

**CANTON PARK DISTRICT
CANTON, ILLINOIS**

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2017

MYERS & MYERS CPAs, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

CANTON PARK DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Canton Park District

We have audited the accompanying modified cash basis financial statements of governmental activities, each major fund, and aggregate remaining fund information of the Canton Park District as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Park District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's 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. These standards require that we plan and perform the audit and obtain reasonable assurance about whether the financial statements are free of 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 modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Canton Park District as of December 31, 2017, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

Basis of Accounting

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

Other Matters

Other Supplementary Information

The Illinois Municipal Retirement Fund – Schedule of Funding Progress on page 26 is 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 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 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 Canton Park District's basic financial statements. The major funds budgetary comparison schedules on pages 27 through 33, the nonmajor governmental funds statements on pages 34 through 35, the combined special revenue statements on pages 36 through 39, the nonmajor budget and actual statements on pages 40 through 41, and the tax levy data on page 42, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The major funds budgetary comparison schedules on pages 27 through 33, the nonmajor governmental funds statements on pages 34 through 35, the combined special revenue statements on pages 36 through 39, and the nonmajor budget and actual statements on pages 40 through 41 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements for special revenue funds, individual major and nonmajor governmental fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The tax levy data schedule on page 42 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 them.

Myers & Myers CPAs, Ltd.

Myers & Myers CPAs, Ltd
Beardstown, Illinois
July 19, 2018

**CANTON PARK DISTRICT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2017**

	Governmental Activities
ASSETS:	
Cash and cash equivalents	\$ 1,453,421
Certificates of deposit	29,781
Capital assets (Note C):	
Non-depreciable	1,928,134
Depreciable, net	6,842,092
Total Assets	10,253,428
LIABILITIES:	
Rental security deposit	200
Long-term debt (Note D):	
Due within one year	410,000
Due in more than one year	640,000
Total Liabilities	1,050,200
NET POSITION:	
Net investment in capital assets	7,720,226
Restricted for:	
Debt service	22,219
Insurance coverages	202,043
Recreation programs	196,194
Airport operations	221,173
Capital asset acquisitions	13,158
Employee benefit programs	160,832
Permanent fund principal	18,498
Unrestricted	648,885
Total net position	\$ 9,203,228

**CANTON PARK DISTRICT
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants & Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
General government	682,728	\$ 45,481	\$ 63,125	\$ (574,122)
Public safety - police	40,528	4,086	-	(36,442)
Swimming pool/recreation center	271,246	116,095	-	(155,151)
Other recreation programs	366,709	48,205	-	(318,504)
Park maintenance	275,019	26,717	-	(248,302)
Airport	304,461	194,561	7,277	(102,623)
Interest on debt	55,600	-	-	(55,600)
 Total governmental activities	 <u>\$ 1,996,291</u>	 <u>\$ 435,145</u>	 <u>\$ 70,402</u>	 <u>\$ (1,490,744)</u>
 General revenues:				
Property taxes				1,289,961
Corporate replacement taxes				76,101
Grants and contributions not restricted to specific programs				347,671
Investment income				2,381
Insurance recoveries				153,628
Miscellaneous				12,473
 Total general revenues				 <u>1,882,215</u>
 Change in net position				 391,471
 Net position, beginning of year				 <u>8,811,757</u>
 Net position, end of year				 <u>\$ 9,203,228</u>

**CANTON PARK DISTRICT
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	General Fund	Recreation Fund	Airport Fund	IMRF/ Social Security Fund
ASSETS:				
Cash and cash equivalents	\$ 843,863	\$ 192,176	\$ 221,173	\$ 160,832
Certificates of deposit	7,265	4,018	-	-
Total Assets	\$ 851,128	\$ 196,194	\$ 221,173	\$ 160,832
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Other	200	-	-	-
Total liabilities	200	-	-	-
Fund balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted:				
Insurance coverages	202,043	-	-	-
Parks and recreation programs	-	196,194	-	-
Airport operations	-	-	221,173	-
Employee benefit program	-	-	-	160,832
Debt service reserve	-	-	-	-
Other capital projects	-	-	-	-
Committed:				
20th Avenue project	-	-	-	-
Bike trail project	-	-	-	-
Unassigned	648,885	-	-	-
Total fund balances	850,928	196,194	221,173	160,832
Total Liabilities and Fund Balances	\$ 851,128	\$ 196,194	\$ 221,173	\$ 160,832

G.O. Park Bonds Debt Service Fund	Nonmajor Funds	Total Governmental Funds
\$ 8,255	\$ 27,122	\$ 1,453,421
-	18,498	29,781
<u>\$ 8,255</u>	<u>\$ 45,620</u>	<u>\$ 1,483,202</u>
-	-	200
-	-	200
-	18,498	18,498
-		202,043
-		196,194
-		221,173
-	-	160,832
8,255	13,964	22,219
-	13,158	13,158
-		16,000
-		-
-		632,885
<u>8,255</u>	<u>45,620</u>	<u>1,483,002</u>
<u>\$ 8,255</u>	<u>\$ 45,620</u>	<u>\$ 1,483,202</u>

**CANTON PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND
FUND BALANCES - MODIFIED CASH BASIS GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2017**

Fund balances - total governmental funds		\$ 1,483,002
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	16,242,121	
Less accumulated depreciation	<u>(7,471,895)</u>	8,770,226

Some liabilities, including capital debt obligations payable, are not due and payable in the current period and, therefore, are not reported in the funds.

(1,050,000)

Net position of governmental activities

\$ 9,203,228

**CANTON PARK DISTRICT
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Fund	Recreation Fund	Airport Fund	IMRF/ Social Security Fund
REVENUES COLLECTED:				
Property taxes	\$ 405,141	\$ 101,828	\$ -	\$ 134,957
Corporate replacement taxes	-	59,805	-	16,296
Charges for services	26,717	164,300	135,642	-
Fines and forfeitures	4,086	-	-	-
Government grants	63,125	-	7,277	-
Rental income	45,481	-	58,919	-
Interest income	1,216	320	338	171
Trust fund income and donations	347,589	82	-	-
Insurance proceeds	153,628	-	-	-
Miscellaneous income	6,640	5,212	621	-
Total revenues collected	<u>1,053,623</u>	<u>331,547</u>	<u>202,797</u>	<u>151,424</u>
EXPENDITURES PAID				
Current:				
General government	536,767	-	-	95,534
Public safety - police	33,666	-	-	-
Swimming pool/recreation center	-	146,952	-	-
Other recreation programs	12,407	161,202	-	-
Park maintenance	247,722	-	-	-
Airport	-	-	193,583	-
Capital outlay	109,939	16,937	13,768	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures paid	<u>940,501</u>	<u>325,091</u>	<u>207,351</u>	<u>95,534</u>
Excess (deficiency) in revenues collected over (under) expenditures paid	113,122	6,456	(4,554)	55,890
Fund balance - beginning of year	<u>\$ 737,806</u>	<u>\$ 189,738</u>	<u>\$ 225,727</u>	<u>\$ 104,942</u>
Fund balance - end of year	<u><u>\$ 850,928</u></u>	<u><u>\$ 196,194</u></u>	<u><u>\$ 221,173</u></u>	<u><u>\$ 160,832</u></u>

G.O. Park Bonds Debt Service Fund	Nonmajor Funds	Total Governmental Funds
\$ 423,037	\$ 224,998	\$ 1,289,961
-	-	76,101
-	-	326,659
-	-	4,086
-	-	70,402
-	-	104,400
158	178	2,381
-	-	347,671
-	-	153,628
-	-	12,473
<u>423,195</u>	<u>225,176</u>	<u>2,387,762</u>
-	500	632,801
-	-	33,666
-	-	146,952
-	-	173,609
-	-	247,722
-	-	193,583
-	85,950	226,594
405,000	200,000	605,000
27,450	28,150	55,600
<u>432,450</u>	<u>314,600</u>	<u>2,315,527</u>
(9,255)	(89,424)	72,235
<u>\$ 17,510</u>	<u>\$ 135,044</u>	<u>\$ 1,410,767</u>
<u>\$ 8,255</u>	<u>\$ 45,620</u>	<u>\$ 1,483,002</u>

**CANTON PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES COLLECTED,
EXPENDITURES PAID, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Net change in fund balances - total governmental funds	\$	72,235
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the estimated useful lives of those assets:

Capital asset purchases capitalized		150,608
Depreciation expense		(436,372)

The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Retirement of long-term debt		<u>605,000</u>
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Change in net position of governmental activities	\$	<u><u>391,471</u></u>
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CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. The Reporting Entity

The Canton Park District (the “Park District”) is located in the city of Canton, Illinois, County of Fulton. The Park District offers many parks, facilities, sporting leagues, and more for the residents of Canton. The Park District is governed by an elected, five member Board of Commissioners who serve on a volunteer basis. The Park District was organized in 1923, and currently manages approximately 1,400 acres.

The Park District’s financial statements are presented on a modified cash basis of accounting. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Generally accepted accounting principles includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The Park District, for financial reporting purposes, includes all funds and account groups relevant to the operation of the Park District. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Park District.

The financial statements of the Park District include those of separately administered organizations that are controlled by or dependent on the Park District. Control or dependence is determined on the basis of budget adoption, taxing authority, fund and appointment of the respective governing board. All funds of the Park District and component units share the same fiscal year ending of April 30.

Based on the foregoing criteria, the Park District has no component units.

2) Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Position – modified cash basis, and Statement of Activities – modified cash basis, display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Park District only maintains governmental funds. It presently has no proprietary or fiduciary fund types.

Fund Financial Statements:

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

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies

2. Basis of Presentation (continued)

Funds are organized into two major categories: governmental, and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. As mentioned previously, the Park District current does not have any proprietary funds. A fund is considered major if it is the primary operating fund of the Park District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding totals for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major Governmental Funds of the Park District are described below:

General Fund

The General Fund is the primary operating fund of the Park District and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Recreation Fund

The Recreation Fund is a special revenue fund that is used to account for taxes levied, and charges for services collected, for the purpose of providing recreational activities, including the swimming pool and athletic programs.

Airport Fund

The Airport Fund is a special revenue fund that is used to account for rental and fuel revenue and the related maintenance and fuel purchases for the Airport.

IMRF and Social Security Fund

The IMRF and Social Security Fund is a special revenue fund that is used to account for property taxes legally received and expenditures paid for Social Security taxes and the Park District's retirement plan contributions to the Illinois Municipal Retirement Fund.

G.O. Park Bonds Debt Service Fund

The G.O. Park Bonds Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs for the General Obligation Park Bonds Series 2014, used for capital projects.

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies

2. Basis of Presentation (continued)

The Park District reports the following nonmajor governmental funds:

Capital Projects Fund

The Capital Projects Fund is used to account for resources (bond proceeds, grants, etc.) restricted for the acquisition or construction of specific capital projects or items.

Pool Bonds Debt Service Fund

The Pool Bonds Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs for the General Obligation Park Bonds Series 2012 A, used for pool project costs.

Permanent Fund

The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the Park District's programs. The Park District's permanent funds consist of \$8,498 from the U.G. Orendorff Trust and \$10,000 from the Hulit Estate Trust.

3. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial* resources or *economic* resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Measurement Focus

On the government-wide financial statements, governmental activities are reported using the economic resources measurement focus and the modified cash basis of accounting. Revenues are recorded when received and expenses are recorded when paid, within the limitation of the modified cash basis of accounting.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies

3. Measurement Focus and Basis of Accounting (continued)

Basis of Accounting

In the government-wide financial statements and the governmental fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund balance, revenues, and expenditures/expenses when they result from cash transactions with a provision for capitalization and depreciation of capital asset acquisitions, in the government-wide statements. In addition, employee benefit plan withholdings are reported as a liability in the government-wide financial statements and the fund financial statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as intergovernmental tax source receivables, accounts receivable and revenue for billed and provided services not yet collected), and certain liabilities and their related expenses (such as accounts payable and expenses for goods and services received but not paid yet, and accrued expenses and liabilities) are not recorded in these financial statements.

If the Park District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

4. Cash and Cash Equivalents

For purposes of the financial reporting, cash and cash equivalents includes cash, amounts in demand deposits, savings accounts and certificates of deposit with an initial maturity of three months or less.

5. Capital Assets

The Park District's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. Depreciation is reported only on the government-wide financial statements. The accounting treatment over property, plant, and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

Government - wide Statements:

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as capital assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies

5. Capital Assets (continued)

A capitalization threshold of \$2,500 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

<u>Type of Capital Asset</u>	<u>Estimated useful live (years)</u>
Buildings	25-40
Improvements other than buildings	10-30
Machinery, furniture, and equipment	7-25
Infrastructure	40

Fund Financial Statements:

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

6. Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements:

Interfund activity, if any, within and among the governmental fund categories is reported as follows in the fund financial statements:

1. Interfund reimbursements - repayments from funds responsible for certain expenditures to the funds that initially paid for them are not reported as reimbursements but as adjustments to revenues or expenditures as appropriate.
2. Interfund transfers - flow of assets from one fund to another where repayment is not expected are reported as transfers in and out. There were no interfund services performed during the year and no interfund loans at December 31, 2017.

Government-Wide Financial Statements:

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements. Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities

7. Net Position and Fund Balances

In the government-wide financial statements, the difference between the Park District's total assets and total liabilities represents net position. Net position displays three components – net investment in capital assets,

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies
7. Net Position and Fund Balances (continued)

restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net position represent the net position available for future operations.

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Park District board of commissioners through approval of resolutions. Committed fund balance can be assigned for other uses only by similar action of the Park District board of commissioners. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

8. Fund Balance Flow Assumption

Sometimes the Park District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Park District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Net Position Flow Assumption

Sometimes the Park District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Park District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

10. Revenues and Expenditures/Expenses

Program Revenues:

Amounts reported as program revenues include:

- (1) Public safety (police) – fines and restitution;
- (2) Swimming pool/recreation center – user fees, contributions;
- (3) Recreation other than pool – user fees;
- (4) Park maintenance – farm and house rentals; and
- (5) Airport – gasoline sales, hangar rental, and farm rental.

All other governmental revenues are reported as general revenues. All taxes, including those dedicated for specific purposes, are reported as general revenues.

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note A. Summary of Significant Accounting Policies

10. Revenues and Expenditures/Expenses (cont.)

Property Taxes

Property Taxes attach as an enforceable lien as of January 1. Taxes are assessed on January 1, and are due and payable in two installments. Installments are due in the months of June and September. The property tax levy ordinance for 2016 collected in 2017 was adopted by the board of commissioners on December 19, 2016.

The Fulton county treasurer bills and collects the tax and remits to the Park District its portion. Distributions are received each month from June through November. Property tax revenues are recorded as revenue when received in both the fund financial statements and the government-wide financial statements.

11. Estimates

The preparation of financial statements on the modified cash basis of accounting require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE B. CASH

1. Authorization of Investments

State statutes authorize the Park District to invest in (1) bonds, notes, certificates of indebtedness, treasury bills or other securities of the United States of America or which are guaranteed by the United States of America; (2) in interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (3) in short term obligations of corporations organized in the United States of America with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than one-third of the public agency's funds may be invested in short term obligations of corporations; or (4) in money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in (1) above and to agreements to repurchase such obligations, (5) in interest bearing bonds of any county, Park District, city, Park District, incorporated town, municipal corporation, or school district of the state of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law, (6) in a Public Treasurers Investment Pool created under Section 17 of the State Treasurer Act, or (7) in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

The Park District has not adopted an investment policy but follows the state statutes for allowable investments.

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE B. – Cash (continued)

2. Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Park District's deposits may not be returned or the Park District will not be able to recover collateral securities in the possession of an outside party. State law requires the Park District's bank deposits to be secured by the financial institution. The value of the pledged collateral must amount to the total of the Park District's deposit accounts not insured by the Federal Deposit Insurance Corporation (FDIC). Deposits are insured by the FDIC in the amount of \$250,000.

As of December 31, 2017, the Park District's bank balance was \$1,475,719, including certificates of deposit in the amount of \$29,780. Of the total balance, \$250,000 is fully insured by the Federal Deposit Insurance Corporation (FDIC). The remaining balance of \$1,225,719 is secured by pledged securities by the financial institution's trust department in the Park District's name. The carrying values of the Park District's cash balances were \$1,475,719.

3. Deposits

Total deposits, consisting of cash and certificates of deposit, are reported on the statement of net position and the balance sheet at December 31, 2017, as follows:

Cash deposited with financial institutions	\$1,445,938
Petty cash	<u>7,483</u>
Total Cash	<u>\$1,453,421</u>
Certificates of deposit with financial institutions	\$ <u>29,781</u>
	<u>\$1,483,200</u>

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE C. CAPITAL ASSETS

Capital asset activity for year ended December 31, 2017, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,910,284	\$ -	\$ -	\$ 1,910,284
Total capital assets not being depreciated	1,910,284	-	-	1,910,284
Capital assets being depreciated:				
Buildings	4,836,905	-	-	4,836,905
Other improvements	2,107,139	150,608	-	2,257,747
Machinery and equipment	2,525,234	-	-	2,525,234
Infrastructure	4,711,951	-	-	4,711,951
Total capital assets being depreciated	14,181,229	150,608	-	14,331,837
Less - accumulation depreciation for:				
Buildings	2,334,510	114,657	-	2,449,167
Other improvements	1,101,429	106,632	-	1,208,061
Machinery and equipment	1,666,279	119,405	-	1,785,684
Infrastructure	1,933,305	95,678	-	2,028,983
Total accumulation depreciation	7,035,523	436,372	-	7,471,895
Total capital assets being depreciated, net	7,145,706	(285,764)	-	6,859,942
Governmental Activities Capital Assets, Net	<u>\$ 9,055,990</u>	<u>\$ (285,764)</u>	<u>\$ -</u>	<u>\$ 8,770,226</u>

In the Statement of Activities, depreciation expense was charged to the following functions:

Governmental Activities:	
General government	\$ 4,646
Public safety - police protection	6,862
Swimming pool/recreation center	124,294
Other recreation programs	176,163
Park maintenance	27,298
Airport	97,109
Total Depreciation Expense - Governmental Activities	<u>\$ 436,372</u>

CANTON PARK DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE D. LONG-TERM DEBT

The following is a summary of long-term debt of the Park District for the year ended December 31, 2017:

	Beginning Balance	Issued	Retired	Ending Balance
General obligation bonds	\$ 1,655,000	\$ -	\$ 605,000	\$ 1,050,000
Bonds payable within one year				\$ 410,000

Bonds payable at December 31, 2017, is comprised of the following issues:

(1) 2012 A General Obligation Park Bonds (for pool project) due in annual principal installments of \$190,000 to \$215,000 through December 1, 2021; interest at 2.5% - 3.0%, payable June 1 and December 1.	\$ 845,000
(2) 2016 A General Obligation Park Bonds due in annual principal installments of \$405,000 and \$205,000 on December 1, 2017 and 2018, respectively; interest at 4.5% payable June 1 and December 1.	\$ 205,000
Total long-term debt	\$ 1,050,000

The annual requirements to amortize all debts outstanding as of December 31, 2017, are as follows:

Year ending December 31	Principal	Interest	Total
2018	\$ 410,000	\$ 31,375	\$ 441,375
2019	210,000	16,000	226,000
2020	215,000	10,750	225,750
2021	215,000	5,375	220,375
	1,050,000	63,500	1,113,500

The legal debt margin for general obligation debt as of December 31, 2017, is calculated as follows:

Assessed valuation, 2017 tax levy	\$ 139,348,992
Percentage limit	2.875%
General obligation debt limit	\$ 4,006,284
General obligation bonds payable at December 31, 2017	1,050,000
Legal debt balance remaining	\$ 2,956,284

CANTON PARK DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE E. DEFINED BENEFIT PENSION PLAN

The following disclosures are not reported in the financial statements due to the financial statements being prepared on the modified-cash basis of accounting, as described in Note A.

Illinois Municipal Retirement Fund.

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

Funding Policy: As set by statute, the Park District Regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for the calendar year 2017 was 12.33 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost: The required contribution for calendar year 2017 was \$46,370.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2017	\$ 46,370	100%	\$0
12/31/2016	\$ 102,268	100%	\$0
12/31/2015	\$ 114,608	100%	\$0

The required contribution for 2017 was determined as part of the December 31, 2015, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2015, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% a year, attributable to inflation, c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of the Park District's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Park District Regular plan's unfunded actuarial accrued liability at December 31, 2015, is being amortized as a level percentage of projected payroll on an open 26 year basis.

Funding Status and Funding Progress: As of December 31, 2017, the most recent actuarial valuation date, the Regular plan was 75.39 percent funded. The actuarial accrued liability for benefits was \$1,005,824 and the

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note E - Defined Benefit Pension Plan continued.

actuarial value of assets was \$758,261, resulting in an underfunded actuarial accrued liability (UAAL) of \$247,563. The covered payroll for calendar year 2017 (annual payroll of active employees covered by the plan) was \$376,074 and the ratio of the UAAL to the covered payroll was 66 percent.

The schedule of funding progress, presented as Other Information following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

NOTE F - OTHER POST EMPLOYMENT BENEFITS (OPEB).

The effects of GASB Statement No. 68 are not recorded in the financial statements due to the statements being prepared on the modified-cash basis of accounting, which incorporates a pay-as-you-go funding policy.

Summary of Results.

Actuarial Valuation Date	December 31, 2017
Measurement Date of the Net Pension Liability	December 31, 2017
Fiscal Year End	December 31, 2018

Membership:

Number of:		
Retirees and beneficiaries	9	
Inactive, non-retired members	3	
Active members	9	
Total	21	
Covered valuation payroll	\$ 376,074	

Net Pension Liability

Total pension liability/(asset)	\$ 3,925,495
Plan fiduciary net position	3,860,690
Net pension liability/(asset)	\$ 64,805
Plan fiduciary net position as a percentage of the total pension liability	98.35%
Net pension liability as a percentage of covered valuation payroll	17.23%

Development of the Single Discount Rate as of December 31, 2017

Long-term expected rate of investment return	7.50%
Long-term municipal bond rate	3.31%
Last year ending December 31 in the in the 2018 to 2117 projection period for which projected benefit payments are fully funded	2117
Resulting single discount rate based on the above development	7.50%

Single Discount Rate calculated using December 31, 2016 Measurement Date	7.50%
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CANTON PARK DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

Note F - Other Post Employment Benefits (OPEB) Continued.

Total Pension Expense/(Income) \$ 126,887

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 156,545	\$ -
Changes in assumptions	34,209	121,814
Net difference between projected and actual earnings on pension plan investments	111,176	298,932
Total	\$ 301,930	\$ 420,746

CANTON PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE G. RISK MANAGEMENT

The Park District, via an intergovernmental agreement with the City of Canton, participates in a group medical insurance plan on a pay-as-you-go basis. The plan is fully insured premium based health insurance plan that provides coverage to all eligible Park District employees.

The Park District, together with several other Illinois local governments, participates in the Illinois Counties Risk Management Trust, a public entity risk pool that operates a common risk management and insurance program. The Park District purchases general liability insurance through this risk pool for all liability coverage except that related to the Airport.

The pool is to be self-sustaining through member premiums and reinsures through commercial companies for claims in excess of \$25,000 for errors or omissions and in excess of \$50,000 for general liability, for each insured event. Settled claims of the risk pools did not exceed plan assets during the past year.

Commercial insurance is purchased for all other risks of loss. Insurance claims have not exceeded settlements in each of the past three years.

NOTE H. VACATION BENEFITS

Accumulated unpaid vacation benefits for all Park District employees as of December 31, 2017, totaled \$55,879. This amount is not reflected in the financial statements due to the statements being prepared on the modified-cash basis of accounting.

NOTE I. SUBSEQUENT EVENTS

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management has evaluated the activity of the Park District through July 19, 2018, the date which the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**CANTON PARK DISTRICT
 EMPLOYER NUMBER: 03285R
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ©	UAAL as a Percentage of Covered Payroll ((b-a) /c)
12/31/2017	\$758,261	\$1,005,824	\$247,563	75.39	\$376,074	65.83
12/31/2016	\$1,071,043	\$1,380,299	\$309,256	77.59	\$389,444	79.41
12/31/2015	\$913,669	\$1,282,605	\$368,936	71.24	\$393,437	93.77

On a market value basis, the actuarial value of assets as of December 31, 2017 is \$965,409.

On a market basis, the funded ratio would be 95.98%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Canton Park District. They do not include amounts for retirees.

The actuarial accrued liability for retirees is 100% funded.

**CANTON PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
EXPENDITURE PAID - MODIFIED CASH BASIS -GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES COLLECTED:			
Property taxes	\$ 402,100	\$ 405,141	\$ 3,041
Federal and state grants	80,000	63,125	(16,875)
Lakeland park fees and sales	20,700	17,978	(2,722)
Rentals - houses and farms	43,600	45,481	1,881
Golf range fees	10,000	8,739	(1,261)
Earnings on investments	300	1,216	916
Trust fund income and donations	389,000	347,589	(41,411)
Citations and fines	2,500	4,086	1,586
Insurance recoveries	-	153,628	153,628
Miscellaneous income	6,000	6,640	640
	<u>954,200</u>	<u>1,053,623</u>	<u>99,423</u>
EXPENDITURES PAID:			
Current:			
Administration:			
Salaries	232,000	237,036	(5,036)
Contractual services	301,000	295,862	5,138
Materials and supplies	4,000	3,796	204
Other expenses	17,250	73	17,177
Total administration	<u>554,250</u>	<u>536,767</u>	<u>17,483</u>
Golf driving range:			
Salaries	8,200	8,260	(60)
Contractual services	750	827	(77)
Materials and supplies	7,000	3,320	3,680
Other expenses	-	-	-
Total golf driving range	<u>15,950</u>	<u>12,407</u>	<u>3,543</u>
Park maintenance:			
Salaries	128,000	92,770	35,230
Contractual services	30,900	21,996	8,904
Materials and supplies	80,000	77,319	2,681
Other expenses	6,000	6,478	(478)
Total park maintenance	<u>244,900</u>	<u>198,563</u>	<u>46,337</u>

CANTON PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
EXPENDITURE PAID - MODIFIED CASH BASIS -GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Park police:			
Salaries	\$ 25,000	\$ 27,749	\$ (2,749)
Contractual services	-	-	-
Materials and supplies	3,000	1,817	1,183
Other expenses	8,000	4,100	3,900
Total park police	<u>36,000</u>	<u>33,666</u>	<u>2,334</u>
Lakeland Park:			
Salaries	32,000	31,479	521
Contractual services	7,000	3,696	3,304
Materials and supplies	15,000	10,609	4,391
Other expenses	9,000	3,375	5,625
Total Lakeland Park	<u>63,000</u>	<u>49,159</u>	<u>13,841</u>
Capital outlay:			
Land	140,192	-	140,192
Park improvements	394,650	29,540	365,110
Hiking/biking trails	125,000	76,566	48,434
Vehicles	10,000	3,833	
Machinery and equipment	150,000	-	150,000
Total capital outlay	<u>819,842</u>	<u>109,939</u>	<u>703,736</u>
Total expenditures paid	<u>1,733,942</u>	<u>940,501</u>	<u>793,441</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (779,742)</u>	113,122	<u>\$ 892,864</u>
Fund balance, beginning of year		<u>737,806</u>	
Fund balance, end of year		<u>\$ 850,928</u>	

**CANTON PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
EXPENDITURES PAID - MODIFIED CASH BASIS - RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES COLLECTED:			
Property taxes	\$ 103,000	\$ 101,828	\$ (1,172)
Corporate replacement taxes	60,000	59,805	(195)
Pool fees	105,500	116,095	10,595
Other recreation fees	38,400	35,830	(2,570)
Park rentals	9,000	12,375	3,375
Earnings on investments	200	320	120
Donations	5,000	82	(4,918)
Miscellaneous income	1,500	5,212	3,712
	<u>322,600</u>	<u>331,547</u>	<u>8,947</u>
EXPENDITURES PAID:			
Current:			
Pool/Recreation Center			
Salaries	78,000	75,048	2,952
Contractual services	34,750	31,036	3,714
Materials and supplies	46,900	40,646	6,254
Other expenses	500	222	278
Total pool/recreation center	<u>160,150</u>	<u>146,952</u>	<u>13,198</u>
Other recreation:			
Salaries	99,500	80,131	19,369
Contractual services	54,900	48,611	6,289
Materials and supplies	36,750	32,397	4,353
Other expenses	350	63	287
Total golf driving range	<u>191,500</u>	<u>161,202</u>	<u>30,298</u>
Capital outlay:			
Land	111,452	-	111,452
Pool	22,500	8,146	14,354
Vehicles	10,000	3,833	6,167
Machinery and equipment	13,500	4,958	8,542
Total capital outlay	<u>157,452</u>	<u>16,937</u>	<u>140,515</u>
Total expenditures paid	<u>509,102</u>	<u>325,091</u>	<u>184,011</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (186,502)</u>	6,456	<u>\$ 192,958</u>
Fund balance, beginning of year		<u>189,738</u>	
Fund balance, end of year		<u>\$ 196,194</u>	

**CANTON PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
EXPENDITURES PAID - MODIFIED CASH BASIS - AIRPORT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES COLLECTED:			
Government grants	\$ 100,000	\$ 7,277	\$ (92,723)
Gasoline sales	100,000	97,515	(2,485)
Parts sales	4,000	2,102	(1,898)
Hangar rental	35,000	33,416	(1,584)
Farm rentals	58,000	58,919	919
Earnings on investments	300	338	38
Miscellaneous income	5,500	3,230	(2,270)
Total revenues collected	<u>302,800</u>	<u>202,797</u>	<u>(100,003)</u>
EXPENDITURES PAID			
Current:			
Operations:			
Salaries	64,500	59,604	4,896
Contractual services	32,500	29,707	2,793
Materials and supplies	114,500	91,366	23,134
Other expenses	16,200	12,906	3,294
Total pool/recreation center	<u>227,700</u>	<u>193,583</u>	<u>34,117</u>
Capital outlay:			
Land improvements	158,100	9,935	148,165
Vehicles	20,000	3,833	16,167
Machinery and equipment	15,000	-	15,000
Total capital outlay	<u>193,100</u>	<u>13,768</u>	<u>179,332</u>
Total expenditures paid	<u>420,800</u>	<u>207,351</u>	<u>213,449</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>\$ (118,000)</u>	<u>(4,554)</u>	<u>\$ 113,446</u>
Fund balance, beginning of year		<u>225,727</u>	
Fund balance, end of year		<u>\$ 221,173</u>	

**CANTON PARK DISTRICT
 BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
 EXPENDITURES PAID - MODIFIED CASH BASIS
 IMRF AND SOCIAL SECURITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES COLLECTED			
Property taxes	\$ 85,000	\$ 134,957	\$ 49,957
Corporate replacement taxes	15,000	16,296	1,296
Earnings on investments	200	171	(29)
Total revenues collected	100,200	151,424	51,224
EXPENDITURES PAID:			
Current:			
IMRF contributions	120,000	48,663	71,337
Social Security contributions	52,000	46,871	5,129
Total expenditures paid	172,000	95,534	76,466
Excess (deficiency) of revenues collected over expenditures paid	\$ (71,800)	55,890	\$ 127,690
Fund balance, beginning of year		104,942	
Fund balance, end of year		\$ 160,832	

**CANTON PARK DISTRICT
 BUDGETARY COMPARISON SCHEDULE OF REVENUES COLLECTED AND
 EXPENDITURES PAID - MODIFIED CASH BASIS
 G.O. PARK BONDS DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES COLLECTED:			
Property taxes	\$ 193,800	\$ 423,037	\$ 229,237
Earnings on investments	100	158	58
Total revenues collected	193,900	423,195	229,295
EXPENDITURES PAID:			
Current:			
Administration	500	-	500
Debt service:			
Principal	195,500	405,000	(209,500)
Interest	-	27,450	(27,450)
Total expenditures paid	196,000	432,450	(236,450)
Excess (deficiency) of revenues collected over expenditure paid	\$ (2,100)	(9,255)	\$ (7,155)
Fund balance, beginning of year		17,510	
Fund balance, end of year		\$ 8,255	

**CANTON PARK DISTRICT
NOTES TO BUDGETARY COMPARISON SCHEDULES
DECEMBER 31, 2017**

BUDGET LAW

In conformity with Illinois Park District Code, the Park District adopts its annual combined budget and appropriation ordinance during the first quarter of its fiscal year. The Illinois Park District Code requires the executive director to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing January 1. The ordinance must be available for public inspection for at least 30 days prior to final action. At least one public hearing is conducted to obtain taxpayer comments. Notice of this hearing must be given in a newspaper published in the district at least one week before the hearing. Following the hearing, and before March 31 of the fiscal year commencing the previous January 1, the Board can approve and pass the ordinance. The adopted budget is filed with the county clerk within 30 days after the ordinance has been adopted, along with an estimate of anticipated revenue. The budget and appropriation ordinance was adopted on December 19, 2016.

After six months, the Board has the authority to make transfers between some funds and also between various items in any one fund. A two-thirds vote is required to make the transfers. Transfers cannot exceed 10 percent, in the aggregate of the total amount appropriated for the fund or item that is being reallocated. The Board may amend the ordinance in the same formality observed when adopting the original ordinance. There were no amendments to the original ordinance during the fiscal year.

The legal level of control of which expenditures may not legally exceed appropriations is the object level by department within the fund. The following object categories are the minimum legal level of control by department within a fund: salaries; contractual services; materials and supplies; other expenditures; capital outlay; debt service; and interfund transfers.

EXPENSES IN EXCESS OF APPROPRIATIONS:

The G.O. Park Bonds Debt Service Fund expenditures exceeded its appropriation for the following object categories:

<u>Object Category</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
Debt Service: Interest	<u>\$195,500</u>	<u>\$432,450</u>	<u>(\$209,500)</u>

BASIS OF ACCOUNTING

The combined budget and appropriation ordinance is prepared on the same modified-cash basis of accounting as applied to the governmental funds in the basic financial statements. This includes the major funds as presented on pages 27 through 32, and the nonmajor funds presented on pages 40 and 41.

**CANTON PARK DISTRICT
 COMBINING STATEMENT OF ASSETS AND FUND BALANCES -
 MODIFIED CASH BASIS
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2017**

	Capital Projects Fund	Pool Bonds Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
ASSETS:				
Cash and cash equivalents	\$ 13,964	\$ 13,158	\$ -	\$ 27,122
Certificates of deposit	-	-	18,498	18,498
	<u>13,964</u>	<u>13,158</u>	<u>18,498</u>	<u>45,620</u>
Total Assets	\$ 13,964	\$ 13,158	\$ 18,498	\$ 45,620
FUND BALANCES:				
Nonspendable:				
Permanent fund principal	-	-	18,498	18,498
Restricted:				
Debt service reserve	13,964	13,158	-	27,122
	<u>13,964</u>	<u>13,158</u>	<u>-</u>	<u>27,122</u>
Total Fund Balances	\$ 13,964	\$ 13,158	\$ 18,498	\$ 45,620

CANTON PARK DISTRICT
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Capital Projects Fund	Pool Bonds Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
REVENUES COLLECTED:				
Property taxes	\$ -	\$ 224,998	\$ -	\$ 224,998
Interest income	57	121	-	178
Total revenues collected	<u>57</u>	<u>225,119</u>	<u>-</u>	<u>225,176</u>
EXPENDITURES PAID:				
Current:				
Administration	-	500	-	500
Capital outlay	85,950	-	-	85,950
Debt service:				
Principal	-	200,000	-	200,000
Interest	-	28,150	-	28,150
Total expenditures paid	<u>85,950</u>	<u>228,650</u>	<u>-</u>	<u>314,600</u>
Excess (deficiency) in revenues collected over (under) expenditures paid	(85,893)	(3,531)	-	(89,424)
Fund balance - beginning of year	<u>99,051</u>	<u>17,495</u>	<u>18,498</u>	<u>135,044</u>
Fund balance - end of year	<u>\$ 13,158</u>	<u>\$ 13,964</u>	<u>\$ 18,498</u>	<u>\$ 45,620</u>

**CANTON PARK DISTRICT
COMBINING STATEMENT OF ASSETS AND FUND BALANCES -
MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
DECEMBER 31, 2017**

	Recreation Fund	Airport Fund	IMRF/ Social Security Fund	G.O. Park Bonds Debt Service Fund
ASSETS:				
Cash and cash equivalents	\$ 192,176	\$ 221,173	\$ 160,832	\$ 8,255
Certificates of deposit	4,018	-	-	-
Total Assets	\$ 196,194	\$ 221,173	\$ 160,832	\$ 8,255
 FUND BALANCES:				
Nonspendable:				
Permanent fund principal		-	-	-
Restricted:				
Insurance coverages		-	-	-
Parks and recreation programs	196,194	-	-	-
Airport operations		221,173	-	-
Employee benefit program		-	160,832	-
Debt service reserve		-	-	8,255
Other capital projects		-	-	-
Total Fund Balances	\$ 196,194	\$ 221,173	\$ 160,832	\$ 8,255

Capital Projects Fund	Pool Bonds Debt Service Fund	Permanent Fund	Total Special Revenue Funds
\$ 13,964	\$ 13,158	\$ -	\$ 609,558
-	-	18,498	22,516
<u>\$ 13,964</u>	<u>\$ 13,158</u>	<u>\$ 18,498</u>	<u>\$ 632,074</u>
		18,498	18,498
			196,194
			221,173
			160,832
	13,158		21,413
<u>13,964</u>			<u>13,964</u>
<u>\$ 13,964</u>	<u>\$ 13,158</u>	<u>\$ 18,498</u>	<u>\$ 632,074</u>

**CANTON PARK DISTRICT
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Recreation Fund	Airport Fund	IMRF/ Social Security Fund	G.O. Park Bonds Debt Service Fund
REVENUES COLLECTED:				
Property taxes	\$ 101,828	\$ -	\$ 134,957	\$ 423,037
Corporate replacement taxes	59,805	-	16,296	-
Charges for services	164,300	135,642	-	-
Government grants	-	7,277	-	-
Rental income	-	58,919	-	-
Interest income	320	338	171	158
Trust fund income and donations	82	-	-	-
Miscellaneous income	5,212	621	-	-
Total revenues collected	<u>331,547</u>	<u>202,797</u>	<u>151,424</u>	<u>423,195</u>
EXPENDITURES PAID				
Current:				
General government	-	-	95,534	-
Swimming pool/recreation center	146,952	-	-	-
Other recreation programs	161,202	-	-	-
Airport	-	193,583	-	-
Capital outlay	16,937	13,768	-	-
Debt service:	-	-	-	-
Principal	-	-	-	405,000
Interest	-	-	-	27,450
Total expenditures paid	<u>325,091</u>	<u>207,351</u>	<u>95,534</u>	<u>432,450</u>
Excess (deficiency) in revenues collected over (under) expenditures paid	6,456	(4,554)	55,890	(9,255)
Fund balance - beginning of year	<u>189,738</u>	<u>225,727</u>	<u>104,942</u>	<u>17,510</u>
Fund balance - end of year	<u>\$ 196,194</u>	<u>\$ 221,173</u>	<u>\$ 160,832</u>	<u>\$ 8,255</u>

Capital Projects Fund	Pool Bonds Debt Service Fund	Permanent Fund	Total Special Revenue Funds
\$ -	\$ 224,998	\$ -	\$ 884,820
-	-	-	76,101
-	-	-	299,942
-	-	-	7,277
-	-	-	58,919
57	121	-	1,165
-	-	-	82
-	-	-	5,833
<u>57</u>	<u>225,119</u>	<u>-</u>	<u>1,334,139</u>
-	500	-	96,034
-	-	-	146,952
-	-	-	161,202
-	-	-	193,583
85,950	-	-	116,655
-	-	-	-
-	200,000	-	605,000
-	28,150	-	55,600
<u>85,950</u>	<u>228,650</u>	<u>-</u>	<u>1,375,026</u>
(85,893)	(3,531)	-	(40,887)
<u>99,051</u>	<u>17,495</u>	<u>18,498</u>	<u>672,961</u>
<u>\$ 13,158</u>	<u>\$ 13,964</u>	<u>\$ 18,498</u>	<u>\$ 632,074</u>

**CANTON PARK DISTRICT
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AAND ACTUAL
MODIFIED CASH BASIS - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES COLLECTED:			
Earnings on investments	\$ -	\$ 57	\$ 57
Total revenues collected	-	57	57
EXPENDITURES PAID:			
Current:			
Administration	100	-	100
Capital outlay:			
Project land development	79,900	85,950	(6,050)
Total expenditures paid	79,900	85,950	(6,050)
Excess (deficiency) of revenues collected over expenditures paid	\$ (79,900)	(85,893)	\$ (5,993)
Fund balance, beginning of year		99,051	
Fund balance, end of year		\$ 13,158	

**CANTON PARK DISTRICT
STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AAND ACTUAL
MODIFIED CASH BASIS - POOL BONDS DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES COLLECTED:			
Property taxes	\$ 225,376	\$ 224,998	\$ (378)
Earnings on investments	143	121	(22)
Total revenues collected	225,519	225,119	(400)
EXPENDITURES PAID:			
Current:			
Administration	500	500	(500)
Debt service:			
Principal	200,000	200,000	-
Interest	23,850	28,150	(4,300)
Total expenditures paid	224,350	228,650	(4,300)
Excess (deficiency) of revenues collected over expenditures paid	\$ 1,169	(3,531)	\$ (4,700)
Fund balance, beginning of year		17,495	
Fund balance, end of year		\$ 13,964	

**CANTON PARK DISTRICT
TAX LEVY DATA**

	TAX LEVY YEAR		
	2015	2016	2017
ASSESSED VALUATION	\$131,530,797	\$135,886,635	\$139,348,992
TAX RATES (per \$100 of assessed valuation)			
Corporate	0.1500	0.1500	0.1500
Recreation	0.0750	0.0750	0.0750
Municipal retirement	0.0647	0.0626	0.0431
Property & liability insurance	0.0913	0.0884	0.1005
Auditing	0.0050	0.0050	0.0050
History & museum	0.0300	0.0300	0.0300
Social Security	0.0369	0.0368	0.0359
Police	0.0250	0.0250	0.0250
Bonds	0.3416	0.4773	0.3113
	<u>0.8195</u>	<u>0.9501</u>	<u>0.7758</u>
TAX EXTENSIONS			
Corporate	\$ 197,296	\$ 203,830	\$ 209,023
Recreation	98,648	101,915	104,512
Municipal retirement	85,100	85,065	60,059
Property & liability insurance	120,088	120,124	140,046
Auditing	6,577	6,794	6,967
History & museum	39,459	40,766	41,805
Social Security	48,535	50,006	50,026
Police	32,883	33,972	34,837
Bonds	449,309	648,586	433,793
	<u>\$ 1,077,895</u>	<u>\$ 1,291,058</u>	<u>\$ 1,081,068</u>
COLLECTIONS			
Corporate	\$198,020	\$203,655	
Recreation	99,009	101,828	
Municipal retirement	85,412	84,993	
Property & liability insurance	120,527	120,022	
Auditing	6,600	6,789	
History & museum	39,604	40,732	
Social Security	48,712	49,974	
Police	33,003	33,943	
Bonds	450,956	648,035	
	<u>\$ 1,081,843</u>	<u>\$ 1,289,971</u>	
PERCENTAGE OF EXTENSIONS COLLECTED	<u>100.37%</u>	<u>99.92%</u>	