



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

YEAR-END DECEMBER 31, 2018



Lombard
PARK DISTRICT
LOMBARD, IL, 60148

LOMBARD PARK DISTRICT
LOMBARD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018

Prepared by:

The Business Office

**Andrea Chiappetta – Director of Finance
and Personnel**

**Lombard Park District
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018**

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PART I – INTRODUCTORY SECTION



227 W. Parkside Avenue
Lombard, IL 60148

p (630) 627-1281
f (630) 627-1286

www.lombardparks.com

June 6, 2019

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, 2018.

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

Selden Fox, Ltd., a firm of licensed certified public accountants, has audited the Lombard Park District's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements of the Lombard Park District for the fiscal year ended December 31, 2018, 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 unmodified opinion that the Lombard Park District's financial statements for the year ended December 31, 2018, 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 of Lombard is bordered by the villages of Addison to the north, Downers Grove to the south, Glen Ellyn to the west, and Villa Park to the east. The Village of Lombard's population is approximately 43,395 per the 2010 Census and covers approximately 10 square miles. The Village of Lombard's 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 new Madison Meadow Athletic Center was added to the District's offerings when it opened on June 30, 2018.

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 budget amounts between the different funds requires approval of the Board of Park Commissioners. Budget to actual comparisons are provided in this report for each governmental fund for which an annual appropriated budget has been adopted.

Major Initiatives

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

- ☐ Construction of the Madison Meadow Athletic Center was completed.
- ☐ The District invested nearly \$205,000 in ADA improvements, which included ADA accessibility for the newly constructed Madison Meadow Athletic Center and ADA garbage cans District-wide.
- ☐ Installation of a new walking path at Madison Meadow.
- ☐ Installation of LED lights at Paradise Bay Water Park and tennis courts.
- ☐ Replacement of two (2) furnace units at the Lombard Community Building.
- ☐ The replacement of an aerial truck lift, a pull behind mower and a riding mower.

Factors Affecting Financial Condition

Local Economy

For the second year in a row, the District has seen an increase in the total equalized assessed value, this year resulting in a 6.0% increase in 2018 compared to 5.5% in 2017. The majority of the Lombard Park District's tax base is residential, followed by retail and industrial. In regards to employment, the District provides a large source of employment opportunities to the local economy, employing over 350 people each year. Other top employers include: Lombard Elementary District 44, the Village Of Lombard, Beacon Hill Senior Living Community, Van Maur, and Lombard School District 45. With the continued economic growth, unemployment rates in Lombard continued to decrease in 2018 to 2.9% compared to 3.9% in 2017.

Long-term Financial Planning

Each year, the budget is developed to provide residents with outstanding recreational opportunities through sound financial management, while meeting the limitations of a mandated tax cap. The District also places great emphasis on controlling expenses and providing the residents and businesses with quality services at a reasonable cost.

Due to tax cap legislation passed in 1993, the Lombard Park District was unable to issue non-referendum debt for more than 10 years. While the non-referendum bonding authority was restored in 2003, the Board of Commissioners still maintains their conservative approach to budgeting and spending. Management assists the board by monitoring the short-term and long-term needs of the community to ensure aging infrastructure is addressed. This was done through the process of developing a new five-year master plan. The master plan was last completed in

2013, with the purpose to achieve a high level of accountability and success for attaining financial sustainability, improving agency systems, investing in people, and ensuring stakeholder satisfaction.

While monitoring legislation that could impact local revenues, the District remains in strong financial condition with the rebounding of property values and unemployment rates. While it is difficult to predict the long-term economic trends of a 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 and is reviewed on a regular basis. The policy provides basic guidelines as to ratings of the obligations according to Standard & Poor's 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 the Illinois Park District Liquid Asset Fund. Maturities of these investments range from 90 to 365 days. The amount of interest earned during 2018 by the Governmental Funds totaled \$135,965, a 28% increase from the prior year. This increase is attributable to the favorable interest rates in 2018 for investment of bond proceeds used to construct the Madison Meadow Athletic Center.

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. Therefore, the Park District participates in a self insurance pool, the Park District Risk Management Agency (PDRMA). This pool provides all necessary first dollar coverage for the District's Property and Casualty program. Premiums have been recorded as expenditures in the appropriate fund. There have been no significant reductions in insurance coverage from coverage in prior years. For additional information regarding Risk Management and PDRMA, please refer to Note V.B. in the notes to the financial statements.

Retirement Plans

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

Financial Management and Control

The Lombard Park District is committed to establishing and maintaining internal controls while providing quality services and maintenance of its facilities in Parks and Recreation. These controls ensure the assets of the District are protected and there are minimal risks for discrepancies. The Finance Department creates, tests and trains 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, and will continue to evaluate and strengthen all business activities.

Awards and Acknowledgements

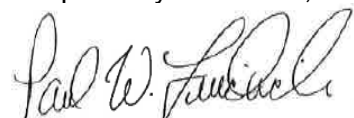
The year began with the District receiving 2nd Place Large Format Marketing, at the 2018 IPRA/IAPD Annual Conference. In addition to the conference awards, the District was a National Parks and Recreation Association Gold Medal Finalist which honors excellence in long-range planning, resource management and innovative approaches to delivering park and recreation services with fiscally sound business practices.

Lastly, 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, 2017. 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. GFOA also awarded the District the Distinguished Budget Presentation Award for their 2018 budget.

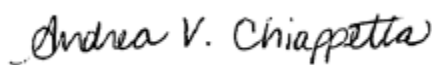
This report will be submitted to the Governmental Finance Officers Association for consideration for awarding to the Lombard Park District the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2018. Staff believes this report complies with and meets the Certificate of Achievement Requirements and are submitting it to the GFOA to determine its' eligibility for a certificate.

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

Respectfully submitted,



Paul W. Friedrichs
Executive Director



Andrea V. Chiappetta
Director of Finance and Personnel



Government Finance Officers Association

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

Presented to

**Lombard Park District
Illinois**

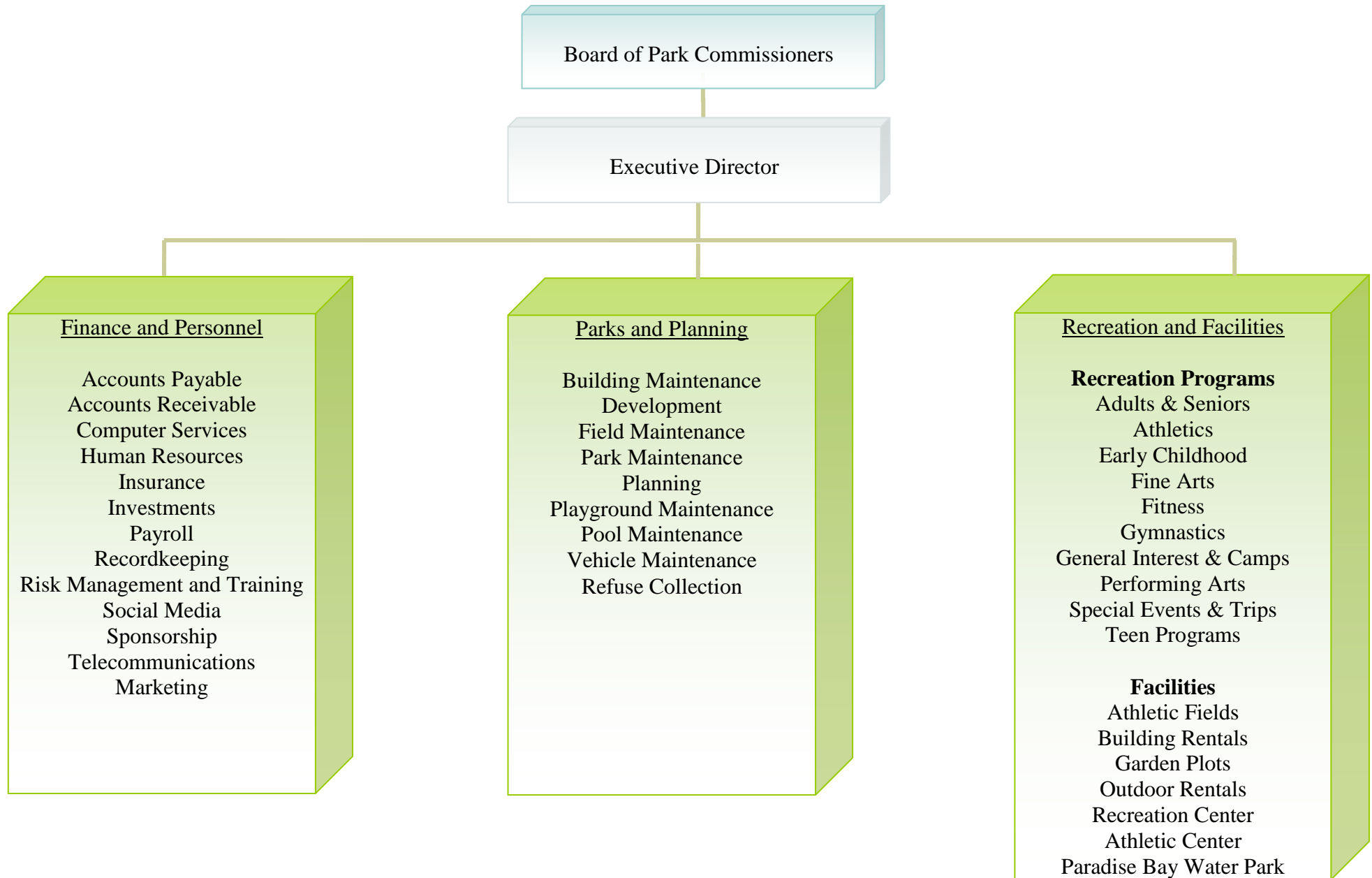
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrill

Executive Director/CEO

Organizational Chart by Function



LOMBARD PARK DISTRICT

PRINCIPAL OFFICIALS

December 31, 2018

LEGISLATIVE

BOARD OF PARK COMMISSIONERS

Sarah Richardt, President
Jim Scalzo, Vice President
Bob Bachner
Mike Kuderna
Dave Lemar
Greg Ludwig
Pete Nolan

ADMINISTRATIVE

Paul W. Friedrichs, Executive Director
Andrea Chiappetta, Director of Finance and Personnel
Joe McCann, Director of Recreation
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

Accounting for your future

619 Enterprise Drive | Oak Brook, Illinois 60523 | www.seldenfox.com
p 630.954.1400 | f 630.954.1327 | email@seldenfox.com

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Lombard Park District
Lombard, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the statements of revenues, expenditures and changes in fund balance – budget and actual (with comparative actual amounts for the year ended December 31, 2017) for the General and Recreation and Special Recreation Funds (major Special Revenue Funds), of the **Lombard Park District** as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lombard Park District as of December 31, 2018, and the respective changes in financial position and the respective budgetary comparison for the General Fund and Recreation and Special Recreation Funds (major Special Revenue Funds) for the year then ended with comparative actual amounts for the year ended December 31, 2017, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note V.E. to the financial statements, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

Prior Year Summarized Comparative Information

We have previously audited Lombard Park District's 2017 financial statements and we expressed unmodified opinions on the financial statements of the government activities, each major fund, and the aggregate remaining fund information in our report dated June 15, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 4-11), the multiyear schedule of changes in net pension liability and related ratios (pages 62-63), the multiyear schedule of contributions (page 64) and the schedule of changes in the employer's net OPEB liability and related ratios (page 65) be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any other form of assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other form of assurance.

Other Information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Selden Fox, Ltd.

June 6, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Lombard Park District
Management's Discussion and Analysis
For the Year Ended December 31, 2018**

The discussion and analysis of Lombard Park District's (District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2018. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position increased approximately \$0.6 million. This represents nearly a 3% increase from 2017 net position.
- General revenues accounted for \$6.1 million in revenue or 65% of all revenues. Program specific revenues in the form of charges for services accounted for \$3.3 million or 35% of total revenues of \$9.4 million.
- The District had \$8.6 million in expenses related to governmental activities. However, \$3.3 million of these expenses were offset by program specific charges for services. General revenues (primarily taxes) of \$6.1 million were adequate to provide for these programs.
- The General Fund had \$2.7 million in revenues and \$2.3 million in expenditures. The General Fund's fund balance increased by approximately \$385,000 during the year ended December 31, 2018.
- The District's total debt decreased to \$13.1 million.

Overview of the Financial Statements

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

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

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

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

Fund Financial Statements

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

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

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

Overview of the Financial Statements (cont'd)

Fund Financial Statements (cont'd)

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Recreation, Special Recreation, Bond and Interest, and Capital Projects Funds. All funds are considered major with the exception of IMRF/FICA Fund, Audit Fund, and Liability Insurance Fund.

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

District-wide Financial Analysis

Current Year Impacts

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Lombard Park District, total net position increased approximately \$0.6 million to \$22.2 million during 2018. This 3% increase is primarily due to increases in revenue from charges for services in recreation, in property tax collection, investment earnings from the bond proceeds for construction of the new athletic center, and controlling expenses throughout the District. The Districts' total assets and deferred outflows of resources total \$44.2 million. The District's total liabilities and deferred inflows of resources total \$22.0 million.

The Lombard Park District was one of 16 Park Districts 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 District \$741,000 of non-referendum bonding authority. Illinois law now allows the District's non-referendum bonding authority limit to increase annually by the lesser of 5% or the percentage increase in the Consumer Price Index (CPI). As was the case in 2017, future year's net position will be positively impacted by this recent change in legislation.

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

District-wide Financial Analysis (cont'd)

Governmental Activities

The governmental activities year end net position of \$22.2 million represents an increase of \$0.6 million from the beginning of the year's net position of \$21.4 million. The total assets and deferred outflow of resources decreased from the previous year by \$0.4 million. The reduction is mostly attributable to a decrease of \$580K in deferred pension amounts. Offsetting this decrease in assets, is a corresponding decrease in liabilities. Total liabilities and deferred inflow of resources decreased by \$1 million. This decrease is attributable to a decrease in noncurrent liabilities related to net pension liability, other postretirement benefits and changes in actuarial assumptions. A condensed version of the Statement of Net Position at December 31, 2018 and 2017, follows:

Table 1 Condensed Statement of Net Position (in millions of dollars)			
	<i>Governmental-Type Activities</i>		
	<i>2018</i>	<i>2017</i>	
Current and other assets	\$ 13.2	\$ 15.9	
Capital assets	30.7	27.8	
Total assets	43.9	43.7	
Deferred outflows of resources	0.3	0.9	
Long-term outstanding debt	13.4	14.2	
Net pension liability	.4	1.7	
Other liabilities	1.2	1.1	
Total liabilities	15.0	17.0	
Deferred inflows of resources	7.0	6.0	
Net position:			
Net investment in capital assets	17.7	18.5	
Restricted	0.5	0.4	
Unrestricted	4.0	2.7	
Total net position	\$ 22.2	\$ 21.6	

District-wide Financial Analysis (cont'd)

The cost of all governmental activities this year was \$8,604,041, an increase of \$365,027 from the previous year's expenses. Fees collected from those who directly benefited from or contributed to programs offset \$9,414,723 of the total cost resulting in a net position increase of \$810,682.

Table 2 Changes in Net Position <i>(in millions of dollars)</i>			
	Governmental-Type Activities		
	2018	2017	
Revenues:			
Program revenues:			
Charges for services	\$ 3.3	\$ 2.7	
General revenues:			
Property taxes	5.6	5.5	
Other	0.5	0.4	
Total revenues	9.4	8.6	
Expenses:			
Administration	1.0	1.1	
Recreation	5.7	5.0	
Maintenance	1.8	1.9	
Interest and other bank fees	0.1	0.2	
Total expenses	8.6	8.2	
Changes in net position	0.8	0.4	
Net position, beginning of the year, as previously reported	21.6	21.2	
Prior period restatement	(0.2)	-	
Net position, beginning of the year, as restated	21.4	-	
Net position, end of the year	\$ 22.2	\$ 21.6	

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 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 decreased by \$2.8 million during calendar year 2018. This decrease is primarily seen in the Capital Projects Fund due to a decrease of \$9.1 million in other financing sources when compared to 2017 for the bond proceeds received for the construction of the Madison Meadow Athletic Center. Partially offsetting this decrease in other financing sources, is a decrease in capital outlay of \$1.4 million for the same project.

The fund balance in the General Fund increased \$385k in 2018. This is mostly attributable to an increase in property tax receipts due to a steady incline in the District's EAV. There was also a significant increase in investment income due to continued increases in interest rates for certificates of deposits in 2018.

The fund balance in the Recreation Fund increased by roughly \$213k in 2018. This increase is the result of a 22% increase in charges for services which is directly correlated to the newly implemented Club Rec after school program as well as fitness memberships, open gym fees and rentals at the new Madison Meadow Athletic Center (MMAC). It's also important to note that the proceeds from the pool operations are assigned for future pool capital projects.

The Special Recreation Fund balance increased slightly to \$40,352 in 2018. The planned spend down of the fund balance in both 2017 and 2018 was due to the fund covering the ADA portion of the new MMAC which was completed in 2018. A small portion of ADA reimbursement from this fund is expected in 2019 as well to fulfill the ADA commitment to the project.

The fund balance in the Capital Projects Fund significantly decreased to \$1.2 million in 2018 compared to \$4.7 million in 2017. The primary reason for the decrease in fund balance was the capital outlay for the construction of the new MMAC as well as the bond proceeds being expended on the project.

Also reflected in the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances, the Non-Major Funds (Liability, Audit, and IMRF and Social Security Funds) had an increase of approximately \$49k during calendar year 2018. This slight increase is mainly due to increases in property tax receipts as well as favorable interest rates in 2018.

Capital Asset and Debt Administration

Capital Assets

At December 31, 2018, the Lombard Park District had total capital assets (net of accumulated depreciation) of \$30.7 million, invested in a broad range of capital assets including buildings, vehicles and equipment, playgrounds, swimming pools, and a golf course. Additional information regarding the District's Capital Assets can be found in Note IV.C. to the financial statements.

Table 3 Capital Assets (net of depreciation)			
		<u>2018</u>	<u>2017</u>
Land and land improvements	\$	8,851,841	\$ 9,145,841
Buildings		13,413,942	10,205,587
Pool buildings and facilities		6,302,609	6,673,063
Machinery and equipment		2,152,104	1,767,159
Total	\$	<u>30,720,496</u>	\$ <u>27,791,650</u>

Long-term Debt

At year end, the District had \$13.1 million in total outstanding long-term debt. (More detailed information about the District's long-term liabilities is presented in Note IV.D. to the financial statements.)

Table 4 Outstanding Long-term Debt (in thousands of dollars)			
		<u>2018</u>	<u>2017</u>
General obligation bonds	\$	13,116	\$ 13,831
Total	\$	<u>13,116</u>	\$ <u>13,831</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:

Andrea V. Chiappetta
Director of Finance and Personnel
227 W. Parkside Avenue
Lombard, Illinois 60148

BASIC FINANCIAL STATEMENTS

**Lombard Park District
Statement of Net Position
December 31, 2018**

	Governmental Activities
<hr/>	
Assets	
Cash	\$ 806,964
Investments	5,511,313
Receivables	6,248,905
Prepaid items	16,561
Investment in District bonds (capital projects)	586,390
Capital assets not being depreciated	4,838,538
Capital assets net of accumulated depreciation	25,881,958
Total assets	43,890,629
<hr/>	
Deferred Outflows of Resources	
Deferred charge on refunding	17,670
Deferred pension amounts (Note V.A.)	268,876
Total deferred outflows of resources	286,546
<hr/>	
Liabilities	
Accounts payable and other current liabilities	581,236
Accrued interest	18,056
Unearned revenue	303,827
Noncurrent liabilities:	
Due within one year	1,461,271
Due in more than one year	12,635,950
Total liabilities	15,000,340
<hr/>	
Deferred Inflows of Resources	
Property taxes	6,137,531
Deferred pension amounts (Note V.A.)	814,574
Total deferred inflows of resources	6,952,105
<hr/>	
Net Position	
Net investment in capital assets	17,712,707
Restricted for:	
Audit services	8,085
Debt service	169,952
General liability	102,626
IMRF and FICA reserves	175,631
Special recreation programs and improvements	40,352
Unrestricted	4,015,377
Total net position	\$ 22,224,730
<hr/>	

See accompanying notes.

**Lombard Park District
Statement of Activities
For the Year Ended December 31, 2018**

Functions/Programs	Expenses	Charges for Services
Governmental activities:		
Administration	\$ 1,048,757	\$ -
Recreation	5,681,123	3,297,158
Maintenance	1,737,880	-
Interest on long-term debt	136,281	-
	<hr/>	<hr/>
Total governmental activities	\$ 8,604,041	\$ 3,297,158
	<hr/>	<hr/>

General revenues:

- Taxes:
 - Property
 - Tax increment financing
 - Replacement
- Investment earnings
- Miscellaneous

Total general revenues

Changes in net position

Net position, beginning of the year, as previously reported

Prior period restatement (Note V.E.)

Net position, beginning of the year, as restated

Net position, end of the year

See accompanying notes.

Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position - Governmental Activities
\$ -	\$ -	\$ (1,048,757)
-	-	(2,383,965)
-	-	(1,737,880)
-	-	(136,281)
\$ -	\$ -	(5,306,883)

5,641,037
84,090
110,085
135,965
146,388
6,117,565
810,682
21,588,315
(174,267)
21,414,048
\$ 22,224,730

**Lombard Park District
Balance Sheet - Governmental Funds
December 31, 2018**

	<u>General</u>	<u>Recreation</u>
Assets		
Assets:		
Cash	\$ 326,541	\$ 312,959
Investments	1,542,546	1,833,827
Accrued interest receivable	21,892	10,020
Property taxes receivable	2,338,338	792,727
Other receivables	35,851	32,294
Due from other funds	-	414,011
Prepaid items	8,295	8,266
Investment in District bonds (capital projects)	586,390	-
	<u>586,390</u>	<u>-</u>
Total assets	<u>\$ 4,859,853</u>	<u>\$ 3,404,104</u>
Liabilities		
Liabilities:		
Accounts payable	\$ 83,633	\$ 120,478
Accrued salaries	56,077	78,104
Accrued other	32,365	13,203
Due to other funds	-	-
Unearned recreation program revenue	-	303,137
	<u>172,075</u>	<u>514,922</u>
Total liabilities	<u>172,075</u>	<u>514,922</u>
Deferred Inflows of Resources		
Property taxes	<u>2,338,338</u>	<u>792,727</u>

(cont'd)

<u>Special Recreation</u>	<u>Bond and Interest</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ 46,013	\$ 29,952	\$ -	\$ 91,499	\$ 806,964
107	140,000	1,789,988	204,845	5,511,313
176	-	5,613	-	37,701
540,637	1,809,099	-	656,730	6,137,531
-	-	-	5,528	73,673
-	-	-	-	414,011
-	-	-	-	16,561
-	-	-	-	586,390
<u>\$ 586,933</u>	<u>\$ 1,979,051</u>	<u>\$ 1,795,601</u>	<u>\$ 958,602</u>	<u>\$ 13,584,144</u>

\$ 5,944	\$ -	\$ 176,592	\$ 14,840	\$ 401,487
-	-	-	-	134,181
-	-	-	-	45,568
-	-	414,011	-	414,011
-	-	-	690	303,827
<u>5,944</u>	<u>-</u>	<u>590,603</u>	<u>15,530</u>	<u>1,299,074</u>

<u>540,637</u>	<u>1,809,099</u>	<u>-</u>	<u>656,730</u>	<u>6,137,531</u>
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Lombard Park District
Balance Sheet - Governmental Funds (cont'd)
December 31, 2018

Fund Balances	<u>General</u>	<u>Recreation</u>
Nonspendable	\$ 8,295	\$ 8,266
Restricted for:		
Special recreation programs and improvements	-	-
General liability	-	-
Audit services	-	-
IMRF and FICA reserves	-	-
Debt service	-	-
Assigned, reported in:		
Recreation Fund	-	2,088,189
Capital Projects Fund	-	-
Unassigned, reported in:		
General Fund	<u>2,341,145</u>	<u>-</u>
Total fund balances	<u>2,349,440</u>	<u>2,096,455</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,859,853</u>	<u>\$ 3,404,104</u>

See accompanying notes.

<u>Special Recreation</u>	<u>Bond and Interest</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 16,561
40,352	-	-	-	40,352
-	-	-	102,626	102,626
-	-	-	8,085	8,085
-	-	-	175,631	175,631
-	169,952	-	-	169,952
-	-	-	-	2,088,189
-	-	1,204,998	-	1,204,998
-	-	-	-	2,341,145
<u>40,352</u>	<u>169,952</u>	<u>1,204,998</u>	<u>286,342</u>	<u>6,147,539</u>
<u>\$ 586,933</u>	<u>\$ 1,979,051</u>	<u>\$ 1,795,601</u>	<u>\$ 958,602</u>	<u>\$ 13,584,144</u>

**Lombard Park District
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2018**

Total fund balance - governmental funds (pages 17 and 18)	\$ 6,147,539
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	30,720,496
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Interest expense is not subject to accrual in governmental funds.	(18,056)
---	-----------------

Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(138,687)
---	------------------

Deferred charge on refundings are not deferred in governmental funds.	17,670
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds payable	(13,116,390)
---------------	---------------------

Net pension liability	(383,520)
-----------------------	------------------

Net other post-employment benefit obligation	(185,350)
--	------------------

Difference in expected and actual experience on pension investments	(11,305)
---	-----------------

Difference in projected and actual earnings on pension investments	(490,671)
--	------------------

Change in actuarial assumptions	(312,598)
---------------------------------	------------------

Deferred pension contribution	268,876
-------------------------------	----------------

Bond premiums are amortized over the life of the issue for governmental activity, but recognized in the period received in the governmental funds.	(273,274)
--	------------------

Net position of governmental activities (page 12)	<u>\$ 22,224,730</u>
---	-----------------------------

See accompanying notes.

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

	<u>General</u>	<u>Recreation</u>
Revenues:		
Property taxes	\$ 2,276,339	\$ 796,378
Tax increment financing proceeds	84,090	-
Personal property replacement income tax	106,782	-
Interest	56,642	16,251
Charges for services	40,878	3,256,280
Reimbursements	18,726	31,076
Donations and grants	13,755	10
Other	67,696	3,934
	<u>2,664,908</u>	<u>4,103,929</u>
Total revenues		
Expenditures:		
Current:		
Administration	783,774	-
Recreation	-	3,859,081
Maintenance	1,496,113	-
Debt service:		
Principal	-	-
Interest and fees	-	-
Capital outlay	-	31,794
	<u>2,279,887</u>	<u>3,890,875</u>
Total expenditures		
Revenues over (under) expenditures		
before other financing sources	385,021	213,054
Other financing sources - bond issuance	<u>-</u>	<u>-</u>
Changes in fund balances	385,021	213,054
Fund balances, beginning of the year	<u>1,964,419</u>	<u>1,883,401</u>
Fund balances, end of the year	<u>\$ 2,349,440</u>	<u>\$ 2,096,455</u>

See accompanying notes.

<u>Special Recreation</u>	<u>Bond and Interest</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total</u>
\$ 530,919	\$ 1,398,971	\$ -	\$ 638,430	\$ 5,641,037
-	-	-	-	84,090
-	-	-	3,303	110,085
254	-	53,470	9,348	135,965
-	-	-	-	3,297,158
-	-	-	-	49,802
-	-	-	-	13,765
-	-	5,500	5,691	82,821
<u>531,173</u>	<u>1,398,971</u>	<u>58,970</u>	<u>656,772</u>	<u>9,414,723</u>
-	-	-	125,176	908,950
297,167	-	-	332,202	4,488,450
-	-	-	150,235	1,646,348
-	1,206,289	95,000	-	1,301,289
-	181,614	297,436	-	479,050
204,649	-	3,782,066	-	4,018,509
<u>501,816</u>	<u>1,387,903</u>	<u>4,174,502</u>	<u>607,613</u>	<u>12,842,596</u>
29,357	11,068	(4,115,532)	49,159	(3,427,873)
-	-	586,390	-	586,390
29,357	11,068	(3,529,142)	49,159	(2,841,483)
10,995	158,884	4,734,140	237,183	8,989,022
<u>\$ 40,352</u>	<u>\$ 169,952</u>	<u>\$ 1,204,998</u>	<u>\$ 286,342</u>	<u>\$ 6,147,539</u>

**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, 2018**

Amounts reported for governmental activities in the statement of activities (pages 13 and 14) are different because:

Net changes in fund balances - total governmental funds (pages 20 and 21).	\$ (2,841,483)
---	-----------------------

Governmental funds report capital outlays 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. This is the amount by which depreciation exceeds capital outlays in the current period.	2,936,273
---	------------------

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets disposed.	(7,426)
--	----------------

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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.	755,690
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
These activities consist of:	
Decrease in compensated absences payable	11,094
Increase in other post-employment benefit obligation	(11,083)
Decrease in interest payable	1,683

Outflows and inflows related to the net pension liability, as well as the change in the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.	(34,066)
--	-----------------

Change in net position of governmental activities (page 14)	<u>\$ 810,682</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, 2018**

With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues:				
Property taxes	\$ 2,247,911	\$ 2,276,339	\$ 28,428	\$ 2,218,981
Tax increment financing proceeds	81,500	84,090	2,590	80,069
Replacement taxes	95,962	106,782	10,820	117,458
Interest	14,585	56,642	42,057	26,649
Permits and licenses	35,448	36,087	639	35,448
Plant sale/buy a brick	3,795	4,791	996	3,845
Reimbursements	18,874	18,726	(148)	25,454
Donations	13,100	13,755	655	22,288
Miscellaneous	37,604	67,696	30,092	41,058
Total revenues	2,548,779	2,664,908	116,129	2,571,250
Expenditures:				
Administrative:				
Personnel services	743,344	682,102	61,242	678,956
Purchased services	101,260	53,301	47,959	59,156
Utilities	4,848	3,094	1,754	3,823
Supplies/maintenance	27,796	35,033	(7,237)	24,525
Marketing/publicity	30,950	25,604	5,346	18,255
Other charges	7,507	10,244	(2,737)	6,686
Operating:				
Personnel services	886,050	903,063	(17,013)	869,382
Purchased services	27,810	25,359	2,451	27,102
Supplies/maintenance	325,596	315,195	10,401	304,757
Marketing/publicity	12,347	6,562	5,785	8,198
Other charges	1,400	1,045	355	1,246
Building:				
Utilities	113,627	97,492	16,135	105,898
Supplies/maintenance	27,480	46,436	(18,956)	25,542
Horticulture:				
Personnel services	71,497	27,439	44,058	67,937
Supplies/maintenance	59,141	47,918	11,223	57,934
Total expenditures	2,440,653	2,279,887	160,766	2,259,397
Changes in fund balance	\$ 108,126	385,021	276,895	311,853
Fund balance, beginning of the year		1,964,419		1,652,566
Fund balance, end of the year		\$ 2,349,440		\$ 1,964,419

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, 2018

With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance to Budget	
Revenues:				
Property taxes	\$ 798,297	\$ 796,378	\$ (1,919)	\$ 784,386
Interest	2,503	16,251	13,748	7,362
Charges for services:				
Recreation programs	1,962,443	1,844,309	(118,134)	1,532,833
Pool	506,279	569,294	63,015	490,430
Golf	293,714	206,137	(87,577)	252,894
Athletic center	48,060	236,128	188,068	-
Reimbursements	34,226	31,076	(3,150)	32,367
Donations	850	10	(840)	1,354
Miscellaneous	790	3,934	3,144	1,488
Rentals and concessions:				
Pool	132,404	125,861	(6,543)	122,777
Golf	125,805	93,372	(32,433)	108,052
Other facilities	183,460	181,179	(2,281)	165,013
Total revenues	4,088,831	4,103,929	15,098	3,498,956
Expenditures:				
Current:				
Recreation:				
Programs:				
Personnel services	1,668,536	1,572,985	95,551	1,352,189
Purchased services	463,406	390,728	72,678	376,622
Utilities	4,865	3,505	1,360	3,600
Supplies/maintenance	199,676	155,067	44,609	145,583
Marketing/publicity	91,559	85,069	6,490	99,284
Other charges	54,671	73,408	(18,737)	52,889
Pool:				
Personnel services	300,943	294,489	6,454	300,717
Purchased services	3,350	3,350	-	3,000
Utilities	81,144	79,794	1,350	81,928
Supplies/maintenance	61,160	67,248	(6,088)	54,955
Marketing/publicity	17,035	15,090	1,945	16,453
Other charges	43,708	55,588	(11,880)	47,411

(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, 2018

With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Expenditures (cont'd):				
Current (cont'd):				
Recreation (cont'd):				
Golf:				
Personnel services	\$ 301,644	\$ 288,089	\$ 13,555	\$ 281,760
Utilities	30,301	30,105	196	28,090
Supplies/maintenance	101,927	97,685	4,242	95,680
Marketing/publicity	6,800	1,951	4,849	5,480
Other charges	29,541	31,164	(1,623)	24,441
Athletic center:				
Personnel services	181,030	185,947	(4,917)	-
Utilities	47,173	23,117	24,056	-
Supplies/maintenance	22,720	17,166	5,554	-
Marketing/publicity	8,500	21,480	(12,980)	-
Other charges	-	1,387	(1,387)	-
Other facilities:				
Personnel services	146,789	151,372	(4,583)	134,651
Utilities	152,862	139,689	13,173	157,106
Supplies/maintenance	77,727	72,305	5,422	69,338
Other charges	3,918	1,303	2,615	2,036
Capital expenditures	38,050	31,794	6,256	48,672
Total expenditures	4,139,035	3,890,875	248,160	3,381,885
Revenues over (under) expenditures	\$ (50,204)	213,054	\$ 263,258	117,071
Fund balance, beginning of the year		1,883,401		1,766,330
Fund balance, end of the year		\$ 2,096,455		\$ 1,883,401

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, 2018
With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues:				
Property taxes	\$ 510,094	\$ 530,919	\$ 20,825	\$ 501,205
Interest	30	254	224	81
Total revenues	510,124	531,173	21,049	501,286
Expenditures:				
Current:				
Recreation:				
Payments to NEDSRA	297,254	296,094	1,160	290,004
Program integration	6,795	1,073	5,722	1,702
Capital expenditures	205,000	204,649	351	618,818
Total expenditures	509,049	501,816	7,233	910,524
Revenues over (under) expenditures	\$ 1,075	29,357	\$ 28,282	(409,238)
Fund balance, beginning of the year		10,995		420,233
Fund balance, end of the year		\$ 40,352		\$ 10,995

See accompanying notes.

Lombard Park District Notes to the Financial Statements

I. Summary of Significant Accounting Policies

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

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

A. The Reporting Entity

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

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

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

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

B. Government-wide and Fund Financial Statements

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

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

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

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

1. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Park District reports the following major governmental funds:

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

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

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

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

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

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

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

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

Fund Financial Statements (cont'd)

The Park District reports the following nonmajor governmental funds:

Illinois Municipal Retirement and Social Security Fund – This 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 – This fund is used for expenditures made for liability insurance. Revenue consists primarily of local property taxes.

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

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 – 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 inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Park District is entitled the resources and the amounts are available. Amounts owed to the Park District which are not available are recorded as receivables and unearned revenues. Amounts received prior to the entitlement period are also recorded as unearned 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 inflows of resources on its governmental funds' balance sheet. Deferred inflows of resources arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

Unearned 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 unearned revenue is removed from the balance sheet and revenue is recognized.

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)

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, deferred outflows, liabilities and deferred inflows 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/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity

1. Deposits and Investments

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

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

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

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

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

1. Deposits and Investments (cont'd)

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

Custodial Credit Risk – Deposits – The Park District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution. As of December 31, 2018, 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 with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. All of the Park District's investments consist of certificates of deposit carried at amortized cost which approximates fair value. All of the certificates of deposit will mature within one year of the statement of net position date.

The Illinois Park District Liquid Asset Fund Plus (IPDLAF+) is a class of the Illinois Portfolio, a series of the Illinois Trust, 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 IV.A. for further information.

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

2. Receivables

Property taxes for levy year 2018 attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2018 are prepared by DuPage County and issued on or about February 1, 2019, and September 1, 2019, and are payable in two installments, on or about June 1, 2019, and September 1, 2019, or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2018 property tax levy is recognized as a receivable and a deferred inflow of resources in fiscal year 2018. There is no allowance for uncollectibles. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2018, the property taxes receivable and property tax deferred inflows of resources consisted of the estimated amount collectible from the 2018 levy.

The 2018 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 inflows of resources.

3. Prepaid Items

Governmental funds account for prepaid items under the consumption method. Accordingly, governmental funds initially report prepaid items purchased as an asset and defer the recognition of the expenditure until the period the prepaid items are actually consumed or used.

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.

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

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 \$2,500 for general capital assets and an estimated useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

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

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

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

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

5. 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. As of December 31 of each year, eligible employees are permitted to carry forward vacation hours in the amount of one and a half times the amount of vacation hours that employee earned in the previous calendar year. Any hours exceeding the maximum accrual are forfeited. Vacation leave becomes due only upon the leave actually being taken or upon retirement or resignation. Therefore, the amount that will become due within one year is estimated. The Park District follows the first-in, first-out (FIFO) approach to estimate the portion of the vacation accrual as of December 31 that will be used in the subsequent year. The general fund and recreation fund are used to liquidate the liability for compensated absences.

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

5. Compensated Absences (cont'd)

Sick leave may be accumulated for future use, but employees are not compensated for unused sick leave upon retirement, unless the employee worked for the Park District prior to December 31, 1995. Those employees will be compensated for one-half of the accumulated unpaid sick time that was accumulated as of December 31, 1995, up to a maximum of 180 days, upon retirement. This amount is immaterial and, therefore, not shown on the statement of net position.

6. Long-term Obligations

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

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

7. Claims and Judgments

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

8. Equity Classifications

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

- a. Net investment in capital assets – 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.

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

8. Equity Classifications (cont'd)

- b. Restricted net position – Consists of net position with constraints placed on its use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

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 Park Commissioners, which is considered the Park District's highest level of decision making authority. Formal actions include ordinances approved by the Board. The modification to or rescinding of a fund balance must be done by passage of an ordinance by the Board of Park Commissioners. Assigned fund balance represents amounts constrained by the Park District's intent to use them for a specific purpose. Assignments are made at the Board level. Any residual fund balance is reported as unassigned in the General Fund.

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

General Fund – A portion of the fund balance is considered nonspendable fund balance. The nonspendable portion of the fund balance is intended as an offset to prepaid items totaling \$8,295. The remaining portion of fund balance is considered unassigned.

Recreation Fund – A portion of the fund balance is considered nonspendable fund balance. The nonspendable portion of the fund balance is intended as an offset to prepaid items totaling \$8,266. The remaining portion of fund balance is considered to be assigned for the purposes of the fund.

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

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

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)

8. Equity Classifications (cont'd)

Bond and Interest Fund – The fund balance is considered restricted fund balance. The restricted fund balance is intended for future debt service payments totaling \$169,952.

Special Revenue Funds – 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 \$326,694 (\$40,352 in the Special Recreation Fund and \$286,342 in nonmajor funds).

Capital Projects Fund – The entire fund balance of \$1,204,998 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.

9. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Park District reports deferred pension costs and deferred charges on refunding in this category. Deferred pension costs arise from the deferred recognition of certain changes in the net pension liability and investment experience. The Park District also reports deferred charges on refunding in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

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

10. Prior Period Restatement

The beginning net position of governmental activities was restated for the adoption of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Further disclosures are included at Notes V.B. and V.E.

II. 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 department level, which is the lowest level at which appropriations are adopted. 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.

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

III. Reconciliation of Government-wide and Fund Financial Statements

The governmental fund statement of revenues, expenditures and changes in fund balance includes a reconciliation between net changes in fund balance – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains “Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$2,936,273 are as follows:

Capital outlay	\$ 4,374,891
Depreciation expense	<u>(1,438,618)</u>
Net adjustment to increase net changes in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ 2,936,273</u>

Another element of the reconciliation states “In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets disposed.” The details of this \$7,426 difference are as follows:

Accumulated depreciation of capital assets	\$ 146,156
Cost of capital assets	<u>(153,582)</u>
Net adjustment to decrease net change in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ (7,426)</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 position. Also, governmental funds report the effect 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 \$755,691 difference are as follows:

Bond proceeds	\$ (586,390)
Amortization of deferred charge on refunding	(2,858)
Amortization of bond premium	43,649
Principal repayments – general obligation debt	<u>1,301,289</u>
Net adjustments to decrease net change in fund balance – total governmental funds to arrive at change in net position of governmental activities	<u>\$ 755,690</u>

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

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

Another element of the reconciliation states "Outflows and inflows related to the net pension liability, as well as the change in the net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$34,066 difference are as follows:

Service cost	\$ (226,395)
Interest on the total pension liability	(935,192)
Employee contributions	98,720
Projected earnings on plan investments	806,980
Other changes in plan fiduciary net position	(139,313)
Recognition of outflow of resources due to liabilities	63,314
Recognition of outflow of resources due to assets	28,944
Post measurement date employer contributions	<u>268,876</u>
Net adjustments to decrease net change in fund balance – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (34,066)</u>

IV. Detailed Notes For All Funds

A. Deposits and Investments

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

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits with financial institutions	\$ 804,626	\$ 805,517	Custodial credit risk
IPDLAF	5,511,313	5,511,313	Interest rate risk and credit risk
Cash on hand	<u>2,338</u>	<u>2,338</u>	N/A
Total deposits and investments	<u>\$ 6,318,277</u>	<u>\$ 6,319,168</u>	

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

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

A. Deposits and Investments (cont'd)

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

A reconciliation of cash and investments as of December 31, 2018, is as follows:

Cash	\$ 806,964
Investments	<u>5,511,313</u>
Combined carrying value on balance sheet	<u>\$ 6,318,277</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.

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, a class of the Illinois Portfolio, a series of the Illinois Trust, 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, 2018, 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	<u>\$ 3,912,000</u>	<u>\$ 3,912,000</u>

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

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

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

B. Receivables

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

Governmental funds report deferred inflows of resources 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, revenue is recognized 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 as a deferred inflow of resources in the government-wide statements.

C. Capital Assets

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance, December 31, 2017	Additions	Retirements/ Adjustments	Balance December 31, 2018
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 4,838,538	\$ -	\$ -	\$ 4,838,538
Construction in progress	5,703,472	-	5,703,472	-
Total capital assets not being depreciated	<u>10,542,010</u>	<u>-</u>	<u>5,703,472</u>	<u>4,838,538</u>
Capital assets, being depreciated:				
Land improvements	8,103,381	101,925	-	8,205,306
Buildings	8,272,869	9,231,973	-	17,504,842
Pool buildings/facilities	9,842,700	31,794	-	9,874,494
Machinery and equipment	5,641,388	712,670	153,582	6,200,476
Total capital assets being depreciated	<u>31,860,338</u>	<u>10,078,362</u>	<u>153,582</u>	<u>41,785,118</u>
Total capital assets	<u>42,402,348</u>	<u>10,078,362</u>	<u>5,857,054</u>	<u>46,623,656</u>

(cont'd)

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, 2017	Additions	Retirements/ Adjustments	Balance December 31, 2018
Governmental Activities (cont'd)				
Less accumulated depreciation for:				
Land improvements	\$ 3,796,078	\$ 395,925	\$ -	\$ 4,192,003
Buildings	3,770,754	320,146	-	4,090,900
Pool buildings/facilities	3,169,637	402,248	-	3,571,885
Machinery and equipment	3,874,229	320,299	146,156	4,048,372
Total accumulated depreciation	<u>14,610,698</u>	<u>1,438,618</u>	<u>146,156</u>	<u>15,903,160</u>
Total capital assets being depreciated, net	<u>17,249,640</u>	<u>8,639,744</u>	<u>7,426</u>	<u>25,881,958</u>
Total governmental activities' capital assets, net of accumulated depreciation	<u>\$ 27,791,650</u>	<u>\$ 8,639,744</u>	<u>\$ 5,710,898</u>	<u>\$ 30,720,496</u>

Depreciation expense of \$69,565, \$1,187,396, and \$181,657 was charged to the Administration Fund, Recreation Fund, and Maintenance Fund, respectively. Total depreciation expense at December 31, 2018, was \$1,438,618.

D. Long-term Obligations

Long-term obligations activity for the year ended December 31, 2018, was as follows:

	Balance, December 31, 2017	Additions	Retirements/ Adjustments	Balance, December 31, 2018	Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 13,831,289	\$ 586,390	\$ 1,301,289	\$ 13,116,390	\$ 1,361,390
Bond premium	316,923	-	43,649	273,274	46,201
Total bonds and notes payable	14,148,212	586,390	1,344,938	13,389,664	1,407,591
Other liabilities:					
Compensated absences	149,782	77,975	89,070	138,687	53,680
Net OPEB*	174,267	11,083	-	185,350	-
Net pension liability*	1,708,391	-	1,324,871	383,520	-
	<u>\$ 16,180,652</u>	<u>\$ 675,448</u>	<u>\$ 2,758,879</u>	<u>\$ 14,097,221</u>	<u>\$ 1,461,271</u>

* The General Fund is typically used to liquidate these liabilities.

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

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

D. 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.

The Park District issued \$8,575,000 of General Obligation Limited Tax Park Bonds, Series 2017A dated February 8, 2017. The bonds were issued at an interest rate of 3.375%. Principal is payable on December 15th of each year. The bond is scheduled to mature on December 15, 2034.

The Park District issued \$566,289 General Obligation Limited Tax Park Bonds, Series 2017C dated December 12, 2017, and matured on November 1, 2018, between the General Fund and the Capital Projects Fund. Interest was payable at a rate of 1.95%.

The Park District issued \$586,390 General Obligation Limited Tax Park Bonds, Series 2018 dated December 11, 2018, and scheduled to mature on November 1, 2019, between the General Fund and the Capital Projects Fund. Interest is payable at a rate of 2.75%.

				Principal Outstanding	
\$3,517,000 General Obligation Limited Tax Park Bonds, Series 2014, Dated January 7, 2014 – Principal is payable on December 15 of each year as follows:					
2019	\$	225,000	2022	\$	250,000
2020		235,000	2023		260,000
2021		245,000	2024		270,000
Interest is payable on June 15 and December 15 of each year, at a 3.00% rate.					\$ 1,485,000

**\$3,725,000 General Obligation Limited Tax Park Bonds, Series
2015A, Dated October 13, 2015** – Principal is payable on December 15
of each year as follows:

2019	\$	445,000	2022	\$	550,000
2020		480,000	2023		580,000
2021		510,000			
Interest is payable on June 15 and December 15 of each year, at a 4.00% rate.					2,565,000

(cont'd)

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

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

D. Long-term Obligations (cont'd)

				<u>Principal Outstanding</u>
\$8,575,000 General Obligation Limited Tax Park Bonds, Series 2017A, Dated February 8, 2017 – Principal is payable on December 15 of each year as follows:				
2019	\$	105,000	2027	\$ 695,000
2020		115,000	2028	725,000
2021		125,000	2029	760,000
2022		140,000	2030	795,000
2023		155,000	2031	830,000
2024		445,000	2032	870,000
2025		640,000	2033	900,000
2026		670,000	2034	510,000
Interest is payable on June 15 and December 15 of each year, at a 3.375% rate.				<u>\$ 8,480,000</u>
\$586,390 General Obligation Limited Tax Park Bonds, Series 2018, Dated December 11, 2018 – Principal is payable on November 1, 2019:				
2019	\$	586,390		
Interest is payable on November 1, 2019, at a 2.75% rate.				<u>586,390</u>
				<u>\$ 13,116,390</u>

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

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

D. Long-term Obligations (cont'd)

Debt Service Requirement to Maturity – Annual requirements to amortize all debt outstanding as of December 31, 2018, including interest payments, are as follows:

Year Ending December 31,	Long-term Obligations		
	Total	Principal	Interest
Due in 2019:			
Series 2014	\$ 269,550	\$ 225,000	\$ 44,550
Series 2015A	547,600	445,000	102,600
Series 2017A	391,200	105,000	286,200
Series 2018	600,749	586,390	14,359
Total 2019	1,809,099	1,361,390	447,709
2020	1,235,256	830,000	405,256
2021	1,255,126	880,000	375,126
2022	1,283,156	940,000	343,156
2023	1,303,932	995,000	308,932
2024 – 2028	4,582,544	3,445,000	1,137,544
2029 – 2033	4,673,738	4,155,000	518,738
2034	527,211	510,000	17,211
Totals	\$ 16,670,062	\$ 13,116,390	\$ 3,553,672

V. Other Information

A. Illinois Municipal Retirement Fund

Plan Description – The Park District's defined benefit pension plan, the Illinois Municipal Retirement Fund ("IMRF"), provides pensions for all full-time employees of the Park District. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and Required Supplementary Information (RSI). That report may be obtained on-line at www.imrf.org.

At December 31, 2017, the IMRF Plan membership consisted of:

Retirees and beneficiaries	42
Inactive, non-retired members	38
Active members	40
Total	120

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

Benefits Provided – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, (Tier 1) who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. Tier 1 employees with at least 8 years of credited service may retire at or after age 55 and receive a reduced benefit. Participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$113,645 and \$112,408 at January 1, 2018 and 2017, respectively. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

Contributions – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Park District is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2018 was 11.63 percent. The Park District's contribution to the Plan totaled \$268,876 in 2018 which was equal to its annual required contribution.

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

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2017, valuation were based on an actuarial experience study for the period January 1, 2014 – December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.50%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF 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. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2017, was 26 years.

Mortality Rates – For non-disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF projection experience. For disabled retirees, an IMRF specific mortality table was used with fully generational scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

Long-term Expected Rate of Return – The long-term expected rate of return is the expected rate of return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	37%	6.85%
International equities	18%	6.75%
Fixed income	28%	3.00%
Real estate	9%	5.75%
Alternatives:	7%	
Private equity		7.35%
Hedge funds		5.05%
Commodities		2.65%
Cash equivalents	1%	2.25%

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31%, and the resulting single discount rate used to measure the total pension liability is 7.50%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 92 years.

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance 12/31/17	\$ 12,546,444	\$ 10,838,053	\$ 1,708,391
Changes for the year:			
Service cost	226,395	-	226,395
Interest	935,192	-	935,192
Differences between expected and actual experience	(9,207)	-	(9,207)
Changes in assumptions	(404,078)	-	(404,078)
Contributions - employer	-	264,788	(264,788)
Contributions - employee	-	98,720	(98,720)
Net investment income	-	1,848,978	(1,848,978)
Benefit payments, including refunds of employee contributions	(380,828)	(380,828)	-
Other changes	-	(139,313)	139,313
Net changes	367,474	1,692,345	(1,324,871)
Balances at 12/31/18	\$ 12,913,918	\$ 12,530,398	\$ 383,520

Discount Rate Sensitivity – The following presents the net pension liability of the Park District, calculated using the discount rate of 7.50%, as well as what the Park District's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension (asset) liability	\$ 2,107,326	\$ 383,520	\$ (1,037,093)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

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

V. Other Information (cont'd)

A. Illinois Municipal Retirement Fund (cont'd)

For the year ended December 31, 2018, the Park District recognized pension recovery of \$1,324,871. At December 31, 2018, the Park District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (11,305)	\$ (11,305)
Changes in assumptions	-	(312,598)	(312,598)
Net difference between projected and actual earnings in pension plan investments	-	(490,671)	(490,671)
Contributions to the plan after the measurement date of December 31, 2017, and before the reporting date of December 31, 2018	<u>268,876</u>	<u>-</u>	<u>268,876</u>
Total	<u>\$ 268,876</u>	<u>\$ (814,574)</u>	<u>\$ (545,698)</u>

Contributions made after the measurement date of the net pension liability, but before December 31, 2018, will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than the current fiscal period.

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

<u>Year Ending December 31,</u>	<u>Total</u>
2018	\$ 128,624
2019	184,607
2020	292,945
2021	<u>208,398</u>
	<u>\$ 814,574</u>

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

V. Other Information (cont'd)

B. Other Post-Employment Benefits (OPEB)

Plan Description – The Park District provides limited health care insurance coverage for its eligible retired employees. Full-time employees who retire and are eligible for a pension under either the IMRF Plan can elect to continue their medical insurance for life by paying the full price of the insurance under the pension plan offered by the Park District. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The Park District accounts for the plan in the government-wide financial statements. The plan does not issue a stand-alone financial report.

At December 31, 2018, the OPEB Retiree Healthcare Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	0
Current employees:	
Actives fully eligible to retire	8
Actives not yet fully eligible to retire	<u>34</u>
Total	<u>42</u>

Funding Policy – The retirees are allowed to participate in the same healthcare plan as active employees but must pay their full premium. Premiums are the same for active and retired employees. There is no formal funding policy that exists for the OPEB plan as the total OPEB liabilities are currently an unfunded obligation.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Total OPEB liability	\$ 185,350
Plan fiduciary net position	<u>-</u>
Net OPEB liability	<u>\$ 185,350</u>

Retiree Lapse Rates – 100% of retirees receiving medical coverage are expected to lapse all coverages at age 65.

Election at Retirement – 20% of IMRF covered employees are expected to elect for coverage under the OPEB plan at retirement, in the High PPO plan.

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

V. Other Information (cont'd)

B. Other Post-Employment Benefits (OPEB) (cont'd)

Actuarial Valuation and Assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	4.00%
Discount rate	3.64%
Investment rate of return	N/A

The mortality rates had the same basis as the respective pension plan. The health care trend rate by calendar year is as follows:

Calendar Year	HMO Plan	PPO Plan
2018	6.60 %	7.10 %
2019	6.60	7.10
2020	6.37	6.81
2021	6.13	6.52
2022	5.90	6.23
2023	5.67	5.94
2024	5.43	5.66
2025	5.20	5.37
2026	4.97	5.08
2027	4.73	4.79
2028	4.50	4.50
Subsequent	4.50	4.50

Discount Rate – The discount rate used to measure the total OPEB liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The Park District does not have a trust dedicated exclusively to the payment of OPEB benefits, so the discount rate equals the municipal bond rate of 3.64%, determined using the S&P Municipal Bond 20 Year High-Grade Rate Index.

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

V. Other Information (cont'd)

B. Other Post-Employment Benefits (OPEB) (cont'd)

Changes in Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance 12/31/17	\$ 174,267	\$ -	\$ 174,267
Changes for the year:			
Service cost	7,953	-	7,953
Interest	5,796	-	5,796
Differences between expected and actual experience	-	-	-
Changes in assumptions	(3,870)	-	(3,870)
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(2,511)	-	(2,511)
Administrative expenses	-	-	-
Other changes	3,715	-	3,715
Net changes	11,083	-	11,083
Balances at 12/31/18	\$ 185,350	\$ -	\$ 185,350

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the Park District, calculated using the discount rate of 3.64%, as well as what the Park District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (2.64%)	Current Discount Rate (3.64%)	1% Increase (4.64%)
Net OPEB Liability	\$ 198,992	\$ 185,350	\$ 172,552

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

V. Other Information (cont'd)

B. Other Post-Employment Benefits (OPEB) (cont'd)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates –

The following presents the net OPEB liability of the Park District, as well as what the Park District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or lower than the current rate:

	1% Decrease (Varies)	Current Discount Rate (Varies)	1% Increase (Varies)
Net OPEB Liability	\$ 168,383	\$ 185,350	\$ 204,515

OPEB Expense and Deferred Inflows of Resources Related to OPEB – Because this is the implementation year of GASB Statement 75, the beginning total OPEB liability is based on the same assumptions and data as the ending total OPEB liability. Therefore, there are no differences between actual and expected experience that are being deferred in the current year.

C. Risk Management

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

Public Entity Risk Pool

PDRMA Property/Casualty Program – Since 1984, the Park District has been a member of the Park District Risk Management Agency (PDRMA). PDRMA is a public entity risk pool consisting of park districts, forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with the terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, workers' compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2018 through January 1, 2019.

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

V. Other Information (cont'd)

C. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Property/Casualty Program (cont'd)

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 / Occurrence /
Flood/except zones A & V	\$1,000	\$1,000,000	\$250,000,000 Annual Aggregate / Occurrence /
Flood, zones A & V	\$1,000	\$1,000,000	\$200,000,000 Annual Aggregate / Occurrence /
Earthquake shock	\$1,000	\$100,000	\$100,000,000 Annual Aggregate
Auto physical damage:			
Comprehensive and collision	\$1,000	\$1,000,000	Included
Construction/builder's risk	\$1,000	Included	\$25,000,000
Business interruption	\$1,000		\$100,000,000
Service interruption	24 Hours	N/A	\$25,000,000
Boiler and machinery:			
Property damage	\$1,000	\$9,000	Included
Business income	48 Hours	N/A	Included
Fidelity and crime:			
Seasonal employees	\$1,000	\$24,000	\$2,000,000 / Occurrence
Blanket bond	\$1,000	9,000	\$1,000,000 / Occurrence
	\$1,000	\$24,000	\$2,000,000 / Occurrence
Workers' compensation			
Employer's liability	N/A	\$500,000	Statutory \$3,500,000
General	None	\$500,000	\$21,500,000 / Occurrence
Auto liability	None	\$500,000	\$21,500,000 / Occurrence
Employment practices	None	\$500,000	\$21,500,000 / Occurrence
Public official's liability	None	\$500,000	\$21,500,000 / Occurrence
Law enforcement liability	None	\$500,000	\$21,500,000 / Occurrence
Uninsured/underinsured motorists	None	\$500,000	\$1,000,000 / Occurrence

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

V. Other Information (cont'd)

C. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Property/Casualty Program (cont'd)

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits
Pollution liability:			
Liability – third-party	None	\$25,000	\$5,000,000 / Occurrence 3-Year General
Property – first-party	\$1,000	\$24,000	\$30,000,000 Aggregate
Outbreak expense	24 Hours	N/A	\$15,000 / Day \$1,000,000 Aggregate
Information security and privacy insurance with electronic media liability coverage:			
Information security & privacy liability	None	\$100,000	\$2,000,000 / Occurrence
Privacy notification costs	None	\$100,000	\$500,000 / Occurrence
Regulatory defense & penalties	None	\$100,000	\$2,000,000 / Occurrence
Website media content liability	None	\$100,000	\$2,000,000 / Occurrence
Information security and privacy insurance with electronic media liability coverage:			
Cyber extortion	None	\$100,000	\$2,000,000 / Occurrence
Data protection & business interruption	\$1,000	\$100,000	\$2,000,000 / Occurrence
First-party business interruption	8 hours	\$100,000	\$50,000 Hourly Sublimit
Volunteer medical accident	None	\$5,000	\$5,000
Underground storage tank	None	N/A	\$10,000 Follows IL Law
Unemployment compensation	N/A	N/A	Statutory

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

V. Other Information (cont'd)

C. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

PDRMA Property/Casualty Program (cont'd)

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Lombard Park District. Insurance coverage exceeded settlements in fiscal years 2018, 2017 and 2016.

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

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

The following represents a summary of PDRMA's balance sheet at December 31, 2017, and the statement of revenues and expenses for the period ended December 31, 2017. The Park District's portion of the overall equity of the pool is 1.172% or \$510,520.

Assets	\$ 65,528,169
Deferred Outflows of Resources - Pension	1,031,198
Liabilities	22,979,446
Deferred Inflows of Resources - Pension	5,600
Member balances	43,574,321
Revenues	23,353,271
Expenditures	17,402,060

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

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

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

V. Other Information (cont'd)

C. Risk Management (cont'd)

Public Entity Risk Pool (cont'd)

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

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

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

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

Assets	\$ 21,149,057
Deferred Outflows of Resources - Pension	427,851
Liabilities	5,677,098
Deferred Inflows of Resources - Pension	5,600
Member balances	15,905,410
Revenues	37,960,432
Expenditures	36,867,147

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

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

V. Other Information (cont'd)

D. Joint Ventures

Northeast DuPage Special Recreation Association – 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 2018, 2017, and 2016 was \$296,094, \$290,004, and \$284,039, respectively.

NEDSRA utilizes 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.

E. Change in Accounting Principle

Effective January 1, 2018, the Park District adopted Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions. As a result, the Park District restated its beginning net position to reflect a \$174,267 net OPEB liability.

REQUIRED SUPPLEMENTARY INFORMATION

**Lombard Park District
Illinois Municipal Retirement Fund
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Calendar Years**

	<u>2018</u>	<u>2017</u>
Total Pension Liability:		
Service cost	\$ 226,395	\$ 216,973
Interest on the total pension liability	935,192	885,342
Benefit changes	-	-
Difference between expected and actual experience	(9,207)	(65,482)
Assumption changes	(404,078)	(32,539)
Benefit payments and refunds	(380,828)	(370,960)
Net change in total pension liability	367,474	633,334
Total pension liability - beginning	12,546,444	11,913,110
Total pension liability - ending	\$ 12,913,918	\$ 12,546,444
Plan Fiduciary Net Position:		
Employer contributions	\$ 264,788	\$ 259,727
Employee contributions	98,720	94,638
Pension plan net investment income	1,848,978	704,414
Benefit payments and refunds	(380,828)	(370,960)
Other	(139,313)	48,997
Net changes in plan fiduciary net position	1,692,345	736,816
Plan fiduciary net position - beginning	10,838,053	10,101,237
Plan fiduciary net position - ending	\$ 12,530,398	\$ 10,838,053
Net pension liability	\$ 383,520	\$ 1,708,391
Plan fiduciary net position as a percentage of total pension liability	97.03%	86.38%
Covered valuation payroll	\$ 2,193,769	\$ 2,103,052
Net pension liability as a percentage of covered valuation payroll	17.48%	81.23%

Note - The Park District adopted GASB 68 in 2015 and will build a ten-year history prospectively.

See independent auditor's report.

2016	2015
\$ 205,748	\$ 225,917
826,266	768,486
-	-
114,298	(166,188)
15,720	305,829
(355,276)	(322,426)
806,756	811,618
11,106,354	10,294,736
<u>\$ 11,913,110</u>	<u>\$ 11,106,354</u>
\$ 251,798	\$ 247,102
99,076	89,821
51,017	586,965
(355,276)	(322,426)
(151,064)	(10,902)
(104,449)	590,560
10,205,686	9,615,126
<u>\$ 10,101,237</u>	<u>\$ 10,205,686</u>
<u>\$ 1,811,873</u>	<u>\$ 900,668</u>
84.79%	91.89%
<u>\$ 1,992,073</u>	<u>\$ 1,854,311</u>
90.95%	48.57%

**Lombard Park District
Illinois Municipal Retirement Fund
Required Supplementary Information -
Multiyear Schedule of Contributions - Last 10 Calendar Years**

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2018	\$ 269,956	\$ 269,955	\$ 1	\$ 2,321,202	11.63 %
2017	264,788	264,788	-	2,193,769	12.07
2016	259,727	259,727	-	2,103,052	12.35
2015	251,798	251,798	-	1,992,073	12.64
2014	229,564	247,102	(17,538)	1,854,311	13.33

Notes to the Required Supplementary Information:

Methods and Assumption Used to Determine 2018 Contribution Rates:

Actuarial cost method	Aggregate Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	25-year closed period until remaining period reaches 15 years
Asset valuation method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates
Mortality	MP-2014 (base year 2012)

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 68.

Note - The Park District adopted GASB 68 in 2015 and will build a ten-year history prospectively.

See independent auditor's report.

**Lombard Park District
Other Post-employment Benefits Retiree Healthcare Plan
Required Supplementary Information - Schedule of Changes
in the Employer's Net OPEB Liability and Related Ratios
December 31,**

	<u>2018</u>
Total OPEB liability:	
Service cost	\$ 7,953
Interest	5,796
Changes in assumptions	(3,870)
Benefit payments, including refunds of member contributions	(2,511)
Other changes	<u>3,715</u>
Net change in total pension liability	11,083
Total pension liability, beginning of year	<u>174,267</u>
Total pension liability, end of year	\$ 185,350
Plan fiduciary net position, beginning of year	<u>-</u>
Plan fiduciary net position, end of year	\$ -
Employer's net pension liability	<u>\$ 185,350</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>0.00%</u>
Covered employee payroll	<u>\$ 2,328,269</u>
Employer's net pension liability as a percentage of covered-employee payroll	<u>7.96%</u>

Note: The Park District adopted GASB 74 in the fiscal year ended December 31, 2018, and will build a ten-year history prospectively. There is no actuarially determined contribution (ADC) or employer contribution in relation to the ADC as there is no trust that exists for funding the OPEB liabilities.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

**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, 2018
With Comparative Actual Amounts For the Year Ended December 31, 2017**

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues - property taxes	\$ 1,386,574	\$ 1,398,971	\$ 12,397	\$ 1,367,038
Expenditures:				
Debt service:				
Principal	1,208,968	1,206,289	2,679	1,156,000
Interest	178,484	180,285	(1,801)	198,443
Other fees	-	1,329	(1,329)	878
Total expenditures	<u>1,387,452</u>	<u>1,387,903</u>	<u>(451)</u>	<u>1,355,321</u>
Revenues over (under) expenditures	<u>\$ (878)</u>	<u>11,068</u>	<u>\$ 11,946</u>	<u>11,717</u>
Fund balance, beginning of the year		<u>158,884</u>		<u>147,167</u>
Fund balance, end of the year		<u>\$ 169,952</u>		<u>\$ 158,884</u>

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, 2018**

With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues:				
Interest	\$ 9,265	\$ 53,470	\$ 44,205	\$ 68,438
Other	5,500	5,500	-	8,760
Total revenues	<u>14,765</u>	<u>58,970</u>	<u>44,205</u>	<u>77,198</u>
Expenditures:				
Capital outlay:				
Permanent improvements and equipment purchase	4,733,862	3,782,066	951,796	5,227,054
Debt service:				
Principal	95,000	95,000	-	-
Interest	144,703	289,406	(144,703)	-
Bond issuance cost	8,000	8,030	(30)	85,741
Total expenditures	<u>4,981,565</u>	<u>4,174,502</u>	<u>807,063</u>	<u>5,312,795</u>
Revenues over (under) expenditures before other financing sources	<u>(4,966,800)</u>	<u>(4,115,532)</u>	<u>851,268</u>	<u>(5,235,597)</u>
Other financing sources - bond proceeds	<u>582,825</u>	<u>586,390</u>	<u>3,565</u>	<u>9,697,289</u>
Changes in fund balance	<u>\$ (4,383,975)</u>	<u>(3,529,142)</u>	<u>\$ 854,833</u>	<u>4,461,692</u>
Fund balance, beginning of the year		<u>4,734,140</u>		<u>272,448</u>
Fund balance, end of the year		<u>\$ 1,204,998</u>		<u>\$ 4,734,140</u>

See independent auditor's report.

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

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

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

NONMAJOR SPECIAL REVENUE FUNDS

**Lombard Park District
Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2018**

	Liability	Audit	Municipal Retirement and Social Security	Total
Assets				
Cash	\$ 34,349	\$ 8,085	\$ 49,065	\$ 91,499
Investments	82,036	-	122,809	204,845
Receivables:				
Property taxes	148,784	15,661	492,285	656,730
Other	1,771	-	3,757	5,528
Total assets	\$ 266,940	\$ 23,746	\$ 667,916	\$ 958,602
Liabilities				
Accounts payable	\$ 14,840	\$ -	\$ -	\$ 14,840
Unearned program revenue	690	-	-	690
Total liabilities	15,530	-	-	15,530
Deferred Inflows of Resources				
Property tax revenue	148,784	15,661	492,285	656,730
Fund balance - restricted for:				
General liability	102,626	-	-	102,626
Audit services	-	8,085	-	8,085
IMRF reserves	-	-	175,631	175,631
Total fund balances	102,626	8,085	175,631	286,342
Total liabilities, deferred inflows of resources and fund balances	\$ 266,940	\$ 23,746	\$ 667,916	\$ 958,602

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, 2018

	Liability	Audit	Municipal Retirement and Social Security	Total
Revenues:				
Property taxes	\$ 151,312	\$ 15,928	\$ 471,190	\$ 638,430
Replacement taxes	-	-	3,303	3,303
Interest	3,389	-	5,959	9,348
Miscellaneous	5,691	-	-	5,691
Total revenues	160,392	15,928	480,452	656,772
Expenditures:				
Current:				
Liability	148,596	-	-	148,596
Audit	-	14,501	-	14,501
Municipal retirement and Social Security	-	-	444,516	444,516
Total expenditures	148,596	14,501	444,516	607,613
Revenues over expenditures	11,796	1,427	35,936	49,159
Fund balance, beginning of the year	90,830	6,658	139,695	237,183
Fund balance, end of the year	\$ 102,626	\$ 8,085	\$ 175,631	\$ 286,342

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, 2018
With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues:				
Property taxes	\$ 150,477	\$ 151,312	\$ 835	\$ 147,855
Interest	492	3,389	2,897	1,467
PDRMA safety incentive award	1,500	300	(1,200)	1,500
Miscellaneous	5,300	5,391	91	4,990
Total revenues	<u>157,769</u>	<u>160,392</u>	<u>2,623</u>	<u>155,812</u>
Expenditures:				
Current:				
Recreation:				
Insurance	149,661	143,777	5,884	137,798
Professional services	6,500	2,820	3,680	5,739
Supplies	2,000	1,999	1	623
Total expenditures	<u>158,161</u>	<u>148,596</u>	<u>9,565</u>	<u>144,160</u>
Revenues over (under) expenditures	<u>\$ (392)</u>	<u>11,796</u>	<u>\$ 12,188</u>	<u>11,652</u>
Fund balance, beginning of the year		<u>90,830</u>		<u>79,178</u>
Fund balance, end of the year		<u>\$ 102,626</u>		<u>\$ 90,830</u>

See independent auditor's report.

Lombard Park District
Audit Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2018
With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues - property taxes	\$ 16,000	\$ 15,928	\$ (72)	\$ 16,289
Expenditures - current - audit	14,500	14,501	(1)	13,900
Revenues over expenditures	\$ 1,500	1,427	\$ (73)	2,389
Fund balance, beginning of the year		6,658		4,269
Fund balance, end of the year		\$ 8,085		\$ 6,658

See independent auditor's report.

Lombard Park District
Municipal Retirement and Social Security Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2018
With Comparative Actual Amounts For the Year Ended December 31, 2017

	2018			
	Original and Final Budget	Actual	Variance to Budget	2017 Actual
Revenues:				
Property taxes	\$ 464,984	\$ 471,190	\$ 6,206	\$ 446,073
Replacement taxes	2,968	3,303	335	3,633
Interest	695	5,959	5,264	2,045
Total revenues	<u>468,647</u>	<u>480,452</u>	<u>11,805</u>	<u>451,751</u>
Expenditures:				
Current:				
Municipal retirement and Social Security:				
IMRF	241,840	238,694	3,146	239,183
FICA	210,556	205,822	4,734	193,181
Total expenditures	<u>452,396</u>	<u>444,516</u>	<u>7,880</u>	<u>432,364</u>
Revenues over expenditures	<u>\$ 16,251</u>	<u>35,936</u>	<u>\$ 19,685</u>	<u>19,387</u>
Fund balance, beginning of the year		<u>139,695</u>		<u>120,308</u>
Fund balance, end of the year		<u>\$ 175,631</u>		<u>\$ 139,695</u>

See independent auditor's report.

**Lombard Park District
Noncurrent Liabilities
Schedule of Long-term Obligations to Maturity
December 31, 2018**

Year Ending December 31,	Total		General Obligation Park Bonds, Series 2014 Dated January 7, 2014		General Obligation Limited Tax Park Bonds, Series 2015A Dated October 13, 2015	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 1,361,390	\$ 447,709	\$ 225,000	\$ 44,550	\$ 445,000	\$ 102,600
2020	830,000	405,256	235,000	37,800	480,000	84,800
2021	880,000	375,126	245,000	30,750	510,000	65,600
2022	940,000	343,156	250,000	23,400	550,000	45,200
2023	995,000	308,932	260,000	15,900	580,000	23,200
2024	715,000	272,700	270,000	8,100	-	-
2025	640,000	249,582	-	-	-	-
2026	670,000	227,982	-	-	-	-
2027	695,000	205,368	-	-	-	-
2028	725,000	181,912	-	-	-	-
2029	760,000	157,444	-	-	-	-
2030	795,000	131,794	-	-	-	-
2031	830,000	104,962	-	-	-	-
2032	870,000	76,950	-	-	-	-
2033	900,000	47,588	-	-	-	-
2034	510,000	17,211	-	-	-	-
	<u>\$ 13,116,390</u>	<u>\$ 3,553,672</u>	<u>\$ 1,485,000</u>	<u>\$ 160,500</u>	<u>\$ 2,565,000</u>	<u>\$ 321,400</u>

See independent auditor's report.

General Obligation Park Bonds (Alternate Revenue source), Series 2017A Dated February 8, 2017		General Obligation Park Bonds General Obligation Limited Tax Park Bonds, Series 2018 Dated November 27, 2018	
Principal	Interest	Principal	Interest
\$ 105,000	\$ 286,200	\$ 586,390	\$ 14,359
115,000	282,656	-	-
125,000	278,776	-	-
140,000	274,556	-	-
155,000	269,832	-	-
445,000	264,600	-	-
640,000	249,582	-	-
670,000	227,982	-	-
695,000	205,368	-	-
725,000	181,912	-	-
760,000	157,444	-	-
795,000	131,794	-	-
830,000	104,962	-	-
870,000	76,950	-	-
900,000	47,588	-	-
510,000	17,211	-	-
<u>\$ 8,480,000</u>	<u>\$ 3,057,413</u>	<u>\$ 586,390</u>	<u>\$ 14,359</u>

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	75 – 82
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	83 – 88
These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.	
Debt Capacity	89 – 93
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	94
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	95 - 102
These schedules contain information about the Park District's operations and resources, to help the reader understand how the Park District's financial information relates to the services the Park District provides and the activities it performs.	

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

STATISTICAL SECTION

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental activities:				
Net investment in capital assets	\$ 17,713	\$ 18,485	\$ 17,609	\$ 17,374
Restricted	497	407	771	703
Unrestricted	4,015	2,696	2,808	2,897
Total governmental activities	\$ 22,225	\$ 21,588	\$ 21,188	\$ 20,974
Business-type activities:				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-
Total business-type activities	\$ -	\$ -	\$ -	\$ -
Primary government:				
Net investment in capital assets	\$ 17,713	\$ 18,485	\$ 17,609	\$ 17,374
Restricted	497	407	771	703
Unrestricted	4,015	2,696	2,808	2,897
Total primary government	\$ 22,225	\$ 21,588	\$ 21,188	\$ 20,974

See independent auditor's report.

December 31,					
2014	2013	2012	2011	2010	2009
\$ 17,152	\$ 16,759	\$ 15,708	\$ 15,957	\$ 14,398	\$ 10,767
447	413	427	1,030	1,213	4,184
3,077	2,714	3,044	1,741	1,405	1,071
<u>\$ 20,676</u>	<u>\$ 19,886</u>	<u>\$ 19,179</u>	<u>\$ 18,728</u>	<u>\$ 17,016</u>	<u>\$ 16,022</u>
\$ -	\$ -	\$ -	\$ -	\$ 282	\$ 352
-	-	-	-	(33)	103
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 249</u>	<u>\$ 455</u>
\$ 17,152	\$ 16,759	\$ 15,708	\$ 15,957	\$ 14,680	\$ 11,119
447	413	427	1,030	1,213	4,184
3,077	2,714	3,044	1,741	1,372	1,174
<u>\$ 20,676</u>	<u>\$ 19,886</u>	<u>\$ 19,179</u>	<u>\$ 18,728</u>	<u>\$ 17,265</u>	<u>\$ 16,477</u>

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

	2018	2017	2016
Expenses:			
Governmental activities:			
Administration	\$ 1,049	\$ 1,149	\$ 1,280
Recreation	5,681	5,009	4,852
Maintenance	1,738	1,911	1,828
Interest and fees	136	170	189
Total governmental activities' expenses	8,604	8,239	8,149
Business-type activities - golf course	-	-	-
Total primary government expenses	\$ 8,604	\$ 8,239	\$ 8,149
Program revenues:			
Governmental activities:			
Charges for services - recreation	\$ 3,297	\$ 2,711	\$ 2,607
Capital grants and contributions	-	-	-
Total governmental activities' revenues	3,297	2,711	2,607
Business-type activities - charges for services - golf course	-	-	-
Total primary government revenues	\$ 3,297	\$ 2,711	\$ 2,607
Net (expense) revenue:			
Governmental activities	\$ (5,307)	\$ (5,528)	\$ (5,542)
Business-type activities	-	-	-
Total primary government net expense	(5,307)	(5,528)	(5,542)
General revenues and other changes in net position:			
Governmental activities:			
Taxes	5,835	5,683	5,591
Investment earnings	136	106	26
Gain on sale of capital assets	-	-	2
Miscellaneous	146	140	137
Prior period adjustment	(174)	-	-
Total governmental activities	5,943	5,929	5,756
Business-type activities:			
Investment earnings	-	-	-
Capital contribution	-	-	-
Total business-type activities	-	-	-
Total primary government	\$ 5,943	\$ 5,929	\$ 5,756
Changes in net position:			
Governmental activities	\$ 636	\$ 401	\$ 214
Business-type activities	-	-	-
Total primary government	\$ 636	\$ 401	\$ 214

See independent auditor's report.

December 31,						
2015	2014	2013	2012	2011	2010	2009
\$ 942	\$ 896	\$ 857	\$ 788	\$ 842	\$ 828	\$ 762
4,612	4,447	4,404	4,226	3,636	3,700	3,403
1,883	1,643	1,658	2,174	1,582	1,523	1,474
185	257	303	334	370	392	379
7,622	7,243	7,222	7,522	6,430	6,443	6,018
-	-	-	-	368	431	514
\$ 7,622	\$ 7,243	\$ 7,222	\$ 7,522	\$ 6,798	\$ 6,874	\$ 6,532
\$ 2,432	\$ 2,338	\$ 2,418	\$ 2,446	\$ 1,957	\$ 1,980	\$ 1,876
-	35	-	-	-	-	-
2,432	2,373	2,418	2,446	1,957	1,980	1,876
-	-	-	-	327	216	417
\$ 2,432	\$ 2,373	\$ 2,418	\$ 2,446	\$ 2,284	\$ 2,196	\$ 2,293
\$ (5,190)	\$ (4,870)	\$ (4,804)	\$ (5,076)	\$ (4,473)	\$ (4,463)	\$ (4,142)
-	-	-	-	(41)	(215)	(97)
(5,190)	(4,870)	(4,804)	(5,076)	(4,514)	(4,678)	(4,239)
5,551	5,453	5,390	5,374	5,147	5,027	4,751
12	9	6	8	14	20	79
5	-	-	-	-	-	-
353	198	180	145	784	411	353
(433)	-	(65)	-	-	-	-
5,488	5,660	5,511	5,527	5,945	5,458	5,183
-	-	-	-	-	-	-
-	-	-	-	31	8	33
-	-	-	-	31	8	33
\$ 5,488	\$ 5,660	\$ 5,511	\$ 5,527	\$ 5,976	\$ 5,466	\$ 5,216
\$ 298	\$ 790	\$ 707	\$ 451	\$ 1,472	\$ 995	\$ 1,041
-	-	-	-	(10)	(207)	(64)
\$ 298	\$ 790	\$ 707	\$ 451	\$ 1,462	\$ 788	\$ 977

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund:			
Reserved	\$ -	\$ -	\$ -
Unreserved	-	-	-
Nonspendable	8	14	14
Assigned	-	-	-
Unassigned	<u>2,341</u>	<u>1,950</u>	<u>1,639</u>
Total General Fund	<u>\$ 2,349</u>	<u>\$ 1,964</u>	<u>\$ 1,653</u>
All other governmental funds:			
Reserved	\$ -	\$ -	\$ -
Unreserved, reported in:	-	-	-
Recreation	-	-	-
Bond and Interest	-	-	-
Capital projects	-	-	-
Other governmental funds	-	-	-
Nonspendable	8	12	15
Restricted, reported in:			
Special Revenue Funds	327	248	624
Debt Service Funds	170	159	147
Assigned, reported in:			
Recreation Fund	2,088	1,873	1,752
Capital Projects Fund	<u>1,205</u>	<u>4,733</u>	<u>272</u>
Total all other governmental funds	<u>\$ 3,798</u>	<u>\$ 7,025</u>	<u>\$ 2,810</u>

The Park District adopted the provisions of GASB 54 for the year ended December 31, 2011.

Source: Audited financial statements from December 31, 2008 to December 31, 2017.

See independent auditor's report.

December 31,						
2015	2014	2013	2012	2011	2010	2009
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26	\$ 25
-	-	-	-	-	643	546
14	12	14	9	13	-	-
-	-	-	-	33	-	-
1,483	1,208	962	893	764	-	-
<u>\$ 1,497</u>	<u>\$ 1,220</u>	<u>\$ 976</u>	<u>\$ 902</u>	<u>\$ 810</u>	<u>\$ 669</u>	<u>\$ 571</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103	\$ 105
-	-	-	-	-	693	461
-	-	-	-	-	-	-
-	-	-	-	-	2,091	3,179
-	-	-	-	-	63	42
15	15	13	11	25	-	-
567	325	299	331	202	-	-
136	123	114	96	99	-	-
1,590	1,477	1,504	1,341	946	-	-
346	1,138	364	815	1,698	-	-
<u>\$ 2,654</u>	<u>\$ 3,078</u>	<u>\$ 2,294</u>	<u>\$ 2,594</u>	<u>\$ 2,970</u>	<u>\$ 2,950</u>	<u>\$ 3,787</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues:			
Taxes	\$ 5,835	\$ 5,683	\$ 5,591
Interest earned	136	106	26
Charges for services	3,297	2,711	2,607
Donations and grants	14	24	7
Reimbursements	50	58	49
Other	83	58	81
Total revenues	<u>9,415</u>	<u>8,640</u>	<u>8,361</u>
Expenditures:			
Administration	909	895	886
Recreation	4,488	3,948	3,823
Maintenance	1,646	1,632	1,610
Debt service:			
Principal	1,301	1,156	515
Interest and fees	479	285	833
Capital outlay	4,019	5,894	998
Total expenditures	<u>12,842</u>	<u>13,810</u>	<u>8,665</u>
Revenues over (under) expenditures before other financing sources (uses)	<u>(3,427)</u>	<u>(5,170)</u>	<u>(304)</u>
Other financing sources (uses):			
Bond premium	-	-	-
Bond issuance	586	9,697	607
Proceeds from sale of capital asset	-	-	9
Payment to escrow agent	-	-	-
Insurance recovery	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>586</u>	<u>9,697</u>	<u>616</u>
Net changes in fund balances	<u>\$ (2,841)</u>	<u>\$ 4,527</u>	<u>\$ 312</u>
Debt service as a percentage of noncapital expenditures	42.4%	15.6%	15.0%

See independent auditor's report.

December 31,						
2015	2014	2013	2012	2011	2010	2009
\$ 5,551	\$ 5,453	\$ 5,391	\$ 5,374	\$ 5,147	\$ 5,027	\$ 4,751
12	9	6	8	15	20	78
2,432	2,338	2,418	2,446	1,957	1,980	1,876
197	44	8	7	8	9	12
52	47	48	41	34	47	66
108	142	124	97	768	363	308
8,352	8,033	7,995	7,973	7,929	7,446	7,091
800	785	738	725	789	771	686
3,655	3,559	3,786	3,438	2,918	3,033	3,226
1,586	1,543	1,478	1,471	1,422	1,363	1,318
1,086	1,046	1,163	1,097	1,048	986	851
293	318	305	336	372	405	380
1,137	982	751	1,190	1,136	2,615	6,015
8,557	8,233	8,221	8,257	7,685	9,173	12,476
(205)	(200)	(226)	(284)	244	(1,727)	(5,385)
317	130	-	-	-	-	-
3,725	3,517	-	-	-	995	898
11	-	-	-	9	-	-
(3,995)	(2,419)	-	-	-	-	-
-	-	-	-	-	-	-
-	-	176	327	368	518	602
-	-	(176)	(327)	(460)	(526)	(635)
58	1,228	-	-	(83)	987	865
\$ (147)	\$ 1,028	\$ (226)	\$ (284)	\$ 161	\$ (740)	\$ (4,520)
18.6%	18.8%	19.7%	20.3%	21.7%	21.2%	19.1%

**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
2017	\$ -	\$ 956,079,565	\$ 295,552,045	\$ 77,812,110
2016	-	895,180,699	286,762,521	72,356,680
2015	-	848,579,395	272,496,057	67,436,480
2014	-	837,342,939	243,303,807	65,730,820
2013	-	846,861,874	248,791,294	63,042,230
2012	-	909,572,426	262,927,552	66,259,940
2011	231	1,005,680,442	272,132,424	74,035,520
2010	776	1,082,845,168	300,077,301	75,046,170
2009	705	1,160,607,078	316,718,466	78,895,680
2008	641	1,146,280,518	328,464,995	77,625,270

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.

Railroad Property	Total Assessed Valuation	Estimated Actual Taxable Value	Total Direct Tax Rate
\$ 1,001,928	\$ 1,330,445,648	\$ 3,991,336,944	\$ 0.4249
982,368	1,255,282,268	3,765,846,804	0.4662
966,159	1,189,478,091	3,568,434,273	0.4546
808,262	1,147,185,828	3,441,557,484	0.4664
776,655	1,159,472,053	3,478,416,159	0.4543
632,992	1,239,392,910	3,718,178,730	0.4195
562,578	1,352,411,195	4,057,233,585	0.3760
531,409	1,458,500,824	4,375,502,472	0.3462
430,788	1,556,652,717	4,669,958,151	0.3165
362,272	1,552,733,696	4,658,201,088	0.2995

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Lombard Park District:				
General	\$ 0.1695	\$ 0.1714	\$ 0.1770	\$ 0.1723
Recreation	0.0585	0.0600	0.0626	0.0784
Special recreation	0.0393	0.0400	0.0400	0.0400
Debt service	0.1030	0.1054	0.1091	0.1137
Liability	0.0112	0.0114	0.0118	0.0124
Audit	0.0011	0.0012	0.0013	0.0013
Municipal Retirement and Social Security	0.0349	0.0355	0.0356	0.0365
Total direct rate	0.4175	0.4249	0.4374	0.4546
Overlapping rates:				
DuPage County	0.1673	0.1749	0.1848	0.1971
DuPage County Forest Preserve	0.1278	0.1306	0.1514	0.1622
DuPage Airport Authority	0.0146	0.0166	0.0176	0.0188
York Township	0.0833	0.0848	0.0889	0.0507
York Township Road District	0.0449	0.0456	0.0470	0.0495
Village of Lombard	0.6151	0.6250	0.6453	0.6747
Village of Lombard Library Fund	0.4683	0.4754	0.4908	0.2763
Grade School District 44	3.8832	3.9701	4.1201	4.3039
High School District 87	2.2834	2.3402	2.4030	2.5173
Community College District 502	0.2317	0.2431	0.2626	0.2786
Total overlapping rate	7.9196	8.1063	8.4115	8.5291
Total rate	\$ 8.3371	\$ 8.5312	\$ 8.8489	\$ 8.9837

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.

Tax Year					
2014	2013	2012	2011	2010	2009
\$ 0.1814	\$ 0.1670	\$ 0.1518	\$ 0.1335	\$ 0.1204	\$ 0.1083
0.0758	0.0815	0.0764	0.0684	0.0625	0.0568
0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
0.1176	0.1151	0.1059	0.0934	0.0858	0.0783
0.0131	0.0125	0.0118	0.0106	0.0092	0.0087
0.0011	0.0010	0.0009	0.0008	0.0009	0.0006
0.0374	0.0372	0.0327	0.0293	0.0274	0.0238
0.4664	0.4543	0.4195	0.3760	0.3462	0.3165
0.2057	0.2040	0.1929	0.1773	0.1659	0.1135
0.1691	0.1657	0.1542	0.1414	0.1321	0.1217
0.0196	0.0178	0.0168	0.0169	0.0158	0.0148
0.0531	0.0515	0.0470	0.0410	0.0373	0.0334
0.0518	0.0502	0.0458	0.0400	0.0364	0.0326
0.6917	0.6742	0.6307	0.5595	0.5053	0.4657
0.2832	0.2743	0.2513	0.2228	0.2024	0.1654
4.4326	4.2995	3.9416	3.0664	3.1767	2.8490
2.5824	2.4877	2.2868	1.8332	1.8378	1.6749
0.2975	0.2956	0.2681	0.2495	0.2349	0.2127
8.7867	8.5205	7.8352	6.3480	6.3446	5.6837
\$ 9.2531	\$ 8.9748	\$ 8.2547	\$ 6.7240	\$ 6.6908	\$ 6.0002

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

Taxpayer	2017*			2008		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
YTC Mall Owners LLC	\$ 21,654,920	1	1.63%	-	-	-
CH VII Marquette MF Chicago	19,819,456	2	1.49%	-	-	-
F & F Realty	18,418,690	3	1.38%	\$ 13,515,440	4	0.94%
Clover Creek Apartment	18,416,100	4	1.38%	-	-	-
Highland Pointe LLC	13,952,700	5	1.05%	-	-	-
Three Galleria Tower	12,165,430	6	0.91%	-	-	-
YTC Butterfield Owner LLC	11,853,250	7	0.89%	-	-	-
Oak Creek Center LL LLC	11,051,820	8	0.83%	-	-	-
RRE Martins Point Holding	10,087,970	9	0.76%	-	-	-
800 Park View LLC	7,230,820	10	0.54%	-	-	-
SMII Oak Creek LP	-	-	-	16,511,450	1	1.15%
Butterfield Road Association	-	-	-	14,171,640	2	0.99%
TA Associate Realty	-	-	-	14,081,080	3	0.98%
Red Mortgage Capital	-	-	-	13,438,660	5	0.93%
AIMCO	-	-	-	9,648,220	6	0.67%
Woodlake Parkview Investment	-	-	-	9,153,710	7	0.64%
Yorktown Joint Venture	-	-	-	9,113,620	8	0.63%
Avalon IL Value III LLC	-	-	-	8,175,480	9	0.57%
St. Paul Insurance Co	-	-	-	7,993,330	10	0.56%
	\$ 144,651,156		10.86%	\$ 115,802,630		8.06%

* Calendar year 2017 is the most recent information available.

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
2018	\$ 5,638,226	\$5,653,064	100.26	\$ -	\$ 5,653,064	100.26
2017	5,490,605	5,480,462	99.82	1,457	5,481,919	99.84
2016	5,407,367	5,397,021	99.81	1,148	5,398,169	99.83
2015	5,350,475	5,341,323	99.83	1,003	5,342,326	99.85
2014	5,267,482	5,247,761	99.63	1,007	5,248,768	99.64
2013	5,199,253	5,191,343	99.85	1,765	5,193,108	99.88
2012	5,085,066	5,065,802	99.62	371	5,066,173	99.63
2011	5,049,330	5,040,068	99.82	1,835	5,041,903	99.85
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

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**

Fiscal Year	General Obligation Debt	Debt Certificates	Restricted Debt Service Fund Balance	Net General Obligation Debt	Percentage of Personal Income	Per Capita
2018	\$ 13,389,664	\$ -	\$ (169,952)	\$ 13,219,712	0.80 %	\$ 304.64
2017	14,148,212	-	(158,884)	13,989,328	0.86	326.03
2016	5,647,648	-	(147,167)	5,500,481	0.31	121.90
2015	6,199,024	-	(136,256)	6,062,768	0.35	133.77
2014	7,273,603	-	(122,567)	7,151,036	0.43	164.44
2013	7,107,877	-	(113,622)	6,994,255	0.43	162.92
2012	8,104,895	170,000	(95,536)	8,179,359	0.50	189.72
2011	9,045,958	330,000	(113,825)	9,262,133	0.57	216.14
2010	9,937,596	490,000	(117,408)	10,310,188	0.63	236.41
2009	9,782,854	640,000	(107,200)	10,315,654	0.63	236.21

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>Net General Obligation Debt</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>	<u>Population</u>
2018	\$13,389,664	\$ -	\$ 13,389,664	1.01 %	\$ 304.64	43,395
2017	14,148,212	-	14,148,212	1.13	326.03	43,395
2016	5,647,648	-	5,647,648	0.47	121.90	43,395
2015	6,199,024	-	6,199,024	0.54	133.77	43,395
2014	7,273,603	-	7,273,603	0.63	162.92	43,395
2013	7,107,877	-	7,107,877	0.57	162.92	43,395
2012	8,104,895	170,000	8,274,895	0.61	189.72	43,395
2011	9,045,958	330,000	9,375,958	0.64	216.14	43,165
2010	9,937,596	490,000	10,427,596	0.67	236.41	43,894
2009	9,782,854	640,000	10,422,854	0.67	236.21	43,894

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 38,250	\$ 36,089	\$ 34,197	\$ 32,982	\$ 33,335
Total net debt applicable to limit	<u>13,116</u>	<u>13,831</u>	<u>5,290</u>	<u>5,805</u>	<u>7,136</u>
Legal debt margin	<u>\$ 25,134</u>	<u>\$ 22,258</u>	<u>\$ 28,907</u>	<u>\$ 27,177</u>	<u>\$ 26,199</u>
Total net debt applicable to the limit as a percentage of debt limit	34.29%	38.32%	15.47%	17.60%	21.41%
Legal debt margin calculation -					
2017 tax year:					
Assessed value	\$ 1,330,446				
Debt limit (% of assessed value)	<u>2.875%</u>				
	<u>38,250</u>				
Debt applicable to limit:					
General obligation bonds	<u>13,831</u>				
Total net debt applicable to limit	<u>13,831</u>				
Legal debt margin	<u>\$ 24,419</u>				

See independent auditor's report.

2013	2012	2011	2010	2009
\$ 35,633	\$ 38,882	\$ 41,932	\$ 44,754	\$ 44,641
7,070	8,063	9,000	9,887	9,728
\$ 28,563	\$ 30,819	\$ 32,932	\$ 34,867	\$ 34,913
19.84%	20.74%	21.46%	22.09%	21.79%

**Lombard Park District
Direct and Overlapping Debt Outstanding
December 31, 2018**

Overlapping Agencies	Outstanding Debt	Applicable to the District	
		Percent	Amount
County:			
DuPage County	\$ 144,795,000	3.480 %	\$ 5,038,866
DuPage County Forest Preserve	102,721,129	3.480	3,574,695
Municipalities:			
Village of Glen Ellyn	27,655,000	0.940	259,957
Village of Villa Park	39,740,000	0.760	302,024
Village of Lombard	3,900,000	88.220	3,440,580
York Center Fire Protection District	3,000,000	2.690	80,700
School Districts:			
Addison #4	5,630,000	5.550	312,465
Marquardt #15	37,460,000	0.990	370,854
Lombard #44	9,010,000	81.580	7,350,358
Villa Park #45	31,623,729	28.010	8,857,806
Glen Ellyn #89	11,150,000	4.810	536,315
Glenbard High School #87	60,375,000	17.900	10,807,125
DuPage High School #88	80,685,000	12.350	9,964,598
DuPage Community College #502	200,635,000	3.090	6,199,622
Total overlapping debt	758,379,858		57,095,965
Direct debt - Lombard Park District	13,116,390	100.000	13,116,390
Total direct and overlapping debt	\$ 771,496,248		\$ 70,212,355

Source: Village of Lombard.

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

See independent auditor's report.

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

Fiscal Year	Population	Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2018	43,395	\$ 1,649,923	\$ 38,021	40.5	13.2	6,455	2.9 %
2017	43,395	1,649,923	38,021	40.5	13.2	6,610	3.9
2016	43,395	1,649,923	38,021	40.5	13.2	6,883	4.6
2015	43,395	1,649,923	38,021	39.1	13.2	6,730	5.3
2014	43,395	1,649,923	38,021	39.1	13.2	6,895	5.6
2013	43,395	1,649,923	38,021	39.1	13.2	7,009	7.8
2012	43,395	1,649,923	38,021	39.1	13.2	6,443	8.5
2011	43,165	1,649,923	38,224	40.9	13.2	6,434	8.7
2010	43,894	1,649,923	37,589	36.7	13.2	5,703	9.5
2009	43,894	1,649,923	37,589	36.7	13.2	5,750	8.9

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	2017			2008		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Lombard Elementary District 44	524	1	4.79%			
Von Maur	275	2	2.52%			
Village of Lombard	273	3	2.50%			
Beacon Hill	261	4	2.39%			
Lombard District 45	209	5	1.91%			
Westin Lombard Yorktown	189	6	1.73%			
Aspect Software	-	-	-	1,000	1	4.48%
Acosta Sales & Marketing	-	-	-	500	2	2.24%
Highcrest Property Management Co.	-	-	-	400	3	1.79%
Adjustable Forms	-	-	-	350	4	1.57%
Dial America Marketing, Inc.	-	-	-	310	5	1.39%
Carson Pirie Scott & Co.	-	-	-	300	6	1.34%
West Suburban Bancorp, Inc	-	-	-	300	6	1.34%
Imperial Service System				300	6	1.34%
J.C. Penny Co. Inc.				275	9	1.23%
Credit Union 1	-	-	-	250	10	1.12%
Credit Union 2	-	-	-	250	10	1.12%
	1,731		15.84%	4,235		18.96%

* Calendar year 2017 is the most recent information available.

Source: Village of Lombard.

See independent auditor's report.

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

Full-time Employees										
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Parks and Recreation:										
Administrative	8	8	8	8	7	7	7	7	7	7
Recreation	11	11	10	10	10	10	10	10	10	10
Golf Course	1	1	1	1	1	1	1	1	2	2
Maintenance	13	13	14	13	13	13	13	13	13	13
Grand total	33	33	33	32	31	31	31	31	32	32
Full-time Equivalent Employees										
	<u>2018*</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Grand total	88.0	77.5	77.5	76.5	72.5	73.5	71.0	73.0	77.0	83.0

Source: Park District Human Resources Department.

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

* The increase in FTE Employees is due to the addition of the Madison Meadow Athletic Center and the Club Rec after school program.

See independent auditor's report.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Parks and Recreation:				
Program fees	\$ 1,827,876	\$ 1,532,833	\$ 1,424,528	\$ 1,322,771
Pool fees	695,155	613,207	635,900	580,773
Golf Course	299,509	360,946	367,149	362,015
Athletic center	265,961	-	-	-
Reimbursements	31,076	32,367	23,913	36,361
Donations	10	1,354	933	1,116
Miscellaneous	3,692	1,488	1,577	27,597
Rental facilities	167,779	165,013	148,013	131,586
Golf Course	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,291,058</u>	<u>\$ 2,707,208</u>	<u>\$ 2,602,013</u>	<u>\$ 2,462,219</u>

Source: Comprehensive Annual Financial Reports, Major Special Revenue Fund - Recreation Fund, Statement of Revenues, Expenditures and Changes in Fund Balance.

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

See independent auditor's report.

2014	2013	2012	2011	2010	2009
\$ 1,278,446	\$ 1,348,224	\$ 1,306,670	\$ 1,313,336	\$ 1,244,847	\$ 1,209,109
540,121	530,107	605,051	534,099	539,912	479,135
363,614	406,317	391,584	-	-	-
-	-	-	-	-	-
27,162	30,447	24,717	37,133	27,635	44,299
6,223	5,127	4,042	7,149	7,749	11,857
16	24,479	4,018	852	774	637
120,038	99,181	107,568	212,106	189,434	180,207
-	-	-	326,693	216,542	416,509
<u>\$ 2,335,620</u>	<u>\$ 2,443,882</u>	<u>\$ 2,443,650</u>	<u>\$ 2,431,368</u>	<u>\$ 2,226,893</u>	<u>\$ 2,341,753</u>

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

	Fiscal Year									
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Parks and Recreation:										
Acreage	458	458	458	458	458	458	458	458	458	457
Playgrounds	16	16	17	17	17	17	17	17	16	16
Basketball courts	7	7	7	7	7	7	7	7	5	5
Baseball/softball diamonds	20	20	22	22	22	22	22	22	22	22
Soccer/football fields	16	16	16	16	16	16	16	16	14	14
Community centers	5	5	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									
	2018	2017	2016	2015	2014	2013	2012	2011	2010*	2009
Number of rounds	12,457	14,947	15,681	18,458	18,481	21,174	21,209	15,676	9,627	19,574

* Golf course closed on July 24, 2010, 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									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total participants	28,628	28,087	27,266	27,316	26,922	27,522	26,676	25,545	26,242	25,696

Source: Park District Records.

See independent auditor's report.

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total admissions	69,431	64,514	66,910	67,001	60,260	72,076	78,186	74,627	75,776	63,963
Total visits	105,173	97,295	110,206	108,150	105,000	110,000	120,000	110,000	112,000	96,000

Source: Park District Records.

See independent auditor's report.