0.1204	\$ 0.1083	\$ 0.1081
Recreation	0.0684	0.0625	0.0568	0.0550
Special recreation	0.0400	0.0400	0.0400	0.0400
Debt service	0.0934	0.0858	0.0783	0.0650
Liability	0.0106	0.0092	0.0087	0.0086
Audit	0.0008	0.0009	0.0006	0.0010
Municipal Retirement and Social Security	0.0293	0.0274	0.0238	0.0218
<b>Total direct rate</b>	<b>0.3760</b>	<b>0.3462</b>	<b>0.3165</b>	<b>0.2995</b>
<b>Overlapping rates:</b>				
DuPage County	0.1773	0.1659	0.1135	0.1557
DuPage County Forest Preserve	0.1414	0.1321	0.1217	0.1206
DuPage Airport Authority	0.0169	0.0158	0.0148	0.0160
York Township	0.0410	0.0373	0.0334	0.0326
York Township Road District	0.0400	0.0364	0.0326	0.0325
Village of Lombard	0.5595	0.5053	0.4657	0.4560
Village of Lombard Library Fund	0.2228	0.2024	0.1654	0.1622
Grade School District 44	3.0664	3.1767	2.8490	2.7445
High School District 87	1.8332	1.8378	1.6749	1.6507
Community College District 502	0.2495	0.2349	0.2127	0.1858
<b>Total overlapping rate</b>	<b>6.3480</b>	<b>6.3446</b>	<b>5.6837</b>	<b>5.5566</b>
<b>Total rate</b>	<b>\$ 6.7240</b>	<b>\$ 6.6908</b>	<b>\$ 6.0002</b>	<b>\$ 5.8561</b>

Tax Year					
2007	2006	2005	2004	2003	2002
\$ 0.1118	\$ 0.1152	\$ 0.1195	\$ 0.1218	\$ 0.1259	\$ 0.1279
0.0565	0.0580	0.0603	0.0630	0.0650	0.0651
0.0400	0.0233	0.0239	0.0250	0.0246	0.0244
0.0692	0.0557	0.0604	0.0644	-	-
0.0073	0.0075	0.0078	0.0080	0.0082	0.0080
0.0010	0.0010	0.0009	0.0011	0.0012	0.0009
0.0230	0.0236	0.0234	0.0218	0.0222	0.0224
0.3088	0.2843	0.2962	0.3051	0.2471	0.2487
0.1651	0.1713	0.1797	0.1850	0.1999	0.2154
0.1187	0.1303	0.1271	0.1358	0.1419	0.1534
0.0170	0.0183	0.0198	0.0213	0.0230	0.0248
0.0031	0.0344	0.0352	0.0354	0.0368	0.0379
0.0323	0.0335	0.0343	0.0345	0.0359	0.0370
0.4664	0.4789	0.4947	0.4983	0.5200	0.5335
0.1659	0.1702	0.1758	0.1774	0.1858	0.1907
2.8581	2.8473	2.8909	2.7979	2.7851	2.3713
1.6612	1.7210	1.7200	1.7716	1.8582	1.9224
0.1888	0.1929	0.1874	0.1972	0.2097	0.2179
5.6766	5.7981	5.8649	5.8544	5.9963	5.7043
\$ 5.9854	\$ 6.0824	\$ 6.1611	\$ 6.1595	\$ 6.2434	\$ 5.9530

Note: The totals above reflect the typical tax rates for individual taxpayers within the District.  
By showing all other overlapping rates, we would have materially distorted the true picture of the tax rate burden within the District.

\* Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: DuPage County Clerk's Office, Department of Tax Extensions.

See independent auditor's report.

**Lombard Park District  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Clover Creek Owner, LLC	\$ 14,130,430	1	0.94%	\$ 9,237,450	6	0.80%
F & F Realty	12,859,550	2	0.86%	10,943,810	5	0.95%
SMII Oak Creek LP	12,129,514	3	0.81%	14,755,810	3	1.28%
TA Associate Realty	11,055,280	4	0.74%	11,677,770	4	1.01%
I & G Highland Pointe	10,998,320	5	0.73%	16,506,290	2	1.43%
UBS Realty Investors LLC	8,268,829	6	0.55%	-	-	-
AIMCO	7,764,400	7	0.52%	7,810,060	9	0.68%
Yorktown LLC, Highland Yorktown LLC, and Yorktown Joint Venture	7,453,020	8	0.50%	33,275,320	1	2.89%
St. Paul Insurance Co.	7,010,020	9	0.47%	9,034,920	7	0.78%
Avalon IL Value III LLC	6,440,820	10	0.43%	-	-	-
Royal Management Corp.	-	-	-	7,711,060	10	0.69%
Midwest Park Ave. Apts	-	-	-	7,962,670	8	0.67%
	<b>\$ 98,110,183</b>		<b>6.55%</b>	<b>\$ 128,915,160</b>		<b>11.18%</b>

Source: DuPage County Tax Extension Office, Village of Lombard, DuPage County and Addison, Milton and York Township Assessor's Offices

See independent auditor's report.

**Lombard Park District  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collected in Subsequent Years		
		Amount	Percentage of Levy	Amount	Total Amount	Percentage of Levy
2012	\$ 5,085,066	\$5,065,802	99.62	\$ -	\$ 5,065,802	99.62
2011	5,049,330	5,040,068	99.82	-	5,040,068	99.82
2010	4,926,806	4,906,015	99.58	1,149	4,907,164	99.60
2009	4,650,437	4,638,872	99.75	193	4,639,065	99.76
2008	4,442,746	4,428,114	99.67	260	4,428,374	99.68
2007	3,825,268	3,811,708	99.65	567	3,812,275	99.66
2006	3,673,298	3,667,539	99.84	170	3,667,709	99.85
2005	3,551,169	3,541,148	99.72	179	3,541,327	99.72
2004	3,392,809	3,384,613	99.76	544	3,385,157	99.77
2003	2,488,568	2,486,757	99.93	885	2,487,642	99.96

Sources: Lombard Park District, Department of Finance

See independent auditor's report.

**Lombard Park District  
Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Debt</b>	<b>Debt Certificates</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
2012	\$ 8,062,810	\$ 170,000	\$ 8,232,810	0.50 %	\$ 189.72
2011	8,999,665	330,000	9,329,665	0.57	216.14
2010	9,887,095	490,000	10,377,095	0.63	236.41
2009	9,728,145	640,000	10,368,145	0.63	236.21
2008	9,485,000	790,000	10,275,000	0.62	234.09
2007	4,250,000	930,000	5,180,000	0.31	118.01
2006	4,830,000	1,070,000	5,900,000	0.36	134.41
2005	5,215,000	1,200,000	6,415,000	0.39	151.58
2004	1,454,775	1,200,000	2,654,775	0.17	62.73
2003	-	1,200,000	1,200,000	0.08	28.35

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

See independent auditor's report.

**Lombard Park District  
Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Obligation Debt</u>	<u>Debt Certificates</u>	<u>Total Primary Government</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>	<u>Population</u>
2012	\$ 8,062,810	\$ 170,000	\$ 8,232,810	0.61 %	\$ 189.72	43,395
2011	8,999,665	330,000	9,329,665	0.64	216.14	43,165
2010	9,887,095	490,000	10,377,095	0.67	236.41	43,894
2009	9,728,145	640,000	10,368,145	0.67	236.21	43,894
2008	9,485,000	790,000	10,275,000	0.71	234.09	43,894
2007	4,250,000	930,000	5,180,000	0.38	118.01	43,894
2006	4,830,000	1,070,000	5,900,000	0.48	134.41	43,894
2005	5,215,000	1,200,000	6,415,000	0.55	151.58	42,322
2004	1,454,775	1,200,000	2,654,775	0.25	62.73	42,322
2003	-	1,200,000	1,200,000	0.12	-	42,322

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

See independent auditor's report.



**Lombard Park District  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(Dollars in Thousands)**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt limit	\$ 38,882	\$ 41,932	\$ 44,754	\$ 44,641	\$ 41,363	\$ 38,683	\$ 35,654	\$ 33,463	\$ 30,761	\$ 28,768
Total net debt applicable to limit	8,063	9,000	9,887	9,728	9,485	4,250	4,830	5,215	1,455	-
Legal debt margin	\$ 30,819	\$ 32,932	\$ 34,867	\$ 34,913	\$ 31,878	\$ 34,433	\$ 30,824	\$ 28,248	\$ 29,306	\$ 28,768
Total net debt applicable to the limit as a percentage of debt limit	20.74%	21.46%	22.09%	21.79%	22.93%	10.99%	13.55%	15.58%	4.73%	0.00%
Legal debt margin calculation - 2012 tax year:										
Assessed value	\$ 1,352,411									
Debt limit (% of assessed value)	2.875%									
	38,882									
Debt applicable to limit:										
General obligation bonds	8,063									
Total net debt applicable to limit	8,063									
Legal debt margin	\$ 30,819									
Debt certificates	170									

See independent auditor's report.

**Lombard Park District  
Direct and Overlapping Debt Outstanding  
December 31, 2012**

Overlapping Agencies	Outstanding Debt	Applicable to the District	
		Percent	Amount
<b>County:</b>			
DuPage County	\$ 256,370,000	3.980 %	\$ 10,203,526
DuPage County Forest Preserve	235,078,071	3.980	9,356,107
<b>Municipalities:</b>			
Village of Glen Ellyn	9,877,526	1.320	182,622
Village of Villa Park	17,775,000	0.913	162,286
<b>Miscellaneous:</b>			
Lombard Special Service Area #2	200,000	100.000	200,000
<b>School Districts:</b>			
Addison #4	20,855,000	5.300	1,105,315
Marquardt #15	6,345,000	0.770	48,857
Lombard #44	11,855,000	83.240	9,868,102
Villa Park #45	17,932,592	32.510	5,829,886
Glen Ellyn #89	22,440,000	7.580	1,700,952
Glenbard High School #87	40,400,000	19.030	7,688,120
DuPage High School #88	116,650,000	14.220	16,587,630
DuPage Community College #502	233,870,000	4.130	9,658,831
<b>Total overlapping debt</b>	<b>989,648,189</b>		<b>72,592,234</b>
<b>Direct debt - Lombard Park District</b>	<b>8,267,065</b>	<b>100.000</b>	<b>8,267,065</b>
<b>Total direct and overlapping debt</b>	<b>\$ 997,915,254</b>		<b>\$ 80,859,299</b>

Source: Village of Lombard.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

See independent auditor's report.

**Lombard Park District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

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<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (Thousands of Dollars)</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>Education Level in Years of Schooling</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2012	43,395	\$ 1,649,923	\$ 38,021	39.1	13.2	6,443	8.5 %
2011	43,165	1,649,923	38,224	40.9	13.2	6,434	8.7
2010	43,894	1,649,923	37,589	36.7	13.2	5,703	9.5
2009	43,894	1,649,923	37,589	36.7	13.2	5,750	8.9
2008	43,894	1,649,923	37,589	36.7	13.2	5,739	5.3
2007	43,894	1,649,923	37,589	36.7	13.2	5,708	4.2
2006	43,894	1,649,923	37,589	36.7	13.2	5,688	3.6
2005	42,322	1,649,923	38,985	36.7	13.2	5,732	5.4
2004	42,322	1,575,733	37,232	36.7	13.2	5,729	5.5
2003	42,322	1,519,360	35,900	36.7	13.2	5,840	6.2

Sources: U.S. Census Bureau  
School District 44  
Glenbard East High School  
Village of Lombard

See independent auditor's report.

**Lombard Park District  
Principal Employers  
Current Year and Nine Years Ago**

Taxpayer	2012			2003		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Acosta Sales & Marketing Co.	500	1	2.15%	-	-	-
Adjustable Forms, Inc.	350	2	1.51%	350	3	1.57%
Imperial Service System	300	3	1.29%	-	-	-
West Suburban Bancorp, Inc.	300	4	1.29%	300	7	1.34%
WM Recycle America	300	5	1.29%	-	-	-
1st Advantage Mortgage	200	6	0.86%	-	-	-
CorpTrav	200	7	0.86%	-	-	-
Rolta TUSC, Inc.	200	8	0.86%	-	-	-
Valdes Engineering	189	9	0.81%	-	-	-
Marketing Store Worldwide	160	10	0.69%	-	-	-
Commercial Testing & Engineering Co.	-	-	-	800	1	3.59%
Acosta-PMI, Inc.	-	-	-	500	2	2.24%
Professional Service Industries, Inc.	-	-	-	350	4	1.57%
Dial America Marketing, Inc.	-	-	-	310	5	1.39%
Carson Pirie Scott & Co.	-	-	-	300	6	1.34%
JC Penney Co. Inc.	-	-	-	275	8	1.23%
Fulfillment Center, Inc.	-	-	-	232	9	1.04%
Olson International Ltd.	-	-	-	230	10	1.03%
	<b>2,699</b>		<b>11.61%</b>	<b>3,647</b>		<b>16.34%</b>

Source: Village of Lombard.

See independent auditor's report.

**Lombard Park District  
Government Employees by Function/Program  
Last Ten Fiscal Years**

Full-time Employees										
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Parks and Recreation:										
Administrative	7	7	7	7	6	6	6	6	6	6
Recreation	10	10	10	10	11	11	10	11	11	11
Golf Course	1	1	2	2	2	2	3	3	3	3
Maintenance	13	13	13	13	12	14	14	14	14	14
Grand total	<u>31</u>	<u>31</u>	<u>32</u>	<u>32</u>	<u>31</u>	<u>33</u>	<u>33</u>	<u>34</u>	<u>34</u>	<u>34</u>
Full-time Equivalent Employees										
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Grand total	<u>75</u>	<u>73</u>	<u>77</u>	<u>83</u>	<u>68</u>	<u>76</u>	<u>77</u>	N/A	N/A	N/A

Source: Park District Human Resources Department.

Full-time equivalent employees are based on the total number of hours worked divided by 2,080 hours which a full-time employee will work during the year.

Information prior to 2005 is unavailable.

See independent auditor's report.

**Lombard Park District  
Operating Indicators by Function/Program  
Last Ten Fiscal Years**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Parks and Recreation:				
Program fees	<b>\$ 1,306,670</b>	\$ 1,313,336	\$ 1,244,847	\$ 1,209,109
Pool fees	<b>605,051</b>	534,099	539,912	479,135
Golf Course	<b>391,584</b>			
Reimbursements	<b>24,717</b>	37,133	27,635	44,299
Donations	<b>4,042</b>	7,149	7,749	11,857
Miscellaneous	<b>4,018</b>	852	774	637
Rental facilities	<b>107,568</b>	212,106	189,434	180,207
Golf Course	<u>-</u>	<u>326,693</u>	<u>216,542</u>	<u>416,509</u>
<b>Total</b>	<b><u>\$ 2,443,650</u></b>	<b><u>\$ 2,431,368</u></b>	<b><u>\$ 2,226,893</u></b>	<b><u>\$ 2,341,753</u></b>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,244,200	\$ 1,185,782	\$ 1,099,288	\$ 1,060,975	\$ 1,104,851	\$ 1,000,467
31,554	267,803	265,801	296,539	263,665	314,508
45,512	44,823	37,513	28,985	42,518	35,394
14,751	3,237	12,778	5,369	3,020	6,900
772	2,320	2,035	5,796	5,381	2,673
102,091	143,346	137,297	141,040	93,368	86,198
<u>462,737</u>	<u>509,572</u>	<u>456,957</u>	<u>498,569</u>	<u>512,552</u>	<u>517,651</u>
<b><u>\$ 1,901,617</u></b>	<b><u>\$ 2,156,883</u></b>	<b><u>\$ 2,011,669</u></b>	<b><u>\$ 2,037,273</u></b>	<b><u>\$ 2,025,355</u></b>	<b><u>\$ 1,963,791</u></b>

Note: During 2011, the Park District elected to close the Golf Proprietary Fund and record golf operations going forward in the Recreation Fund.

See independent auditor's report.

**Lombard Park District  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years**

	Fiscal Year									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Parks and Recreation:										
Acreage	<b>458</b>	458	458	457	457	457	457	457	457	452
Playgrounds	<b>17</b>	17	16	16	15	15	12	12	14	14
Basketball courts	<b>7</b>	7	5	5	5	5	5	6	6	6
Baseball/softball diamonds	<b>22</b>	22	22	22	22	22	22	22	22	22
Soccer/football fields	<b>16</b>	16	14	14	14	14	14	14	14	14
Community centers	<b>4</b>	4	4	4	4	4	4	4	4	4

Source: Park District Records.

See independent auditor's report.

**Lombard Park District  
Western Acres Golf Course Total Rounds  
Last Ten Fiscal Years**

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	Fiscal Year									
	<b>2012</b>	2011	2010*	2009	2008	2007	2006	2005	2004	2003
Number of rounds	<b>21,209</b>	15,676	9,627	19,574	20,607	22,688	23,514	28,026	26,893	28,645

\*Golf course closed on July 24, 2012 due to severe turf damage resulting from three floods.

Source: Park District Records.

See independent auditor's report.



**Lombard Park District  
Recreation Participation  
Last Ten Fiscal Years**

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	Fiscal Year									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Total Participants	<b>26,676</b>	25,545	26,242	25,696	24,282	24,521	23,604	20,909	21,352	N/A

Source: Park District Records.

See independent auditor's report.

**Lombard Park District  
Pool Admissions and Total Visits  
Last Five Fiscal Years**

					Fiscal
	2012	2011	2010	2009	2008
Total Admissions	78,186	74,627	75,776	63,963	N/A
Total Visits	120,000	110,000	112,000	96,000	N/A

Year					
2007	2006	2005	2004	2003	
25,201	34,238	27,457	30,630	22,109	
N/A	N/A	N/A	N/A	N/A	

Source: Park District Records.

Note: There were no pool operations in 2008 due the constructing of a new aquatic facility.  
Total visits were not tracked prior to 2007.

See independent auditor's report.