



2016-2017 ANNUAL REPORT



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A MESSAGE FROM OUR BOARD PRESIDENT

I am fortunate to represent the Vernon Hills community as a Board member of our Park District. Our mission of promoting diverse community based recreational opportunities is one the Board and staff uphold through our vision to 'address the lifelong needs of all Vernon Hills residents'.

The Annual Report highlights the District's financial practices and accomplishments, strategic efforts, capital planning, and agency goals. Throughout 2016, the Park District was able to maintain a strong financial structure and has taken significant strides in strengthening our long term fiscal responsibilities.

The District embarked on a project in 2016 to renovate the Sullivan Community Center to include a new secure entryway, inviting customer service desk, preschool wing, an additional gymnasium, conference/board meeting room, and additional staff offices. The project was completed in early spring, 2017. The Sullivan Community Center will undergo another construction project through an Intergovernmental Agreement with Hawthorn School District 73. A Kindergarten Center will be constructed as an addition to the Sullivan Community Center with both parties sharing their building's resources. This project is scheduled to begin in early 2018.

The Deerpath Park Master Plan is also completed. Kids' Castle now has fencing around the perimeter of the playground and the improvements to the tennis courts, ballfields, and pathways are complete. The Peterson Park 5-12 year old playground was replaced with an impressive, colorful, interactive play structure and the preschool playground at the Sullivan Community Center was relocated within a secured fenced-in area with an artificial turf area.

Our Parks Department continues to replace the old and disease ridden trees in our parks. Seventy-five new trees were planted in the last fiscal year. Additionally, park areas are monitored for invasive species and action plans are in place to control the spread further.

The Park District thanks our residents for their continued support of our programs, parks, and facilities and we always welcome your feedback.

David Doerhoefer

BOARD OF COMMISSIONERS



Jim Ballowe
Vice President



Cindy Kessler



Mike Meline



Bruce Robbins

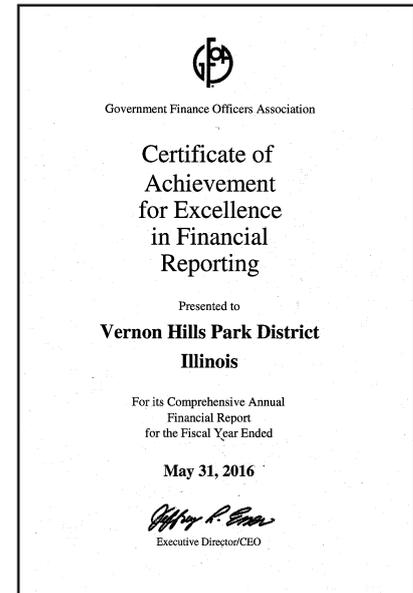
ENHANCING VALUE

Park District programs and services are funded largely through user fees, while property tax revenue primarily funds operational and maintenance costs of park amenities and facilities. The District's tax rate for the fiscal year 2017 was .458 per \$100 of assessed value, compared to .455 in the previous year. The Park District represents 5% of the total property tax bill for Vernon Hills residents.

EXCELLENCE IN FINANCIAL REPORTING

For the 22nd consecutive year, the District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA) for its Comprehensive Annual Financial Report (CAFR). This is the highest form of recognition in the area of governmental accounting and financial reporting.

At the conclusion of each fiscal year, a financial audit and CAFR is completed. The audit is a mandated financial report compiled by a professional auditor. The goal of a CAFR is to clearly communicate the Park District's financial story. To achieve this award, the District's CAFR has to demonstrate a constructive "spirit of full disclosure", clearly communicate its financial story, and motivate potential users to read the CAFR. The District's CAFR and budget can be found on the District's website.



OVERVIEW OF VERNON HILLS PROPERTY TAXES

Vernon Hills Park District at a Glance		
Fiscal Year	2009	2017
Population	23,353	25,613
Tax Rate	\$0.317	\$0.458
Outstanding Debt	\$6,404,000	\$10,398,869
Total Budget	\$8,871,047	\$17,148,022
Bond Rating	A2	Aa2

A bond rating relates to the credit worthiness of an organization. The Park District bond rating improved due to a healthy fund balance and good financial management.

Source: Moody's Investor Service



For the fiscal year ending May 31, 2017, revenue totaled \$17,382,834. The largest sources of revenue were derived from property taxes (47%), and user fees (47%).

User Fees 47%

User fees are charged for recreation programs. The fees are based on the level of desired cost recovery and vary depending on community or individual benefits. Programs that benefit the community as a whole such as special events have low fees offset by property taxes. Programs that benefit individual users such as swimming lessons have higher fees. Fees are reviewed annually by the Board during preparation of the operating budget.

Property Taxes 47%

As a government entity, the Park District has the power to levy and collect taxes on all taxable property within the District through the preparation of a tax levy ordinance. The Equalized Assessed Value (EAV) of your property will determine the amount of property taxes you will pay to the Park District. In 2017, only 5% of your total tax bill will go to the Park District.

Investment Income 0.3%

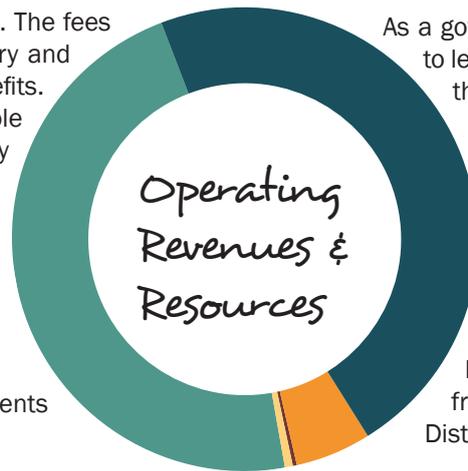
Investment income includes interest payments received from short term investments.

Miscellaneous Income 5.3%

Miscellaneous income includes monies received from donations, awards, and rebates. The Park District does not receive any sales tax revenue.

Facility Rentals 0.4%

Facility rental fees are commonly made to individuals or affiliates, and include athletic fields, meeting rooms, and picnic areas.



For the fiscal year ending May 31, 2017, expenses totaled \$17,468,815. The Park District funded \$7,229,985 in capital improvements during the fiscal year 2016.

Salaries and Wages 39%

The District has 53 full-time and 180 part-time positions. Additionally, 175 seasonal employees are hired to fill openings in summer camps, the Family Aquatic Center, and park maintenance.

Contractual Services 21.4%

These expenditures reflect outside services. The District outsources some mowing, landscape, and cleaning services. Additionally, the District maintains several agreements with recreational providers who perform services that enable the District to offer a variety of programs to all ages.

Supplies 6.2%

Materials and supplies are needed to provide programs and park maintenance services.

Debt Service 19.4%

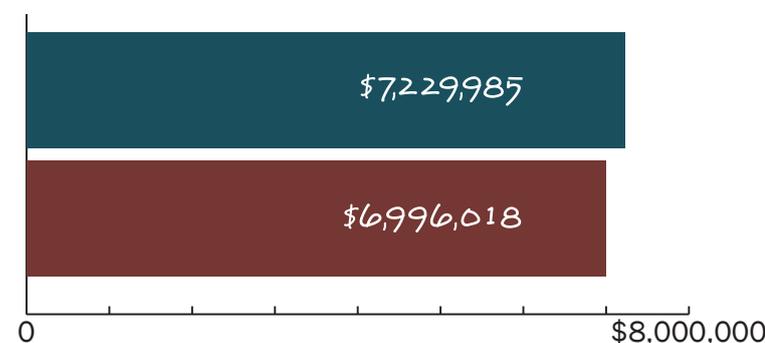
Debt services are principal and interest payments owed on outstanding debt issues. Debt Service expenditures include retirement of general obligation bonded debt, which was accumulated in prior years to finance large scale projects.

Benefits 14%

These expenditures are for employee health insurance premiums and employer costs associated with social security and pension benefits.



Capital Projects & Bonds Proceeds



Capital Projects

The District maintains a five-year Capital Improvement Plan, which staff and Board review on a regular basis. Expenditures reflect the annual expenses associated with the current fiscal year. Funding of capital projects is provided through the issuance of debt obligations and from operating surplus.

Bonds Proceeds

Bonds proceeds are monies received by issuing bonds to pay for capital improvement projects.

IMPROVING THE PARKS

Peterson Park
5-12 Year Old Playground

Sullivan Community Center
Secure Preschool Playground



Deerpath Master Park Plan Completed Spring, 2017



UPDATES INCLUDE:

- » Renovation of Kids' Castle Playground
- » Renovation of 6 Tennis Courts
- » Renovation of Ball Fields 3 & 4
 - » Security Fencing
 - » Backstops
 - » Covered Dugouts
 - » Player Benches
 - » Batting Cage
- » Upgraded Walking and Bike Paths
- » Pathway Resealant



THE YEAR IN PARKS

From vibrant gardens to peaceful trails, habitats for wildlife, active recreational facilities, and a backdrop for nature lovers, our 24 District parks are in excellent condition. Our Park Maintenance teams consists of 10 full time staff plus 8 part-time and seasonal employees.



2016/2017 PLANTINGS

75 Trees

82 Perennials

35 Shrubs

DIVERSITY OF TREES

In the late summer and fall of 2016, 75 new trees were planted, nineteen are new varieties and ten are new species for our parks. Our existing inventory of trees is over planted with Austrian Pines and Maple trees. The plan is to put a hold on planting any more Maples for the next five to seven years and to introduce as many new species and varieties of trees as possible. The goal is to have no more than 5% of one species in our urban forest.

Austrian Pines will no longer be planted; evergreens that are disease resistant and more adapted to our environmental conditions will be planted. Trees will be replanted with proper spacing to ensure establishment and longevity.

This year, approximately 150 trees were removed. Trees were removed for a number of reasons: Emerald Ash borer bug killed many Ash trees, Willow trees died of old age, and a fungus detrimentally affected Spruce and Evergreens.

INVASIVE SPECIES

Invasive plant species were removed from four District parks and facilities. Eight acres of the Sullivan Woods Oak Savanna were cleared of invasive brush, 6.3 acres of invasive shrubs and trees were removed from Century Park, and one acre of invasive species at the Family Aquatic Center and .2 acres at Lake Charles Park were treated and prescribe burned.

An invasive species is a plant, fungus, or animal species that is not native to a specific location. These species have the tendency to spread to a degree that may cause damage to the environment, human economy, or human health. They spread rapidly and cause damage to the environment by choking out and killing native species and destroying animal habitats.

The complete removal of an invasive species from an area typically takes two or more growing seasons with continual maintenance to prevent it from returning.



TREE & BENCH DONATION PROGRAM

Donate a tree or park bench in honor or in memory of someone special in your life!

The District offers thirty species of trees to choose from, in addition to an attractive park bench. Donations can be placed in any District park of your choice and can be personalized with a bronze plaque, all at cost to you.

Currently, memorial benches for Century Park have been suspended, as we have run out of space for benches. Tree donations are still available. Following the future development of the old Opa restaurant site, bench donations may resume.

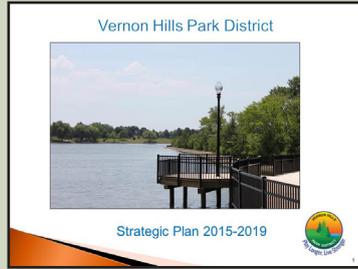
FISCAL 2016/2017 DONATIONS

8 Trees Donated

2 Benches Donated

AGENCY ACCOMPLISHMENTS

- » The Park District and Hawthorn School District 73 authorized an intergovernmental agreement to construct a kindergarten facility on the Sullivan Community Center property.
- » Completed a \$6 million renovation and remodel of the Sullivan Community Center in April, 2017.
- » Received the Government Finance Officer's Association Certificate for the 22nd consecutive year.
- » The Deerpath Park Master Plan was completed in Spring, 2017. Amenity improvements included Kids Castle Playground, six tennis courts, two ballfields, batting cage, and pathway resealant.
- » Upgraded Family Aquatic Center filtration system from sand to diatomaceous earth.



Adopted 2015-2019 Strategic Plan

SULLIVAN COMMUNITY CENTER UPDATES

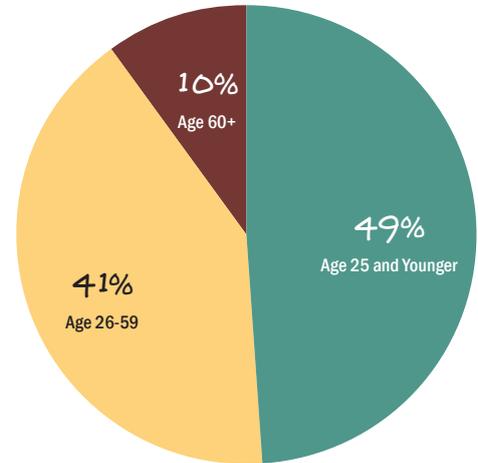


ILLINOIS DISTINGUISHED ACCREDITED AGENCY

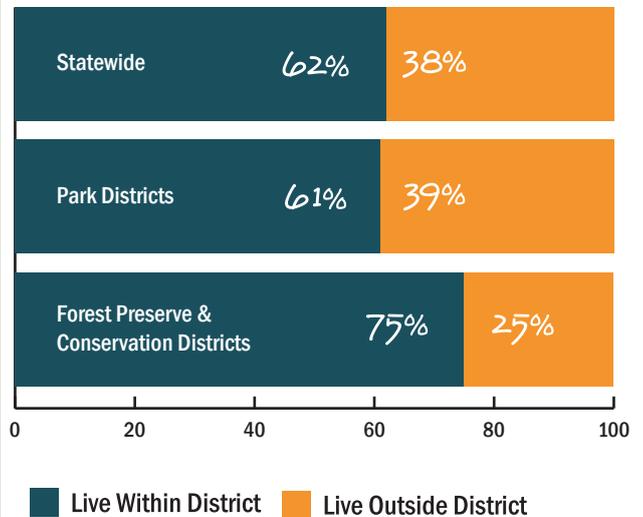
The Illinois Association of Park Districts and the Illinois Park and Recreation Association recognizes the Vernon Hills Park District as an Illinois Distinguished Park & Recreation Accredited Agency. The District has met the highest standards in operations, programs, maintenance, and parks/facilities.

PARK DISTRICTS EMPLOY YOUTH

In the state of Illinois, almost half of Park District employees are under age 25, and one in ten are older adults (60+).¹



These agencies are significant job creators, as most employees live within their districts.



¹Illinois Association of Park Districts

CUSTOMER ENGAGEMENT

Communication systems are in place to share our stories and receive feedback from the community. We look forward to hearing from you and continuing to improve our programs, facilities, and recreational experiences.

MAXGALAXY

Emails are sent to a participant base based on programs that are offered through the District's registration software, MaxGalaxy. Participants are selected by gender, age, and previous program registration at the Park District.

PARK POINTERS

A monthly newsletter distributed to students in grades K-5 who attend the Hawthorn Elementary Schools. The newsletter contains program and special event information specifically targeted to the K-grade 5 age groups.

PARK KIOSKS

Four kiosks are located in Century Park that contain posters promoting programs and special events.

PARK PATHS

An Email newsletter is sent to a subscriber list of 10,400 through Constant Contact. Monthly newsletters provide event information, program details, and District news.

Average Open Rate (37%)
National Open Rate (24%)

This type of email is also used to communicate with participants about details of a particular program they have registered to take.

SOCIAL MEDIA

Facebook Likes: 2,319
Twitter Followers: 291
Instagram Followers: 375

WEBSITE

The District utilizes reports from Google Analytics to track website activity on a monthly basis. Landing and Exit pages are studied to reveal what the users' interests are.

June 1, 2016 - May 31, 2017

Avg. sessions per month: 13,086
Avg. page views per month: 31,026
Avg. new visitors per month: 50.72%
Avg. users per month: 6,980

Web Users Demographics

Male 36.7%
Female 63.3%

Age

18-24 - 11.89%
25-36 - 26.15 %
35-44 - 37.67%
45-43 - 15.06%
55+ - 9.23%

JOIN THE CONVERSATION!

Vernon Hills Park District is on Facebook, Twitter, Instagram, and YouTube! Stay up-to-date on what is happening at the Park District, and share your photos and stories with us! We would love to hear from you. #VHParks

Also note that Park Board Meetings are posted on our website utilizing YouTube.



VHPARKDISTRICT.ORG



vhparkdistrict Can you spot our owl friend that visits Century Park? #vhparcs

CELEBRATING SPECIAL EVENTS

Winter Fest	January
Just The Two of Us	February
Ski/Snowboard Trip	February
Craft Beer Tasting	February
Hoppin' Holiday Hunt	March
Preschool Open House	March
Loop the Lakes 5K	April
Family Kite Fly	April
Dance Recitals	May
Might Kids' Triathlon	May
Kids Fishing Day	June
Family Campout	June
Movie in the Park	June
July 4 Parade	July
Movie in the Park	July
Movie in the Park	August
Summer Splash	August
Little Bear Ribfest	August
Worldwide Day of Play	September
Fall Fest	October
Trunks, Trucks, Treats	October
Pumpkin Launch	November
Recycle-O-Rama	November
Polar Express	December

Visit VHPARKDISTRICT.ORG for details.



VISION STATEMENT

Addressing the lifelong leisure needs of all Vernon Hills residents.

MISSION STATEMENT

To promote diverse community based recreational opportunities by providing a variety of programs, services, facilities and natural spaces to enhance the quality of life for our residents.