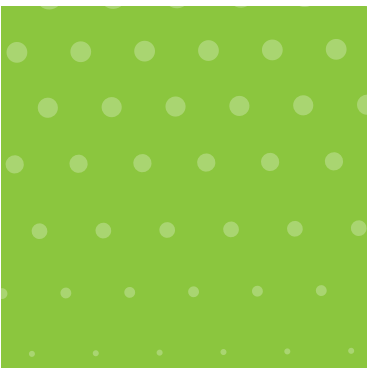
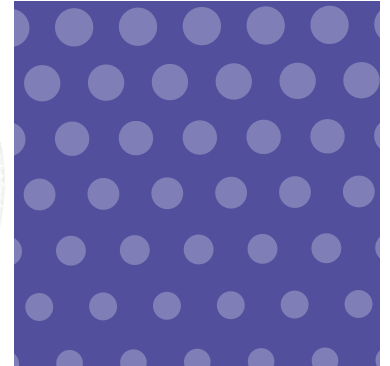
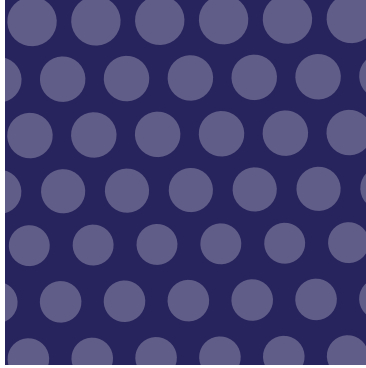




COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended December 31, 2011



LOMBARD PARK DISTRICT

LOMBARD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2011

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, 2011**

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PART I – INTRODUCTORY SECTION

June 21, 2012

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, 2011.

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 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, 2011, 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, 2011 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 43,165 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.

In 2011, the Golf Proprietary Fund, Western Acres Golf Course, was closed at the end of the year. All assets and liabilities were transferred and reported in the Recreation Fund. All future golf operations will be reported in the Recreation Fund.

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 \$350,000 in ADA improvements which included accessible paths throughout Sunset Knoll & Madison Meadow and fitness equipment. In addition, an ADA Assessment was developed for the entire District.
- ☐ Approximately 1.5 miles of paved paths were constructed at Madison Meadow.
- ☐ The District implemented phase two of its baseball/softball field improvements.
- ☐ The pools at Paradise Bay Water Park were painted and a new patio was constructed.
- ☐ A new dance floor was installed and new fitness equipment was purchased at the Sunset Knoll Recreation Center.
- ☐ Development of Sunset Knoll concluded during the year. In addition, a new playground with rubber surfacing, a NEOS play feature and soccer netting were all installed at this park location.
- ☐ A new greens mower was purchased for use at 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 8.7%. 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 Property Management Co. (real estate).

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 a District-wide ADA assessment that began during fall 2010.

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 2011 by the Governmental Funds totaled \$14,370.

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 IV.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 IV.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.

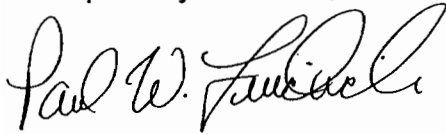
Awards and Acknowledgements

The 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, 2010. 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.

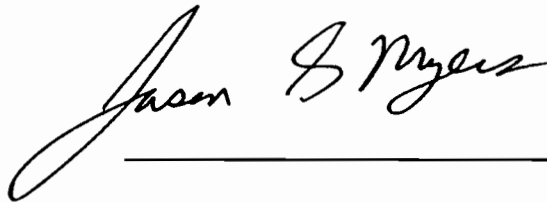
This report will be submitted to the Governmental Finance Officers Association for consideration for awarding to the Lombard Park District the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2011. We believe this report complies with and meets the Certificate of Achievement Requirements and are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of this report is possible through the efforts of the Park District staff, and the commitment towards excellence in financial reporting by the Park District Board of Park Commissioners.

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, 2010

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.



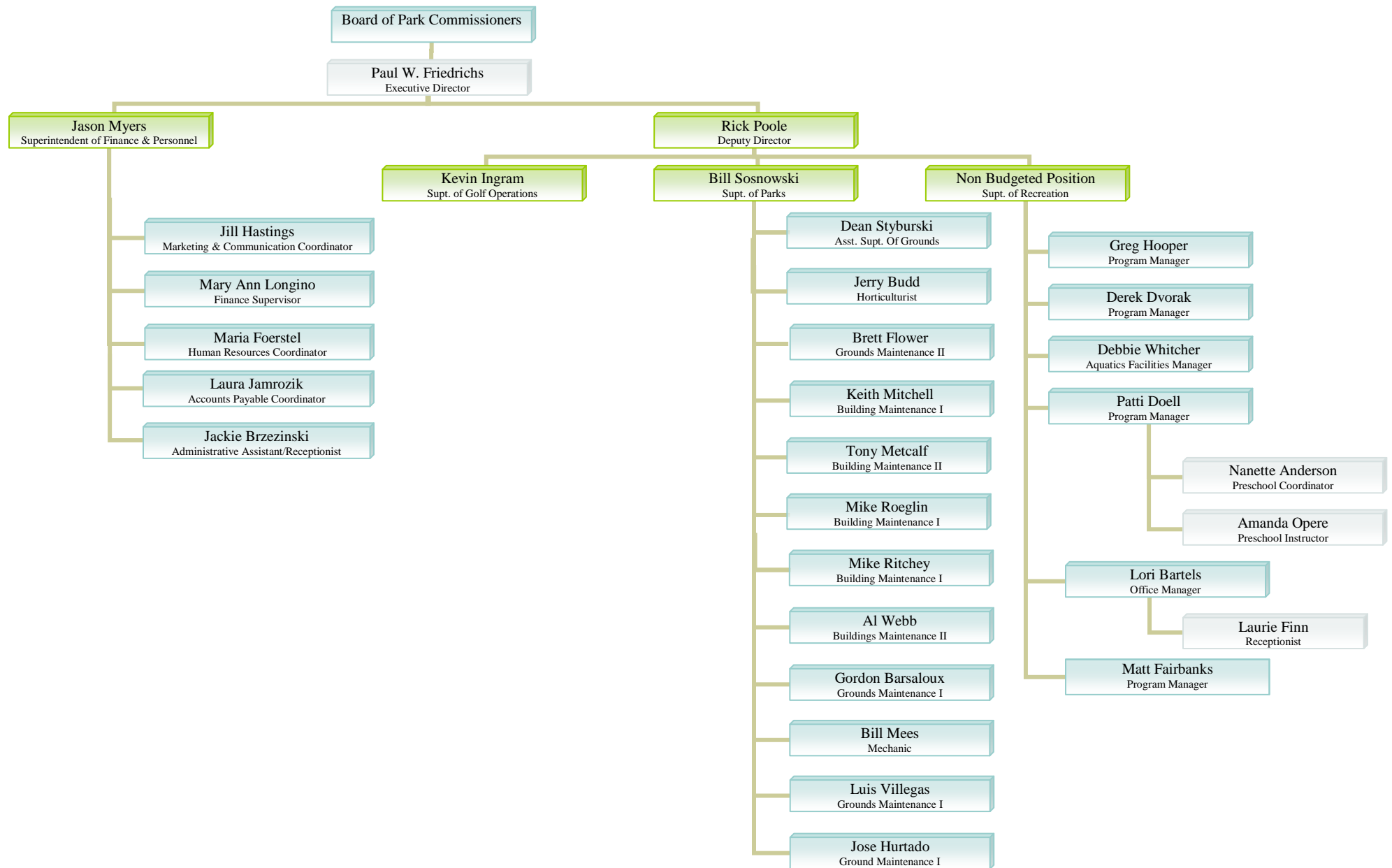
Linda C. Sandison

President

Jeffrey R. Enos

Executive Director

Lombard Park District Organizational Chart 2012



LOMBARD PARK DISTRICT

PRINCIPAL OFFICIALS

December 31, 2011

LEGISLATIVE

DISTRICT BOARD OF COMMISSIONERS

Janice Mills, President
John Bielenda, Vice President
Gregory Ludwig
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

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Lombard Park District
Lombard, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Lombard Park District** as of and for the year ended December 31, 2011, and the statements of revenues, expenditures and changes in fund balance – budget and actual with comparative actual amounts for the year ended December 31, 2010 for the General and major Special Revenue Funds as listed in the table of contents which collectively comprise Lombard Park District's basic financial statements. These financial statements are the responsibility of the Park District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major funds, and remaining fund information of the Lombard Park District as of December 31, 2011, and the results of its operations of those activities and funds and the budgetary comparison for the major funds, and where applicable, cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3-12) and the schedule of funding progress (page 57) 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 the 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as whole. The accompanying financial information listed as supplementary information and other financial schedules in the accompanying table of contents is presented for purposes of additional analysis, and is not a required part of the basic financial statements of the Lombard Park District. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 taken as a whole.

The introductory and statistical information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Selden Fox, Ltd.

June 21, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Lombard Park District
Management's Discussion and Analysis
For the Year Ended December 31, 2011**

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, 2011. 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 assets increased approximately \$1.4 million. This represents an 8.1 percent increase from 2010 net assets.
- General revenues accounted for \$6.0 million in revenue or 72.4 percent of all revenues. Program specific revenues in the form of charges for services and sales and grants accounted for \$3.1 million or 37 percent of total revenues of \$8.3 million.
- The District had \$6.5 million in expenses related to governmental activities. However, \$2.0 million of these expenses were offset by program specific charges for services. General revenues (primarily taxes) of \$6.0 million were adequate to provide for these programs.
- The General Fund had \$2.3 million in revenues and \$2.0 million in expenditures. The General Fund's fund balance increased by approximately \$141,000 during the 2011 year.
- The District's total debt decreased to \$9.3 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 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 Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the fiscal year being reported. All changes in net assets 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 operated one function as a business-type activity; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. This function was transferred into governmental activities at the end of the year. 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 either governmental or proprietary funds (the District maintains no fiduciary 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, 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 assets may serve over time as a useful indicator of a government's financial position. In the case of the Lombard Park District, total net assets increased approximately \$1.5 million to \$18.7 million during 2011. This increase is primarily due to an increase in revenue at the golf course, a reduction in costs for operations at the golf course, receiving a \$400,000 grant and the collection of property taxes within the General Fund. The Districts' total assets equal \$33.8 million. The District's total liabilities equal \$15.1 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 assets 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 assets 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 assets 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 \$1.9 million may be used to meet the ongoing obligations to the District's citizens and creditors. All net asset categories show positive balances at year end.

Governmental Activities

The Governmental Activities experienced an increase in revenue due primarily to the receipt of tax increment financing distributions and an Open Space Lands Acquisition and Development (OSLAD) Grant. This increase combined with continued prudent spending and making debt payments resulted in an increase in net assets to \$18.7 million compared to \$17.0 million in the prior fiscal year. Overall, the District's financial position has improved since the prior fiscal year.

District-wide Financial Analysis (cont'd)

Business-type Activities

The business-type activity of the District included the Golf Fund in 2010. However, in 2011 the District elected to close this fund and transfer all assets and liabilities of the fund to the Recreation Fund. The amounts presented in the table below reflect this transfer.

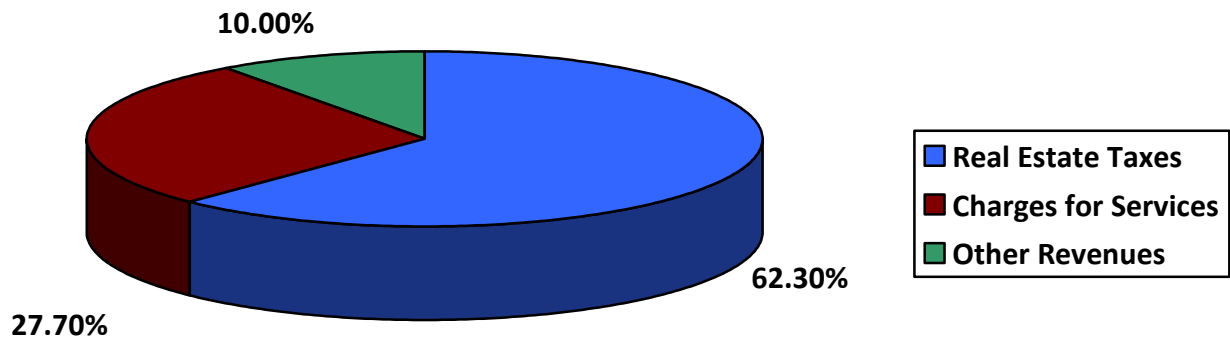
Table 1				
Condensed Statement of Net Assets				
(in millions of dollars)				
	<u>Governmental-type Activities</u>		<u>Business-type Activities</u>	
	<i>2010</i>	<i>2011</i>	<i>2010</i>	<i>2011</i>
Current and other assets	\$ 9.3	\$ 9.5	\$ 0.0	\$ N/A
Capital assets	23.8	24.3	0.3	N/A
Total assets	33.1	33.8	0.3	N/A
Long-term outstanding				
debt	10.4	9.4	0.0	N/A
Other liabilities	5.7	5.7	0.0	N/A
Total liabilities	16.1	15.1	0.0	N/A
Net assets:				
Invested in capital assets,				
net of related debt	14.4	16.0	0.3	N/A
Restricted	1.2	0.8	0.0	N/A
Unrestricted	1.4	1.9	0.0	N/A
Total net assets	\$ 17.0	\$ 18.7	\$ 0.3	\$ N/A

District-wide Financial Analysis (cont'd)

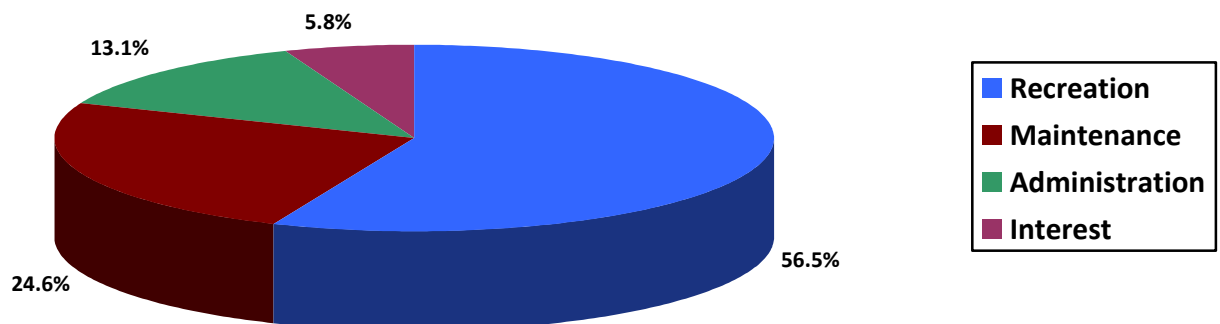
Table 2 Changes in Net Assets <i>(in millions of dollars)</i>				
	<u>Governmental-type Activities</u>		<u>Business-type Activities</u>	
	2010	2011	2010	2011
Revenues:				
Program revenues:				
Charges for services	\$ 2.0	\$ 2.0	\$ 0.2	\$ 0.3
General revenues:				
Property taxes	4.9	5.1	0.0	0.0
Other	0.5	0.9	0.0	0.0
Total revenues	7.4	8.0	0.2	0.3
Expenses:				
Administration	0.8	0.9	0.0	0.0
Recreation	3.7	3.6	0.0	0.0
Maintenance	1.5	1.6	0.0	0.0
Interest and other bank fees	0.4	0.4	0.0	0.0
Golf course	0.0	0.0	0.4	0.4
Total expenses	6.4	6.5	0.4	0.4
Transfer	0.0	0.2	0.0	(0.2)
Increase (decrease) in net assets	1.0	1.7	(0.2)	(0.3)
Net assets, beginning of year	16.0	17.0	0.5	0.3
Net assets, end of year	\$ 17.0	\$ 18.7	\$ 0.3	\$ 0.0

District-wide Financial Analysis (cont'd)

Governmental Revenues by Source



Governmental Expenses by Source



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.

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 increased by \$0.2 million during fiscal year 2011. The primary reason for this increase was due to \$0.4 million of OSLAD Grant funds received in the Capital Projects Fund. The remaining funds continued to be stable and increased by \$0.6 million.

The Recreation Fund's revenue experienced a positive variance to budget for the year. The majority of this increase resulted from spending less in personnel services and recreation capital improvements. In addition, program revenues were down approximately \$123,000 yet there were \$154,000 less in expenditures. Overall, the Recreation Fund performed better than what was budgeted by approximately \$164,000.

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) has an increase of approximately \$28,000 during fiscal year 2011.

General Fund Budgetary Highlights

The General Fund generated approximately \$255,000 better than anticipated during the 2011 budget process for operations. Revenue was more than expected due to additional property taxes, Tax Increment Financing Proceeds and rental property income collected by the District. The expenditures were less than budget largely due to the reduction in the purchased services which is primarily made up of attorney and consultant fees. 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 2011, the Lombard Park District had total capital assets (net of accumulated depreciation) of \$24.3 million, invested in a broad range of capital assets including buildings, vehicles and equipment, playgrounds, swimming pools and golf course. As noted 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 3 to the financial statements.

Capital Asset and Debt Administration (cont'd)

Table 3 Capital Assets (net of depreciation)				
		<u>2010</u>		<u>2011</u>
Land and land improvements	\$	8,915,044	\$	9,285,272
Buildings		4,913,824		4,755,218
Pool buildings and facilities		8,827,340		8,600,738
Machinery and equipment		1,405,911		1,351,017
Total	\$	<u>24,062,119</u>	\$	<u>23,992,245</u>

Long-term Debt

At December 31, 2011, the District had \$9.4 million in total outstanding long-term debt. The District currently has no debt outstanding with regards to business-type activities. (More detailed information about the District's long-term liabilities is presented in Note 3 to the financial statements.)

Table 4 Outstanding Long-term Debt (in thousands of dollars)				
		<u>2010</u>		<u>2011</u>
General obligation bonds	\$	9,887	\$	9,000
Debt certificates and other		519		359
Total	\$	<u>10,406</u>	\$	<u>9,359</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 Assets
December 31, 2011**

Assets	Governmental Activities
Cash	\$ 579,039
Investments	3,045,183
Receivables, net	5,778,079
Prepaid items	38,094
Deferred bond issuance costs	75,216
Capital assets not being depreciated	4,838,538
Capital assets net of accumulated depreciation	<u>19,453,782</u>
Total assets	<u>33,807,931</u>
 Liabilities	
Accounts payable and other current liabilities	330,257
Accrued interest	14,409
Unearned revenue	5,376,757
Noncurrent liabilities:	
Due within one year	1,125,722
Due in more than one year	<u>8,232,810</u>
Total liabilities	<u>15,079,955</u>
 Net Assets	
Investment in capital assets, net of related debt	15,957,320
Restricted for:	
Capital projects	714,313
Debt service	113,825
Special revenue	201,450
Unrestricted	<u>1,741,068</u>
Total net assets	<u>\$ 18,727,976</u>

See accompanying notes.

**Lombard Park District
Statement of Activities
For the Year Ended December 31, 2011**

Functions/Programs	Net (Expense) Revenue and	
	Expenses	Charges for Services
Governmental activities:		
Administration	\$ 842,577	\$ -
Recreation	3,635,632	1,957,339
Maintenance	1,581,764	-
Interest on long-term debt	370,386	-
Total governmental activities	6,430,359	1,957,339
Business-type activities - Golf Course	367,794	326,693
Total activities	\$ 6,798,153	\$ 2,284,032

General revenues:

Taxes:

Property

Replacement

Investment earnings

Gain on disposals of

capital assets

Miscellaneous

**Total general
revenues**

Transfer

Change in net assets

Net assets, beginning of the year

Net assets, end of the year

Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (842,577)	\$ -	\$ (842,577)
(1,678,293)	-	(1,678,293)
(1,581,764)	-	(1,581,764)
(370,386)	-	(370,386)
(4,473,020)	-	(4,473,020)
-	(41,101)	(41,101)
(4,473,020)	(41,101)	(4,514,121)
5,041,216	-	5,041,216
106,138	-	106,138
14,370	314	14,684
5,101	-	5,101
809,836	-	809,836
5,976,661	314	5,976,975
208,028	(208,028)	-
1,711,669	(248,815)	1,462,854
17,016,307	248,815	17,265,122
\$ 18,727,976	\$ -	\$ 18,727,976

See accompanying notes.

**Lombard Park District
Balance Sheet - Governmental Funds
December 31, 2011**

	General	Recreation
Assets		
Assets:		
Cash	\$ 219,623	\$ 54,044
Investments	676,382	1,075,000
Accrued interest receivable	792	320
Property taxes receivable	1,792,540	953,426
Other receivables	6,957	21,236
Prepaid items	12,898	14,228
Total assets	\$ 2,709,192	\$ 2,118,254
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 76,732	\$ 75,979
Accrued salaries	23,625	23,388
Accrued other	24,632	7,825
Deferred recreation program revenue	1,500	108,203
Deferred property tax revenue	1,772,568	943,059
Total liabilities	1,899,057	1,158,454
Fund balance:		
Nonspendable	12,898	14,228
Restricted, reported in:		
Special Revenue Funds	-	-
Debt Service Funds	-	-
Assigned, reported in:		
General Fund	32,761	-
Recreation Fund	-	945,572
Bond and Interest Fund	-	-
Capital Projects Fund	-	-
Unassigned, reported in:		
General Fund	764,476	-
Total fund balance	810,135	959,800
Total liabilities and fund balance	\$ 2,709,192	\$ 2,118,254

See accompanying notes.

Special Recreation	Bond and Interest	Capital Projects	Nonmajor Funds	Total
\$ 142,376	\$ 85,079	\$ 20,318	\$ 57,599	\$ 579,039
-	-	1,293,801	-	3,045,183
4	-	7,303	-	8,419
595,825	1,446,351	-	536,338	5,324,480
6,635	-	408,754	1,598	445,180
-	-	10,968	-	38,094
\$ 744,840	\$ 1,531,430	\$ 1,741,144	\$ 595,535	\$ 9,440,395
\$ 6,635	\$ -	\$ 32,166	\$ 12,982	\$ 204,494
-	-	-	-	47,013
-	-	-	-	32,457
-	-	-	-	109,703
589,190	1,432,119	-	530,118	5,267,054
595,825	1,432,119	32,166	543,100	5,660,721
-	-	10,968	-	38,094
149,015	-	-	52,435	201,450
-	99,171	-	-	99,171
-	-	-	-	32,761
-	-	-	-	945,572
-	140	-	-	140
-	-	1,698,010	-	1,698,010
-	-	-	-	764,476
149,015	99,311	1,708,978	52,435	3,779,674
\$ 744,840	\$ 1,531,430	\$ 1,741,144	\$ 595,535	\$ 9,440,395

**Lombard Park District
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Assets
December 31, 2011**

Total fund balance - governmental funds (pages 16 and 17)	\$ 3,779,674
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	24,292,320
Interest expense is not subject to accrual in governmental funds.	(14,409)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(28,867)
Bond issuance costs are not deferred in governmental funds.	28,923
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(9,329,665)</u>
Net assets of governmental activities (page 13)	<u>\$ 18,727,976</u>

See accompanying notes.

Lombard Park District
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended December 31, 2011

	General	Recreation
Revenues:		
Property taxes	\$ 1,753,962	\$ 909,891
Personal property replacement income tax	102,954	-
Interest	2,251	585
Charges for services	31,216	1,926,123
Reimbursements	16,704	17,342
Donations	2,431	5,938
Grants	-	-
Other	353,161	282
Total revenues	2,262,679	2,860,161
Expenditures:		
Current:		
Administration	674,766	-
Recreation	-	2,371,760
Maintenance	1,280,001	-
Debt service:		
Principal	-	-
Interest	-	-
Bond costs	-	-
Capital outlay	-	169,996
Total expenditures	1,954,767	2,541,756
Revenues over (under) expenditures before other financing sources (uses)	307,912	318,405
Other financing sources (uses):		
Transfers in	-	-
Transfers out	(175,445)	(60,814)
Sale of capital assets	9,018	-
Total other financing sources (uses)	(166,427)	(60,814)
Changes in fund balances	141,485	257,591
Fund balances, beginning of the year	668,650	702,209
Fund balances, end of the year	\$ 810,135	\$ 959,800

Special Recreation	Bond and Interest	Capital Projects	Nonmajor Funds	Total
\$ 582,330	\$ 1,249,098	\$ -	\$ 545,935	\$ 5,041,216
-	-	-	3,184	106,138
12	-	11,245	277	14,370
-	-	-	-	1,957,339
-	-	-	-	34,046
-	-	-	-	8,369
-	-	400,000	-	400,000
-	-	11,300	2,678	367,421
582,342	1,249,098	422,545	552,074	7,928,899
-	-	-	114,381	789,147
279,064	-	-	267,243	2,918,067
-	-	-	142,257	1,422,258
-	1,047,430	-	-	1,047,430
-	371,620	-	-	371,620
-	589	-	-	589
-	-	965,683	-	1,135,679
279,064	1,419,639	965,683	523,881	7,684,790
303,278	(170,541)	(543,138)	28,193	244,109
-	175,445	192,627	-	368,072
(192,627)	-	(31,233)	-	(460,119)
-	-	-	-	9,018
(192,627)	175,445	161,394	-	(83,029)
110,651	4,904	(381,744)	28,193	161,080
38,364	94,407	2,090,722	24,242	3,618,594
\$ 149,015	\$ 99,311	\$ 1,708,978	\$ 52,435	\$ 3,779,674

See accompanying notes.

**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, 2011**

Amounts reported for governmental activities in the statement of activities
(pages 14 and 15) are different because:

Net changes in fund balances - total governmental funds (pages 19 and 20)	\$ 161,080
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 capital outlays exceed depreciation in the current period.	215,810
Capital assets transferred from business-type activities are recorded in governmental activities but not recorded in the governmental funds	300,075
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 assets differs from the change in fund balance by the cost of the capital assets disposed.	(3,917)
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 assets. 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.	1,037,120
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.	1,823
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(322)</u>
Change in net assets of governmental activities (pages 14 and 15)	<u>\$ 1,711,669</u>

See accompanying notes.

**Lombard Park District
Proprietary Fund
Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended December 31, 2011**

	<u>Golf Fund</u>
Operating revenues:	
Greens fees	\$ 242,675
Rentals	53,663
Concessions and sales	29,946
Miscellaneous	<u>409</u>
Total operating revenues	<u>326,693</u>
Operating expenses:	
Personnel services	214,229
Commodities and supplies	72,368
Contractual services	7,390
Utilities	26,525
Depreciation and amortization	12,925
Other	<u>34,357</u>
Total operating expenses	<u>367,794</u>
Operating loss	(41,101)
Nonoperating revenues - interest income	314
Contributed capital from governmental funds	<u>31,233</u>
Net loss before transfer	(9,554)
Residual equity transfer to governmental funds	(239,261)
Net assets, beginning of the year	<u>248,815</u>
Net assets, end of the year	<u>\$ -</u>

See accompanying notes.

**Lombard Park District
Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2011**

	<u>Golf Fund</u>
Cash flows from operating activities:	
Receipts from customers and users	\$ 327,477
Payments to suppliers	(169,137)
Payments to employees	<u>(214,171)</u>
Net cash used for operating activities	(55,831)
Cash flows from investing activities - interest income	<u>202</u>
Net decrease in cash	(55,629)
Cash, beginning of the year	7,109
Transfer of deficit cash to governmental funds	<u>48,520</u>
Cash, end of the year	<u>\$ -</u>
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (41,101)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	12,925
Decrease in assets	2,144
Decrease in liabilities	<u>(29,799)</u>
Net cash used for operating activities	<u>\$ (55,831)</u>
Noncash capital and related financing activities - contributed capital	<u>\$ 31,233</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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011			
	Original and Final Budget	Actual	Variance to Budget	2010 Actual
Revenues:				
Property taxes	\$ 1,723,216	\$ 1,753,962	\$ 30,746	\$ 1,678,934
Replacement taxes	118,484	102,954	(15,530)	116,832
Interest	1,435	2,251	816	1,641
Permits and licenses	3,608	28,137	24,529	2,973
Plant sale/buy a brick	3,300	3,079	(221)	3,179
Reimbursements	21,033	16,704	(4,329)	19,954
Donations	700	2,431	1,731	1,057
Miscellaneous	209,011	353,161	144,150	334,829
Total revenues	2,080,787	2,262,679	181,892	2,159,399
Expenditures:				
Administrative:				
Personnel services	592,361	576,155	16,206	551,960
Purchased services	57,375	24,658	32,717	38,978
Supplies/maintenance	29,346	27,787	1,559	25,733
Utilities	21,255	20,411	844	20,156
Other charges	32,547	25,755	6,792	29,626
Operating:				
Personnel services	776,802	745,379	31,423	751,810
Purchased services	4,300	2,936	1,364	1,905
Supplies/maintenance	271,623	293,504	(21,881)	244,232
Other charges	8,530	6,312	2,218	5,500
Building:				
Supplies/maintenance	19,977	20,353	(376)	19,690
Utilities	93,535	98,549	(5,014)	86,655
Horticulture:				
Personnel services	61,472	62,634	(1,162)	58,910
Supplies/maintenance	50,008	50,334	(326)	56,392
Total expenditures	2,019,131	1,954,767	64,364	1,891,547
Revenues over expenditures before other financing sources (uses)	61,656	307,912	246,256	267,852

(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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Other financing sources (uses):				
Transfer to Debt Service Fund	\$ (175,445)	\$ (175,445)	\$ -	\$ (169,870)
Sale of capital assets	-	9,018	9,018	-
Total other financing sources (uses)	<u>(175,445)</u>	<u>(166,427)</u>	<u>9,018</u>	<u>(169,870)</u>
Changes in fund balance	<u>\$ (113,789)</u>	<u>141,485</u>	<u>\$ 255,274</u>	<u>97,982</u>
Fund balance, beginning of the year		<u>668,650</u>		<u>570,668</u>
Fund balance, end of the year		<u>\$ 810,135</u>		<u>\$ 668,650</u>

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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Revenues:				
Property taxes	\$ 893,511	\$ 909,891	\$ 16,380	\$ 880,448
Interest	325	585	260	348
Charges for services:				
Recreation programs	1,313,336	1,190,586	(122,750)	1,244,847
Pool	534,099	551,391	17,292	539,912
Reimbursements	37,133	17,342	(19,791)	27,635
Donations	7,149	5,938	(1,211)	7,749
Miscellaneous	852	282	(570)	774
Rentals and concessions:				
Recreation center	18,384	12,865	(5,519)	12,439
Pool	89,681	87,369	(2,312)	92,638
Lagoon	22,912	18,747	(4,165)	19,144
Community building	32,845	25,536	(7,309)	26,676
Log cabin	31,724	24,652	(7,072)	24,582
Outdoor rentals	16,560	14,977	(1,583)	13,955
Total revenues	2,998,511	2,860,161	(138,350)	2,891,147
Expenditures:				
Current:				
Recreation:				
Programs:				
Personnel services	1,233,141	1,153,536	79,605	1,152,192
Purchased services	306,237	277,665	28,572	343,563
Supplies/maintenance	152,750	125,306	27,444	119,803
Utilities	25,414	22,269	3,145	23,995
Other charges	149,112	133,977	15,135	134,209
Pool:				
Personnel services	292,432	289,478	2,954	306,101
Purchased services	6,335	2,796	3,539	5,635
Supplies/maintenance	43,368	32,654	10,714	42,695
Utilities	79,689	51,034	28,655	64,391
Other charges	57,165	48,778	8,387	56,281

(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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010

	2011			
	Original and Final Budget	Actual	Variance to Budget	2010 Actual
Expenditures (cont'd):				
Current (cont'd):				
Recreation (cont'd):				
Recreation center:				
Personnel services	\$ 68,326	\$ 57,156	\$ 11,170	\$ 59,115
Supplies/maintenance	43,406	40,584	2,822	42,248
Utilities	68,203	60,656	7,547	63,155
Other charges	1,700	1,405	295	1,949
Lagoon:				
Personnel services	4,786	1,185	3,601	4,037
Supplies/maintenance	3,387	2,142	1,245	2,294
Utilities	5,609	4,242	1,367	4,441
Other charges	215	60	155	100
Community building:				
Personnel services	14,520	13,276	1,244	14,591
Supplies/maintenance	10,385	9,096	1,289	9,081
Utilities	23,826	19,331	4,495	25,916
Other charges	3,300	2,312	988	2,893
Log Cabin:				
Personnel services	5,194	3,302	1,892	4,515
Supplies/maintenance	3,380	2,230	1,150	2,916
Utilities	6,670	5,582	1,088	5,771
Other charges	600	378	222	100
Outdoor rentals - supplies/maintenance	8,004	11,330	(3,326)	7,685
Capital expenditures	287,646	169,996	117,650	165,004
Total expenditures	2,904,800	2,541,756	363,044	2,664,676
Revenues over expenditures before other financing uses	93,711	318,405	224,694	226,471

(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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Other financing uses - transfer of Proprietary fund	\$ -	\$ (60,814)	\$ (60,814)	\$ -
Changes in fund balance	\$ 93,711	257,591	\$ 163,880	226,471
Fund balance, beginning of the year		702,209		475,738
Fund balance, end of the year		\$ 959,800		\$ 702,209

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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Revenues:				
Property taxes	\$ 636,275	\$ 582,330	\$ (53,945)	\$ 620,034
Interest	80	12	(68)	31
Total revenues	636,355	582,342	(54,013)	620,065
Expenditures:				
Current:				
Recreation:				
Payments to NEDSRA	279,880	279,062	818	271,703
Interest expense	75	2	73	25
Program integration	1,500	-	1,500	59
Total expenditures	281,455	279,064	2,391	271,787
Revenues over expenditures before other financing uses	354,900	303,278	(51,622)	348,278
Other financing uses - transfer to Capital Projects Fund	(354,930)	(192,627)	162,303	(348,330)
Changes in fund balance	\$ (30)	110,651	\$ 110,681	(52)
Fund balance, beginning of the year		38,364		38,416
Fund balance, end of the year		\$ 149,015		\$ 38,364

See accompanying notes.

Lombard Park District Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The Lombard Park District (the 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, (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)**

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

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements – The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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 assets/fund equity, revenues, and expenditure/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary 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)**

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 and proprietary funds. Major individual governmental funds and major individual enterprise 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 proprietary or 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 not being financed by proprietary funds.

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

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 major enterprise fund:

Proprietary Fund – Accounts for operations of the Park District which operates the Western Acres Golf Course.

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 assets 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.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

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

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

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

Government-Wide Financial Statements (cont'd)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Park District's golf functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 to 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.

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

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

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

Fund Financial Statements (cont'd)

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.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The Proprietary Fund follows all pronouncements of the Governmental Accounting Standards Board, and has elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Proprietary Fund are charges to customers for sales and services.

Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 Assets or Equity

1. Deposits and Investments

For purposes of the statement of cash flows, the Park District considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

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

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

1. Deposits and Investments (cont'd)

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.

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.

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

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

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

1. Deposits and Investments (cont'd)

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, 2011, 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.

2. Receivables

Property taxes for levy year 2011 attach as an enforceable lien on January 1, 2011, 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).

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

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

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

2. Receivables (cont'd)

Tax bills for levy year 2011 are prepared by DuPage County and issued on or about February 1, 2012 and September 1, 2012, and are payable in two installments, on or about June 1, 2012 and September 1, 2012 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2011 property tax levy is recognized as a receivable and deferral in fiscal year 2011. There is no allowance for uncollectibles. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2011, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2011 levy.

The 2011 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. Year end 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)**

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

D. Assets, Liabilities, and Net Assets 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 assets.

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. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide financial statements.

5. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type 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)**

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

D. Assets, Liabilities, and Net Assets 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 balance sheet.

7. Long-term Obligations

All long-term obligations to be repaid from governmental and business-type 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. The accounting in proprietary funds is the same as it is in the government-wide statements.

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 and proprietary funds 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)**

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

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

9. Equity Classifications

Equity is classified as net assets 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 assets – Consists of net assets 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 assets – All other net assets 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)**

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

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

9. Equity Classifications (cont'd)

The Park District's fund balances have the following restrictions, commitment 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 \$12,898. The budgeted deficit in the fund for 2012 of \$32,761 is considered to be assigned.

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 \$14,228. The budgeted deficit in the fund for 2012 of \$46,444 is considered to be assigned. The remaining \$899,128 is considered to be assigned for the purposes of the fund.

Bond and Interest Fund – A portion of the fund balance is considered to be assigned fund balance. The assigned portion of the fund balance represents the budgeted deficit in the Fund for 2012 of \$140. A portion of the fund balance is considered restricted fund balance. The restricted portion of the fund balance is intended for future debt service payments totaling \$99,171.

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 \$201,450 (\$149,015 in the special recreation fund and \$52,435 in nonmajor funds).

Capital Projects 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 items totaling \$10,968. The remaining \$1,698,010 is considered to be assigned for the 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)**

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, 2011, expenditures exceeded appropriations in the Bond and Interest fund by \$27,304. 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 assets 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 \$215,810 are as follows:

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

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

Capital outlay	\$ 1,131,978
Depreciation expense	<u>(916,168)</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 215,810</u>

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 assets differs from the change in fund balance by the cost of the capital assets disposed." The details of this \$3,917 difference are as follows:

Accumulated depreciation of capital assets	\$ 39,101
Cost of capital assets	<u>(43,018)</u>
Net adjustment to decrease net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (3,917)</u>

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 assets. 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 \$1,037,120 difference are as follows:

Principal repayments – general obligation debt	\$ 1,047,430
Amortization of deferred bond issuance costs	(14,518)
Amortization of bond premium	<u>4,208</u>
Net adjustments to increase net change in fund balance – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,037,120</u>

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 assets 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:

	Carrying Value	Statement Balances	Associated Risks
Deposits with financial institutions	\$ 3,301,654	\$ 3,457,020	Custodial credit risk
IPDLAF	320,183	320,183	Interest rate risk and credit risk
Cash on hand	<u>2,385</u>	<u>2,385</u>	N/A
Total deposits and investments	<u>\$ 3,624,222</u>	<u>\$ 3,779,588</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, 2011 is as follows:

Cash	\$ 579,039
Investments	<u>3,045,183</u>
Combined carrying value on balance sheet	<u>\$ 3,624,222</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)

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, 2011, the Park District's investments were as follows:

Investment Type	Maturity (in Months)	
	Fair Value	Less Than One Year
Illinois Park District Liquid Asset Fund Plus	\$ 320,183	\$ 320,183

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

B. Receivables

All of the receivables on the balance sheet 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, 2011 was as follows:

	Balance, December 31, 2010	Additions	Retirements/ Adjustments	Transfers	Balance December 31, 2011
Governmental Activities					
Capital assets, not being					
Depreciated - land	\$ 4,838,538	\$ -	\$ -	\$ -	\$ 4,838,538
Capital assets, being					
depreciated:					
Land improvements	5,442,482	620,040	-	297,691	6,360,213
Buildings	6,710,029	95,851	-	494,445	7,300,325
Pool buildings/facilities	9,369,004	128,286	-	-	9,497,290
Machinery and equipment	3,213,531	287,801	43,018	902,829	4,361,143
Total capital assets being depreciated	24,735,046	1,131,978	43,018	1,694,965	27,518,971
Total capital assets	29,573,584	1,131,978	43,018	1,694,965	32,357,509
Less accumulated					
depreciation for:					
Land improvements	1,396,847	218,941	-	271,405	1,887,193
Buildings	1,869,965	180,697	-	402,684	2,453,346
Pool buildings/facilities	541,664	354,888	-	-	896,552
Machinery and equipment	1,984,756	161,642	39,101	720,801	2,828,098
Total accumulated depreciation	5,793,232	916,168	39,101	1,394,890	8,065,189
Total capital assets being depreciated, net	18,941,814	215,810	3,917	300,075	19,453,782
Total governmental activities' capital assets, net of accumulated depreciation	\$ 23,780,352	\$ 215,810	\$ 3,917	\$ 300,075	\$ 24,292,320

Depreciation expense of \$52,997, \$707,416, and \$155,755 was charged to the Administration Fund, Recreation Fund, and Maintenance Fund, respectively. Total depreciation expense at December 31, 2011 was \$916,168.

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

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

C. Capital Assets (cont'd)

	Balance, December 31, 2010	Additions	Retirements/ Adjustments	Transfers	Balance December 31, 2011
Business-type Activities					
Capital assets being depreciated:					
Land improvements	\$ 297,691	\$ -	\$ -	\$ (297,691)	\$ -
Buildings/facilities	490,561	3,884	-	(494,445)	-
Equipment	875,480	27,349	-	(902,829)	-
Total capital assets being depreciated	1,663,732	31,233	-	(1,694,965)	-
Less accumulated depreciation for:					
Land improvements	266,820	4,585	-	(271,405)	-
Buildings/facilities	416,801	-	14,117	(402,684)	-
Equipment	698,344	22,457	-	(720,801)	-
Total accumulated depreciation	1,381,965	27,042	14,117	(1,394,890)	-
Business-type capital assets, net of accumulated depreciation	\$ 281,767	\$ 4,191	\$ 14,117	\$ (300,075)	\$ -

D. Interfund Transfers

The composition of interfund transfers as of December 31, 2011 is as follows:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Debt Service	General	\$ 175,445	Assist in debt repayment
Capital Projects	Special Recreation	192,627	Payment of capital project activities related to Special Recreation
		<u>\$ 368,072</u>	

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

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

D. Interfund Transfers (cont'd)

Transfer of capital assets from governmental-type activities to business-type activities	<u>\$ 31,233</u>
Transfer from Recreation Fund to Golf Proprietary Fund	\$ (60,814)
Transfer from Golf Proprietary Fund to Governmental Activities	<u>300,075</u>
Residual equity	<u>\$ 239,261</u>

The Park District elected to close the Golf Proprietary Fund at the end of the current year and record Golf operations going forward in the Recreation Fund. Net assets of the Golf Proprietary Fund prior to year end consisted of net capital assets with a net book value of \$300,075 and other current assets and other current liabilities which net to a liability of \$60,814. The Recreation Fund recorded a transfer out to the Golf Proprietary Fund of \$60,814 to eliminate this net liability.

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 or business-type activities are netted and eliminated.

E. Long-term Obligations

Long-term obligations activity for the year ended December 31, 2011 was as follows:

	Balance, December 31, 2010	Additions	Retirements/ Adjustments	Balance, December 31, 2011	Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 9,887,095	\$ -	\$ 887,430	\$ 8,999,665	\$ 936,855
Debt certificates	<u>490,000</u>	<u>-</u>	<u>160,000</u>	<u>330,000</u>	<u>160,000</u>
Total bonds and notes payable	10,377,095	-	1,047,430	9,329,665	1,096,855
Other liabilities - compensated absences	<u>28,545</u>	<u>28,867</u>	<u>28,545</u>	<u>28,867</u>	<u>28,867</u>
	<u>\$ 10,405,640</u>	<u>\$ 28,867</u>	<u>\$ 1,075,975</u>	<u>\$ 9,358,532</u>	<u>1,125,722</u>

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

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

E. Long-term Obligations (cont'd)

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.

				<u>Principal Outstanding</u>
\$3,040,000 General Obligation Bonds, Series 2005B, Dated June 15, 2005 – Principal is payable on December 15 of each year as follows:				
2012	\$	160,000	2019	\$ 215,000
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		
Interest is payable on June 15 and December 15 of each year, at rates ranging from 3.50% to 4.25%.				\$ 2,735,000

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

2012	\$	290,000	2019	\$ 475,000
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		

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

5,270,000

(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)

			<u>Principal Outstanding</u>
\$994,665 General Obligation Bonds, Series 2010, Dated November 2, 2010 – Principal is payable on December 15 of each year as follows:			
2012	\$ 486,855	2013	\$ 507,810
Interest is payable on June 15 and December 15 of each year, at rates ranging from 2.00% to 2.20%.			\$ 994,665
\$1,200,000 Debt Certificates, Series 2002, Dated January 1, 2003 – Principal is payable on December 1 of each year as follows:			
2012	\$ 160,000	2013	\$ 170,000
Interest is payable on June 15 and December 15 of each year, at rates ranging from 3.05% to 3.25%.			330,000
			<u>\$ 9,329,665</u>

Debt Service Requirement to Maturity – Annual requirements to amortize all debt outstanding as of December 31, 2011, including interest payments of \$2,358,811, are as follows:

Year Ending December 31,	Long-term Obligations		
	Total	Principal	Interest
Due in 2012:			
Series 2005B	\$ 267,090	\$ 160,000	\$ 107,090
Series 2008	486,700	290,000	196,700
Series 2010	507,764	486,855	20,909
Series 2002	170,565	160,000	10,565
Total 2012	1,432,119	1,096,855	335,264
2013	1,467,547	1,162,810	304,737
2014	781,065	510,000	271,065
2015	798,215	545,000	253,215
2016	813,955	580,000	233,955
2017 – 2021	4,291,663	3,470,000	821,663
2022 – 2024	2,103,912	1,965,000	138,912
Totals	\$ 11,688,476	\$ 9,329,665	\$ 2,358,811

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

V. Other Information (cont'd)

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.

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 2011 was 13.02 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.

For the year ended December 31, 2011, the Park District's annual pension cost of \$233,228 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, 2011, 2010 and 2009 is as follows:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
December 31, 2011	\$ 233,228	100 %	\$ -
December 31, 2010	216,386	100	-
December 31, 2009	204,234	100	-

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009 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, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 71.08 percent funded. The actuarial accrued liability for benefits was \$5,813,855 and the actuarial value of assets was \$4,132,394, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,681,461. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$1,791,307 and the ratio of the UAAL to the covered payroll was 94 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.

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.

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

V. Other Information (cont'd)

B. Risk Management (cont'd)

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, 2010 through January 1, 2011.

Coverage	Member Deductible	PDRMA Self- insured Retention	Limits
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	\$ 100,000	\$ 250,000,000 per occurrence
Flood, zones A & V	\$1,000	\$ 250,000	\$ 200,000,000 per occurrence
Earthquake shock	\$1,000	\$ 100,000	\$ 100,000,000 per occurrence
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	\$ 10,000,000
Boiler and machinery:			
Property damage	\$1,000	\$ 9,000	\$ 100,000,000
Business income	48 Hours	N/A	Included
Fidelity and crime:			
Seasonal employees	\$1,000	\$ 9,000	\$ 1,000,000
Blanket bond	\$1,000	\$ 24,000	\$ 2,000,000
Workers' compensation			
Employer's liability	N/A	\$ 500,000	Statutory
		\$ 500,000	\$ 3,500,000

(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)

Coverage	Member Deductible	PDRMA Self- insured Retention	Limits
Liability:			
General	None	\$ 500,000	\$ 21,500,000 per occurrence
Auto liability	None	Included	Included
Employment practices	None	Included	\$ 21,500,000 per occurrence
Public official's liability	None	Included	
Law enforcement liability	None	Included	Included
Uninsured/underinsured motorists	None	Included	\$ 1,000,000 per occurrence
Pollution liability:			
Liability – third party	None	\$ 25,000	\$ 5,000,000 per occurrence
Property – first party	\$1,000	\$ 24,000	\$ 10,000,000 aggregate
Outbreak expense	24 Hours	N/A	\$ 15,000 per day \$ 450,000 per 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

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 2011, 2010 and 2009.

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.

**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)

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, 2009 and the statement of revenues and expenses for the period ended December 31, 2009. The Park District's portion of the overall equity of the pool is 1.332% or \$394,234.

Assets	\$ 48,983,630
Liabilities	19,377,129
Member balances	29,606,501
Revenues	15,335,883
Expenditures	19,134,589

Since 95% 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.

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 \$200,000. 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.

**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 Health Program (cont'd)

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, 2009 and the statement of revenues and expenses for the period ended December 31, 2009.

Assets	\$ 10,463,230
Liabilities	2,844,691
Member balances	7,618,539
Revenues	16,117,195
Expenditures	15,737,135

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.

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 2011, 2010, and 2009 was \$279,062, \$271,703, and \$271,635, 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, 2011**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
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, 2011 is \$3,895,817.
On a market basis, the funded ratio would be 67.01%.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

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
Bond and Interest Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011		
	Original and Final Budget	Actual	Variance to Budget
			2010 Actual
Revenues - property taxes	\$ 1,218,162	\$ 1,249,098	\$ 30,936
Expenditures:			
Debt service:			
Principal	1,020,715	1,047,430	(26,715)
Interest	371,620	371,620	-
Bond costs	-	589	(589)
Total expenditures	1,392,335	1,419,639	(27,304)
Revenues under expenditures before other financing sources	(174,173)	(170,541)	3,632
Other financing sources - transfers from General Fund	175,445	175,445	-
Changes in fund balance	\$ 1,272	4,904	\$ 3,632
Fund balance, beginning of the year		94,407	90,140
Fund balance, end of the year		\$ 99,311	\$ 94,407

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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Revenues:				
Interest	\$ 15,666	\$ 11,245	\$ (4,421)	\$ 17,548
Grants	400,000	400,000	-	-
Other	-	11,300	11,300	20,245
Total revenues	415,666	422,545	6,879	37,793
Expenditures:				
Capital outlay:				
Water park reconstruction	48,545	57,360	(8,815)	220,075
Permanent improvements	981,969	745,763	236,206	1,982,082
Equipment purchase	428,289	162,560	265,729	247,770
Paying agent fees	-	-	-	10,987
Total expenditures	1,458,803	965,683	493,120	2,460,914
Revenues under expenditures before other financing sources and uses	(1,043,137)	(543,138)	499,999	(2,423,121)
Other financing sources (uses):				
Issuance of bonds	-	-	-	994,665
Transfer from Special Recreation Fund	354,930	192,627	(162,303)	348,330
Transfer to Proprietary Fund	-	(31,233)	(31,233)	(8,076)
Total other financing sources (uses)	354,930	161,394	(193,536)	1,334,919
Changes in fund balance	\$ (688,207)	(381,744)	\$ 306,463	(1,088,202)
Fund balance, beginning of the year		2,090,722		3,178,924
Fund balance, end of the year		\$ 1,708,978		\$ 2,090,722

See independent auditor's report.

**Lombard Park District
Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2011**

	Liability	Audit	Municipal Retirement and Social Security	Total
Assets				
Cash	\$ 23,084	\$ 3,772	\$ 30,743	\$ 57,599
Receivables:				
Property taxes	139,554	11,419	385,365	536,338
Other	1,535	-	63	1,598
Total assets	\$ 164,173	\$ 15,191	\$ 416,171	\$ 595,535
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 12,958	\$ -	\$ 24	\$ 12,982
Deferred property tax revenue	138,028	11,270	380,820	530,118
Total liabilities	150,986	11,270	380,844	543,100
Fund balance - restricted, Special Revenue Funds	13,187	3,921	35,327	52,435
Total liabilities and fund balance	\$ 164,173	\$ 15,191	\$ 416,171	\$ 595,535

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, 2011

	Liability	Audit	Municipal Retirement and Social Security	Total
Revenues:				
Property taxes	\$ 133,936	\$ 13,103	\$ 398,896	\$ 545,935
Replacement taxes	-	-	3,184	3,184
Interest	98	-	179	277
Miscellaneous	2,678	-	-	2,678
Total revenues	136,712	13,103	402,259	552,074
Expenditures:				
Current:				
Liability	135,544	-	-	135,544
Audit	-	12,900	-	12,900
Pension fund contribution	-	-	375,437	375,437
Total expenditures	135,544	12,900	375,437	523,881
Revenues over expenditures	1,168	203	26,822	28,193
Fund balance, beginning of the year	12,019	3,718	8,505	24,242
Fund balance, end of the year	\$ 13,187	\$ 3,921	\$ 35,327	\$ 52,435

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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Revenues:				
Property taxes	\$ 134,389	\$ 133,936	\$ (453)	\$ 134,857
Interest	54	98	44	58
PDRMA safety incentive award	1,500	-	(1,500)	4,500
Miscellaneous	2,580	2,678	98	2,610
Total revenues	138,523	136,712	(1,811)	142,025
Expenditures:				
Current:				
Recreation:				
Insurance	135,837	130,837	5,000	125,372
Professional services	4,500	2,094	2,406	4,490
Supplies	2,000	2,613	(613)	1,618
Total expenditures	142,337	135,544	6,793	131,480
Revenues over (under) expenditures	\$ (3,814)	1,168	\$ 4,982	10,545
Fund balance, beginning of the year		12,019		1,474
Fund balance, end of the year		\$ 13,187		\$ 12,019

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, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011			
	Original and Final Budget	Actual	Variance to Budget	2010 Actual
Revenues - property taxes	\$ 13,250	\$ 13,103	\$ (147)	\$ 9,300
Expenditures - current - audit	13,250	12,900	350	10,850
Revenues over (under) expenditures	\$ -	203	\$ 203	(1,550)
Fund balance, beginning of the year		3,718		5,268
Fund balance, end of the year		\$ 3,921		\$ 3,718

See independent auditor's report.

**Lombard Park District
Municipal Retirement and Social Security Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance (Deficit) - Budget and Actual
For the Year Ended December 31, 2011
With Comparative Actual Amounts For the Year Ended December 31, 2010**

	2011			2010
	Original and Final Budget	Actual	Variance to Budget	Actual
Revenues:				
Property taxes	\$ 398,539	\$ 398,896	\$ 357	\$ 368,920
Replacement taxes	3,665	3,184	(481)	3,613
Interest	100	179	79	107
Total revenues	402,304	402,259	(45)	372,640
Expenditures:				
Current:				
Pension Fund contributions:				
IMRF	223,584	213,166	10,418	197,709
FICA	176,407	162,271	14,136	164,104
Total expenditures	399,991	375,437	24,554	361,813
Revenues over expenditures	\$ 2,313	26,822	\$ 24,509	10,827
Fund balance (deficit), beginning of the year		8,505		(2,322)
Fund balance, end of the year		\$ 35,327		\$ 8,505

See independent auditor's report.

**Lombard Park District
Noncurrent Liabilities
Schedule of Long-term Obligations to Maturity
December 31, 2011**

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
2012	\$ 1,096,855	\$ 335,264	\$ 160,000	\$ 107,090	\$ 290,000	\$ 196,700
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>\$ 9,329,665</u>	<u>\$ 2,358,811</u>	<u>\$ 2,735,000</u>	<u>\$ 839,627</u>	<u>\$ 5,270,000</u>	<u>\$ 1,471,013</u>

General Obligation Park Bonds, Series 2010 Dated November 2, 2010		Debt Certificates Series 2002 Dated January 1, 2003	
Principal	Interest	Principal	Interest
\$ 486,855	\$ 20,909	\$ 160,000	\$ 10,565
507,810	11,172	170,000	5,525
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 994,665</u>	<u>\$ 32,081</u>	<u>\$ 330,000</u>	<u>\$ 16,090</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.

<u>Contents</u>	<u>Page</u>
Financial Trends	68-75
These schedules contain trend information to help the reader understand how the Park District's financial performance and wellbeing have changed over time.	
Revenue Capacity	76-81
These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.	
Debt Capacity	82-86
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.	
Demographic and Economic Information	87-88
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.	
Operating Information	89-95
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 Assets by Component
Last Five Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)**

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

December 31,		
2009	2008	2007
\$ 10,767	\$ 8,770	\$ 8,397
4,184	5,279	5,742
1,071	933	436
\$ 16,022	\$ 14,982	\$ 14,575
\$ 352	\$ 386	\$ 429
103	132	121
\$ 455	\$ 518	\$ 550
\$ 11,119	\$ 9,156	\$ 8,826
4,184	5,279	5,742
1,174	1,065	557
\$ 16,477	\$ 15,500	\$ 15,125

See independent auditor's report.

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

	2011	2010
Expenses:		
Governmental activities:		
Administration	\$ 842	\$ 828
Recreation	3,636	3,700
Maintenance	1,582	1,523
Interest and fees	370	392
Total governmental activities' expenses	6,430	6,443
Business-type activities - golf course	368	431
Total primary government expenses	\$ 6,798	\$ 6,874
Program revenues:		
Governmental activities - charges for services - recreation	\$ 1,957	\$ 1,980
Business-type activities - charges for services - golf course	327	216
Total primary government revenues	\$ 2,284	\$ 2,196
Net (expense) revenue:		
Governmental activities	\$ (4,473)	\$ (4,463)
Business-type activities	(41)	(215)
Total primary government net expense	(4,514)	(4,678)
General revenues and other changes in net assets:		
Governmental activities:		
Taxes	5,147	5,027
Investment earnings	14	20
Miscellaneous	784	411
Total governmental activities	5,945	5,458
Business-type activities:		
Investment earnings	-	-
Capital contribution	31	8
Total business-type activities	31	8
Total primary government	\$ 5,976	\$ 5,466
Changes in net assets:		
Governmental activities	\$ 1,472	\$ 995
Business-type activities	(10)	(207)
Total primary government	\$ 1,462	\$ 788

See independent auditor's report.

December 31,		
2009	2008	2007
\$ 762	\$ 1,034	\$ 784
3,403	3,864	3,133
1,474	1,281	1,058
379	361	210
6,018	6,540	5,185
514	513	578
\$ 6,532	\$ 7,053	\$ 5,763
\$ 1,876	\$ 1,385	\$ 1,649
417	463	510
\$ 2,293	\$ 1,848	\$ 2,159
\$ (4,142)	\$ (5,155)	\$ (3,536)
(97)	(50)	(68)
(4,239)	(5,205)	(3,604)
4,751	4,561	3,946
79	330	323
353	405	205
5,183	5,296	4,474
-	-	2
33	18	107
33	18	109
\$ 5,216	\$ 5,314	\$ 4,583
\$ 1,041	\$ 141	\$ 938
(64)	(32)	41
\$ 977	\$ 109	\$ 979

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

	2011	2010	2009
General Fund:			
Reserved	\$ -	\$ 26	\$ 25
Unreserved	-	643	546
Nonspendable	13	-	-
Assigned	33	-	-
Unassigned	764	-	-
Total General Fund	\$ 810	\$ 669	\$ 571
All other governmental funds:			
Reserved	\$ -	\$ 103	\$ 105
Unreserved, reported in:			
Recreation	-	693	461
Bond and Interest	-	-	-
Capital Projects	-	2,091	3,179
Other governmental funds	-	63	42
Nonspendable	25	-	-
Restricted, reported in:			
Special Revenue Funds	202	-	-
Debt Service Funds	99	-	-
Assigned, reported in:			
Recreation Fund	946	-	-
Capital Projects Fund	1,698	-	-
Total all other governmental funds	\$ 2,970	\$ 2,950	\$ 3,787

December 31,						
2008	2007	2006	2005	2004	2003	2002
\$ 93	\$ 24	\$ 27	\$ -	\$ -	\$ -	\$ -
381	412	281	287	246	291	414
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 474	\$ 436	\$ 308	\$ 287	\$ 246	\$ -	\$ 414
\$ 106	\$ 138	\$ 145	\$ -	\$ -	\$ -	\$ -
422	519	462	471	482	493	394
-	-	99	12	6	-	-
7,835	5,146	5,192	5,692	1,131	377	406
42	99	55	60	85	123	140
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 8,405	\$ 5,902	\$ 5,953	\$ 6,235	\$ 1,704	\$ 993	\$ 940

Source: Audited financial statements from December 31, 2002 to December 31, 2011.

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)

	2011	2010	2009
Revenues:			
Taxes	\$ 5,147	\$ 5,027	\$ 4,751
Grants	-	-	-
Interest earned	15	20	78
Charges for services	1,957	1,980	1,876
Donations	8	9	12
Reimbursements	34	47	66
Other	768	363	308
Total revenues	7,929	7,446	7,091
Expenditures:			
Administration	789	771	686
Recreation	2,918	3,033	3,226
Maintenance	1,422	1,363	1,318
Debt service:			
Principal	1,048	986	851
Interest and fees	372	405	380
Capital outlay	1,136	2,615	6,015
Total expenditures	7,685	9,173	12,476
Revenues over (under) expenditures before other financing sources (uses)	244	(1,727)	(5,385)
Other financing sources (uses):			
Proceeds from borrowing	-	995	898
Proceeds from sale of capital asset	9	-	-
Payment to escrow agent	-	-	-
Insurance recovery	-	-	-
Transfers in	368	518	602
Transfers out	(460)	(526)	(635)
Total other financing sources (uses)	(83)	987	865
Net changes in fund balances	\$ 161	\$ (740)	\$ (4,520)
Debt service as a percentage of noncapital expenditures	21.7%	21.2%	19.1%

See independent auditor's report.

December 31,						
2008	2007	2006	2005	2004	2003	2002
\$ 4,561	\$ 3,946	\$ 3,782	\$ 3,647	\$ 3,499	\$ 2,555	\$ 2,490
-	-	27	160	-	-	50
330	323	293	158	36	20	30
1,385	1,604	1,516	1,520	1,480	1,424	1,435
23	8	16	8	6	15	22
82	66	39	40	46	51	40
317	283	213	49	42	630	78
6,698	6,230	5,886	5,582	5,109	4,695	4,145
907	686	929	900	985	459	436
2,879	2,867	2,349	2,327	2,286	2,111	2,088
1,152	1,056	1,137	1,058	888	919	884
849	720	555	768	762	35	34
360	204	317	55	50	43	14
3,973	600	996	1,038	937	2,866	596
10,120	6,133	6,283	6,146	5,908	6,433	4,052
(3,422)	97	(397)	(564)	(799)	(1,738)	93
5,963	-	-	5,215	1,455	-	-
-	-	-	-	11	-	-
-	-	-	(79)	-	-	-
-	116	-	-	-	-	-
490	351	194	72	203	-	-
(490)	(351)	(194)	(72)	(203)	(151)	(543)
5,963	116	-	5,136	1,466	(151)	(543)
\$ 2,541	\$ 213	\$ (397)	\$ 4,572	\$ 667	\$ (1,889)	\$ (450)
19.7%	16.7%	16.5%	16.1%	16.3%	2.2%	1.4%

**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
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
2001	608	645,870,430	210,606,910	56,921,070

Railroad Property	Total Assessed Valuation	Estimated Actual Taxable Value	Total Direct Tax Rate
\$ 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
236,400	913,635,418	2,740,906,254	0.2654

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

	2010	2009	2008	2007
Lombard Park District:				
General	\$ 0.1204	\$ 0.1083	\$ 0.1081	\$ 0.1118
Recreation	0.0625	0.0568	0.0550	0.0565
Special recreation	0.0400	0.0400	0.0400	0.0400
Debt service	0.0858	0.0783	0.0650	0.0692
Liability	0.0092	0.0087	0.0086	0.0073
Audit	0.0009	0.0006	0.0010	0.0010
Municipal Retirement and Social Security	0.0274	0.0238	0.0218	0.0230
Total direct rate	0.3462	0.3165	0.2995	0.3088
Overlapping rates:				
DuPage County	0.1659	0.1135	0.1557	0.1651
DuPage County Forest Preserve	0.1321	0.1217	0.1206	0.1187
DuPage Airport Authority	0.0158	0.0148	0.0160	0.0170
York Township	0.0373	0.0334	0.0326	0.0031
York Township Road District	0.0364	0.0326	0.0325	0.0323
Village of Lombard	0.5053	0.4657	0.4560	0.4664
Village of Lombard Library Fund	0.2024	0.1654	0.1622	0.1659
Grade School District 44	3.1767	2.8490	2.7445	2.8581
High School District 87	1.8378	1.6749	1.6507	1.6612
Community College District 502	0.2349	0.2127	0.1858	0.1888
Total overlapping rate	6.3446	5.6837	5.5566	5.6766
Total rate	\$ 6.6908	\$ 6.0002	\$ 5.8561	\$ 5.9854

Tax Year					
2006	2005	2004	2003	2002	2001
\$ 0.1152	\$ 0.1195	\$ 0.1218	\$ 0.1259	\$ 0.1279	\$ 0.1365
0.0580	0.0603	0.0630	0.0650	0.0651	0.0690
0.0233	0.0239	0.0250	0.0246	0.0244	0.0250
0.0557	0.0604	0.0644	-	-	-
0.0075	0.0078	0.0080	0.0082	0.0080	0.0088
0.0010	0.0009	0.0011	0.0012	0.0009	0.0007
0.0236	0.0234	0.0218	0.0222	0.0224	0.0254
0.2843	0.2962	0.3051	0.2471	0.2487	0.2654
0.1713	0.1797	0.1850	0.1999	0.2154	0.2353
0.1303	0.1271	0.1358	0.1419	0.1534	0.1654
0.0183	0.0198	0.0213	0.0230	0.0248	0.0271
0.0344	0.0352	0.0354	0.0368	0.0379	0.0402
0.0335	0.0343	0.0345	0.0359	0.0370	0.0392
0.4789	0.4947	0.4983	0.5200	0.5335	0.5670
0.1702	0.1758	0.1774	0.1858	0.1907	0.2026
2.8473	2.8909	2.7979	2.7851	2.3713	2.5343
1.7210	1.7200	1.7716	1.8582	1.9224	2.0431
0.1929	0.1874	0.1972	0.2097	0.2179	0.1930
5.7981	5.8649	5.8544	5.9963	5.7043	6.0472
\$ 6.0824	\$ 6.1611	\$ 6.1595	\$ 6.2434	\$ 5.9530	\$ 6.3126

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	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
SMII Oak Creek LP	\$ 17,501,870	1	1.08%	\$ 14,755,810	3	1.41%
F & F Realty	14,704,800	2	0.91%	-	-	-
TA Associate Realty	13,927,440	3	0.86%	-	-	-
Red Mortgage Capital	13,775,410	4	0.85%	-	-	-
Butterfield Road Assoc.	13,308,460	5	0.82%	-	-	-
Yorktown LLC, Highland Yorktown LLC, and Yorktown Joint Venture	9,424,280	6	0.58%	33,275,320	1	3.17%
UBS Realty Investors LLC	9,414,480	7	0.58%	-	-	-
AIMCO	8,464,000	8	0.52%	7,810,060	9	0.74%
St. Paul Insurance Co.	7,641,660	9	0.47%	-	-	-
Royal Management Corp.	7,414,460	10	0.46%	7,711,060	10	0.73%
Carramerica	-	-	-	16,506,290	2	1.57%
Income & Growth Fund	-	-	-	11,677,770	4	1.11%
Village II LLC	-	-	-	10,943,810	5	1.04%
Flanagan/Bilton EPT	-	-	-	9,237,450	6	0.88%
St. Paul Properties	-	-	-	9,034,920	7	0.86%
Midwest Park Ave. Apts	-	-	-	7,962,670	8	0.76%
	\$ 115,576,860		7.13%	\$ 128,915,160		12.27%

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
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
2002	2,424,788	2,421,614	99.87	70	2,421,684	99.87

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**

<u>Fiscal Year</u>	<u>General Obligation Debt</u>	<u>Debt Certificates</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
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
2002	-	-	-	-	-

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>
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
2002	-	-	-	-	-	-

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)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt limit	\$ 41,932	\$ 44,754	\$ 44,641	\$ 41,363	\$ 38,683
Total net debt applicable to limit	<u>9,000</u>	<u>9,887</u>	<u>9,728</u>	<u>9,485</u>	<u>4,250</u>
Legal debt margin	<u>\$ 32,932</u>	<u>\$ 34,867</u>	<u>\$ 34,913</u>	<u>\$ 31,878</u>	<u>\$ 34,433</u>
Total net debt applicable to the limit as a percentage of debt limit	21.46%	22.09%	21.79%	22.93%	10.99%
Legal debt margin calculation - 2011 tax year:					
Assessed value	\$ 1,458,501				
Debt limit (% of assessed value)	<u>2.875%</u>				
	<u>41,932</u>				
Debt applicable to limit:					
General obligation bonds	<u>9,000</u>				
Total net debt applicable to limit	<u>9,000</u>				
Legal debt margin	<u>\$ 32,932</u>				
Debt certificates	<u>330</u>				

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 35,654	\$ 33,463	\$ 30,761	\$ 28,768	\$ 26,267
<u>4,830</u>	<u>5,215</u>	<u>1,455</u>	<u>-</u>	<u>-</u>
<u>\$ 30,824</u>	<u>\$ 28,248</u>	<u>\$ 29,306</u>	<u>\$ 28,768</u>	<u>\$ 26,267</u>
13.55%	15.58%	4.73%	0.00%	0.00%

See independent auditor's report.

**Lombard Park District
Direct and Overlapping Debt Outstanding
December 31, 2011**

Overlapping Agencies	Outstanding Debt	Applicable to the District	
		Percent	Amount
County:			
DuPage County	\$ 210,050,000	4.090 %	\$ 8,591,045
DuPage County Forest Preserve	225,712,101	4.090	9,231,625
DuPage Water Commission	12,465,000	4.530	564,665
Municipalities:			
Village of Glen Ellyn	13,835,000	1.320	182,622
Village of Villa Park	18,355,000	0.913	167,581
Miscellaneous:			
DuPage Special Service Area #16	40,000	18.630	7,452
Lombard Special Service Area #2	435,000	100.000	435,000
Lombard Special Service Area #4	50,000	100.000	50,000
School Districts:			
Addison #4	23,200,000	4.970	1,153,040
Marquardt #15	8,030,000	0.680	54,604
Lombard #44	13,020,000	83.840	10,915,968
Villa Park #45	20,736,483	31.970	6,629,454
Glen Ellyn #89	24,360,000	7.440	1,812,384
Glenbard High School #87	35,760,000	19.440	6,951,744
DuPage High School #88	117,775,000	13.820	16,276,505
DuPage Community College #502	229,350,000	3.710	8,508,885
Total overlapping debt	953,173,584		71,532,574
Direct debt - Lombard Park District	9,329,665	100.000	9,329,665
Total direct and overlapping debt	\$ 962,503,249		\$ 80,862,239

Source: Village of Lombard.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Park District. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the boundaries of the government and dividing it by the government's total taxable assessed value.

See independent auditor's report.

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

Fiscal Year	Population	Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
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
2002	42,322	1,497,903	35,393	36.7	13.2	5,843	5.8

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	2011			2002		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Acosta Sales & Marketing Co.	500	1	2.24%	500	2	2.28%
Highcrest Property Management	400	2	1.79%	-	-	-
Adjustable Forms, Inc.	350	3	1.57%	350	3	1.60%
Dial America Marketing, Inc.	310	4	1.39%	310	5	1.42%
Carson Pirie Scott & Co.	300	5	1.34%	300	6	1.37%
West Suburban Bancorp, Inc.	300	6	1.34%	300	7	1.37%
Imperial Service System	300	7	1.34%	-	-	-
JC Penney Co., Inc.	275	8	1.23%	275	8	1.26%
1st Advantage Mortgage	200	9	0.90%	-	-	-
Valdes Engineering	200	10	0.90%	-	-	-
Commercial Testing & Engineering	-	-	-	800	1	3.65%
Professional Service Industries, Inc.	-	-	-	350	4	1.60%
Fulfillment Center, Inc.	-	-	-	232	9	1.06%
Olson International Ltd.	-	-	-	230	10	1.05%
	3,135		14.04%	3,647		16.66%

Source: Village of Lombard.

See independent auditor's report.

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

	Full-time Equivalent Employees									
	<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>	<u>2002</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	31	31	32	32	31	33	33	34	34	34

Source: Park District Human Resources Department.

See independent auditor's report.

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

	<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>	<u>2002</u>
Parks and Recreation:											
Program fees	\$ 1,313,336	\$ 1,244,847	\$ 1,209,109	\$ 1,244,200		\$ 1,185,782	\$ 1,099,288	\$ 1,060,975	\$ 1,104,851	\$ 1,000,467	\$ 998,767
Pool fees	534,099	539,912	479,135	31,554		267,803	265,801	296,539	263,665	314,508	320,388
Reimbursements	37,133	27,635	44,299	45,512		44,823	37,513	28,985	42,518	35,394	32,890
Donations	7,149	7,749	11,857	14,751		3,237	12,778	5,369	3,020	6,900	3,300
Miscellaneous	852	774	637	772		2,320	2,035	5,796	5,381	2,673	3,981
Rental facilities	212,106	189,434	180,207	102,091		143,346	137,297	141,040	93,368	86,198	95,330
Golf Course	326,693	216,542	416,509	462,737		509,572	456,957	498,569	512,552	517,651	560,833
Total	\$ 2,431,368	\$ 2,226,893	\$ 2,341,753	\$ 1,901,617		\$ 2,156,883	\$ 2,011,669	\$ 2,037,273	\$ 2,025,355	\$ 1,963,791	\$ 2,015,489

See independent auditor's report.

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

	Fiscal Year									
	<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>	<u>2002</u>
Parks and Recreation:										
Acreage	458	458	457	457	457	457	457	457	452	452
Playgrounds	17	16	16	15	15	12	12	14	14	14
Basketball courts	7	5	5	5	5	5	6	6	6	6
Baseball/softball diamonds	22	22	22	22	22	22	22	22	22	22
Soccer/football fields	16	14	14	14	14	14	14	14	14	14
Community centers	4	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**

	Fiscal Year									
	<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>	<u>2002</u>
Number of rounds	15,676	9,627	19,574	20,607	22,688	23,514	28,026	26,893	28,645	31,095

*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**

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Total Participants	25,545	26,242	25,696	24,282	24,521	23,604	20,909	21,352	N/A	N/A

Source: Park District Records.

See independent auditor's report.

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

	Fiscal Year				
	2011	2010	2009	2008	2007
Total Admissions	74,627	75,776	63,963	N/A	25,201
Total Visits	110,000	112,000	96,000	N/A	N/A

Source: Park District Records.

See independent auditor's report.