

**BELVIDERE PARK DISTRICT, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2016**

**BELVIDERE PARK DISTRICT, ILLINOIS**

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## INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners  
Belvidere Park District, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Belvidere Park District, Illinois as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

The prior year comparative information has been derived from the District's 2015 financial statements and in our report dated June 8, 2016, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

### **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 Belvidere Park District, Illinois, as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the Illinois Municipal Retirement Fund (IMRF) schedules, budgetary comparison information, and notes on pages 42 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Belvidere Park District, Illinois' basic financial statements. The combining and individual non-major fund financial statements on pages 48 through 52 and supplementary financial information on pages 53 through 55 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplementary financial information on pages 56 through 58 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Beggin Sipp Hamm LLC*

Freeport, Illinois  
May 17, 2017

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2016  
(Unaudited)

This section of the Belvidere Park District's Annual Financial Report presents our discussion and analysis of the District's financial activities during the year ended December 31, 2016.

<b>FINANCIAL HIGHLIGHTS</b>
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-Net position and performance in total – The District's total net position at December 31, 2016 was \$14,288,629.

-Governmental activity summary – Net position for governmental activities increased by \$663,643 during the year.

<b>OVERVIEW OF THE FINANCIAL STATEMENTS</b>
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The basic financial statements include two kinds of statements, which present different views of the District: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the District's overall financial status.

Fund financial statements focus on individual parts of the District government, reporting District operation in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, the District has provided sections for combining statements to provide detail on non-major funds and additional supplementary information.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

The following table summarizes the major features of the District's financial statements.

Description	GOVERNMENT- WIDE STATEMENTS	FUND STATEMENTS	
		Governmental Funds	Fiduciary Funds
Scope	Entire District government (except fiduciary funds)	Activities of the District that are not fiduciary such as culture and recreation	Activities in which the District is trustee or agent of another's resources such as pension plans
Required financial statements	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues, expenditures and changes in fund balances	-Statement of fiduciary net position
Accounting basis	Accrual	Modified accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities; both short and long-term. Does not currently contain capital assets
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods and services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid

**Government-Wide Statements**

The government-wide financial statements are designed to be corporate-like in that all governmental activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to disclose bottom line results for the District and its governmental activities.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
December 31, 2016  
(Unaudited)

This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities, which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services.

The governmental activities reflect the District's basic services, including administration, financial services, culture and recreation. Property taxes and charges/fees finance the majority of these services.

**Fund Financial Statements**

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than fund types.

Governmental funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for District operations.

Fiduciary Funds are presented for certain activities when the District's role is that of trustee or agent (i.e. Riverfront Committee). While Fiduciary Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

The Governmental Funds column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual), which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financial sources as well as capital outlay expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the Government-Wide Statements.



BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

<b>FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE</b>
<b>NET POSITION</b>

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

**Table 1**  
**Statement of Net Position**  
**As of December 31, 2016**  
**With Comparative Totals for the Year Ended December 31, 2015**

	Governmental Activities	
	2016	2015
Current and other assets	\$ 7,683,669	7,300,444
Capital assets	19,674,132	20,153,167
<b>Total assets</b>	<b>27,357,801</b>	<b>27,453,611</b>
Deferred outflows of Resources		
Pension items - IMRF	252,418	322,737
<b>Total assets and deferred outflows</b>		
of resources	27,610,219	27,776,348
Current and other liabilities	381,720	833,921
Long-term liabilities	9,397,353	9,869,572
<b>Total liabilities</b>	<b>9,779,073</b>	<b>10,703,493</b>
Deferred inflows of resources		
Property taxes	3,438,000	3,382,140
Pension items - IMRF	104,517	65,729
<b>Total liabilities and deferred inflows</b>		
of resources	13,321,590	14,151,362
Net position:		
Net investment in capital assets	10,778,498	10,865,420
Restricted	1,811,303	1,724,976
Unrestricted	1,698,828	1,034,590
<b>Total net position</b>	<b>\$ 14,288,629</b>	<b>13,624,986</b>

For more detailed information see the Statement of Net Position.

**Current Year Impacts-Net Position**

Overall, the District's net position increased by \$663,643 during the year to a total of \$14,288,629. Also, current assets are \$3,863,949 higher than current liabilities and deferred inflows of resources for property taxes.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

Capital assets net of depreciation decreased by \$479,035. Long-term debt decreased by \$472,219 due to payments on general obligation park and alternate revenue bonds, the deed agreement, and a decrease in the net pension liability.

The total net position at December 31, 2016 was \$14,288,629. Approximately 75% of this amount is the investment in capital assets, net of the related debt. \$1,811,303 or approximately 13% is restricted for debt service and capital projects which leaves approximately 12% or \$1,698,828 available for any purpose.

**Statement of Changes in Net Position**

The following chart reflects the condensed Statement of Changes in Net Position.

**Table 2**  
**Changes in Net Position**  
**For the Year Ended December 31, 2016**  
**With Comparative Totals for the Year Ended December 31, 2015**

	Governmental Activities	
	2016	2015
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 991,649	983,618
Capital grants and contributions	477,764	287,225
General revenues:		
Property taxes	3,386,199	3,347,079
Other taxes	92,913	102,127
Interest	1,758	5,724
Other	105,633	58,407
<b>Total revenues</b>	<b>5,055,916</b>	<b>4,784,180</b>
<b>EXPENSES</b>		
Culture & recreation:		
Personnel	2,221,798	2,447,741
Contractual services	624,581	800,306
Material & supplies	538,533	667,041
Loss on disposal of capital assets	-	57,480
Depreciation	794,187	780,267
Interest on long-term debt	213,174	209,500
<b>Total expenses</b>	<b>4,392,273</b>	<b>4,962,335</b>
<b>Changes in net position</b>	<b>663,643</b>	<b>(178,155)</b>
<b>Beginning net position</b>	<b>13,624,986</b>	<b>13,803,141</b>
<b>Ending net position</b>	<b>\$ 14,288,629</b>	<b>13,624,986</b>

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
December 31, 2016  
(Unaudited)

**Current Year Impacts-Changes in Net Position**

**Governmental Activities**

Revenues:

Revenues from governmental activities total \$5,055,916 or an increase of \$271,736. Property tax was the largest source of revenues for the year at \$3,386,199. The next highest source of revenue was \$991,649 from charges and fees. The revenues from these two sources represent approximately 87% of the governmental activity revenues.

Expenses:

The District's total governmental activity expenses were \$4,392,273, a decrease of \$570,062 or approximately 11%. Personnel costs including employee benefits were \$2,221,798. Personnel costs were 51% of the total expenses. Contractual services were \$624,581 or 14%, material and supplies were \$538,533 or 12%, and interest was \$213,174 or approximately 5% of the total expenses. Depreciation expense was \$794,187 or 18% of total expenses.

<b>FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS</b>
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At December 31, 2016, the governmental funds reported a combined net fund balance of \$3,662,998, an increase of \$356,828 in all major and non-major funds from the prior year. This increase is primarily attributable to a decrease in capital expenditures from the prior year for the Doty Park Capital Improvement Project. The District reported \$3,987,670 of total capital outlay expenditures across all funds in 2015 and only \$431,464 of capital outlay expenditures in 2016, a reduction of \$3,556,206. The decrease in expenses was offset by a \$990,000 decrease in other financing sources for GO bond proceeds.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

**Major Fund Budgetary Highlights**

<b>General Fund</b>	Original & Final Budget	Actual	% of Total
Revenues			
Taxes	\$ 1,265,100	1,263,463	89
Intergovernmental	102,900	92,913	7
Donations	9,000	2,984	0
Interest & other	33,905	52,518	4
<b>Total revenues</b>	<b>1,410,905</b>	<b>1,411,878</b>	<b>100</b>
Expenditures			
Personnel	818,376	743,670	60
Contractual services	448,475	314,999	25
Material & supplies	155,500	157,717	13
Capital outlay	27,500	28,491	2
<b>Total expenditures</b>	<b>1,449,851</b>	<b>1,244,877</b>	<b>100</b>
<b>Change in fund balance</b>	<b>(38,946)</b>	<b>167,001</b>	

<b>Recreation Fund</b>	Original & Final Budget	Actual	% of Total
Revenues			
Taxes	\$ 747,340	746,352	48
Charges & fees	888,500	800,479	51
Donations	52,000	-	0
Interest & other	13,000	10,163	1
<b>Total revenues</b>	<b>1,700,840</b>	<b>1,556,994</b>	<b>100</b>
Expenditures			
Personnel	1,227,700	1,168,866	73
Contractual services	280,050	260,040	16
Material & supplies	179,750	174,971	11
Capital outlay	6,000	4,107	0
<b>Total expenditures</b>	<b>1,693,500</b>	<b>1,607,984</b>	<b>100</b>
<b>Excess of Revenue over (under) expenditures</b>	<b>\$ 7,340</b>	<b>(50,990)</b>	
Other financing sources (uses)			
Transfers	-	51,000	
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>51,000</b>	
<b>Change in fund balance</b>	<b>\$ 7,340</b>	<b>10</b>	

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

<b>Bond &amp; Interest Fund</b>	Original & Final Budget	Actual	% of Total
Revenues			
Taxes	\$ 1,053,250	1,060,286	100
Interest & other	500	57	0
<b>Total revenues</b>	<b>1,053,750</b>	<b>1,060,343</b>	<b>100</b>
Expenditures			
Debt service:			
Principal	1,025,000	1,025,000	99
Interest	28,250	8,200	1
<b>Total expenditures</b>	<b>1,053,250</b>	<b>1,033,200</b>	<b>100</b>
<b>Change in fund balance</b>	<b>\$ 500</b>	<b>27,143</b>	

<b>Alternate Bond &amp; Interest Fund</b>	Original & Final Budget	Actual	% of Total
Revenues			
Interest & other	\$ 300	504	100
<b>Total revenues</b>	<b>300</b>	<b>504</b>	<b>100</b>
Expenditures			
Debt service:			
Principal	402,113	402,113	64
Interest	227,712	227,712	36
<b>Total expenditures</b>	<b>629,825</b>	<b>629,825</b>	<b>100</b>
<b>Excess of Revenue over (under) expenditures</b>	<b>(629,525)</b>	<b>(629,321)</b>	
Other financing sources (uses)			
GO Bond proceeds	930,000	926,750	
<b>Total other financing sources (uses)</b>	<b>930,000</b>	<b>926,750</b>	
<b>Change in fund balance</b>	<b>\$ 300,475</b>	<b>297,429</b>	

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At December 31, 2016, the District's Governmental Funds had invested \$33,095,068 in a variety of capital assets, as reflected in the following schedule. See Notes to Financial Statements #3 for more detail.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
 December 31, 2016  
 (Unaudited)

**Table 3**  
**Governmental Funds**  
**Change in Net Capital Assets**

	Beginning Balance	Net Additions /Deletions	Total
<b>Non-depreciable assets</b>			
Land	\$ 4,347,966	23,553	4,371,519
Construction in progress	3,613,420	(3,570,630)	42,790
	<u>7,961,386</u>	<u>(3,547,077)</u>	<u>4,414,309</u>
<b>Depreciable capital assets</b>			
Land improvements	13,070,063	3,725,352	16,795,415
Building & building improvements	10,549,973	72,009	10,621,982
Equipment & vehicles	1,219,142	44,220	1,263,362
Total capital assets being depreciated	<u>24,839,178</u>	<u>3,841,581</u>	<u>28,680,759</u>
Accumulated depreciation on capital assets	(12,647,397)	(773,539)	(13,420,936)
<b>Total net capital assets</b>	<b>\$ 20,153,167</b>	<b>(479,035)</b>	<b>19,674,132</b>

The District's roads and bridges are contained within the parks and as such have been recorded as land improvements rather than infrastructure assets.

**Long-term Debt**

At December 31, 2016, the District owed \$9,397,353 in long-term debt. This debt consisted of \$6,585,000 in general obligation alternate revenue bonds, \$2,035,000 in general obligation bonds, \$275,634 Agreement for Deed, \$19,233 in compensated absences, and \$482,486 for net pension liability-IMRF due to implementation of GASB 68 in 2015. During the year ended December 31, 2016, the District issued \$1,097,102 in new debt and retired \$1,569,321 on the outstanding debt. Overall, long-term debt decreased by \$472,219. See Notes to Financial Statement #4 for more details.

The aggregate indebtedness of the District is subject to a statutory limitation established by the State of Illinois at 2.875% of its equalized assessed value. At December 31, 2016, the District's aggregate indebtedness was \$7,869,431 less than the statutory limit of \$15,561,687. Also, the State statutes allow the District to issue general obligation bonds without submitting the proposition of the issue in a referendum. This limit is 0.575% of the equalized assessed value. At December 31, 2016, the District's general obligation debt was \$2,280,715 below this limit.

**ECONOMIC FACTORS**

The Belvidere Park District will realize an increase of 5.98% in the Equalized Assessed Value due to increased sale prices of existing homes, fewer foreclosures and new home construction. This increase in the Equalized Assessed Value is the second and largest increase since 2009.

BELVIDERE PARK DISTRICT, ILLINOIS  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
December 31, 2016  
(Unaudited)

The District's property tax revenue is limited by tax caps, which limits the growth rate to 5% or the rate of inflation, whichever is less, plus the tax on assessed value of new property. The rate of inflation for 2016 was 0.021%. Based on Public Act 94-976, the District will be able to levy and collect additional tax money on all capped funds. The Bond and Interest Fund's debt service extension base can increase by the consumer price index per Public Act 96-501 so the District will collect an additional \$22,402 in the Bond and Interest Fund for 2016.

The District will receive more money from the City of Belvidere and the County of Boone Land/Cash fees as a result of several new homes being constructed in 2016 versus previous years. This will mean about an additional \$24,000 will be available for capital improvements in the coming year.

The District is anticipating an increase in the cost of labor as a result of annual pay increases, the level of participation in special recreation, and new recreational program offerings. One new full time position is anticipated for 2017. The Illinois State Legislature is considering several bills proposing to raise the State Minimum Wage to \$15.00 per hour. The outcome of these bills is impossible to predict at this time however this increase will have a major financial impact on the District in the future. As with the minimum wage legislation, there is also tax freeze legislation proposed which would affect the District's ability to collect additional tax funds.

Recreation Fund program fees decreased in 2016 by 1.4% but the economy is slowly improving and participation should increase in 2017 due to new programs being offered and increased fees and charges. The local school districts are stable in student enrollment after many years of declining enrollment and declining birth rate.

The Special Recreation Fund is limited under tax caps to a tax levy of .04%. This fund's tax collection will be increased by \$10,625 in 2017 because of the increase in the Equalized Assessed Value. The expansion in program offerings will increase the fees and charges collected within this fund as the program participation continues to grow. 2016 had an increase of 19.9% in Special Recreation program fees.

The State of Illinois has lifted the OSLAD Grant suspension, and the District received the \$400,000 grant reimbursement in 2017.

<b>CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT</b>
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This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Dan Roddewig, Executive Director, Belvidere Park District, 1006 W. Lincoln Ave., Belvidere, IL 61008.

BELVIDERE PARK DISTRICT, ILLINOIS  
**Statement of Net Position**  
December 31, 2016  
With Comparative Totals for December 31, 2015

	Governmental Activities	
	2016	2015
<b>Assets:</b>		
Cash and cash equivalents	\$ 3,771,228	3,794,596
Investments	-	-
Receivables:		
Taxes	3,438,000	3,382,140
Grants	400,000	-
Donations	51,000	102,000
Other	8,371	8,371
Due from other governments	15,070	13,337
Capital assets:		
Non-depreciable	4,414,309	7,961,386
Depreciable, net of accumulated depreciation	15,259,823	12,191,781
<b>Total assets</b>	<b>27,357,801</b>	<b>27,453,611</b>
<b>Deferred Outflows of Resources:</b>		
Pension items - IMRF	252,418	322,737
<b>Total assets and deferred outflows of resources</b>	<b>27,610,219</b>	<b>27,776,348</b>
<b>Liabilities:</b>		
Accounts payable	75,283	518,090
Other payables	5,575	4,468
Accrued wages	50,823	38,586
Accrued interest payable	91,836	96,213
Unearned revenue	-	-
Unamortized bond premium	158,203	176,564
Noncurrent liabilities:		
Due within one year	1,465,451	1,455,024
Due in more than one year	7,931,902	8,414,548
<b>Total liabilities</b>	<b>9,779,073</b>	<b>10,703,493</b>
<b>Deferred Inflows of Resources:</b>		
Property taxes	3,438,000	3,382,140
Pension items - IMRF	104,517	65,729
<b>Total liabilities and deferred inflows of resources</b>	<b>13,321,590</b>	<b>14,151,362</b>
<b>Net Position:</b>		
Net investment in capital assets	10,778,498	10,865,420
Restricted for:		
Debt service	1,203,378	878,806
Capital projects	607,925	846,170
Unrestricted	1,698,828	1,034,590
<b>Total net position</b>	<b>\$ 14,288,629</b>	<b>13,624,986</b>

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



BELVIDERE PARK DISTRICT, ILLINOIS  
**Statement of Activities**  
For the Year Ended December 31, 2016  
With Comparative Totals for Year Ended December 31, 2015

	Governmental Activities	
	2016	2015
<b>Program expenses:</b>		
Culture & recreation:		
Personnel	\$ 2,221,798	2,447,741
Contractual services	624,581	800,306
Material & supplies	538,533	667,041
Loss on disposal of capital assets	-	57,480
Depreciation	794,187	780,267
Total culture & recreation	4,179,099	4,752,835
Interest on long-term debt	213,174	209,500
Total program expenses	4,392,273	4,962,335
<b>Program revenues:</b>		
Charges for services	991,649	983,618
Capital grants and contributions	477,764	287,225
Total program revenues	1,469,413	1,270,843
Net program expense	2,922,860	3,691,492
<b>General revenues:</b>		
Property taxes	3,386,199	3,347,079
Corporate replacement taxes	92,913	102,127
Interest	1,758	5,724
Other	105,633	58,407
Total general revenues	3,586,503	3,513,337
<b>Change in net position</b>	663,643	(178,155)
<b>Net position:</b>		
Beginning	13,624,986	13,803,141
Ending	\$ 14,288,629	13,624,986

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

BELVIDERE PARK DISTRICT, ILLINOIS  
Balance Sheet  
**Governmental Funds**  
December 31, 2016

	General Fund	Recreation Fund	Debt Service Funds		Nonmajor Governmental Funds	Total Governmental Funds
			Bond & Interest Fund	Alternate Bond & Interest Fund		
<b>Assets:</b>						
Cash & cash equivalents	\$ 1,138,160	400,616	122,968	1,080,410	1,029,074	3,771,228
Receivables						
Property taxes	1,275,500	759,000	1,076,500	-	327,000	3,438,000
Other	8,371	-	-	-	-	8,371
Due from other governments	15,070	-	-	-	-	15,070
<b>Total assets</b>	<u>2,437,101</u>	<u>1,159,616</u>	<u>1,199,468</u>	<u>1,080,410</u>	<u>1,356,074</u>	<u>7,232,669</u>
<b>Liabilities:</b>						
Accounts payable	42,735	26,426	-	-	6,122	75,283
Other payables	5,575	-	-	-	-	5,575
Accrued wages	12,557	32,587	-	-	5,679	50,823
<b>Total liabilities</b>	<u>60,867</u>	<u>59,013</u>	<u>-</u>	<u>-</u>	<u>11,801</u>	<u>131,681</u>
<b>Deferred Inflows of Resources:</b>						
Property taxes	1,275,500	759,000	1,076,500	-	327,000	3,438,000
<b>Total liabilities and deferred inflows of resources</b>	<u>1,336,367</u>	<u>818,013</u>	<u>1,076,500</u>	<u>-</u>	<u>338,801</u>	<u>3,569,681</u>
<b>Fund balances:</b>						
Restricted						
Recreation purposes	-	341,603	-	-	-	341,603
Special recreation	-	-	-	-	209,075	209,075
Museum purposes	-	-	-	-	200,273	200,273
IMRF	67,917	-	-	-	-	67,917
Social Security	42,817	-	-	-	-	42,817
Liability Insurance	113,459	-	-	-	-	113,459
Audit purposes	6,187	-	-	-	-	6,187
Working cash	48,718	-	-	-	-	48,718
Debt service	-	-	122,968	1,080,410	-	1,203,378
Committed						
Capital Projects	-	-	-	-	607,925	607,925
Unassigned	821,636	-	-	-	-	821,636
<b>Total fund balances</b>	<u>1,100,734</u>	<u>341,603</u>	<u>122,968</u>	<u>1,080,410</u>	<u>1,017,273</u>	<u>3,662,988</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 2,437,101</u>	<u>1,159,616</u>	<u>1,199,468</u>	<u>1,080,410</u>	<u>1,356,074</u>	<u>7,232,669</u>

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

BELVIDERE PARK DISTRICT, ILLINOIS  
**Reconciliation of Fund Balances of Governmental Funds to the  
Governmental Activities in the Statement of Net Position**

December 31, 2016

**Fund balances of Governmental Funds** \$ 3,662,988

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.

Capital assets	\$ 33,095,068	
Accumulated depreciation	<u>(13,420,936)</u>	19,674,132

Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds

451,000

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

GO Bonds	(2,035,000)	
Alternate Revenue Bonds	(6,585,000)	
Agreement for deed	(275,634)	
Unamortized bond premium	(158,203)	
Net pension liability - IMRF	(482,486)	
Compensated absences	(19,233)	
Accrued interest payable	<u>\$ (91,836)</u>	(9,647,392)

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position.

147,901

**Net position of governmental activities** \$ 14,288,629

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

BELVIDERE PARK DISTRICT, ILLINOIS  
Statement of Revenues, Expenditures and Changes in Fund Balances  
**Governmental Funds**  
For the Year Ended December 31, 2016

	General Fund	Recreation Fund	Debt Service Funds		Nonmajor Governmental Funds	Total Governmental Funds
			Bond & Interest Fund	Alternate Bond & Interest Fund		
<b>Revenues:</b>						
Property taxes	\$ 1,263,463	746,352	1,060,286	-	316,098	3,386,199
Corporate replacement taxes	92,913	-	-	-	-	92,913
Charges & fees	-	800,479	-	-	191,170	991,649
Grants	-	-	-	-	75,000	75,000
Donations	2,984	-	-	-	-	2,984
Interest	531	183	57	504	483	1,758
Other	51,987	9,980	-	-	43,446	105,413
Total revenues	<u>1,411,878</u>	<u>1,556,994</u>	<u>1,060,343</u>	<u>504</u>	<u>626,197</u>	<u>4,655,916</u>
<b>Expenditures:</b>						
Current:						
Culture & recreation:						
Personnel	743,670	1,168,866	-	-	280,261	2,192,797
Contractual services	314,999	260,040	-	-	42,270	617,309
Material & supplies	157,717	174,971	-	-	96,805	429,493
Capital outlay	28,491	4,107	-	-	398,866	431,464
Debt service:						
Principal	-	-	1,025,000	402,113	-	1,427,113
Interest and fiscal charges	-	-	8,200	227,712	-	235,912
Total expenditures	<u>1,244,877</u>	<u>1,607,984</u>	<u>1,033,200</u>	<u>629,825</u>	<u>818,202</u>	<u>5,334,088</u>
<b>Excess of revenues over (under) expenditures</b>	<u>167,001</u>	<u>(50,990)</u>	<u>27,143</u>	<u>(629,321)</u>	<u>(192,005)</u>	<u>(678,172)</u>
<b>Other financing sources (uses):</b>						
GO bond proceeds	-	-	-	926,750	108,250	1,035,000
Transfers	-	51,000	-	-	(51,000)	-
Total other financing sources	<u>-</u>	<u>51,000</u>	<u>-</u>	<u>926,750</u>	<u>57,250</u>	<u>1,035,000</u>
<b>Net change in fund balances</b>	<u>167,001</u>	<u>10</u>	<u>27,143</u>	<u>297,429</u>	<u>(134,755)</u>	<u>356,828</u>
<b>Fund balances:</b>						
Beginning	<u>933,733</u>	<u>341,593</u>	<u>95,825</u>	<u>782,981</u>	<u>1,152,028</u>	<u>3,306,160</u>
Ending	<u>\$ 1,100,734</u>	<u>341,603</u>	<u>122,968</u>	<u>1,080,410</u>	<u>1,017,273</u>	<u>3,662,988</u>

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

BELVIDERE PARK DISTRICT, ILLINOIS  
**Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures and Changes in Fund Balances to the  
Governmental Activities in the Statement of Activities**

December 31, 2016

**Net Change in Fund Balances - total governmental funds** **\$ 356,828**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, they are capitalized and depreciated in the statement of activities:

Capital asset purchases capitalized	\$ 315,152	
Depreciation expense	<u>(794,187)</u>	(479,035)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	400,000
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The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities.

GO bonds	1,025,000	
Alternate revenue bonds	320,000	
Agreement for deed	<u>82,113</u>	1,427,113

The issuance of long-term debt is reported as an other financing source in the governmental funds but as an increase in outstanding principal in the statement of activities.	(1,035,000)
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The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities.	71,428
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The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities.	(109,107)
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Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Change in compensated absences payable	8,678	
Change in accrued interest expense	4,377	
Amortization of bond premium	<u>\$ 18,361</u>	<u>31,416</u>

**Change in net position of governmental activities** **\$ 663,643**

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

BELVIDERE PARK DISTRICT, ILLINOIS  
Statement of Fiduciary Net Position  
**Fiduciary Funds (River Front Committee)**  
December 31, 2016

	<u>Agency Funds</u>
<b>Assets:</b>	
Cash	\$ 78,485
Total assets	<u>78,485</u>
<b>Liabilities:</b>	
Due to River Front Committee	<u>78,485</u>
<b>Total net position</b>	<u><u>\$ -</u></u>

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

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Belvidere Park District, Illinois (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. The District was organized in 1919. The District operates under the Submerged Lands Statute of 1895 to acquire, develop and manage park and recreation lands and facilities. The District is a separate, autonomous, special purpose-taxing district governed by a five member elected Board of Commissioners. The District is a primary unit of government as defined by GASB-14. The District is not financially accountable for any component units or other entities.

B. Financial Reporting Entity

Generally accepted accounting principles require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

C. Fund Accounting

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: government and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets, the servicing of long-term debt and the management of funds held in trust that can be used for governmental services (permanent fund). The general fund is used to account for all activities of the general government not accounted for in some other fund.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. The effect of material inter-fund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degrees to which the direct expenses of a given function, segment or program are offset by 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) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Fiduciary funds are presented for certain activities when the District's role is that of trust or agent. While fiduciary funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. The River Front Committee is reported as a fiduciary fund, and accounts for the activities of the riverfront path development.

Major individual governmental funds are reported as separate columns in the fund financial statements. The District reports the following major governmental funds:

The General Fund accounts for all financial resources except those required to be accounted for in another fund. Generally, this fund is used to record the revenues and expenditures in connection with the general administration and maintenance activities.

The Recreation Fund accounts for the proceeds of specific revenue sources that are legally restricted or intended for specified purposes.



BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Government-Wide and Fund Financial Statements (Continued)

The Bond & Interest Fund accounts for the accumulation of legally restricted resources for, and payment of, long-term debt principal, interest and related costs.

The Alternate Bond and Interest Fund accounts for the accumulation of legally restricted resources for, and payment of, long-term debt principal, interest and related costs.

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants, contributions and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days. The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes and interest revenue. Charges and fees revenues are not susceptible to accrual because generally they are not measurable until received in cash. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines.

Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports deferred inflows of resources on its financial statements for property taxes, levied in the current year to finance the subsequent year's budget, since they do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue may arise when resources are received by the District before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures, and therefore do not meet the "earned" criteria for revenue recognition in the current period. In subsequent periods, when the revenue recognition criteria is met, or when the government has a legal claim to the resources, the deferred inflows of resources or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

F. Cash and Cash Equivalents

The District considers all cash on hand, demand deposits and short-term investments with a maturity of three months or less when purchased to be cash and cash equivalents.

G. Investments

Investments with a maturity of one year or less and all non-negotiable certificates of deposits are recorded at cost or amortized cost. All other investments are recorded at fair value. Fair value is determined based primarily on the basis of quoted market prices.

H. Prepaid Expenses

If there are certain payments to vendors that reflect costs applicable to future accounting periods, they are recorded as prepaid items in both government-wide and fund financial statements.

I. Property Taxes

The District annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by the District Board. Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance or when they become available to be used to pay liabilities of the current period, generally considered to be within sixty days after year end. Revenue from those taxes which are not considered available is reported as a deferred inflow of resources.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Property Taxes (Continued)

The property tax calendar for the 2015 tax levy was as follows:

Lien Date	January 1, 2015
Levy Date	December 8, 2015
First Installment due	June 1, 2016
Second Installment due	September 1, 2016

Tax bills were mailed at least 30 days prior to the first installment due date. Property taxes are billed and collected by the County Treasurer of Boone County, Illinois.

The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has been recorded as a receivable and as a deferred inflow of resources as of December 31, 2016 as the tax had been levied by the District but would not be extended or collected until calendar year 2017.

The District's 2015 tax rates per \$100 of assessed valuation together with the related maximum tax rates are as follows:

<u>Type of Levy</u>	<u>Rate Per \$100 of Assessed Valuation</u>	
	<u>Rate</u>	<u>Legal Maximum</u>
District		
General	0.16242	0.35000
Bond & Interest	0.19616	none
IMRF	0.01903	none
Audit	0.00241	0.00500
Liability Insurance	0.02587	none
Social Security	0.02402	none
Museum	0.01848	0.07000
Recreation	0.13808	0.37000
Joint Handicap Recreation	0.04000	0.04000
Total District	<u>0.62647</u>	

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets

Capital assets, which include property, plant, equipment and vehicles, are reported in the applicable 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	10-15
Building & Improvements	10-39
Equipment & Vehicles	5-10

K. Compensated Absences

Employees earn vacation based upon their length of service. Such pay is expensed when paid by the District. In the event of termination, an employee is paid for accumulated vacation days. The total liability for these compensated absences will be payable from future resources and is accounted for in the government-wide financial statements.

L. Fund Equity/Net Position

Fund balances for the governmental funds are reported in classifications that comprise a hierarchy based on the extent to which the government honors constraints on the specific purposes for which amounts in those funds can be spent.

The non-spendable classification contains amounts not in spendable form or legally or contractually required to be maintained intact.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Equity/Net Position (Continued)

Restricted amounts contain restraints on their use externally imposed by creditors, grantors, contributors, or law or regulation of other governments; or imposed by law through constitutional provisions or enabling legislation. The District reports restricted fund balance amounts for the debt service fund and special revenue funds imposed by tax levies.

Committed amounts can only be used for specific purposes imposed by formal action of the government's highest level of decision-making authority. The highest level of decision-making authority is the District's Board of Commissioners, and it takes an ordinance, resolution, or formal vote of approval to establish a fund balance commitment. Capital projects fund balances are reported as committed based on the Budget & Appropriation Ordinance.

Amounts intended to be used for specific purposes are assigned. Assignments should not cause deficits in the unassigned fund balance. The District did not have any assigned fund balances at the end of the year.

Unassigned fund balance is the residual classification for the general fund and is used for any deficit fund balances.

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, and then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, the District uses committed resources first, then assigned resources, and then unassigned resources as they are needed.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets. All other net position that does not meet the definition of "restricted" or "net investment in capital assets" is classified as unrestricted net position.

M. Deferred Outflows and Inflows of Resources

The District implemented GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective with the December 31, 2012 financial statements, and GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, effective with the December 31, 2013 financial statements. GASB Statement 63 changes the title of the "Statement of Net Assets" to the "Statement of Net Position" and also

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Deferred Outflows and Inflows of Resources (Continued)

standardizes the presentation of deferred outflows of resources and deferred inflows of resources. Under GASB Statements 63 and 65, certain items previously reported as assets are now reported as deferred outflows of resources in a separate section following total assets, and certain items previously reported as liabilities are now reported as deferred inflows of resources in a separate section following total liabilities. In addition, GASB Statement 65 reclassifies certain assets and liabilities as current outflows of resources and inflows of resources (not deferred). The District's deferred revenue from property taxes is classified as a deferred inflow of resources. The District also has deferred inflows and outflows of resources related to pension items for IMRF.

2. DEPOSITS AND INVESTMENTS

Deposits

**Custodial credit risk** for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's policy requires deposits to be secured by collateral at least equal to 102% of the deposit principal and any accrued interest less the amount of the Federal Deposit Insurance Corporation's insurance.

Deposits of the District are insured or collateralized with securities held by the Federal Reserve Bank, by another custodial bank, or by an escrow agent of the pledging institution. At December, 31, 2016, the District's cash was held by a local bank in demand deposit accounts with a combined book balance of \$3,771,228 and bank balance of \$3,816,055. The primary difference between book and bank balances was due to outstanding checks. These deposits were covered by Federal Deposit Insurance Corporation insurance or by collateral held by a financial institution at December 31, 2016.

Investment Policies

**Credit risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the District's investing activities are managed by the District's Superintendent of Administrative Services. Investing is performed in accordance with the investment policies adopted by the Board of Commissioners. District funds may be invested in 1) direct obligations of the United States government, its agencies to the payment of which the full faith and credit of the government of the United States is pledged; 2) obligations of the Government National Mortgage Association, Federal National Mortgage Association, Federal Home Loans Mortgage Corporation, or any Federal farm credit bank, Federal land bank, or Federal home loan bank notes or bonds; 3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings banks, savings and loan associations, and credit unions in the State of Illinois; or 4) money market mutual funds.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

2. DEPOSITS AND INVESTMENTS (Continued)

**Interest rate risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's policy does not specifically address this risk.

**Concentration of credit risk** is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not specifically address the risks attributable to the concentration of credit risk.

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016 was as follows:

All depreciation expense of governmental activities capital assets was for culture and recreation purposes.

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 4,347,966	23,553	-	4,371,519
Construction in progress	3,613,420	-	(3,570,630)	42,790
	<u>7,961,386</u>	<u>23,553</u>	<u>(3,570,630)</u>	<u>4,414,309</u>
Capital assets being depreciated:				
Land improvements	13,070,063	3,725,352	-	16,795,415
Building & building improvements	10,549,973	72,009	-	10,621,982
Equipment & software	753,276	41,022	-	794,298
Vehicles	465,866	23,846	(20,648)	469,064
Total capital assets being depreciated	<u>24,839,178</u>	<u>3,862,229</u>	<u>(20,648)</u>	<u>28,680,759</u>
Less accumulated depreciation for:				
Land improvements	8,435,542	443,907	-	8,879,449
Building & building improvements	3,486,449	260,920	-	3,747,369
Equipment & software	427,793	58,093	-	485,886
Vehicles	297,613	31,267	(20,648)	308,232
Total accumulated depreciation	<u>12,647,397</u>	<u>794,187</u>	<u>(20,648)</u>	<u>13,420,936</u>
Total capital assets being depreciated, net	<u>12,191,781</u>	<u>3,068,042</u>	<u>-</u>	<u>15,259,823</u>
Governmental activities capital assets, net	<u>\$ 20,153,167</u>	<u>3,091,595</u>	<u>(3,570,630)</u>	<u>19,674,132</u>

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

4. LONG-TERM DEBT

The outstanding debt as of December 31, 2016 consists of the following individual amounts:

	Balances 12/31/16	Current Portion
G.O. Park Bonds, series 2015-A issued for 2015 capital projects; Principal due at maturity on July 31, 2018 and interest payable semi-annually on Jan 31 and July 31; interest rate of 1.8% per annum	\$ 1,000,000	-
G.O. Park Bonds, series 2016 issued for 2017 capital projects and Debt Service; Principal and interest due Dec. 1, 2017; interest rate of 1.25%	1,035,000	1,035,000
General Obligation Park Bonds (Alt. Rev. source), series 2012A issued to fund capital projects; Original issue \$7,945,000; principal due Feb. 1, 2013 through 2032; Interest rates vary from 2.0% to 3.0%, due Feb. 1 and Aug.1	6,585,000	325,000
Agreements for deed to purchase land for \$1,250,000 less down payments of \$250,000; principal and interest payments of \$100,000 due August 1, 2009 through 2019. Final payment due August 1, 2019. Interest rate 5%.	275,634	86,218
Net pension liability - IMRF	482,486	-
Compensated absences	19,233	19,233
<b>Total outstanding debt</b>	<b>\$ 9,397,353</b>	<b>1,465,451</b>

The annual requirements to amortize each outstanding long-term debt at year-end consist of the following:

Year Ending December 31,	Park Bond Series 2016		Park Bond Series 2015-A		GO Park Bonds (Alt. Rev.) Series 2012A	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	1,035,000	12,938	-	18,000	325,000	183,750
2018	-	-	1,000,000	18,000	330,000	173,925
2019	-	-	-	-	340,000	163,875
2020	-	-	-	-	350,000	153,525
2021	-	-	-	-	355,000	142,950
2022-2026	-	-	-	-	1,985,000	566,094
2027-2031	-	-	-	-	2,375,000	260,819
2032	-	-	-	-	525,000	7,875
Total	\$ 1,035,000	12,938	1,000,000	36,000	6,585,000	1,652,813



BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

4. LONG-TERM DEBT (Continued)

Year Ending December 31,	Agreement for Deed		Total	Total
	Principal	Interest	Principal	Interest
2017	86,218	13,782	1,446,218	228,470
2018	90,529	9,471	1,420,529	201,396
2019	98,887	4,944	438,887	168,819
2020	-	-	350,000	153,525
2021	-	-	355,000	142,950
2022-2026	-	-	1,985,000	566,094
2027-2031	-	-	2,375,000	260,819
2032	-	-	525,000	7,875
Total	\$ 275,634	28,197	8,895,634	1,729,948
			482,486	
			19,233	
			\$ 9,397,353	

The December 31, 2016 compensated absences of \$19,233 are expected to be used/paid during 2017. Compensated absences are paid by the General or Recreation Fund.

The G.O. Bonds (Alt. Rev. source) Series 2012A, G.O. Bonds Series 2015-A, and the installment contract (agreement for deed) will be paid from the Alternate Bond and Interest Fund (Debt Service). The G.O. Bonds Series 2016 will be paid from the Bond and Interest Fund (Debt Service).

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	New Issues	Retired	Ending Balance
G.O. Bond, Series 2016	\$ -	1,035,000	-	1,035,000
G.O. Bond, Series 2015-A	1,000,000	-	-	1,000,000
G.O. Bond, Series 2015-B	1,025,000	-	1,025,000	-
Alternate Revenue Bonds 2012A	6,905,000	-	320,000	6,585,000
Agreement for deed	357,747	-	82,113	275,634
Net pension liability - IMRF	553,914	-	71,428	482,486
Compensated absences	27,911	62,102	70,780	19,233
	\$ 9,869,572	1,097,102	1,569,321	9,397,353

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

4. LONG-TERM DEBT (Continued)

Legal Debt Margin

The District's aggregate indebtedness is subject to a statutory limitation by the State of Illinois of 2.875% of its equalized assessed value of \$541,276,075. At December 31, 2016, the statutory limit for the District was \$15,561,687. The District's outstanding debt, net of assets available for bond retirements, was \$7,692,256 leaving a legal debt margin of \$7,869,431.

Non-Referendum General Obligation Bond Limit

The District may issue general obligation bonds without submitting the proposition of the issue in a referendum as long as the aggregate outstanding unpaid balance of bonds and notes does not exceed 0.575% of total assessed value of the District. At December 31, 2016, the statutory limit on non-referendum general obligation bonds was \$3,112,337. The District's outstanding debt for general obligation bonds, net of assets available for bond retirements, was \$831,622 leaving a legal debt margin of \$2,280,715.

5. EMPLOYEE RETIREMENT SYSTEM

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 a multi-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. The report is available for download at [www.imrf.org](http://www.imrf.org).

Benefits Provided

The District's defined benefit pension plan has 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.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

5. EMPLOYEE RETIREMENT SYSTEM (Continued)

Benefits Provided (Continued)

Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

Employees Covered by Benefit Terms

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	12
Inactive Plan Members entitled to but not yet receiving benefits	51
Active Plan Members	<u>37</u>
Total	<u>100</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 2016 was 9.43%. For the fiscal year ended December 31, 2016, the District contributed \$110,879 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

5. EMPLOYEE RETIREMENT SYSTEM (Continued)

Net Pension Liability

The District's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- **The Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. An IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).
- **For Disabled Retirees**, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- **For Active Members**, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 December 31, 2016

5. EMPLOYEE RETIREMENT SYSTEM (Continued)

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Return 12/31/2016</u>	<u>Projected Returns/Risk</u>	
			<u>One Year Arithmetic</u>	<u>Ten Year Geometric</u>
Equities	38.00%	7.77%	8.30%	6.85%
International Equities	17.00%	3.54%	8.45%	6.75%
Fixed Income	27.00%	4.85%	3.05%	3.00%
Real Estate	8.00%	8.97%	6.90%	5.75%
Alternatives	9.00%			
Private Equity		N/A	12.45%	7.35%
Hedge Funds		N/A	5.35%	5.25%
Commodities		N/A	4.25%	2.65%
Cash Equivalents	1.00%	N/A	2.25%	2.25%

Single Discount Rate

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%. The discount rate increased .01% from the prior measurement date of December 31, 2015 which used a discount rate of 7.49%.

Changes in Net Pension Liability

Changes in the District's net pension liability for the year ended December 31, 2016 were as follows:

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

5. EMPLOYEE RETIREMENT SYSTEM (Continued)

Changes in Net Pension Liability

	(A)	(B)	(A) - (B)
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, December 31, 2015	\$ 4,118,053	\$ 3,564,139	\$ 553,914
Changes for the year:			
Service Cost	112,763	-	112,763
Interest	309,271	-	309,271
Difference between expected and actual experience	(69,952)	-	(69,952)
Changes of assumptions	(5,435)	-	(5,435)
Contributions - employees	-	52,912	(52,912)
Contributions - employer	-	110,879	(110,879)
Net investment income	-	249,909	(249,909)
Benefit payments including refunds of Employee Contributions	(90,643)	(90,643)	-
Other (Net Transfer)	-	4,375	(4,375)
Net Changes	<u>256,004</u>	<u>327,432</u>	<u>(71,428)</u>
Balance, December 31, 2016	<u>\$ 4,374,057</u>	<u>\$ 3,891,571</u>	<u>\$ 482,486</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.49%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 4,967,885	\$ 4,374,057	\$ 3,896,128
Plan Fiduciary Net Position	3,891,571	3,891,571	3,891,571
Net Pension Liability/(Asset)	<u>\$ 1,076,314</u>	<u>\$ 482,486</u>	<u>\$ 4,557</u>

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 December 31, 2016

5. EMPLOYEE RETIREMENT SYSTEM (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended December 31, 2016, the District realized pension expense of \$148,558. At December 31, 2016, the District realized 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	\$ 25,259	\$ 100,265	\$ (75,006)
Changes of assumptions	43,333	4,252	39,081
Net difference between projected and actual earnings on plan investments	<u>183,826</u>	<u>-</u>	<u>183,826</u>
Total	<u>\$ 252,418</u>	<u>\$ 104,517</u>	<u>\$ 147,901</u>

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

<u>Year ending December 31</u>	<u>Net Deferred Outflows of Resources</u>
2017	\$ 54,029
2018	54,028
2019	45,546
2020	(5,702)
2021	-
Thereafter	-
Total	<u>\$ 147,901</u>

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The District has evaluated its potential other postemployment benefits liability. The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, no former employees have chosen to stay in the District's health insurance plan.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
 December 31, 2016

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)

Therefore, there has been 0% utilization and therefore no implicit subsidy to calculate in accordance with GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the District had no former employees for which the District was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any postemployment benefit liability as of December 31, 2016.

7. POOLED CASH

The District maintains a pooled checking account to maximize interest earnings. The following is a listing of each funds' share of the pooled accounts:

		<u>Cash</u>
General	\$	<u>1,138,160</u>
Special Revenues Funds		
Recreation		400,616
Museum		201,149
Special Recreation		<u>216,421</u>
Total Special Revenue Funds		<u>818,186</u>
Debt Service Funds		
Alternate Bond & Interest		1,080,410
Bond and Interest		<u>122,968</u>
Total Debt Service Funds		<u>1,203,378</u>
Capital Projects Fund		<u>611,504</u>
Total Pooled Cash	\$	<u><u>3,771,228</u></u>

8. RISK MANAGEMENT COOPERATIVE

The District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses. Since August 21, 2015 the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. 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. The following table is a summary of the property/casualty coverage in effect for the period January 1, 2016 through December 31, 2016:



**BELVIDERE PARK DISTRICT, ILLINOIS**  
**Notes to Financial Statements (Continued)**  
December 31, 2016

**8. RISK MANAGEMENT COOPERATIVE (Continued)**

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits	Insurance Company	Policy Number
<b>1. Property</b>					
All losses per occurrence	\$1,000	\$1,000,000	\$1,000,000,000/all members Declaration 11	PDRMA	P070115
Flood/except Zones A & V	\$1,000	\$1,000,000	\$250,000,000/occurrence/annual aggregate	Reinsurers: Various Reinsurers	
Flood, Zones A & V	\$1,000	\$1,000,000	\$200,000,000/occurrence/annual aggregate	through the Public Entity	
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/occurrence/annual aggregate	Property Reinsurance Program (PEPIP)	
Auto Physical Damage Comprehensive and Collision	\$1,000	\$1,000,000	Included		
Course of Construction	\$1,000	Included	\$25,000,000		
Business Interruption, Rental Income, Tax Income Combined	\$1,000		\$100,000,000/reported values \$500,000/\$2,500,000/non-reported values		
Service Interruption	24 hours	N/A	\$25,000,000		
			<b>Other sub-limits apply - refer to coverage document</b>		
Boiler and Machinery			\$100,000,000 Equip. Breakdown		
Property damage	\$1,000	\$9,000	Property damage - included	Travelers	
Business Income	48 hours	N/A	Included	Indemnity Co. of Illinois	BME1 0525L478
			<b>Other sub-limits apply - refer to coverage document</b>		
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000/occurrence	National Union	
Seasonal employees	\$1,000	\$9,000	\$1,000,000/occurrence	Fire Insurance Co.	04-766-58-14
Blanket bond	\$1,000	\$24,000	\$2,000,000/occurrence	Co.	
<b>2. Workers Compensation</b>					
Employers' Liability	N/A	\$500,000 \$500,000	Statutory \$3,500,000 Employers Liability	PDRMA Government Entities Mutual (GEM) Safety National	WC010116 GEM-0003-A16002 SP4054429
<b>3. Liability</b>					
General	None	\$500,000	\$21,500,000/occurrence	PDRMA	L010116
Auto Liability	None	\$500,000	\$21,500,000/occurrence	Reinsurers: GEM	
Employment Practices	None	\$500,000	\$21,500,000/occurrence	Great American	GEM-0003-A16002
Public Officials' Liability	None	\$500,000	\$21,500,000/occurrence	Genesis	C501
Law Enforcement Liability	None	\$500,000	\$21,500,000/occurrence		
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/occurrence		
<b>4. Pollution Liability</b>					
Liability - Third party	None	\$25,000	\$5,000,000/occurrence	XL Environmental Insurance	
Property - First party	\$1,000	\$24,000	\$30,000,000 3 yr. aggregate		PEC 2535805
<b>5. Outbreak Expense</b>					
	24 hours	N/A	\$15,000 per day \$1 million aggregate policy limit	Great American	OB010116
<b>6. Information Security and Privacy Insurance with Electronic Media Liability Coverage</b>					
Information Security & Privacy Liability	None	\$100,000	\$2,000,000/occurrence/annual aggregate	Beazley Lloyds Syndicate	
Privacy Notification Costs	None	\$100,000	\$500,000/occurrence/annual aggregate	AFB 2623/623 through the PEPIP program	PH1533938
Regulatory Defense & Penalties	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Website Media Content Liability	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Cyber Extortion	None	\$100,000	\$2,000,000/occurrence/annual aggregate		
Data Protection & Business Interruption	None	\$100,000	\$2,000,000/occurrence/annual aggregate		

BELVIDERE PARK DISTRICT, ILLINOIS  
**Notes to Financial Statements (Continued)**  
 December 31, 2016

8. RISK MANAGEMENT COOPERATIVE (Continued)

Coverage	Member Deductible	PDRMA Self-insured Retention	Limits	Insurance Company	Policy Number
<b><u>6. Information Security (Cont.)</u></b> First Party Business Interruption	\$1,000  8 hours	\$100,000  \$100,000	\$2,000,000/occurrence/annual aggregate \$50,000 hourly sublimit/\$50,000 forensic expense/\$150,000 dependent business interruption		
<b><u>7. Volunteer Medical Accident</u></b>	None	\$5,000	\$5,000 medical expense and AD&D excess of any other collectible insurance	Self-insured	
<b><u>8. Underground Storage Tank Liability</u></b>	None	N/A	\$10,000 follows Illinois Leaking Underground Tank Fund	Self-insured	
<b><u>9. Unemployment Compensation</u></b>	N/A	N/A	Statutory	Member funded	

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the Belvidere Park District. Settlements have not exceeded insurance claims in each of the past three years.

As a member of PDRMA's Property/Casualty Program, the Belvidere Park 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 Belvidere Park District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the Belvidere Park District's governing body. The Belvidere 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 Property/Casualty Program's balance sheet at December 31, 2015 and the statement of revenues and expenses for the period ending December 31, 2015.

BELVIDERE PARK DISTRICT, ILLINOIS  
**Notes to Financial Statements (Continued)**  
 December 31, 2016

8. RISK MANAGEMENT COOPERATIVE (Continued)

The Belvidere Park District's portion of the overall equity pool is 0.000% or (175).

Assets	\$63,181,823
Liabilities	\$23,063,014
Total Net Position	\$40,708,211
Revenues	\$18,585,098
Expenditures	\$19,500,046

Since 95.90% 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 Net Position is impacted annually as more recent loss information becomes available.

9. CHANGES IN RESTRICTED FUND EQUITY

The District levies taxes for the following funds, which it records in the General Fund. During the fiscal year ended December 31, 2016, the following table shows a summary of the activity associated with these tax levies:

	IMRF	Social Security	Liability Insurance	Audit	Working Cash
Beginning equity	\$ 59,800	31,948	26,188	6,960	48,718
Revenues	118,996	148,334	164,883	13,027	-
Expenditures	(110,879)	(137,465)	(77,612)	(13,800)	-
Excess covered by General Fund	-	-	-	-	-
Ending equity	\$ 67,917	42,817	113,459	6,187	48,718

10. INTERFUND TRANSFERS

FROM	TO		
Capital Projects Fund	* Recreation Fund	\$	51,000

\* denotes major fund

A \$51,000 transfer was made from the Capital Projects Fund to the Recreation Fund related to a donation for operating the ice hockey rink.

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
December 31, 2016

11. DOTY PARK CAPITAL IMPROVEMENT GRANTS

In connection with the Doty Park capital improvement project, the District had been awarded a \$400,000 OSLAD grant by the Illinois Department of Natural Resources (IDNR). Due to the State of Illinois budget reductions, the District was notified in 2015 that this grant award had been suspended. The District continued with the project in 2015 and pursued other financial assistance as necessary. In 2016, the District received notification that the OSLAD grant had been reinstated by the IDNR. The District received the \$400,000 in grant funds in May 2017.

The District was also awarded a \$100,000 legislative grant from the Illinois Department of Commerce and Economic Opportunity. The District received \$25,000 in 2014 related to this grant which was recognized as grant revenue in 2015 when the District incurred qualifying expenditures. The remaining portion of this grant was also suspended in 2015. In 2016, the District received notice that the grant from the Illinois Department of Commerce and Economic Opportunity had been reinstated, and the District received the remaining \$75,000 in grant funds.

The Doty Park capital improvement project was completed during 2016.

12. SUBSEQUENT EVENTS

The District has evaluated subsequent events through May 17, 2017, which was the date that these financial statements were available for issuance, and determined that there were no significant unrecognized subsequent events through that date.

BELVIDERE PARK DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
**Illinois Municipal Retirement Fund**

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios  
Last 10 Calendar Years  
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Total Pension Liability</b>										
Service Cost	\$ 112,763	\$ 107,406	\$ 121,215							
Interest on the Total Pension Liability	309,271	283,321	261,922							
Benefit Changes	-	-	-							
Difference between Expected and Actual Experience	(69,952)	42,667	(106,115)							
Assumption Changes	(5,435)	5,382	93,553							
Benefit Payments and Refunds	(90,643)	(89,275)	(67,405)							
Net Change in Total Pension Liability	256,004	349,501	303,170							
Total Pension Liability - Beginning	4,118,053	3,768,552	3,465,382							
Total Pension Liability - Ending (a)	<u>\$4,374,057</u>	<u>\$4,118,053</u>	<u>\$3,768,552</u>							
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 110,879	\$ 114,211	\$ 101,298							
Employee Contributions	52,912	52,247	47,553							
Pension Plan Net Investment Income	249,909	17,960	201,524							
Benefit Payments and Refunds	(90,643)	(89,275)	(67,405)							
Other (Net Transfer)	4,375	(84,461)	7,538							
Net Change in Plan Fiduciary Net Position	327,432	10,682	290,508							
Plan Fiduciary Net Position - Beginning	3,564,139	3,553,457	3,262,949							
Plan Fiduciary Net Position - Ending (b)	<u>\$3,891,571</u>	<u>\$3,564,139</u>	<u>\$3,553,457</u>							
Net Pension Liability/(Asset) - Ending (a)-(b)	\$ 482,486	\$ 553,914	\$ 215,095							
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.97%	86.55%	94.29%							
Covered Valuation Payroll	\$ 1,175,816	\$ 1,118,130	\$ 1,040,847							
Net Pension Liability as a Percentage of Covered Valuation Payroll	41.03%	49.54%	20.67%							

BELVIDERE PARK DISTRICT, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
**Illinois Municipal Retirement Fund**  
 Multiyear Schedule of Contributions  
 Last 10 Calendar Years  
 (schedule to be built prospectively from 2014)

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 110,879 *	\$ 110,879	\$ -	\$ 1,175,816	9.43%
2015	109,800	114,211	(4,411)	1,118,130	10.21%
2014	100,546	101,298	(752)	1,040,847	9.73%

\* Estimated based on contribution rate of 9.43% and covered valuation payroll of \$1,175,816.

**BELVIDERE PARK DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
December 31, 2016**

**Illinois Municipal Retirement Fund  
Summary of Actuarial Methods and Assumptions  
Used in the Calculation of the 2016 Contribution Rate\***

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2016 Contribution Rates:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing Bodies: 10-year rolling period, Taxing bodies (Regular, SLEP, and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers (two employers were financed over 31 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes There were no benefit changes during the year.

*\*Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation.*

BELVIDERE PARK DISTRICT, ILLINOIS  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
**General Fund**

For the Year Ended December 31, 2016  
 With Comparative Totals for the Year Ended December 31, 2015

	Original & Final Budget	2016 Actual	Variance Positive (Negative)	2015 Actual
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 1,265,100	1,263,463	(1,637)	1,290,292
Corporate replacement taxes	102,900	92,913	(9,987)	102,127
Donations	9,000	2,984	(6,016)	24,800
Interest	1,450	531	(919)	448
Other	32,455	51,987	19,532	11,667
<b>Total revenues</b>	<b>1,410,905</b>	<b>1,411,878</b>	<b>973</b>	<b>1,429,334</b>
<b>Expenditures:</b>				
Current:				
Culture & recreation:				
Personnel	818,376	743,670	74,706	756,592
Contractual services	448,475	314,999	133,476	501,033
Material & supplies	155,500	157,717	(2,217)	144,208
Capital outlay	27,500	28,491	(991)	21,219
<b>Total expenditures</b>	<b>1,449,851</b>	<b>1,244,877</b>	<b>204,974</b>	<b>1,423,052</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(38,946)</b>	<b>167,001</b>	<b>205,947</b>	<b>6,282</b>
<b>Other financing sources (uses):</b>				
Transfers	-	-	-	32,378
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,378</b>
<b>Net change in fund balance</b>	<b>\$ (38,946)</b>	<b>167,001</b>	<b>205,947</b>	<b>38,660</b>
<b>Fund balance:</b>				
Beginning		933,733		895,073
Ending		\$ 1,100,734		933,733



BELVIDERE PARK DISTRICT, ILLINOIS  
 Required Supplementary Information  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual

**Recreation Fund**

For the Year Ended December 31, 2016

With Comparative Totals for the Year Ended December 31, 2015

	2016		Variance	2015
	Original & Final Budget	Actual	Positive (Negative)	Actual
<b>Revenues:</b>				
Property taxes	\$ 747,340	746,352	(988)	694,325
Charges & fees	888,500	800,479	(88,021)	824,107
Donations	52,000	-	(52,000)	1,425
Interest	1,000	183	(817)	196
Other	12,000	9,980	(2,020)	5,600
	<u>1,700,840</u>	<u>1,556,994</u>	<u>(143,846)</u>	<u>1,525,653</u>
<b>Expenditures:</b>				
Current:				
Culture & recreation:				
Personnel	1,227,700	1,168,866	58,834	1,114,632
Contractual services	280,050	260,040	20,010	246,739
Material & supplies	179,750	174,971	4,779	181,992
Capital Outlay	6,000	4,107	1,893	9,191
	<u>1,693,500</u>	<u>1,607,984</u>	<u>85,516</u>	<u>1,552,554</u>
<b>Excess of revenues over (under) expenditures</b>	<u>\$ 7,340</u>	<u>(50,990)</u>	<u>(58,330)</u>	<u>(26,901)</u>
<b>Other financing sources (uses):</b>				
Transfers	-	51,000	51,000	-
Total other financing sources	<u>-</u>	<u>51,000</u>	<u>51,000</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>7,340</u>	<u>10</u>	<u>(7,330)</u>	<u>(26,901)</u>
<b>Fund balance:</b>				
Beginning		<u>341,593</u>		<u>368,494</u>
Ending		<u>\$ 341,603</u>		<u>341,593</u>

BELVIDERE PARK DISTRICT, ILLINOIS  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
December 31, 2016

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for all the funds on the modified accrual basis with a line items basis by fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- A. The District Executive Director submits to the District Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to March 31, the budget is legally enacted by District Board action. This is the amount reported as original budget.
- D. The District Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the District Board as a supplemental appropriation ordinance.
- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.
- H. State law requires that “expenditures be made in conformity with appropriations/ budget.” As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

BELVIDERE PARK DISTRICT, ILLINOIS  
Combining Balance Sheet  
**Nonmajor Governmental Funds**  
December 31, 2016

	Special Revenue			Total
	Museum	Special	Capital	Nonmajor
	Fund	Recreation	Projects	Governmental
		Fund	Fund	Funds
<b>Assets:</b>				
Cash & cash equivalents	\$ 201,149	216,421	611,504	1,029,074
Receivables				
Property taxes	100,000	227,000	-	327,000
<b>Total assets</b>	<b>301,149</b>	<b>443,421</b>	<b>611,504</b>	<b>1,356,074</b>
<b>Liabilities:</b>				
Accounts payable	400	2,143	3,579	6,122
Accrued wages	476	5,203	-	5,679
Total liabilities	876	7,346	3,579	11,801
<b>Deferred Inflows of Resources:</b>				
Property taxes	100,000	227,000	-	327,000
<b>Total liabilities and deferred inflows of resources</b>	<b>100,876</b>	<b>234,346</b>	<b>3,579</b>	<b>338,801</b>
<b>Fund balances:</b>				
Restricted				
Museum purposes	200,273	-	-	200,273
Special recreation	-	209,075	-	209,075
Committed				
Capital Projects	-	-	607,925	607,925
Total fund balances	200,273	209,075	607,925	1,017,273
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 301,149</b>	<b>443,421</b>	<b>611,504</b>	<b>1,356,074</b>

BELVIDERE PARK DISTRICT, ILLINOIS  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
**Nonmajor Governmental Funds**  
For the Year Ended December 31, 2016

	Special Revenue			Total Governmental Funds
	Museum Fund	Special Recreation Fund	Capital Projects Fund	
<b>Revenues:</b>				
Property taxes	\$ 99,889	216,209	-	316,098
Charges & fees	2,795	188,375	-	191,170
Grants	-	-	75,000	75,000
Interest	97	101	285	483
Other	150	15,201	28,095	43,446
Total revenues	<u>102,931</u>	<u>419,886</u>	<u>103,380</u>	<u>626,197</u>
<b>Expenditures:</b>				
Current:				
Culture & recreation:				
Personnel	9,765	270,496	-	280,261
Contractual services	17,986	22,625	1,659	42,270
Material & supplies	8,945	87,860	-	96,805
Capital outlay	-	1,650	397,216	398,866
Total expenditures	<u>36,696</u>	<u>382,631</u>	<u>398,875</u>	<u>818,202</u>
<b>Excess of revenues over (under) expenditures</b>	<u>66,235</u>	<u>37,255</u>	<u>(295,495)</u>	<u>(192,005)</u>
<b>Other financing sources (uses):</b>				
GO Bond proceeds	-	-	108,250	108,250
Transfers	-	-	(51,000)	(51,000)
Total other financing sources	<u>-</u>	<u>-</u>	<u>57,250</u>	<u>57,250</u>
<b>Net change in fund balance</b>	66,235	37,255	(238,245)	(134,755)
<b>Fund balances:</b>				
Beginning	<u>134,038</u>	<u>171,820</u>	<u>846,170</u>	<u>1,152,028</u>
Ending	<u>\$ 200,273</u>	<u>209,075</u>	<u>607,925</u>	<u>1,017,273</u>

BELVIDERE PARK DISTRICT, ILLINOIS  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
**Museum Fund**

For the Year Ended December 31, 2016  
With Comparative Totals for the Year Ended December 31, 2015

	2016			2015
	Original & Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>				
Property taxes	\$ 100,000	99,889	(111)	99,904
Charges & fees	5,000	2,795	(2,205)	4,040
Interest	100	97	(3)	77
Other	-	150	150	600
	105,100	102,931	(2,169)	104,621
<b>Expenditures:</b>				
Current:				
Culture & recreation:				
Personnel	27,500	9,765	17,735	14,802
Contractual services	80,200	17,986	62,214	16,080
Material & supplies	15,000	8,945	6,055	22,444
Capital outlay	-	-	-	46,430
	122,700	36,696	86,004	99,756
<b>Net change in fund balance</b>	<b>\$ (17,600)</b>	66,235	<b>83,835</b>	4,865
<b>Fund balance:</b>				
Beginning		134,038		129,173
Ending		\$ 200,273		134,038

BELVIDERE PARK DISTRICT, ILLINOIS  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
**Special Recreation Fund**

For the Year Ended December 31, 2016  
With Comparative Totals for the Year Ended December 31, 2015

		2016			2015
	Original & Final Budget	Actual	Variance Positive (Negative)		Actual
<b>Revenues:</b>					
Property taxes	\$ 218,500	216,209	(2,291)		212,901
Charges & fees	141,900	188,375	46,475		155,471
Interest	200	101	(99)		98
Other	25,400	15,201	(10,199)		14,205
Total revenues	386,000	419,886	33,886		382,675
<b>Expenditures:</b>					
Current:					
Culture & recreation:					
Personnel	341,200	270,496	70,704		293,603
Contractual	41,100	22,625	18,475		26,769
Material & supplies	92,100	87,860	4,240		95,684
Capital outlay	2,000	1,650	350		-
Total expenditures	476,400	382,631	93,769		416,056
<b>Net change in fund balance</b>	<b>\$ (90,400)</b>	<b>37,255</b>	<b>127,655</b>		<b>(33,381)</b>
<b>Fund balance:</b>					
Beginning		171,820			205,201
Ending		\$ 209,075			171,820

BELVIDERE PARK DISTRICT, ILLINOIS  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
**Capital Projects Fund**

For the Year Ended December 31, 2016  
With Comparative Totals for the Year Ended December 31, 2015

	2016			2015
	Original & Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>				
Donations	\$ -	-	-	185,000
Grants	475,000	75,000	(400,000)	-
Interest	300	285	(15)	415
Other	10,000	28,095	18,095	26,335
Total revenues	485,300	103,380	(381,920)	211,750
<b>Expenditures:</b>				
Current:				
Culture & recreation:				
Contractual services	3,000	1,659	1,341	2,291
Capital outlay	771,000	397,216	373,784	1,265,039
Total expenditures	774,000	398,875	375,125	1,267,330
<b>Excess of revenues over (under) expenditures</b>	(288,700)	(295,495)	(6,795)	(1,055,580)
<b>Other financing sources (uses):</b>				
GO bond proceeds	95,000	108,250	13,250	1,415,000
Transfers	-	(51,000)	(51,000)	-
Total other financing sources	95,000	57,250	(37,750)	1,415,000
<b>Net change in fund balance</b>	\$ (193,700)	(238,245)	(44,545)	359,420
<b>Fund balance:</b>				
Beginning		846,170		486,750
Ending		\$ 607,925		846,170

BELVIDERE PARK DISTRICT, ILLINOIS  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
**Bond and Interest Fund**

For the Year Ended December 31, 2016  
With Comparative Totals for the Year Ended December 31, 2015

	2016			2015
	Original & Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>				
Property taxes	\$ 1,053,250	1,060,286	7,036	1,049,657
Interest	500	57	(443)	45
Total revenues	1,053,750	1,060,343	6,593	1,049,702
<b>Expenditures:</b>				
Debt service:				
Principal	1,025,000	1,025,000	-	1,035,000
Interest	28,250	8,200	20,050	5,692
Total expenditures	1,053,250	1,033,200	20,050	1,040,692
<b>Net change in fund balance</b>	\$ 500	27,143	26,643	9,010
<b>Fund balance:</b>				
Beginning		95,825		86,815
Ending		\$ 122,968		95,825



BELVIDERE PARK DISTRICT, ILLINOIS  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
**Alternate Bond and Interest Fund**  
 For the Year Ended December 31, 2016  
 With Comparative Totals for the Year Ended December 31, 2015

		2016		2015
	Original & Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>				
Interest	\$ 300	504	204	385
Total revenues	300	504	204	385
<b>Expenditures:</b>				
Debt Service:				
Principal payments	402,113	402,113	-	388,203
Interest payments	227,712	227,712	-	219,922
Total expenditures	629,825	629,825	-	608,125
<b>Excess of revenues over (under) expenditures</b>	(629,525)	(629,321)	204	(607,740)
<b>Other financing sources (uses):</b>				
GO bond proceeds	930,000	926,750	(3,250)	610,000
Total other financing sources	930,000	926,750	(3,250)	610,000
<b>Net change in fund balance</b>	\$ 300,475	297,429	(3,046)	2,260
<b>Fund balance:</b>				
Beginning		782,981		780,721
Ending		\$ 1,080,410		782,981

BELVIDERE PARK DISTRICT, ILLINOIS  
 Schedule of Revenues, Expenditures  
 and Changes in Fund Balance - Budget and Actual  
**2012 Alternate Bond Projects Fund**  
 For the Year Ended December 31, 2016  
 With Comparative Totals for the Year Ended December 31, 2015

	2016			2015
	Original & Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues:</b>				
Grants	\$ -	-	-	25,000
Interest	-	-	-	4,060
Other	-	-	-	-
Total revenues	-	-	-	29,060
<b>Expenditures:</b>				
Capital Outlay	-	-	-	2,645,791
Total expenditures	-	-	-	2,645,791
<b>Excess of revenues over (under) expenditures</b>	-	-	-	(2,616,731)
<b>Other financing sources (uses):</b>				
Transfers	-	-	-	(32,378)
Total other financing sources	-	-	-	(32,378)
<b>Net change in fund balance</b>	\$ -	-	-	(2,649,109)
<b>Fund balance:</b>				
Beginning		-		2,649,109
Ending		\$ -		-

**BELVIDERE PARK DISTRICT, ILLINOIS**  
**Assessed Valuations and Property Tax Rates**  
**Extensions and Collections**

	Tax Years		
	2015	2014	2013
Total Assessed Valuation	\$ 545,138,319	538,440,857	543,206,248
Rate Setting Assessed Valuation	\$ 541,276,075	533,022,274	534,043,191
<b>Tax rates:</b>			
General	0.16242	0.15291	0.16010
Recreation	0.13808	0.13045	0.12665
Museum	0.01848	0.01877	0.01873
Social Security	0.02402	0.02120	0.01873
IMRF	0.01903	0.01914	0.02023
Liability	0.02587	0.04691	0.03746
Audit	0.00241	0.00226	0.00225
Joint Handicap Rec.	0.04000	0.04000	0.04000
Bond & Interest	0.19616	0.19721	0.19820
	<u>0.62647</u>	<u>0.62885</u>	<u>0.62235</u>
<b>Tax extensions:</b>			
General Fund	879,141	815,044	855,003
Recreation Fund	747,394	695,328	676,366
Museum Fund	100,028	100,048	100,026
Social Security	130,015	113,001	100,026
IMRF	103,005	102,020	108,037
Liability Fund	140,028	250,041	200,053
Audit Fund	13,045	12,046	12,016
Joint Handicap Rec.	216,510	213,209	213,617
Bond & Interest	1,061,767	1,051,173	1,058,474
	<u>3,390,932</u>	<u>3,351,911</u>	<u>3,323,618</u>
<b>Tax Collections:</b>			
General Fund	877,906	813,872	852,468
Recreation Fund	746,352	694,325	674,363
Museum Fund	99,889	99,904	99,731
Social Security	129,834	112,837	99,731
IMRF	102,863	101,875	107,718
Liability Fund	139,833	249,679	199,459
Audit Fund	13,027	12,029	11,979
Joint Handicap Rec.	216,209	212,901	212,986
Bond & Interest	1,060,286	1,049,657	1,055,338
	<u>\$ 3,386,199</u>	<u>3,347,079</u>	<u>3,313,773</u>
Percent Collected	<u>99.9%</u>	<u>99.9%</u>	<u>99.7%</u>

BELVIDERE PARK DISTRICT, ILLINOIS  
**Schedule of Legal Debt Margin**  
December 31, 2016

	2016 <u>for tax year 2015</u>	2015 <u>for tax year 2014</u>
Assessed Valuations	\$ <u>541,276,075</u>	<u>533,022,274</u>
Statutory Debt Limitation (2.875 % of Assessed Valuation)	<u>15,561,687</u>	<u>15,324,390</u>
Amount of debt applicable to debt limit:		
General obligation bonds	2,035,000	2,025,000
General obligation alternate revenue bonds	6,585,000	6,905,000
Agreement for deed	<u>275,634</u>	<u>357,747</u>
Total debt applicable to limit	8,895,634	9,287,747
Less: assets in debt service funds available for payment on debt	<u>1,203,378</u>	<u>878,806</u>
Net debt applicable to limit	<u>7,692,256</u>	<u>8,408,941</u>
Legal debt margin	\$ <u><u>7,869,431</u></u>	<u><u>6,915,449</u></u>

BELVIDERE PARK DISTRICT, ILLINOIS  
**Schedule of Non-Referendum Bond Debt Margin**  
December 31, 2016

	2016 <u>for tax year 2015</u>	2015 <u>for tax year 2014</u>
Assessed Valuations	\$ <u>541,276,075</u>	<u>533,022,274</u>
Statutory Debt Limitation (0.575 % of Assessed Valuation)	<u>3,112,337</u>	<u>3,064,878</u>
Amount of debt applicable to debt limit: General obligation bonds	<u>2,035,000</u>	<u>2,025,000</u>
Total debt applicable to limit	2,035,000	2,025,000
Less: assets in debt service funds available for payment on debt	<u>1,203,378</u>	<u>878,806</u>
Net debt applicable to limit	<u>831,622</u>	<u>1,146,194</u>
Legal debt margin	\$ <u>2,280,715</u>	<u>1,918,684</u>