

KANKAKEE VALLEY PARK DISTRICT, ILLINOIS
Annual Financial Statements

As of and for the year ended
May 31, 2022

Kankakee Valley Park District, Illinois
Annual Financial Statements
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Independent Auditor's Report

Members of the Board of Commissioners
Kankakee Valley Park District
Kankakee, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kankakee Valley Park District, Illinois (the District), as of and for the year ended May 31, 2022 and the related notes to financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Kankakee Valley Park District, Illinois, as of May 31, 2022, and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Tort Expenditures and Illinois Municipal Retirement Fund Supplementary Information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

SKDO, P.C.

Bourbonnais, Illinois
September 19, 2022

Kankakee Valley Park District, Illinois
Statement of Net Position-Modified Cash Basis
May 31, 2022

Exhibit A

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 4,815,060
Capital assets	
Non-depreciable capital assets	1,666,985
Depreciable capital assets, net	12,074,405
Total assets	<u>18,556,450</u>
Liabilities	
Credit card and payroll liabilities	42,003
Long-term liabilities	
Due within one year	887,150
Due in more than one year	4,665,000
Total liabilities	<u>5,594,153</u>
Net Position	
Net investment in capital assets	13,424,557
Restricted for:	
Liability insurance	613,851
Capital projects	3,162,545
Special recreation	337,157
Employee retirement	256,503
Unrestricted	(4,832,316)
Total net position	<u>\$ 12,962,297</u>

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District, Illinois
Statement of Activities-Modified Cash Basis
For the year ended May 31, 2022

Exhibit B

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services	Capital Grants and Contributions	Operating grants and Contributions	
Governmental activities:					
General government	\$ 913,655	\$ -	\$ -	\$ 10,000	\$ (903,655)
Recreation	3,007,271	878,509	-	-	(2,128,762)
Interest expense and fiscal charges	169,199	-	-	-	(169,199)
Total governmental activities	<u>\$4,090,125</u>	<u>\$ 878,509</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>(3,201,616)</u>
General revenues:					
					2,303,101
Property taxes					477,937
State income replacement taxes					8,130
Interest					30,514
Miscellaneous					<u>2,819,682</u>
Total general revenues					
Change in net position					(381,934)
Net position-beginning					13,344,231
Net position-ending					<u>\$ 12,962,297</u>

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District, Illinois
Statement of Assets, Liabilities and Fund Balances-Modified Cash Basis
Governmental Funds
May 31, 2022

Exhibit C

	General Fund	Recreation Fund	Liability Insurance Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 288,022	\$ 150,348	\$ 613,851	\$ -	\$ 3,162,545	\$ 600,294	\$ 4,815,060
Due from other funds	-	145,753	-	-	-	-	145,753
Total assets	<u>\$ 288,022</u>	<u>\$ 296,101</u>	<u>\$ 613,851</u>	<u>\$ -</u>	<u>\$ 3,162,545</u>	<u>\$ 600,294</u>	<u>\$ 4,960,813</u>
Liabilities							
Credit card and payroll liabilities	\$ 35,369	\$ -	\$ -	\$ -	\$ -	\$ 6,634	\$ 42,003
Due to other funds	-	-	-	145,753	-	-	145,753
Total liabilities	<u>35,369</u>	<u>-</u>	<u>-</u>	<u>145,753</u>	<u>-</u>	<u>6,634</u>	<u>187,756</u>
Fund Balance							
Restricted for:							
Liability insurance	-	-	613,851	-	-	-	613,851
Capital projects	-	-	-	-	3,162,545	-	3,162,545
Special recreation	-	-	-	-	-	337,157	337,157
Employee retirement	-	-	-	-	-	256,503	256,503
Unrestricted:							
Committed		296,101					296,101
Unassigned	252,653	-	-	(145,753)	-	-	106,900
Total fund balances	<u>252,653</u>	<u>296,101</u>	<u>613,851</u>	<u>(145,753)</u>	<u>3,162,545</u>	<u>593,660</u>	<u>4,773,057</u>
Total liabilities and fund balances	<u>\$ 288,022</u>	<u>\$ 296,101</u>	<u>\$ 613,851</u>	<u>\$ -</u>	<u>\$ 3,162,545</u>	<u>\$ 600,294</u>	<u>\$ 4,960,813</u>

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District, Illinois**Exhibit D****Reconciliation of the Governmental Funds-Statement of Assets, Liabilities and Fund Balances-
Modified Cash Basis to the Statement of Net Position-Modified Cash Basis
May 31, 2022**

Total fund balances for governmental funds (Exhibit C)	\$ 4,773,057
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.	13,741,390
Long-term liabilities are not due and payable in the current period and therefore, are not reported as a fund liability in governmental funds.	<u>(5,552,150)</u>
Total net position of governmental activities (Exhibit A)	<u><u>\$ 12,962,297</u></u>

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District, Illinois
Statement of Revenues, Expenditures and
Changes in Fund Balances-Modified Cash Basis
Governmental Funds
For the year ended May 31, 2022

Exhibit E

	General Fund	Recreation Fund	Liability Insurance Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Funds	Totals Governmental Funds
Revenues:							
Taxes	\$ 1,076,139	\$ 872,247	\$ -	\$ 735,389	\$ -	\$ 97,263	\$ 2,781,038
Intergovernmental:							
Grants	-	10,000	-	-	-	-	10,000
Charges for services	-	696,563	-	-	-	-	696,563
Rent	2,500	179,446	-	-	-	-	181,946
Interest	8,112	-	-	18	-	-	8,130
Other	27,917	2,597	-	-	-	-	30,514
Total revenues	1,114,668	1,760,853	-	735,407	-	97,263	3,708,191
Expenditures							
Current:							
General government	783,246	-	130,409	-	-	40,612	954,267
Recreation	-	2,020,583	-	-	-	163,173	2,183,756
Capital outlay	-	10,361	-	-	424,469	-	434,830
Debt service:							
Principal	-	-	-	860,930	-	-	860,930
Interest and fiscal charges	-	-	-	112,774	-	-	112,774
Issuance costs	-	-	-	-	56,425	-	56,425
Total expenditures	783,246	2,030,944	130,409	973,704	480,894	203,785	4,602,982
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	331,422	(270,091)	(130,409)	(238,297)	(480,894)	(106,522)	(894,791)
Other financing sources (uses):							
Issuance of bonds	-	-	-	251,486	3,725,664	-	3,977,150
Operating transfer in	-	251,408	-	-	-	-	251,408
Operating transfer out	(251,408)	-	-	-	-	-	(251,408)
Total other financing sources (uses)	(251,408)	251,408	-	251,486	3,725,664	-	3,977,150
Net change in fund balance	80,014	(18,683)	(130,409)	13,189	3,244,770	(106,522)	3,082,359
Fund balance (deficit), beginning of year	172,639	314,784	744,260	(158,942)	(82,225)	700,182	1,690,698
Fund balance (deficit), end of year	\$ 252,653	\$ 296,101	\$ 613,851	\$ (145,753)	\$ 3,162,545	\$ 593,660	\$ 4,773,057

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District, Illinois

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances-Modified Cash Basis to the Statement of Activities-Modified Cash Basis

For the year ended May 31, 2022

Exhibit F

Net change in fund balances - total governmental funds (Exhibit E)	\$ 3,082,359
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital asset purchases capitalized	324,758
Depreciation expense	(672,831)
The issuance of long-term debt is reported as an other financing source in the governmental funds but as an increase in principal outstanding in the statement of activities	
	(3,977,150)
The repayment of principal on long-term debt is reflected as an expense on the fund level statements, but is reported as a reduction of liabilities on the government-wide statements.	
	<u>860,930</u>
Change in net position of governmental activities (Exhibit B)	<u><u>\$ (381,934)</u></u>

The accompanying notes are an integral part of the financial statements.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 1 – Summary Significant Accounting Policies

General

The Kankakee Valley Park District is a municipal corporation governed by an elected board. The District provides the following services: recreational and cultural programs, services and facilities, park management including the acquisition, development and maintenance of parks, the conservation of natural and historical resources, and general administration.

As discussed further in Note 1, these financial statements are presented on a modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Accounting principles generally accepted in the United States of America include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the Kankakee Valley Park District and any component units, of which there were none during the year. The criteria used to determine if a legally separate organization's financial statements should be included and the manner in which they should be displayed center on the nature of financial accountability. Among factors determining this financial accountability include the degree to which the governing body is controlled by the District as manifested by the ability to appoint a majority of its voting board and approval of its budget, the degree to which it provides a financial benefit or burden to the District, or the extent to which it is fiscally dependent.

Basis of Presentation

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The District does not have any business-type activities.

The Statement of Activities displays the direct expenses of a given function or segment and the associated program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements, and all non-major funds are aggregated and presented in a single column.

**Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022**

Note 1 – Summary Significant Accounting Policies (Continued)

Governmental funds are those funds through which most governmental functions typically are financed. The District has presented the following major governmental funds:

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

The Recreation Fund, a special revenue fund, is used to account for revenue and expenditures related to recreation programs funded by a restricted tax levy and user fees.

The Liability Insurance Fund, a special revenue fund, is used to account for revenue and expenditures related to liability insurance funded by a restricted tax levy.

The Debt Service Fund, which accounts for the accumulation of resources restricted, committed, or assigned for the payment of long-term debt principal and interest.

The Capital Projects Fund, which accounts for financial resources restricted, committed, or assigned for the acquisition or construction of major capital facilities, equipment, and capital asset replacements.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented on the modified cash basis of accounting. All governmental funds utilize a “current financial resources” measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

The financial statements are presented on the modified cash basis of accounting, which is a basis of accounting other than GAAP as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statement of net position or balance sheet cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 1 – Summary Significant Accounting Policies (Continued)

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Cash and Investments

On the modified cash basis of accounting all investments are recorded at cost or amortized cost.

Capital Assets

Capital assets, which include property and equipment, and infrastructure assets (e.g., bike trails, paths, and similar items) are reported in governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 that are tangible in nature and have an estimated useful life in excess of one year. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property and equipment and infrastructure assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	15-20
Buildings	20-50
Equipment	5

**Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022**

Note 1 – Summary Significant Accounting Policies (Continued)

Long-Term Debt

All long-term bonds, notes, and other debt arising from cash transactions or events to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Long-term debt arising from cash transactions or events of governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest is reported as expenditures.

Net Position/Fund Balance Classifications

Government-Wide Statements

Net position is classified and displayed in three components:

1. *Net investment in capital assets.* Consists of capital assets, including restricted capital assets, net of accumulated depreciation reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
2. *Restricted.* Consists of restricted assets reduced by liabilities with restriction constraints placed on the use either externally, by creditors, grantors, contributors, or laws and regulations of other governments, or by restrictions imposed by law through constitutional provisions or enabling legislation.
3. *Unrestricted.* Net amount of assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Financial Statements

Governmental Funds - The difference among assets and liabilities of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint. These constraints are defined as follows:

Nonspendable - Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 1 – Summary Significant Accounting Policies (Continued)

Committed - Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District. Commitments may be established, modified, or rescinded only through resolutions approved by the District Board.

Assigned - Amounts constrained by the District's intent to be used for specific purposes but that are neither restricted nor committed. Intent may be expressed by the District Board.

Unassigned - The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

It is the District's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also District policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

Property Tax Revenues

Property taxes are recognized in the year in which taxes have been received. Property taxes are levied on the basis of a calendar year with a January 1 lien date. The certificate of tax levy is filed annually on or before the last Tuesday in December based on the assessed valuation as of April 1 of the same year. Taxes are due in the following year in two equal installments, one in June and the other in September, with distribution to the District coming shortly thereafter and continuing through January of the ensuing year. Property taxes levied in 2020 and collected in 2021 are recorded as revenue for fiscal year ended May 31, 2022.

Internal and Interfund Balances and Activities

Interfund activity resulting from cash transactions or events, if any, within and among the governmental fund categories is reported in the fund financial statements. Interfund loans are amounts provided with a requirement for repayment and are reported as due to/from other funds.

Interfund activity and balances resulting from cash transactions or events, if any, are eliminated or reclassified in the government-wide financial statements.

Use of Estimates

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

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 2 – Deposits and Investments

The District is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6). The institutions in which investments are made must be approved by the District Board.

The Illinois Funds is a local government investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. The Illinois Funds uses amortized cost, which is the share price, to value portfolio assets and follows the criteria for GASB Statement No. 79 for use of amortized cost. The Illinois Funds does not place any limitations or restrictions on withdrawals. The Illinois Funds has a credit rating of AAAM from Standard & Poor's (S&P). The Illinois Funds invests in those investments authorized by the Deposit of State Moneys Act (15 ILCS 520/22.5) and the Public Funds Investment Act (30 ILCS 235/2). Audited financial statements for The Illinois Funds are available at www.illinoistreasurer.gov. At May 31, 2022, the District has \$4,075,500 invested in The Illinois Funds.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity, and yield.

Custodial Credit Risk

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the District's deposits may not be returned to it. The District's deposits with financial institutions were covered either by FDIC or pledged collateral held by an independent third-party depository in the District's name at May 31, 2022.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party.

The District's investment policy does not address custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have an investment policy that addresses interest rate risk.

Credit Risk

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 2 – Deposits and Investments (Continued)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District does not have an investment policy that addresses concentration of credit risk.

Note 3 – Interfund Transfers

The District transferred \$251,408 from the General Fund to the Recreation Fund for general operating activities.

Note 4 – Capital Assets

Capital asset activity for the year ended May 31, 2022 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital assets not being depreciated:				
Land	\$1,646,060	\$ -	\$ -	\$ 1,646,060
Construction in progress	<u>43,105</u>	<u>20,925</u>	<u>43,105</u>	<u>20,925</u>
Total capital assets not being depreciated	<u>1,689,165</u>	<u>20,925</u>	<u>43,105</u>	<u>1,666,985</u>
Capital assets being depreciated:				
Land improvements	3,663,426	-	-	3,663,426
Buildings and improvements	17,066,434	13,514	-	17,079,948
Furniture and equipment	<u>4,078,130</u>	<u>333,424</u>	<u>13,001</u>	<u>4,398,553</u>
Total capital assets being depreciated	<u>24,807,990</u>	<u>346,938</u>	<u>13,001</u>	<u>25,141,927</u>
Less accumulated depreciation for:				
Land improvements	3,194,142	70,405	-	3,264,547
Buildings and improvements	5,908,978	443,080	-	6,352,058
Furniture and equipment	<u>3,304,572</u>	<u>159,346</u>	<u>13,001</u>	<u>3,450,917</u>
Total accumulated depreciation	<u>12,407,692</u>	<u>672,831</u>	<u>13,001</u>	<u>13,067,527</u>
Total capital assets being depreciated, net	<u>12,400,298</u>	<u>(325,893)</u>	<u>-</u>	<u>12,074,405</u>
Governmental activities, net	<u>\$14,089,463</u>	<u>\$(304,968)</u>	<u>\$43,105</u>	<u>\$13,741,390</u>

Depreciation expense was charged to functions/programs of the District's governmental activities as follows:

Governmental Activities	
Recreation	<u>\$672,831</u>

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 5 – Long-Term Debt

The following is a summary of changes in long-term debt for governmental activities for the year ended May 31, 2022:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Current Portion</u>
Governmental Activities					
General Obligation Bonds:					
Series 2017A	\$ 79,000	\$ -	\$ 79,000	\$ -	\$ -
Series 2017B	104,000	-	104,000	-	-
Series 2018C (ARS)	1,735,000	-	160,000	1,575,000	160,000
Series 2019B	191,935	-	191,935	-	-
Series 2020	325,995	-	325,995	-	-
Series 2021B	-	727,150	-	727,150	727,150
	<u>2,435,930</u>	<u>727,150</u>	<u>860,930</u>	<u>2,302,150</u>	<u>887,150</u>
Direct Placement Bonds:					
Series 2021A (ARS)	-	3,250,000	-	3,250,000	-
Total Governmental Activities	<u>\$2,435,930</u>	<u>\$3,977,150</u>	<u>\$860,930</u>	<u>\$5,552,150</u>	<u>\$887,150</u>

Bonds:

Series 2017A General Obligation Park Bond: Originally issued for \$729,000 dated January 25, 2017, provides for principal payments of \$79,000 to \$225,000 due December 1, 2018 - 2021; interest is payable on June and December 1 at 9.50%.

Series 2017B General Obligation Park Bond: Originally issued for \$179,000 dated January 25, 2017, provides for principal payments of \$75,000 to \$104,000 due December 1, 2020 - 2021; interest is payable on June and December 1 at 6.35%.

Series 2018C General Obligation Park Bond (Alternative Revenue Source): Originally issued for \$2,000,000 dated October 2, 2018, provides for principal payments of \$105,000 to \$465,000 due December 1, 2019-2026; interest is payable at December 1 ranging from 4.25% to 4.50%.

Series 2019B General Obligation Park Bond: Originally issued for \$299,735 dated November 12, 2019 provides for principal payments of \$107,800 to \$191,935 due November 1, 2020-2021; interest is payable on November 1 at 3.00%. Proceeds of \$202,031 were used to pay the 2018C bond and the balance was used for park maintenance and improvements.

Series 2020 General Obligation Limited Tax Park Bond: Originally issued for \$325,995 in November, 2020, provides for a principal payment of \$325,995 due November, 2021; interest is payable at 1.29%. Proceeds of \$243,525 were used to pay the 2018C bond and the balance was used for park maintenance and improvements.

Series 2021A General Obligation Park Bond (Alternative Revenue Source): Originally issued for \$3,250,000 dated September 8, 2021 provides for principal payments of \$297,220 to \$354,265 due December 1, 2027 - 2036; interest is payable on December 1 at 1.97%. Of these bonds \$3,250,000 were a direct placement with the Peoples National Bank of Kewanee, Illinois.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 5 – Long-Term Debt (Continued)

Series 2021B General Obligation Limited Tax Park Bond: Originally issued for \$727,150 dated November 9, 2021 provides for a principal payment of \$727,150 due November 1, 2022; interest is payable at 0.70%. Proceeds of \$251,486 were used to pay the Prior Alternate Bonds due December 1, 2021 (2017A & 2017B), and the balance was used for park maintenance and improvements.

Debt Service to Maturity

The annual requirements to amortize debt outstanding as of May 31, 2022 are as follows:

Fiscal Year Ending May 31,	<u>General Obligation Bonds Payable</u>		
	Principal	Interest	Total
2023	\$ 887,150	\$ 74,902	\$ 962,052
2024	220,000	63,125	283,125
2025	450,000	53,775	503,775
2026	465,000	33,525	498,525
2027	<u>280,000</u>	<u>12,600</u>	<u>292,600</u>
Total	<u>\$2,302,150</u>	<u>\$237,927</u>	<u>\$2,540,077</u>

Fiscal Year Ending May 31,	<u>Direct Placement Bonds Payable</u>		
	Principal	Interest	Total
2023	\$ -	\$ 14,761	\$ 14,761
2024	-	64,025	64,025
2025	-	64,025	64,025
2026	-	64,025	64,025
2027	-	64,025	64,025
2028 – 2032	1,545,810	260,408	1,806,218
2033 - 2037	<u>1,704,190</u>	<u>102,027</u>	<u>1,806,217</u>
Total	<u>\$3,250,000</u>	<u>\$633,296</u>	<u>\$3,883,296</u>

Pledged Revenues

The District has pledged corporate fund property taxes and the proceeds of the annual general obligation bond issuance as security for the 2018C and 2021A General Obligation Park Bonds (Alternative Revenue Sources). Payments of \$251,486 were made during the fiscal year ended May 31, 2022 from the proceeds of the 2021B bond issue. As of May 31, 2022, the remaining pledge of principal and interest totaled \$1,807,950 for bond 2018C and \$3,883,296 for bond 2021A. The combined total pledge of principal and interest totaled \$5,691,246 as of May 31, 2022.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 6 – Rental Agreement

The District entered into a lease on March 22, 2021 for a three-year period from March 22, 2021 to February 28, 2024 related to 180.67 acres of farmland. In the fall of 2021, a land swap with KCC occurred and the District's total acreage of farmland decreased to 177.09 acres. This decrease in acreage led to a credit of \$1,020 for 2021, which was reduced from the 2022 annual cash rent amount. The lease's annual cash rent amounts have been adjusted accordingly:

2022 crop year: \$295 per acre for an annual amount of \$51,221
2023 crop year: \$300 per acre for an annual amount of \$53,127

The District received \$51,221 of rent during the year for this lease. The rent is recorded in the Recreation Fund.

Note 7 – Restricted Fund Balance and Net Position

On May 31, 2022, restricted fund balance and net position consists of the following:

Restricted for:	<u>Fund Balance</u>	<u>Net Position</u>
Liability insurance – tax levies	\$ 613,851	\$ 613,851
Capital projects – bond issuance	3,162,545	3,162,545
Special recreation – tax levies	337,157	337,157
Retirement – tax levies	<u>256,503</u>	<u>256,503</u>
	<u>\$4,370,056</u>	<u>\$4,370,056</u>

Note 8 - Risk Management

The District is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries and illness to employees; and net income losses.

The District is a member of PDRMA, a risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. In the event losses exceeded the per occurrence self-insured and reinsurance limit, the District would be liable for the excess amount. PDRMA's Board of Directors evaluates the aggregate self-insured limit annually.

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

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, to 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.

**Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022**

Note 8 - Risk Management (Continued)

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.

Since 96% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the member balances are adjusted annually as more recent loss information becomes available.

The District purchases health insurance through the Park District Risk Management Agency (PDRMA) and pays agreed-upon annual premiums on a monthly basis.

Note 9 - Pension Plan

IMRF Plan Description

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

Benefits Provided

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

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

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 9 - Pension Plan (Continued)

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

Retirees and beneficiaries	21
Inactive, non-retired members	31
Active members	<u>17</u>
Total	<u>69</u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2021 was 7.21% and for 2022 is 3.82%. For the fiscal year ended May 31, 2022, the District contributed \$44,604 to the plan which was reported as an expense. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Note 10 - Individual Fund Disclosures

Advances to/from funds at May 31, 2022 consisted of the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Recreation Fund	\$145,753	\$ -
Debt Service Fund	<u>-</u>	<u>145,753</u>
Total	<u>\$145,753</u>	<u>\$145,753</u>

All amounts are related to operating deficits.

**Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022**

Note 11 – Other Postemployment Benefits

Plan Description

Under Public Act 06-1444, the District, as an IMRF employer, is required to offer the same health insurance to disabled members, retirees, and surviving spouses eligible for IMRF benefits at the same premium rate as active employees. The plan does not have a trust fund and therefore does not issue a separate publicly available report.

Funding Policy

The District requires retirees to contribute 100% of the premium for their desired coverage. The premiums established for the group contain an implied rate subsidy through the blended premium covering all current employees and retirees. No actuarial valuation was performed to determine the amount of such subsidy.

Contributions

Because the retiree premium is paid entirely by the retiree contributions, there is no net cash outflow by the District in regard to the plan benefits for retirees.

Note 12 – Tax Abatements

The District has various Enterprise Zones that were created under the Illinois Enterprise Zone Act (20 ILCS 655).

Businesses that build new commercial property or improve existing industrial, manufacturing, and commercial properties in these zones may qualify for an abatement of the increased property taxes that arise due to the increase in value of their property. The abatements are for five years in which tax increase is abated as follows:

<u>Year</u>	<u>Percent Abated</u>
1	100%
2	80%
3	60%
4	40%
5	20%

The District had no Enterprise Zone abatements during the year ended May 31, 2022.

The District also abates property taxes in various Tax Increment Financing (TIF) districts that were created under the Illinois Tax Increment Allocation Redevelopment Act (TIF Act) (65 ILCS 5/11-74.4).

The property taxes for the additional assessed valuation on new commercial property or improved existing commercial properties in these districts is paid to a tax increment financing (TIF) district. These funds are available for eligible costs as defined in the TIF Act including development or redevelopment projects within the TIF district.

The total TIF abatements from the District during the year ended May 31, 2022 were approximately \$62,580.

Kankakee Valley Park District
Notes to Financial Statements
As of and for the year ended May 31, 2022

Note 13 – Legal Debt Margin

Assessed valuation – 2021	\$365,328,878
Enterprise Zone abatements	-
Tax Increment Financing Districts abatements	<u>(9,713,572)</u>
Assessed valuation net of abatements	<u>\$355,615,306</u>
 Debt limit – 2.875% of assessed value	 <u>\$ 10,223,940</u>
 Total debt:	
General obligation bonds, alternate source	<u>\$ 5,552,150</u>
Legal debt margin	<u>\$ 4,671,790</u>

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-General Fund
For the year ended May 31, 2022

	Original Appropriations	Final Appropriations	Actual	Over (Under) Appropriations
Revenues:				
Taxes				
Property taxes	\$ 1,085,605	\$ 1,085,605	\$1,076,139	\$ (9,466)
Rental income	2,500	2,500	2,500	-
Investment income	-	-	8,112	8,112
Miscellaneous income	2,000	2,000	27,917	25,917
Total revenues	<u>1,090,105</u>	<u>1,090,105</u>	<u>1,114,668</u>	<u>24,563</u>
Expenditures:				
Current				
General government				
Salaries and employee benefits	518,829	518,829	400,134	(118,695)
Contractual services	167,736	183,496	128,153	(55,343)
Materials and supplies	17,376	17,376	11,628	(5,748)
Utilities	71,760	71,760	72,311	551
Miscellaneous	143,199	143,199	123,774	(19,425)
Repairs and maintenance	76,080	76,080	47,246	(28,834)
Total expenditures	<u>994,980</u>	<u>1,010,740</u>	<u>783,246</u>	<u>(227,494)</u>
Other financing sources (uses):				
Transfer Out	<u>(301,689)</u>	<u>(301,689)</u>	<u>(251,408)</u>	<u>50,281</u>
Total other financing sources (uses)	<u>(301,689)</u>	<u>(301,689)</u>	<u>(251,408)</u>	<u>50,281</u>
Net change in fund balance	<u>\$ (206,564)</u>	<u>\$ (222,324)</u>	80,014	<u>\$ 302,338</u>
Fund balance (deficit), beginning of the year			<u>172,639</u>	
Fund balance, end of year			<u>\$ 252,653</u>	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-Recreation Fund
For the year ended May 31, 2022

	Original Appropriations	Final Appropriations	Actual	Over (Under) Appropriations
Revenues:				
Taxes				
Property taxes	\$ 397,779	\$ 397,779	\$ 394,310	\$ (3,469)
Replacement Taxes	142,710	142,710	477,937	335,227
Intergovernmental:				
Grants	-	-	10,000	10,000
Charges for services				
Recreation	717,599	717,599	72,955	(644,644)
Ice Valley	-	-	361,746	361,746
Splash Valley	-	-	261,862	261,862
Rental income	51,500	51,500	179,446	127,946
Miscellaneous income	125	125	2,597	2,472
Total revenues	<u>1,309,713</u>	<u>1,309,713</u>	<u>1,760,853</u>	<u>451,140</u>
Expenditures:				
Current				
Recreation				
Ice				
Salaries and employee benefits	-	-	114,189	114,189
Contractual services	63,540	63,540	5,314	(58,226)
Material and supplies	-	-	181,987	181,987
Utilities	360,000	450,000	216,144	(233,856)
Capital outlay	-	-	2,436	2,436
Splash Valley				
Material and supplies	240,000	450,000	287,938	(162,062)
Capital outlay	-	-	7,925	7,925
River Road and other recreation				
Salaries and employee benefits	644,706	644,706	583,398	(61,308)
Contractual services	69,924	69,924	118,819	48,895
Equipment and supplies	21,360	21,360	59,629	38,269
Utilities	167,419	167,419	287,959	120,540
Programs and special events	148,305	148,305	33,614	(114,691)
Repairs and maintenance	133,200	133,200	90,972	(42,228)
Concessions	-	-	5,149	5,149
Memberships	-	-	3,848	3,848
Other	2,228	2,228	31,623	29,395
Total expenditures	<u>1,850,682</u>	<u>2,150,682</u>	<u>2,030,944</u>	<u>(119,738)</u>
Other financing sources (uses):				
Transfer in	251,408	251,408	251,408	-
Total other financing sources (uses)	<u>251,408</u>	<u>251,408</u>	<u>251,408</u>	<u>-</u>
Net change in fund balance	<u>\$ (289,561)</u>	<u>\$ (589,561)</u>	<u>(18,683)</u>	<u>\$ 570,878</u>
Fund balance (deficit), beginning of year			314,784	
Fund balance (deficit), end of year			<u>\$ 296,101</u>	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-Liability Insurance Fund
For the year ended May 31, 2022

	Original and Final <u>Appropriations</u>	<u>Actual</u>	Over (Under) <u>Appropriations</u>
Revenues:			
Property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current			
General government	<u>117,600</u>	<u>130,409</u>	<u>12,809</u>
Total expenditures	<u>117,600</u>	<u>130,409</u>	<u>12,809</u>
Net change in fund balance	<u><u>\$ (117,600)</u></u>	<u>(130,409)</u>	<u><u>\$ (12,809)</u></u>
Fund balance, beginning of year		<u>744,260</u>	
Fund balance, end of year		<u><u>\$ 613,851</u></u>	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-Debt Service Fund
For the year ended May 31, 2022

	Original and Final Appropriations	Actual	Over (Under) Appropriations
Revenues:			
Property taxes	\$ 741,857	\$ 735,389	\$ (6,468)
Interest	-	18	18
Total revenues	741,857	735,407	(6,450)
Expenditures:			
Debt Service			
Principal retirement	833,931	860,930	26,999
Interest and fiscal charges	-	112,774	112,774
Total expenditures	833,931	973,704	139,773
Excess (deficiency) of revenues collected over expenditures paid	(92,074)	(238,297)	(146,223)
Other financing sources (uses)			
Issuance of bonds	-	251,486	251,486
Total other financing sources (uses)	-	251,486	251,486
Net change in fund balance	\$ (92,074)	13,189	\$ 105,263
Fund balance (deficit), beginning of year		(158,942)	
Fund balance (deficit), end of year		\$ (145,753)	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis - Capital Projects Fund
For the year ended May 31, 2022

	Original and Final Appropriations	Actual	Over (Under) Appropriations
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures:			
Capital outlay	530,400	424,469	(105,931)
Issuance costs	-	56,425	56,425
Total expenditures	530,400	480,894	(49,506)
Excess (deficiency) of revenues collected over expenditures paid	(530,400)	(480,894)	49,506
Other financing sources (uses)			
Issuance of bonds	722,021	3,725,664	3,003,643
Total other financing sources (uses)	722,021	3,725,664	3,003,643
Net change in fund balance	<u>\$ (530,400)</u>	3,244,770	<u>\$ 3,775,170</u>
Fund balance, beginning of year		<u>(82,225)</u>	
Fund balance (deficit), end of year		<u>\$ 3,162,545</u>	

Kankakee Valley Park District, Illinois
Combining Statement of Assets, Liabilities, and Fund Balances-
Modified Cash Basis
Nonmajor Governmental Funds
May 31, 2022

	Special Recreation Fund	Social Security Fund	IMRF Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 337,157	\$ 102,025	\$ 161,112	\$ 600,294
Total assets	<u>\$ 337,157</u>	<u>\$ 102,025</u>	<u>\$ 161,112</u>	<u>\$ 600,294</u>
Liabilities				
Accounts payable and accrued expenses	\$ -	\$ -	\$ 6,634	\$ 6,634
Total liabilities	<u>-</u>	<u>-</u>	<u>6,634</u>	<u>6,634</u>
Fund Balance				
Restricted for:				
Employee retirement	-	102,025	154,478	256,503
Special recreation	337,157	-	-	337,157
Total fund balances	<u>337,157</u>	<u>102,025</u>	<u>154,478</u>	<u>593,660</u>
Total liabilities and fund balances	<u>\$ 337,157</u>	<u>\$ 102,025</u>	<u>\$ 161,112</u>	<u>\$ 600,294</u>

Kankakee Valley Park District, Illinois
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance-Modified Cash Basis
Nonmajor Governmental Funds
For the year ended May 31, 2022

	Special Recreation Fund	Social Security Fund	IMRF Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 34,830	\$ 47,647	\$ 14,786	\$ 97,263
Total revenues	<u>34,830</u>	<u>47,647</u>	<u>14,786</u>	<u>97,263</u>
Expenditures				
Current:				
General government	-	25,155	15,457	40,612
Recreation	86,589	47,437	29,147	163,173
Total expenditures	<u>86,589</u>	<u>72,592</u>	<u>44,604</u>	<u>203,785</u>
Net change in fund balance	(51,759)	(24,945)	(29,818)	(106,522)
Fund balance, beginning of year	388,916	126,970	184,296	700,182
Fund balance, end of year	<u>\$ 337,157</u>	<u>\$ 102,025</u>	<u>\$ 154,478</u>	<u>\$ 593,660</u>

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-Special Recreation Fund
For the year ended May 31, 2022

	Original and Final Appropriations	Actual	Over (Under) Appropriations
Revenues:			
Property taxes	\$ 35,137	\$ 34,830	\$ (307)
Total revenues	35,137	34,830	(307)
Expenditures:			
Current			
Recreation			
Special recreation association fees	129,738	86,589	(43,149)
Total expenditures	129,738	86,589	(43,149)
Net change in fund balance	<u>\$ (94,601)</u>	(51,759)	<u>\$ 42,842</u>
Fund balance, beginning of year		<u>388,916</u>	
Fund balance, end of year		<u>\$ 337,157</u>	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-Social Security Fund
For the year ended May 31, 2022

	Original and Final Appropriations	Actual	Over (Under) Appropriations
Revenues:			
Property taxes	\$ 48,065	\$ 47,647	\$ (418)
Total revenues	<u>48,065</u>	<u>47,647</u>	<u>(418)</u>
Expenditures:			
Current			
General government	112,653	25,155	(87,498)
Recreation	<u>-</u>	<u>47,437</u>	<u>47,437</u>
Total expenditures	<u>112,653</u>	<u>72,592</u>	<u>(40,061)</u>
Net change in fund balance	<u>\$ (64,588)</u>	(24,945)	<u>\$ 39,643</u>
Fund balance, beginning of year		<u>126,970</u>	
Fund balance, end of year		<u>\$ 102,025</u>	

Kankakee Valley Park District, Illinois
Budgetary Comparison Schedule-
Modified Cash Basis-IMRF Fund
For the year ended May 31, 2022

	Original and Final Appropriations	Actual	Over (Under) Appropriations
Revenues:			
Property taxes	\$ 14,917	\$ 14,786	\$ (131)
Total revenues	14,917	14,786	(131)
Expenditures:			
Current			
General government	103,137	15,457	(87,680)
Recreation	-	29,147	29,147
Total expenditures	103,137	44,604	(58,533)
Net change in fund balance	<u>\$ (88,220)</u>	(29,818)	<u>\$ 58,402</u>
Fund balance, beginning of year		<u>184,296</u>	
Fund balance, end of year		<u>\$ 154,478</u>	

Kankakee Valley Park District
Notes to Supplementary Information and Tort Expenditures
As of and for the year ended May 31, 2022

Budgetary Data

The Board of Commissioners followed these procedures in establishing the budgetary data reflected in the financial statements. Prior to June 1 the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means for financing. The budgetary operations of the District are governed by appropriation laws detailed in the Illinois Park District Code. Notice is given, and public meetings are conducted to obtain taxpayer comments. Prior to the second Tuesday in June, the budget is legally enacted through the passage of an ordinance. The treasurer is authorized to transfer up to 10% of the total budget between the budget items within the fund; however, the total budgeted expenditures of any fund may not be exceeded.

The budget may be amended through a process that is similar to that described above. Formal budgetary integration is employed as a management control device during the year in the general and special revenue funds. Budgeted amounts are as adopted by the Board of Commissioners. The budget authority lapses at the end of the fiscal year.

The following funds had expenditures greater than the budget appropriations for the year ended May 31, 2022:

<u>Fund</u>	<u>Actual Expenditures</u>	<u>Appropriations</u>
Liability Insurance Fund	\$130,409	\$117,600
Debt Service Fund	\$973,704	\$833,931

Tort Expenditures

Disclosure of Tort Expenditures under PA 91-0628: \$130,409

Kankakee Valley Park District, Illinois
Illinois Municipal Retirement Fund Supplementary Information
As of and for the year ended May 31, 2022

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
IMRF

Calendar year ended December 31,	2021	2020	2019	2018	2017
Total pension liability					
Service Cost	\$ 53,170	\$ 55,253	\$ 39,397	\$ 32,047	\$ 73,497
Interest on the total pension liability	304,681	298,855	279,995	260,037	260,289
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience of the total pension liability	124,008	(50,119)	164,927	221,333	(6,722)
Changes of assumptions	-	(13,192)	-	102,930	(100,089)
Benefit payments, including refunds of employee contributions	(207,023)	(211,753)	(252,466)	(197,914)	(221,298)
Net change in total pension liability	274,836	79,044	231,853	418,433	5,677
Total pension liability - beginning	4,279,427	4,200,383	3,968,530	3,550,097	3,544,420
Total pension liability - ending (A)	\$ 4,554,263	\$ 4,279,427	\$ 4,200,383	\$ 3,968,530	\$ 3,550,097
Plan fiduciary net position					
Contributions - Employer	\$ 49,350	\$ 29,754	\$ 3,702	\$ 24,677	\$ 38,786
Contributions - Employees	30,802	22,927	23,358	102,924	17,800
Net investment income	819,146	619,091	715,744	(218,069)	591,354
Benefit payments, including refunds of employee contributions	(207,023)	(211,753)	(252,466)	(197,914)	(221,298)
Other/net transfer	963	14,746	37,549	(15,133)	79,867
Net change in plan fiduciary net position	693,238	474,765	527,887	(303,515)	506,509
Plan fiduciary net position - beginning	4,848,734	4,373,969	3,846,082	4,149,597	3,643,088
Plan fiduciary net position - ending (B)	\$ 5,541,972	\$ 4,848,734	\$ 4,373,969	\$ 3,846,082	\$ 4,149,597
Net pension liability (asset) - ending (A - B)	\$ (987,709)	\$ (569,307)	\$ (173,586)	\$ 122,448	\$ (599,500)
Plan fiduciary net position as a percentage of the total pension liability	121.69%	113.30%	104.13%	96.91%	116.89%
Covered payroll	\$ 684,473	\$ 509,490	\$ 493,636	\$ 422,553	\$ 395,545
Net pension liability (asset) as a percentage of covered payroll	-144.30%	-111.74%	-35.16%	28.98%	-151.56%

Notes:

IMRF Net Pension Liability: The District's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 IMRF annual actuarial valuation report.

SCHEDULE OF IMRF DISTRICT CONTRIBUTIONS

Fiscal Year Ended May 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2022	\$ 44,604	\$ 44,604	\$ -	\$ 770,482	5.79%
2021	\$ 34,622	\$ 34,622	\$ -	\$ 537,529	6.44%
2020	\$ 14,503	\$ 14,503	\$ -	\$ 523,911	2.77%
2019	\$ 16,783	\$ 16,783	\$ -	\$ 442,088	3.80%
2018	\$ 30,061	\$ 30,061	\$ -	\$ 420,038	7.16%

Notes:

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 GASB 68 accounting schedules prepared by a third party.