

# VERNON HILLS PARK DISTRICT, ILLINOIS

---

## ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
MAY 31, 2024

635 N. Aspen Drive  
Vernon Hills, IL 60061  
Phone: 847.996.6800  
Fax: 847.996.6928  
[www.vhparkdistrict.org](http://www.vhparkdistrict.org)

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED MAY 31, 2024**

**Prepared by:  
Business Office**

# VERNON HILLS PARK DISTRICT, ILLINOIS

## TABLE OF CONTENTS

---

---

### PAGE

#### INTRODUCTORY SECTION

Principal Officials	<a href="#">1</a>
Organization Chart	<a href="#">2</a>
Letter of Transmittal	<a href="#">3</a>
Certificate of Achievement for Excellence in Financial Reporting	<a href="#">6</a>

#### FINANCIAL SECTION

<b>INDEPENDENT AUDITOR'S REPORT</b>	<a href="#">9</a>
-------------------------------------	-------------------

<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<a href="#">13</a>
---	--------------------

#### **BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements	
Statement of Net Position	<a href="#">23</a>
Statement of Activities	<a href="#">25</a>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<a href="#">27</a>
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	<a href="#">29</a>
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<a href="#">31</a>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	<a href="#">33</a>
Notes to Financial Statements	<a href="#">34</a>

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<a href="#">64</a>
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	<a href="#">65</a>
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefit Plan	<a href="#">67</a>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	<a href="#">69</a>
Recreation - Special Revenue Fund	<a href="#">70</a>
Lakeview Fitness - Special Revenue Fund	<a href="#">71</a>
Special Recreation - Special Revenue Fund	<a href="#">72</a>

# VERNON HILLS PARK DISTRICT, ILLINOIS

## TABLE OF CONTENTS

---

---

PAGE

### FINANCIAL SECTION

#### OTHER SUPPLEMENTARY INFORMATION

Schedule of Expenditures - Budget and Actual - General Fund	<a href="#">76</a>
Schedule of Expenditures - Budget and Actual - Recreation - Special Revenue Fund	<a href="#">77</a>
Schedule of Expenditures - Budget and Actual - Lakeview Fitness - Special Revenue Fund	<a href="#">80</a>
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Bond - Debt Service Fund	<a href="#">82</a>
Capital Fund	<a href="#">83</a>
Family Aquatic Center - Special Revenue Fund	<a href="#">84</a>
Schedule of Expenditures - Budget and Actual - Family Aquatic Center - Special Revenue Fund	<a href="#">85</a>

#### SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
General Obligation (Alternate Revenue Source) Park Bonds of 2016A	<a href="#">87</a>
General Obligation (Alternate Revenue Source) Park Bonds of 2023A	<a href="#">88</a>
General Obligation Limited Tax Park Bonds of 2023B	<a href="#">89</a>

### STATISTICAL SECTION (Unaudited)

Net Position by Component - Last Ten Fiscal Years	<a href="#">92</a>
Changes in Net Position - Last Ten Fiscal Years	<a href="#">94</a>
Fund Balances of Governmental Funds - Last Ten Fiscal Years	<a href="#">96</a>
Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years	<a href="#">98</a>
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Tax Levy Years	<a href="#">100</a>
Property Tax Rates (Per \$100 of EAV) Direct and Overlapping Governments	
Last Ten Tax Levy Years	<a href="#">101</a>
Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago	<a href="#">102</a>
Property Tax Levies and Collections - Last Ten Fiscal Years	<a href="#">103</a>
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	<a href="#">104</a>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**STATISTICAL SECTION (Unaudited) - Continued**

Ratio of General Bonded Debt Outstanding- Last Ten Fiscal Years	<a href="#"><u>105</u></a>
Schedule of Direct and Overlapping Governmental Activities Debt	<a href="#"><u>106</u></a>
Legal Debt Margin Information - Last Ten Fiscal Years	<a href="#"><u>108</u></a>
Demographic and Economic Statistics - Last Ten Fiscal Years	<a href="#"><u>110</u></a>
Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago	<a href="#"><u>111</u></a>
Full-Time Equivalent District Employees by Function - Last Ten Fiscal Years	<a href="#"><u>112</u></a>
Operating Indicators by Function/Program - Last Ten Fiscal Years	<a href="#"><u>114</u></a>
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	<a href="#"><u>116</u></a>

## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the District including: List of Principal Officials, Organizational Chart, Transmittal Letter, and Certificate of Achievement for Excellence in Financial Reporting.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Principal Officials**

**May 31, 2024**

---

---

**BOARD OF PARK COMMISSIONERS**

David Doerhoefer, President

Carol Sente, Vice President

Janice Giraldo, Commissioner

Abra Jacobs, Commissioner

Bruce Robbins, Commissioner

**ADMINISTRATIVE**

Jeff Fougrousse, Executive Director

Jessica Mitchell, Superintendent of Finance and Human Resources

Tom Ritter, Superintendent of Recreation/ADA Compliance Officer

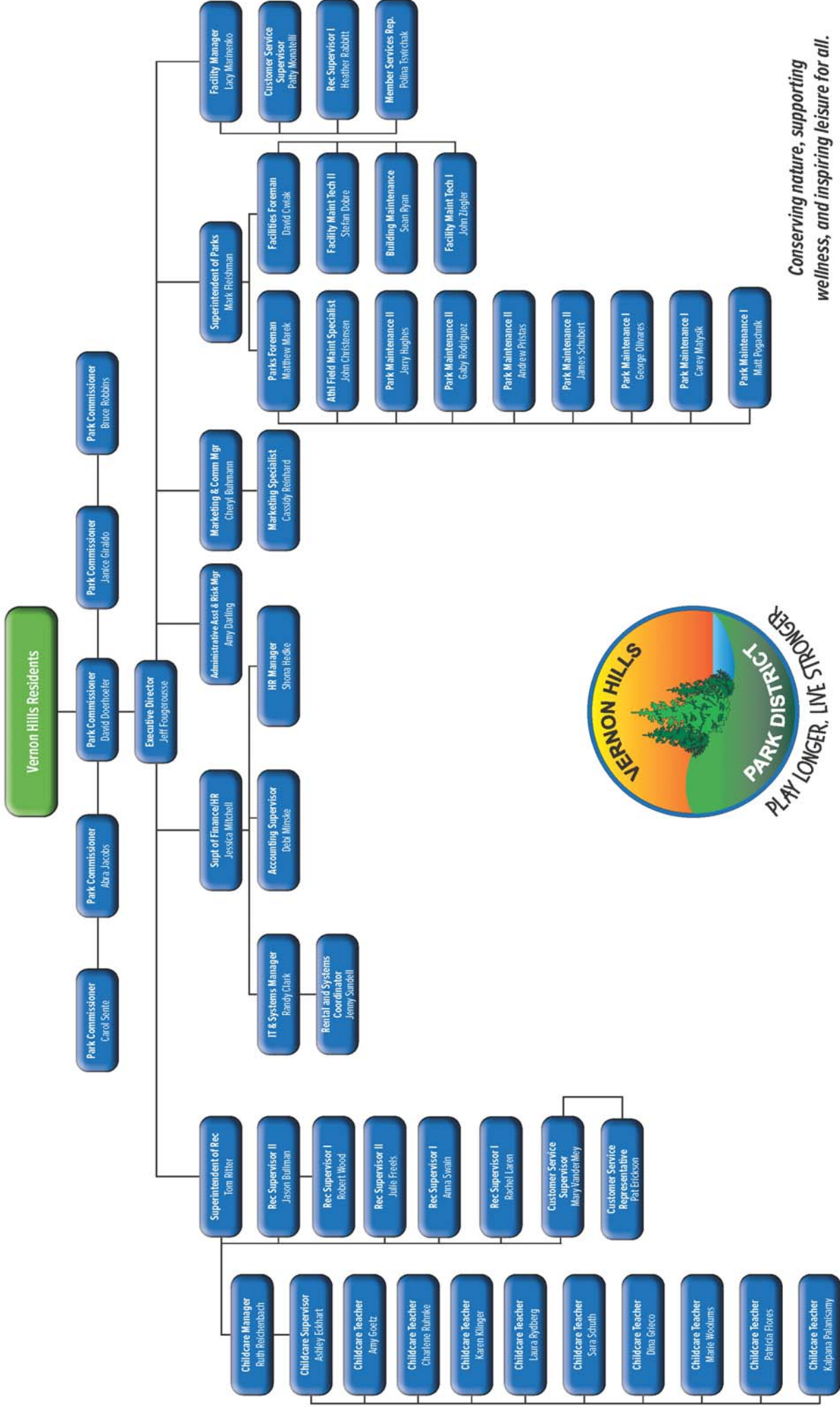
Mark Fleishman, Superintendent of Parks

Cheryl Buhmann, Marketing and Communications Manager

Lacy Marinenko, Facility Manager

# Vernon Hills Park District Organizational Chart

Updated June 2024



*Conserving nature, supporting wellness, and inspiring leisure for all.*





October 8, 2024

To the Citizens of the Vernon Hills Park District:

The annual comprehensive financial report of the Vernon Hills Park District, Illinois (District) for the fiscal year ended May 31, 2024, is hereby submitted as mandated by State Statutes. The District is required to issue annually a report of its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District has established a comprehensive set of internal controls that are designed to protect the District's assets from loss, theft, or misuse. These internal controls are also used to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. Included with this report are all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs.

Generally accepted accounting principles, (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

This report includes all funds of the District. The District provides a full range of recreation programs and services at a community center, an aquatic center, a fitness center and childcare center and over 20 parks. The programs and services cover a broad spectrum including early childhood, youth, active adult, athletic, fitness, aquatic, childcare, special events, facility rentals, as well as park and trail maintenance.

The District, incorporated in 1973, is located in south central Lake County, which ranks as one of the top growth areas in the country. Vernon Hills is a community of 26,850 residents and covers 10 square miles. Vernon Hills is a mature suburb with a diverse populace, housing stock infrastructure and is a major center of retail shopping. Major employers include BCU, Mercer, Cole-Parmer Instrument Co., Rust-Oleum Company, and CDW Computer Centers, Inc. Vernon Hills continues to offer its residents an excellent quality of life including excellent schools for students of all ages, access to a wide variety of medical services, social and recreational opportunities and numerous lakes, parks and forest preserves. Points of interest in Vernon Hills include the Century Park Arboretum, Lakeview Fitness, Glacier Ice Arena, White Deer Run Golf Course, the Vernon Hills Golf Course, newly renovated Hawthorn Mall, Melody Farm, the Arborthheater and the Vernon Hills Athletic Complex.



2018-2023

**Sullivan Community Center**  
635 N. Aspen Drive, Vernon Hills, IL 60061  
**Phone** (847) 996-6800  
**Fax** (847) 996-6801

**Lakeview Fitness**  
700 Lakeview Parkway, Vernon Hills, IL 60061  
**Phone** (847) 996-6330  
**Fax** (847) 367-5855

**Park Maintenance**  
1400 Indianwood Drive, Vernon Hills, IL 60061  
**Phone** (847) 362-0920  
**Fax** (847) 362-3618

The District operates under a commissioner-director form of government. The Board consists of five individuals who are elected from the District at large to serve six-year staggered terms. The Board is vested with all policymaking and legislative responsibilities. The Board employs an Executive Director to administer the policies, programs, and direct staff. Some of the Board responsibilities include approval of the budget, tax levy, ordinances, long-term financial and capital planning; as well as establishment of committees and appointment of the District's attorney, treasurer and Board secretary.

## **LONG-TERM FINANCIAL PLANNING**

The District has established cash reserve policies to ensure funds are available for future operating, emergency and cash flow needs. In addition, the Board, Executive Director and Division Heads meet annually to review the district's five-year Capital Improvement Plan. The Capital Improvement Plan (CIP) is a planning tool that addresses the operational impact of projects and enables staff to incorporate these costs into the operating budget. The CIP flows directly from the District's five-year Parks and Recreation Master Plan, which currently covers the period 2024 to 2028. The District's overall direction and priorities are provided in a four-year strategic plan. The District's Strategic Plan is based on community feedback and defines priorities to guide the Board in setting policy and approving budgets based on community desires and needs and clarifies organizational direction. The Strategic Plan is reviewed annually and the results are shared with the community.

## **MAJOR INITIATIVES**

***For the Year.*** Each year when preparing the budget, the District reviews its annual capital improvement plan. The five-year plan identifies facilities, equipment or programs that need to be either acquired, developed or expanded to better meet the needs of the citizens and to enhance the quality of recreation within the community. The plan is revised annually to reflect changes in the population being served, the financial capacity, and condition of the District, and the impact that these two factors have on the programming needs of the citizens.

The majority of the District's capital improvements focus on park improvements, vehicle and equipment replacement, technology upgrades, repair, and/or replacement of existing facilities and equipment, as well as compliance with safety standards and legal requirements. Projects for the fiscal 2024 year included adding the Turtle Creek Spraypark and pump house, as well as Turtle Creek Water Park bath house renovations, bridge upgrades, roofing, shade structures, Hawthorn Melody and Hartmann Park playground purchases and maintenance including Lakeview Fitness water heater replacements and District wide asphalt repair.

***For the Future.*** For fiscal 2025, the District's Turtle Creek Sprayground construction will be complete and the Turtle Creek Water Park lazy river mechanical system will be repaired along with pool painting. District playground installation will take place at Hawthorn Melody park. A complete revitalization at Hartmann Park will conclude as part of an OSLAD Grant. Grosse Pointe Park will undergo improvements, if awarded an OSLAD grant. Both Sullivan Recreation Center and Lakeview Fitness will undergo roof repairs including rooftop unit replacements. Lakeview Fitness Spa including steam room, and hot tub upgrades will take place. The District will also continue to support their environmental initiatives and provide wellness initiatives for staff and residents.

***Debt Administration.*** As of May 31, 2024, the District had outstanding debt of \$12,172,536. \$11,752,385 in General Obligation Bonds principal and \$420,151 owed to the Village of Vernon Hills for the purchase of the YMCA. On January 1, 2013, the District entered into an installment agreement with the Village of Vernon Hills to repay a loan made by the village to purchase the YMCA. The loan is for \$2,025,000 for 0% interest with a maturity date of December 31, 2029. As of May 31, 2024, the remaining balance of the loan is \$420,151. Under State Statutes, the District's aggregate indebtedness cannot exceed the legal debt limit of 2.875% of the value of the taxable property within the District. As of May 31, 2024, the District's aggregate outstanding debt of \$12,172,536 was well below the \$39,681,230 legal debt margin as set by law.

## OTHER INFORMATION

**Independent Audit.** Illinois Compiled Statutes require an annual audit by independent certified public accountants. The District's Board of Park Commissioners selected the accounting firm of Lauterbach & Amen, LLP, Certified Public Accountants. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Certificate of Achievement - The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the government for its annual comprehensive financial report for the fiscal year ended May 31, 2023. This was the 29th consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

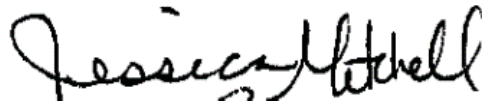
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments - This report is the result of the combined efforts of the Executive Director, the Superintendent of Finance & HR, Finance Assistant and Board Commissioner-Audit Committee Chairperson of the Park District working with an independent auditor and accounting firm. This report is prepared at one time during the year, but would not be possible without the consistent attention to procedures and to monitoring of accounts by the Superintendent of Finance & Human Resources/Treasurer and Finance Assistant of the District. The support of the Board of Park Commissioners throughout the year is also essential to ensure a sound financial environment in which to conduct the operations of the Vernon Hills Park District.

Respectfully submitted,



Jeffrey Fougrousse, CPRP  
Executive Director/Board Secretary



Jessica Mitchell, CPRP  
Superintendent of Finance & HR/Treasurer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Vernon Hills Park District  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

May 31, 2023

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

## **INDEPENDENT AUDITOR'S REPORT**

This section includes the opinion of the District's independent auditing firm.



## **INDEPENDENT AUDITOR'S REPORT**

October 8, 2024

Members of the Board of Commissioners  
Vernon Hills Park District  
Vernon Hills, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Hills Park District (the District), Illinois, as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Vernon Hills Park District, Illinois, as of May 31, 2024, 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.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

### **Auditor’s Responsibilities for the Audit of the Financial Statements - Continued**

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Vernon Hills Park District, Illinois’ basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Vernon Hills Park District, Illinois  
October 8, 2024

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Management Discussion and Analysis

May 31, 2024

---

---

Our discussion and analysis of the Vernon Hills Park District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended May 31, 2024. Please read it in conjunction with the transmittal letter, located in the introductory section of this report, and the District's financial statements, which are located in the basic financial statements section of this report.

### FINANCIAL HIGHLIGHTS

- The District obtained an unmodified opinion from the independent audit firm Lauterbach & Amen.
- The District's net position totaled \$46,781,803 as a result of this year's operations. Net position increased by \$390,512, or 0.8 percent.
- During the year, government-wide revenues totaled \$11,747,038, while expenses totaled \$11,356,526, resulting in an ending net position of \$46,781,803.
- The District's net position totaled \$46,781,803 on May 31, 2024, which includes \$44,698,365 net investment in capital assets, \$37,995 subject to external restrictions, and a deficit \$2,045,443 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported an increase this year of \$40,083, or 2.8 percent, resulting in ending fund balance of \$1,496,655.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

#### Government-Wide Financial Statements

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

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Management Discussion and Analysis

May 31, 2024

---

---

### USING THIS ANNUAL REPORT - Continued

#### Fund Financial Statements

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

#### Governmental Funds

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Recreation Fund, Lakeview Fitness Fund, Special Recreation Fund, Bond Fund, and Capital Fund, which are considered a major funds, and the Family Aquatic Fund, a nonmajor fund.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

#### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's I.M.R.F., other post-employment benefit obligations, and budgetary comparison schedules for the General Fund and major special revenue funds. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information on pensions.

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Management Discussion and Analysis

May 31, 2024

---

---

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$46,781,803.

	Net Position	
	2024	2023
Current and Other Assets	\$ 16,087,487	17,271,808
Capital Assets	54,013,444	53,088,318
Total Assets	70,100,931	70,360,126
Deferred Outflows of Resources	718,961	1,019,134
Total Assets and Deferred Outflows	70,819,892	71,379,260
Long-Term Liabilities	11,703,807	12,968,007
Other Liabilities	5,665,333	5,843,397
Total Liabilities	17,369,140	18,811,404
Deferred Inflows of Resources	6,668,949	6,176,565
Total Liabilities and Deferred Inflows	24,038,089	24,987,969
Net Position		
Net Investment in Capital Assets	44,698,365	46,412,835
Restricted	37,995	220,203
Unrestricted (Deficit)	2,045,443	(241,747)
Total Net Position	46,781,803	46,391,291

A large portion of the District's net position, \$44,698,365 or 95.5 percent, reflects its investment in capital assets (for example, land, construction in progress, buildings and improvements, machinery and equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$37,995 or 0.1 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit 4.4 percent, or deficit \$2,045,443, represents unrestricted net position and may be used to meet the District's ongoing obligations to citizens and creditors.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Management Discussion and Analysis**

**May 31, 2024**

---

---

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

	Change in Net Position	
	2024	2023
Revenues		
Program Revenues		
Charges for Services	\$ 4,981,944	4,476,104
Capital Grants/Contributions	126,885	2,526,038
General Revenues		
Property Taxes	6,014,121	5,627,276
Personal Property Replacement Tax	52,500	79,705
Investment Income (Loss)	409,890	(33,930)
Miscellaneous	161,698	252,599
Total Revenues	<u>11,747,038</u>	<u>12,927,792</u>
Expenses		
General Government	1,370,313	1,923,468
Parks and Recreation	9,571,183	8,702,585
Interest on Long-Term Debt	415,030	360,505
Total Expenses	<u>11,356,526</u>	<u>10,986,558</u>
Change in Net Position	390,512	1,941,234
Net Position - Beginning	<u>46,391,291</u>	<u>44,450,057</u>
Net Position - Ending	<u><u>46,781,803</u></u>	<u><u>46,391,291</u></u>

Net position of the District's governmental activities increased by 0.8 percent (\$46,781,803 in 2024 compared to \$46,391,291 in 2023).

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Management Discussion and Analysis**

**May 31, 2024**

---

---

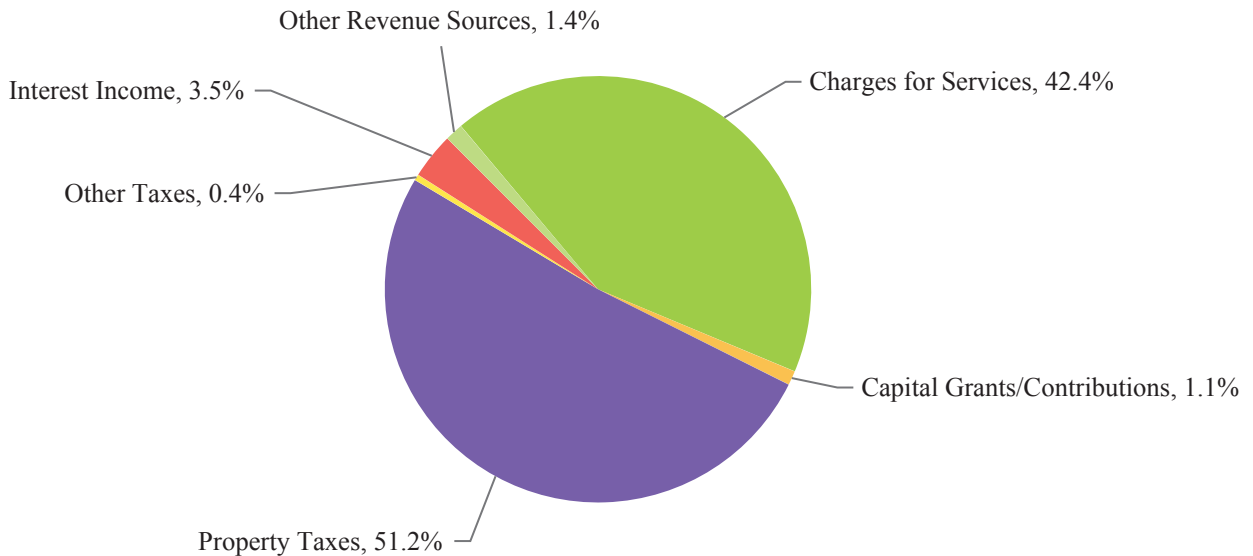
**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Governmental Activities**

Revenues for governmental activities totaled \$11,747,038, while the cost of all governmental functions totaled \$11,356,526. This results in a surplus of \$390,512. In 2023, revenues of \$12,927,792 exceeded expenses of \$10,986,558, resulting in a surplus of \$1,941,234. The surplus in 2024 was due mainly to increases in charges for services, property taxes, and investment income.

The following table graphically depicts the major revenue sources of the District. It depicts very clearly the reliance of charges for services and property taxes to fund governmental activities. It also clearly identifies the less significant percentage the District receives from other taxes, capital grants and contributions, other revenue sources and interest income.

**Revenue by Source - Governmental Activities**



# VERNON HILLS PARK DISTRICT, ILLINOIS

## Management Discussion and Analysis

May 31, 2024

---

---

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Vernon Hills Park District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combining ending fund balances of \$5,968,251, which is a decrease of \$1,401,927, or 19.0 percent, from last year's total of \$7,370,178.

The General Fund reported an increase in fund balance for the year of \$40,083, or 2.8 percent. The increase was due to an increase in investment income (\$81,131 in 2024 compared to a deficit of \$19,767 in 2023) with expenditures increasing 3.42% (\$2,341,801 in 2024 compared to \$2,261,657 in 2023).

The General Fund is the chief operating fund of the District. At May 31, 2024, unassigned fund balance in the General Fund was \$910,672, which represents 60.8 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 38.9 percent of total General Fund expenditures.

The Recreation Fund reported an increase in fund balance for the year of \$297,405, or 13.5 percent. This increase was due in large part to an increase in charges for services (\$2,768,283 in 2024 compared to \$2,599,807 in 2023) as programs ramped up from the previous year. This was offset by an increase in overall recreation expenditures in response to the increased programming.

The Lakeview Fitness Fund reported an increase in fund balance for the year of \$279,796, or 25.4 percent. This increase was due primarily to an increase in charges for services (\$1,883,907 in 2024 compared to \$1,574,393 in 2023) as attendance increased from the previous year.

The Special Recreation Fund reported a decrease in fund balance for the year of \$11,039, or 22.5 percent. This decrease was due to a transfer out to the capital fund for accessibility improvements in the current year.

The Bond Fund reported a decrease in fund balance for the year of \$9,550, or 5.6 percent. The fund balance of \$161,619 in the debt service fund is restricted for future debt service payments. This decrease is due to property tax and bond issuance receipts that were less than the principal and interest expenditures paid in the current year.

The Capital Fund reported a decrease in fund balance for the year of \$1,887,622, or 36.3 percent. The decrease is due mainly to a decrease in grants (\$126,885 in 2024 compared to \$2,526,038 in 2023) that were used for the Family Aquatic Center improvements and other general park improvements.



# VERNON HILLS PARK DISTRICT, ILLINOIS

## Management Discussion and Analysis

May 31, 2024

---

---

### GENERAL FUND BUDGETARY HIGHLIGHTS

The District Board of Commissioners did not amend the budget for the General Fund in the current year. General Fund actual revenues for the year totaled \$2,381,884, compared to budgeted revenues of \$2,504,554.

The General Fund actual expenditures for the year were \$109,853 lower than budgeted (\$2,341,801 actual compared to \$2,451,654 budgeted). The general government function's actual expenditures were higher than budgeted expenditures by \$12,027 and parks and recreation function's actual expenditures were lower than budgeted expenditures by \$121,880.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The District's investment in capital assets for its governmental and business type activities as of May 31, 2024 was \$54,013,444 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and vehicles.

	Capital Assets - Net of Depreciation	
	2024	2023
Land	\$ 10,715,011	10,715,011
Construction in Progress	2,439,418	593,257
Buildings and Improvements	36,519,877	37,378,308
Machinery and Equipment	4,145,553	4,252,844
Vehicles	193,585	148,898
Totals	<u>54,013,444</u>	<u>53,088,318</u>

This year's major capital asset additions included:

Construction in Progress	\$ 1,846,161
Buildings and Improvements	578,567
Machinery and Equipment	337,662
Vehicles	<u>80,066</u>
Total	<u>2,842,456</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Management Discussion and Analysis**

**May 31, 2024**

---

---

**CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued**

**Debt Administration**

At year-end, the District had total outstanding debt of \$12,172,536 as compared to \$12,718,112 the previous year, a decrease of 4.3 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2024	2023
General Obligation Bonds	\$ 11,752,385	12,213,930
Intergovernmental Loan	420,151	504,182
Totals	<u>12,172,536</u>	<u>12,718,112</u>

The District maintains an Aa3 rating from Moody’s for general obligation debt. This rating was updated in February 2023. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 2.875 percent of its total assessed valuation. The current debt limit for the District is \$39,681,230.

Additional information on the District’s long-term debt can be found in Note 3 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

The Vernon Hills Park District's Board of Commissioners and Business office staff considered many factors when setting the Fiscal 2024-2025 budget including tax rates, program fees, the increasing minimum wage, and material costs. An additional factor considered for 2024 was the increase in wages overall as a result of cost of living, competitive hiring and wage compression with continued minimum wage increases.

The District's Fiscal budget for 2024-2025 totals \$16,428,826, a decrease of \$454,440 from the final Fiscal 2023-2024 budget. New projects in the Fiscal Year 2024-2025 include finishing construction to Turtle Creek Water Park’s new Sprayground and maintenance of the current Lazy River and pools. Roof repairs at Sullivan Community Center and Lakeview Fitness. Park improvements include paving projects throughout the District and Hartman Park and Hawthorn Melody Playground upgrades. Also, Grosse Point Park improvements will take place if the OSLAD grant is awarded

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Vernon Hills Park District’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Jessica Mitchell, Superintendent of Finance and Human Resources, Vernon Hills Park District, 635 N. Aspen Drive, Vernon Hills, Illinois 60061.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Statement of Net Position**

**May 31, 2024**

---

---

**See Following Page**

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Statement of Net Position**

**May 31, 2024**

---

---

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 8,668,559
Receivables - Net of Allowances	7,416,676
Prepays	2,252
Total Current Assets	<u>16,087,487</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	13,154,429
Depreciable	65,049,793
Accumulated Depreciation	<u>(24,190,778)</u>
Total Noncurrent Assets	<u>54,013,444</u>
Total Assets	<u>70,100,931</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	703,318
Deferred Items - RBP	15,643
Total Deferred Outflows of Resources	<u>718,961</u>
Total Assets and Deferred Outflows of Resources	<u>70,819,892</u>

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

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 1,379,614
Accrued Payroll	125,281
Deposits Payable	6,600
Accrued Interest Payable	185,689
Other Payables	2,061,609
Current Portion of Long-Term Debt	<u>1,906,540</u>
Total Current Liabilities	<u>5,665,333</u>
Noncurrent Liabilities	
Compensated Absences Payable	273,246
Net Pension Liability - IMRF	801,285
Total OPEB Liability - RBP	197,553
General Obligation Bonds Payable - Net	10,095,603
Intergovernmental Loan	<u>336,120</u>
Total Noncurrent Liabilities	<u>11,703,807</u>
Total Liabilities	<u>17,369,140</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	6,396,172
Deferred Items - Grants	149,960
Deferred Items - IMRF	<u>122,817</u>
Total Deferred Inflows of Resources	<u>6,668,949</u>
Total Liabilities and Deferred Inflows of Resources	<u>24,038,089</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	44,698,365
Restricted	
Special Recreation	37,995
Unrestricted	<u>2,045,443</u>
Total Net Position	<u><u>46,781,803</u></u>

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

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended May 31, 2024**

	Expenses	Program Revenues			Net (Expenses)/ Revenues Governmental Activities
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 1,370,313	—	—	—	(1,370,313)
Parks and Recreation	9,571,183	4,981,944	—	126,885	(4,462,354)
Interest on Long-Term Debt	415,030	—	—	—	(415,030)
<b>Total Governmental Activities</b>	<b>11,356,526</b>	<b>4,981,944</b>	<b>—</b>	<b>126,885</b>	<b>(6,247,697)</b>
		General Revenues			
		Taxes			
		Property Taxes			6,014,121
		Intergovernmental - Unrestricted			
		Personal Property Replacement Tax			52,500
		Investment Income			409,890
		Miscellaneous			161,698
					<u>6,638,209</u>
		Change in Net Position			390,512
		Net Position - Beginning			<u>46,391,291</u>
		Net Position - Ending			<u><u>46,781,803</u></u>

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

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds**

**May 31, 2024**

---

---

**See Following Page**



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds**

**May 31, 2024**

	General	Recreation
<b>ASSETS</b>		
Cash and Investments	\$ 1,354,871	2,665,948
Receivables - Net of Allowances		
Property Taxes	2,201,589	2,124,972
Accounts	400	1,097,890
Advances to Other Funds	584,426	570,576
Prepays	1,557	—
<b>Total Assets</b>	<b>4,142,843</b>	<b>6,459,386</b>
<b>LIABILITIES</b>		
Accounts Payable	272,440	95,989
Accrued Payroll	20,751	64,789
Deposits Payable	—	6,600
Other Payables	13,033	1,537,119
Advances from Other Funds	—	—
<b>Total Liabilities</b>	<b>306,224</b>	<b>1,704,497</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	2,339,964	2,258,531
Grants	—	—
<b>Total Deferred Inflows of Resources</b>	<b>2,339,964</b>	<b>2,258,531</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>2,646,188</b>	<b>3,963,028</b>
<b>FUND BALANCES</b>		
Nonspendable	585,983	—
Restricted	—	—
Assigned	—	2,496,358
Unassigned	910,672	—
<b>Total Fund Balances</b>	<b>1,496,655</b>	<b>2,496,358</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>4,142,843</b>	<b>6,459,386</b>

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

Special Revenue		Debt	Capital	Nonmajor	
Lakeview	Special	Service	Projects	Family	
Fitness	Recreation	Bond	Capital	Aquatic	Totals
				Center	
—	297,882	235,277	4,114,581	—	8,668,559
—	519,439	1,171,932	—	255	6,018,187
260,212	—	—	39,987	—	1,398,489
—	—	—	—	—	1,155,002
695	—	—	—	—	2,252
260,907	817,321	1,407,209	4,154,568	255	17,242,489
52,226	226,826	—	693,491	38,642	1,379,614
31,324	413	—	—	8,004	125,281
—	—	—	—	—	6,600
428,764	—	—	—	82,693	2,061,609
570,576	—	—	—	584,426	1,155,002
1,082,890	227,239	—	693,491	713,765	4,728,106
—	552,087	1,245,590	—	—	6,396,172
—	—	—	149,960	—	149,960
—	552,087	1,245,590	149,960	—	6,546,132
1,082,890	779,326	1,245,590	843,451	713,765	11,274,238
695	—	—	—	—	586,678
—	37,995	161,619	—	—	199,614
—	—	—	3,311,117	—	5,807,475
(822,678)	—	—	—	(713,510)	(625,516)
(821,983)	37,995	161,619	3,311,117	(713,510)	5,968,251
260,907	817,321	1,407,209	4,154,568	255	17,242,489

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

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities**

**May 31, 2024**

---

---

<b>Total Governmental Fund Balances</b>	<b>\$ 5,968,251</b>
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.	54,013,444
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	580,501
Deferred Items - RBP	15,643
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(341,557)
Net Pension Liability - IMRF	(801,285)
Total OPEB Liability - RBP	(232,415)
General Obligation Bonds - Net	(11,814,939)
Intergovernmental Loan	(420,151)
Accrued Interest Payable	(185,689)
<b>Net Position of Governmental Activities</b>	<b><u>46,781,803</u></b>

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

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended May 31, 2024**

---

---

**See Following Page**

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended May 31, 2024**

	General	Recreation
Revenues		
Taxes	\$ 2,229,587	2,075,371
Intergovernmental	52,500	—
Charges for Services	—	2,768,283
Investment Income	81,131	72,901
Miscellaneous	18,666	103,011
Total Revenues	<u>2,381,884</u>	<u>5,019,566</u>
Expenditures		
General Government	1,127,633	—
Parks and Recreation	1,127,243	4,697,150
Capital Outlay	—	—
Debt Service		
Principal Retirement	—	—
Interest and Fiscal Charges	86,925	—
Total Expenditures	<u>2,341,801</u>	<u>4,697,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>40,083</u>	<u>322,416</u>
Other Financing Sources (Uses)		
Debt Issuance	—	—
Transfers In	—	—
Transfers Out	—	(25,011)
	<u>—</u>	<u>(25,011)</u>
Net Change in Fund Balances	40,083	297,405
Fund Balances - Beginning	<u>1,456,572</u>	<u>2,198,953</u>
Fund Balances - Ending	<u><u>1,496,655</u></u>	<u><u>2,496,358</u></u>

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

Special Revenue		Debt Service Bond	Capital Projects Capital	Nonmajor	Totals
Lakeview Fitness	Special Recreation			Family Aquatic Center	
—	523,381	1,185,782	—	—	6,014,121
—	—	—	126,885	—	179,385
1,883,907	—	—	—	329,754	4,981,944
—	—	1,863	253,995	—	409,890
—	—	—	39,986	35	161,698
1,883,907	523,381	1,187,645	420,866	329,789	11,747,038
—	—	—	—	—	1,127,633
1,604,111	207,747	—	—	465,800	8,102,051
—	—	—	3,002,057	—	3,002,057
—	—	1,727,961	—	—	1,727,961
—	—	284,723	—	—	371,648
1,604,111	207,747	2,012,684	3,002,057	465,800	14,331,350
279,796	315,634	(825,039)	(2,581,191)	(136,011)	(2,584,312)
—	—	1,182,385	—	—	1,182,385
—	—	—	693,569	25,011	718,580
—	(326,673)	(366,896)	—	—	(718,580)
—	(326,673)	815,489	693,569	25,011	1,182,385
279,796	(11,039)	(9,550)	(1,887,622)	(111,000)	(1,401,927)
(1,101,779)	49,034	171,169	5,198,739	(602,510)	7,370,178
(821,983)	37,995	161,619	3,311,117	(713,510)	5,968,251

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

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities  
For the Fiscal Year Ended May 31, 2024**

---

---

**Net Change in Fund Balances - Total Governmental Funds** \$ (1,401,927)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	2,842,456
Depreciation Expense	(1,917,330)

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(238,350)
Change in Deferred Items - RBP	(2,106)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(13,916)
Change in Net Pension Liability/(Asset) - IMRF	579,029
Change in Total OPEB Liability - RBP	40,462
Retirement of Debt	1,727,961
Issuance of Debt	(1,182,385)
Unamortized Debt Premium	6,949

Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

(50,331)

**Changes in Net Position of Governmental Activities**

390,512

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Vernon Hills Park District (the District) of Illinois is duly organized and existing under the provisions of the laws of the State of Illinois. The District is operating under the provisions of the Park District Code of the State of Illinois approved November 30, 1973 and under all laws amendatory thereto. The District operates under the commissioner-director form of government. The District provides a variety of recreational facilities, programs and services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established in GAAP and used by the District are described below.

#### REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's parks and recreation and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of the District's functions (general government, parks and recreation, etc.). These functions are supported by general government revenues (property taxes and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, parks and recreation, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property taxes, intergovernmental revenues, investment income and charges for services, etc.).



# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Statements - Continued

The District allocates indirect costs to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid for through the General Fund.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

##### Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. District's funds are reported within the governmental category. The emphasis in fund financial statements is on the major funds and nonmajor funds are summarized into a single column.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

*General Fund* is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

##### Governmental Funds - Continued

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains four special revenue funds. The Recreation Fund, a major fund, is used to account for revenue and expenditures restricted, committed or assigned to recreation programs and is funded by a restricted tax levy and user fees. The Lakeview Fitness Fund, also a major fund, is used to account for the operations of Lakeview Fitness and Little Learners Childcare. The Special Recreation Fund, a major fund, is used to account for property taxes restricted for funding recreation activities for disabled individuals. The Family Aquatic Center Fund, a nonmajor fund, is used to account for the operations of the District's water parks. Financing is provided primarily from fees charged for programs and activities.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Bond Fund is treated as a major fund and is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The District maintains one major capital projects fund. The Capital is used to account for and report financial resources that are restricted, committed or assigned for capital outlays including the acquisition and construction of capital facilities and other capital assets.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

##### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below.

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/deferred outflows and liabilities/deferred inflows 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.

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The District recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

##### Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and other accounts.

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more (depending on asset class) and a useful life of more than one year, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	5 - 50 Years
Machinery and Equipment	5 - 15 Years
Vehicles	5 - 15 Years

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### Net Position

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

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption 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 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

The District follows these procedures in establishing the budgetary data:

- a. The Superintendent of Recreation, the Superintendent of Parks, the Facility Manager and the Marketing and Communication Manager present detailed budget requests by general ledger line item to the Superintendent of Finance and Human Resources in January.
- b. The Superintendent of Finance and Human Resources reviews the proposed budget with the Executive Director in January.
- c. Two budget workshops are held with the Executive Director, Division Heads and Park Board in February and March. The February workshop includes a review of the capital improvement projects to be included in the budget.
- d. A Budget and Appropriations hearing is held at a special Board meeting in May.
- e. Budgets for the Funds are legally adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Capital, and Debt Service Funds, Expenditures may not legally exceed appropriations at the fund level. Any expenditures in excess of the legally adopted appropriation must be approved by the Board through a supplemental appropriation.
- f. Budgetary control is exercised by the Board at the fund level. No amendments to the budget are allowed without Board approval.
- g. All budget authority lapses at the end of the year. No supplemental appropriations were adopted during the current fiscal year.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued**

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
Recreation	\$ 24,848
Bond	888
Family Aquatic Center	516

**DEFICIT FUND BALANCES**

The following funds had deficit fund balance as of the date of this report:

Fund	Deficit
Lakeview Fitness	\$ 821,983
Family Aquatic Center	713,510

**NOTE 3 - DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

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

Permitted Deposits and Investments - Statutes authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, and commercial paper rated within the three highest classifications by at least two standard rating services and IPRIME.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

*Deposits.* At year-end, the carrying amount of the District's deposits for governmental activities totaled \$8,168,655 and the bank balances totaled \$8,299,710.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

*Investments.* The District has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasuries	\$ 343,085	—	343,085	—	—
IPRIME	156,819	156,819	—	—	—
	499,904	156,819	343,085	—	—

The District has the following recurring fair value measurements as of year-end:

- U.S. Treasuries of \$343,085 are valued using quoted market prices (Level 1 inputs)
- IPRIME of \$156,819 are valued using a matrix pricing model (Level 2 inputs)

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's objective is to mitigate both credit and interest rate risk. Therefore, in accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio in a manner to maintain the best available market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by avoiding any investment transaction or practice which in appearance or fact might impair public confidence in the District's stewardship of public funds. The District limits investments to instruments authorized under state statute. The District's policy does not further limit investments of the District. At year-end, the District's investment IPRIME were rated AAAM by Standard & Poor's.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy requires diversification as follows:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes debentures, or other similar obligations of the United States of America, its agencies, and its instrumentalities. The term "agencies of the United States of America" includes: (i) the federal land banks, federal intermediate credit banks, Fannie Mae, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by Act of Congress.



# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### *Concentration Risk.- Continued*

- Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing times deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.
- Money market mutual funds registered under the Investment Company Act of 1940.

At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by a third party in the District's name. At year-end, the entire bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the District's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the District's name.

#### PROPERTY TAXES

Property taxes for 2023 attach as an enforceable lien on January 1, 2023, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**INTERFUND ADVANCES**

Interfund advances as of the date of this report are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 584,426
Recreation	Lakeview Fitness	<u>570,576</u>
		<u>1,155,002</u>

Interfund advances represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital	Bond	\$ 366,896
Capital	Special Recreation	326,673
Nonmajor	Recreation	<u>25,011</u>
		<u>718,580</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 10,715,011	—	—	10,715,011
Construction in Progress	593,257	1,846,161	—	2,439,418
	<u>11,308,268</u>	<u>1,846,161</u>	<u>—</u>	<u>13,154,429</u>
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	54,802,501	578,567	—	55,381,068
Machinery and Equipment	8,468,428	337,662	—	8,806,090
Vehicles	782,569	80,066	—	862,635
	<u>64,053,498</u>	<u>996,295</u>	<u>—</u>	<u>65,049,793</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	17,424,193	1,436,998	—	18,861,191
Machinery and Equipment	4,215,584	444,953	—	4,660,537
Vehicles	633,671	35,379	—	669,050
	<u>22,273,448</u>	<u>1,917,330</u>	<u>—</u>	<u>24,190,778</u>
 Total Net Depreciable Capital Assets	 <u>41,780,050</u>	 <u>(921,035)</u>	 <u>—</u>	 <u>40,859,015</u>
 Total Net Capital Assets	 <u>53,088,318</u>	 <u>925,126</u>	 <u>—</u>	 <u>54,013,444</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 607,799
Parks and Recreation	<u>1,309,531</u>
	<u>1,917,330</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$6,000,000 General Obligation (Alternate Revenue Source) Park Bonds of 2016A due in annual installments of \$35,000 to \$675,000 plus interest at 2.00% - 3.00% through December 15, 2032.	\$ 5,965,000	—	510,000	5,455,000
\$1,133,930 General Obligation Limited Tax Park Bonds of 2022 due in one installment of \$1,133,930 plus interest at 3.59% on December 1, 2023.	1,133,930	—	1,133,930	—
\$5,115,000 General Obligation (Alternate Revenue Source) Park Bonds of 2023A due in annual installments of \$425,000 to \$610,000 plus interest at 4.00% through December 15, 2042.	5,115,000	—	—	5,115,000
\$1,182,385 General Obligation Limited Tax Park Bonds of 2023B due in one installment of \$1,182,385 plus interest at 4.29% through December 1, 2024.	—	1,182,385	—	1,182,385
	<u>12,213,930</u>	<u>1,182,385</u>	<u>1,643,930</u>	<u>11,752,385</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 327,641	27,832	13,916	341,557	68,311
Net Pension Liability - IMRF	1,380,314	—	579,029	801,285	—
Total OPEB Liability - RBP	272,877	—	40,462	232,415	34,862
General Obligation Bonds	12,213,930	1,182,385	1,643,930	11,752,385	1,712,385
Unamortized Bond Premium	69,503	—	6,949	62,554	6,951
Intergovernmental Loan	504,182	—	84,031	420,151	84,031
	<u>14,768,447</u>	<u>1,210,217</u>	<u>2,368,317</u>	<u>13,610,347</u>	<u>1,906,540</u>

Payments on the net pension liability/(asset) and total OPEB liability are liquidated by the General Fund. Payments on the compensated absences are made by the General Fund and the Recreation Fund. The Bond Fund makes payments on the general obligation bonds and the intergovernmental loan.

**Intergovernmental Loan**

On March 3, 2013, the District entered into an agreement with the Village of Vernon Hills (Village) for the purchase of the Vernon Hills YMCA building and property. The agreement specifies that the 50% of impact fees intended for the District will be applied to the District's repayment of the loan. At May 31, 2024 the total intergovernmental loan payable is \$420,151. The annual debt service requirements to maturity are as follows:

Fiscal Year	Payment
2025	\$ 84,031
2026	84,031
2027	84,031
2028	84,031
2029	<u>84,027</u>
	<u>420,151</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2025	\$ 1,712,385	419,115
2026	550,000	352,350
2027	570,000	335,850
2028	590,000	318,754
2029	610,000	301,050
2030	635,000	282,750
2031	645,000	263,700
2032	650,000	244,350
2033	675,000	224,850
2034	425,000	204,600
2035	440,000	187,600
2036	460,000	170,000
2037	480,000	151,600
2038	495,000	132,400
2039	520,000	112,600
2040	540,000	91,800
2041	560,000	70,200
2042	585,000	47,800
2043	610,000	24,400
Totals	<u>11,752,385</u>	<u>3,935,769</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides "...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more that .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question."

Assessed Valuation - 2023	<u>\$ 1,380,216,695</u>
Legal Debt Limit - 2.875% of Assessed Value	39,681,230
Amount of Debt Applicable to Limit	
Bonds of 2023B	<u>1,182,385</u>
Legal Debt Margin	<u>38,498,845</u>
Non-Referendum Legal Debt Limit	
0.575% of Equalized Assessed Value	7,936,246
Amount of Debt Applicable to Limit	
Bonds of 2023B	<u>1,182,385</u>
Non-Referendum Legal Debt Margin	<u>6,753,861</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**NET POSITION CLASSIFICATIONS**

Net investment in capital assets was comprised of the following as of May 31, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 54,013,444
Plus: Unspent Bond Proceeds	2,499,860
Less Capital Related Debt:	
General Obligation Park Bonds of 2016A	(5,455,000)
General Obligation Park Bonds of 2023A	(5,115,000)
General Obligation Limited Tax Park Bonds of 2023B	(1,182,385)
Unamortized Bond Premium	<u>(62,554)</u>
Net Investment in Capital Assets	<u><u>44,698,365</u></u>

**FUND BALANCE CLASSIFICATIONS**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue		Special Recreation	Debt Service Bond	Capital Projects Capital	Nonmajor	Totals
		Recreation	Lakeview Fitness				Family Aquatic Center	
Fund Balances								
Nonspendable								
Prepays	\$ 1,557	—	695	—	—	—	—	2,252
Advances	584,426	—	—	—	—	—	—	584,426
	<u>585,983</u>	<u>—</u>	<u>695</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>586,678</u>
Restricted								
Special Recreation	—	—	—	37,995	—	—	—	37,995
Debt Service	—	—	—	—	161,619	—	—	161,619
	<u>—</u>	<u>—</u>	<u>—</u>	<u>37,995</u>	<u>161,619</u>	<u>—</u>	<u>—</u>	<u>199,614</u>
Assigned								
Recreation	—	2,496,358	—	—	—	—	—	2,496,358
Capital Projects	—	—	—	—	—	3,311,117	—	3,311,117
	<u>—</u>	<u>2,496,358</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,311,117</u>	<u>—</u>	<u>5,807,475</u>
Unassigned	910,672	—	(822,678)	—	—	—	(713,510)	(625,516)
Total Fund Balances	<u>1,496,655</u>	<u>2,496,358</u>	<u>(821,983)</u>	<u>37,995</u>	<u>161,619</u>	<u>3,311,117</u>	<u>(713,510)</u>	<u>5,968,251</u>



# VERNON HILLS PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

May 31, 2024

---

---

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### FUND BALANCE CLASSIFICATIONS - Continued

In the governmental funds financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Commissioners; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Commissioners' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Commissioners itself or b) a body or official to which the Board of Commissioners has delegated the authority to assign amounts to be used for specific purposes. The District' highest level of decision-making authority is the Board of Commissioners, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* It is the goal of the District to achieve and thereafter maintain a General Fund reserve balance equal to 25% of its annual expenditures.

### NOTE 4 - OTHER INFORMATION

#### CONTINGENT LIABILITIES

##### Litigation

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

## **VERNON HILLS PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements**

**May 31, 2024**

---

---

#### **NOTE 4 - OTHER INFORMATION - Continued**

##### **CONTINGENT LIABILITIES - Continued**

###### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

###### **JOINT VENTURES**

###### **Special Recreation Association of Central Lake County (SRACLC)**

The District is a member of the Special Recreation Association of Central Lake County (SRACLC), a cooperative formed by Member Agencies to provide community based Therapeutic Recreation services to individuals with disabilities and their families and to share the expenses of such programs on a cooperative basis. Contribution requirements are determined based on a percentage of the individual member's equalized assessed valuation and population as defined. The District contributed \$160,129 to SRACLC during the fiscal year ended May 31, 2024.

The District does not exercise direct oversight of SRACLC, and accordingly, SRACLC has not been included in these basic financial statements. The audited financial statements of SRACLC are available at 271 North Archer Avenue, Mundelein, IL 60060.

###### **RISK MANAGEMENT**

###### **Park District Risk Management Agency (PDRMA)**

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 October 2010, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District.

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

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigations 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.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**RISK MANAGEMENT - Continued**

**Park District Risk Management Agency (PDRMA) - Continued**

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

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2023 and the statement of revenues and expenses for the period ending December 31, 2023. The District's portion of the overall equity of the pool is 0.200% or \$82,472.

Assets	\$ 60,313,775
Deferred Outflows of Resources - Pension	1,896,306
Liabilities	21,392,998
Deferred Inflows of Resources - Pension	138,153
Total Net Position	40,678,930
Operating Revenues	17,472,235
Nonoperating Revenues	4,226,502
Expenditures	25,204,654

Since 93.63% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

**Park District Risk Management Agency (PDRMA) Health Program**

On June 1, 1997, the District became a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$300,000. Members can choose to provide any combination of coverages available to their employees and pay premiums accordingly. As a member of the PDRMA Health Program, the District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the member agency and PDRMA Health Program is governed by a contract and by-laws that have been adopted by a resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**RISK MANAGEMENT - Continued**

**Park District Risk Management Agency (PDRMA) Health Program - Continued**

The following represents a summary of PDRMA’s Health Program balance sheet at December 31, 2023 and the statement of revenues and expenses for the period ending December 31, 2023.

Assets	\$ 25,597,567
Deferred Outflows of Resources - Pension	812,704
Liabilities	7,696,413
Deferred Inflows of Resources - Pension	59,208
Total Net Position	18,654,650
Operating Revenues	37,348,378
Nonoperating Revenues	729,307
Expenditures	39,999,720

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

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement Fund (IMRF)**

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

**Plan Descriptions**

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

VERNON HILLS PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

May 31, 2024

---

---

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	29
Inactive Plan Members Entitled to but not yet Receiving Benefits	62
Active Plan Members	<u>55</u>
Total	<u><u>146</u></u>

*Contributions.* As set by statute, the District's Regular Plan Members are required to contribute 4.50% 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. For the year-ended May 31, 2024, the District's contribution was 7.14% of covered payroll.

*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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:

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumption - Continued.*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the District calculated using the discount rate as well as what the District's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 2,352,413	801,285	(407,252)

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 11,470,263	10,089,949	1,380,314
Changes for the Year:			
Service Cost	279,045	—	279,045
Interest on the Total Pension Liability	827,385	—	827,385
Difference Between Expected and Actual Experience of the Total Pension Liability	52,202	—	52,202
Changes of Assumptions	(11,487)	—	(11,487)
Contributions - Employer	—	227,188	(227,188)
Contributions - Employees	—	142,964	(142,964)
Net Investment Income	—	1,095,226	(1,095,226)
Benefit Payments, Including Refunds of Employee Contributions	(395,144)	(395,144)	—
Other (Net Transfer)	—	260,796	(260,796)
Net Changes	752,001	1,331,030	(579,029)
Balances at December 31, 2023	12,222,264	11,420,979	801,285

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended May 31, 2024, the District recognized pension revenue of \$105,934. At May 31, 2024, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 70,019	(93,215)	(23,196)
Change in Assumptions	—	(29,602)	(29,602)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	540,864	—	540,864
Total Expense to be Recognized in Future Periods	610,883	(122,817)	488,066
Contributions made Subsequent to the Measurement Date	92,435	—	92,435
Total Deferred Amounts Related to IMRF	703,318	(122,817)	580,501

\$92,435 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended May 31, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 26,832
2026	160,914
2027	368,262
2028	(67,942)
2029	—
Thereafter	—
Total	488,066

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

*Plan Description.* The District’s defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP provides healthcare, dental, and vision benefits for retirees and their dependents. The retiree pays the full cost of the coverage.

*Plan Membership.* As of September 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>51</u>
Total	<u><u>52</u></u>

**Total OPEB Liability**

The District’s total OPEB liability was measured as of October 1, 2023, and was determined by an actuarial valuation as of September 30, 2023.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.50%
Discount Rate	4.09%
Healthcare Cost Trend Rates	
PPO 2000	6.80% Graded to 5.00% until the ultimate trend rate is reached in 2033.
HMO	7.60% Graded to 5.00% until the ultimate trend rate is reached in 2033.
Retirees' Share of Benefit	
Related Costs	100% of Projected Health Insurance Premiums for Retirees

The discount rate was based on the Bond Buyer 20-Bond Go Index.

Mortality rates were based on PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Change in the Total OPEB Liability**

	Total OPEB Liability
Balance at May 31, 2023	<u>\$ 272,877</u>
Changes for the Year:	
Service Cost	4,672
Interest on the Total OPEB Liability	10,434
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	(32,711)
Changes of Assumptions or Other Inputs	3,767
Benefit Payments	<u>(26,624)</u>
Net Changes	<u>(40,462)</u>
Balance at May 31, 2024	<u><u>232,415</u></u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 4.09%, while the prior valuation used 4.02%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
Total OPEB Liability	\$ 244,677	232,415	220,839

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 213,937	232,415	254,256

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Notes to the Financial Statements**

**May 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended May 31, 2024, the District recognized OPEB revenue of \$11,732. At May 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	—	—
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Expense to be Recognized in Future Periods	—	—	—
Contributions made Subsequent to the Measurement Date	15,643	—	15,643
 Total Deferred Amounts Related to OPEB	 15,643	 —	 15,643

\$15,643 of employer contribution made subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows of Resources
2025	\$ —
2026	—
2027	—
2028	—
2029	—
Thereafter	—
 Total	 —

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
Retiree Benefit Plan
- Budgetary Comparison Schedules  
General Fund  
Recreation - Special Revenue Fund  
Lakeview Fitness - Special Revenue Fund  
Special Recreation - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
May 31, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions a Percentage of Covered Payroll
2015	\$ 279,376	\$ 279,376	\$ —	\$ 2,419,193	11.55%
2016	269,275	269,275	—	2,607,131	10.33%
2017	278,239	278,239	—	2,752,924	10.11%
2018	275,868	275,868	—	2,849,553	9.68%
2019	257,052	257,052	—	2,973,661	8.64%
2020	253,556	253,556	—	2,959,311	8.57%
2021	243,091	243,091	—	2,610,950	9.31%
2022	263,315	263,315	—	2,946,350	8.94%
2023	234,745	234,745	—	3,011,811	7.79%
2024	232,984	232,984	—	3,263,681	7.14%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**May 31, 2024**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 256,653	246,791	283,775
Interest	474,427	530,225	566,176
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	44,975	(40,030)	(170,955)
Change of Assumptions	251,821	9,913	(20,431)
Benefit Payments, Including Refunds of Member Contributions	(246,277)	(292,792)	(257,814)
Net Change in Total Pension Liability	781,599	454,107	400,751
Total Pension Liability - Beginning	6,320,511	7,102,110	7,556,217
Total Pension Liability - Ending	7,102,110	7,556,217	7,956,968
Plan Fiduciary Net Position			
Contributions - Employer	\$ 279,376	270,726	274,482
Contributions - Members	108,854	118,509	121,333
Net Investment Income	350,658	31,102	423,257
Benefit Payments, Including Refunds of Member Contributions	(246,227)	(292,792)	(257,814)
Other (Net Transfer)	2,065	(237,404)	20,706
Net Change in Plan Fiduciary Net Position	494,726	(109,859)	581,964
Plan Net Position - Beginning	5,677,497	6,172,223	6,062,364
Plan Net Position - Ending	6,172,223	6,062,364	6,644,328
Employer's Net Pension Liability/(Asset)	\$ 929,887	1,493,853	1,312,640
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.91%	80.23%	83.50%
Covered Payroll	\$ 2,419,193	2,633,520	2,696,277
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	38.44%	56.72%	48.68%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2014 through 2021. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
282,497	278,931	287,754	294,490	238,851	269,496	279,045
595,717	621,926	659,026	711,814	738,005	787,273	827,385
—	—	—	—	—	—	—
93,143	19,066	154,490	(138,054)	89,059	(111,423)	52,202
(257,979)	267,797	—	(87,869)	—	—	(11,487)
(310,642)	(413,648)	(375,269)	(377,790)	(404,815)	(398,551)	(395,144)
402,736	774,072	726,001	402,591	661,100	546,795	752,001
7,956,968	8,359,704	9,133,776	9,859,777	10,262,368	10,923,468	11,470,263
8,359,704	9,133,776	9,859,777	10,262,368	10,923,468	11,470,263	12,222,264
280,971	266,889	242,071	247,726	266,126	247,057	227,188
126,563	127,360	132,864	121,375	126,861	135,759	142,964
1,112,789	(355,049)	1,339,998	1,253,175	1,678,241	(1,353,114)	1,095,226
(310,642)	(413,648)	(375,269)	(377,790)	(404,815)	(398,551)	(395,144)
(50,158)	165,676	57,219	69,100	(103,028)	(410,135)	260,796
1,159,523	(208,772)	1,396,883	1,313,586	1,563,385	(1,778,984)	1,331,030
6,644,328	7,803,851	7,595,079	8,991,962	10,305,548	11,868,933	10,089,949
7,803,851	7,595,079	8,991,962	10,305,548	11,868,933	10,089,949	11,420,979
555,853	1,538,697	867,815	(43,180)	(945,465)	1,380,314	801,285
93.35%	83.15%	91.20%	100.42%	108.66 %	87.97 %	93.44 %
2,812,517	2,830,219	2,954,568	2,610,950	2,819,127	2,987,374	3,173,026
19.76%	54.37%	29.37%	(1.65%)	(33.54%)	46.20%	25.25%



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Retiree Benefit Plan**

**Schedule of Changes in the Employer's Total OPEB Liability**

**May 31, 2024**

	<u>5/31/2019</u>
Total OPEB Liability	
Service Cost	\$ 9,793
Interest	4,206
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	(4,905)
Benefit Payments	<u>(1,287)</u>
Net Change in Total OPEB Liability	7,807
Total OPEB Liability - Beginning	<u>106,399</u>
Total OPEB Liability - Ending	<u><u>114,206</u></u>
Covered-Employee Payroll	\$ 2,584,442
Total OPEB Liability as a Percentage of Covered-Employee Payroll	4.42%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Changes of Assumptions.* Changes of assumptions related to the discount rate were made in 2019 through 2023.

5/31/2020	5/31/2021	5/31/2022	5/31/2023	5/31/2024
9,290	9,776	9,216	5,618	4,672
5,133	3,657	8,740	7,426	10,434
—	—	—	—	—
(810)	433,113	28,546	—	(32,711)
11,639	(181,391)	(95,611)	(57,392)	3,767
(1,377)	(1,414)	(12,717)	(22,771)	(26,624)
23,875	263,741	(61,826)	(67,119)	(40,462)
114,206	138,081	401,822	339,996	272,877
138,081	401,822	339,996	272,877	232,415
2,645,104	2,711,232	2,786,783	2,945,313	3,126,612
5.22%	14.82%	12.20%	9.26%	7.43%

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,230,741	2,230,741	2,229,587
Intergovernmental			
Replacement Taxes	75,814	75,814	52,500
Investment Income	11,784	11,784	81,131
Miscellaneous	186,215	186,215	18,666
Total Revenues	<u>2,504,554</u>	<u>2,504,554</u>	<u>2,381,884</u>
Expenditures			
General Government			
Business Services	815,892	815,892	841,621
Employee Benefits	299,714	299,714	286,012
Parks and Recreation	1,249,123	1,249,123	1,127,243
Debt Service			
Interest and Fiscal Charges	86,925	86,925	86,925
Total Expenditures	<u>2,451,654</u>	<u>2,451,654</u>	<u>2,341,801</u>
Net Change in Fund Balance	<u>52,900</u>	<u>52,900</u>	40,083
Fund Balance - Beginning			<u>1,456,572</u>
Fund Balance - Ending			<u><u>1,496,655</u></u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,076,441	2,076,441	2,075,371
Charges for Services			
Program Fees	2,487,862	2,487,862	2,555,753
Rental	181,850	181,850	212,530
Investment Income	9,834	9,834	72,901
Miscellaneous	87,820	87,820	103,011
Total Revenues	<u>4,843,807</u>	<u>4,843,807</u>	<u>5,019,566</u>
Expenditures			
Parks and Recreation	<u>4,672,302</u>	<u>4,672,302</u>	<u>4,697,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	171,505	171,505	322,416
Other Financing (Uses)			
Transfers Out	<u>(23,576)</u>	<u>(23,576)</u>	<u>(25,011)</u>
Net Change in Fund Balance	<u>147,929</u>	<u>147,929</u>	297,405
Fund Balance - Beginning			<u>2,198,953</u>
Fund Balance - Ending			<u><u>2,496,358</u></u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Lakeview Fitness - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Fitness	\$ 1,591,631	1,591,631	1,658,759
Child Care	11,100	11,100	5,525
Aquatics	222,165	222,165	156,209
Rental Income	—	—	58,607
Miscellaneous	10,385	10,385	4,807
Total Revenues	<u>1,835,281</u>	<u>1,835,281</u>	<u>1,883,907</u>
Expenditures			
Parks and Recreation	<u>1,732,345</u>	<u>1,732,345</u>	<u>1,604,111</u>
Net Change in Fund Balance	<u>102,936</u>	<u>102,936</u>	279,796
Fund Balance - Beginning			<u>(1,101,779)</u>
Fund Balance - Ending			<u>(821,983)</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Special Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 523,537	523,537	523,381
Investment Income	465	465	—
Total Revenues	<u>524,002</u>	<u>524,002</u>	<u>523,381</u>
Expenditures			
Park and Recreation			
Special Recreation Services	<u>210,792</u>	<u>210,792</u>	<u>207,747</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	313,210	313,210	315,634
Other Financing (Uses)			
Transfers Out	<u>(313,210)</u>	<u>(313,210)</u>	<u>(326,673)</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>(11,039)</u>
Fund Balance - Beginning			<u>49,034</u>
Fund Balance - Ending			<u><u>37,995</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Consolidated Year-End Financial Report

## **INDIVIDUAL FUND DESCRIPTIONS**

---

### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

---

### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

#### **Recreation Fund**

The Recreation Fund is used to account for revenue and expenditures restricted, committed or assigned to recreation programs and is funded by a restricted tax levy and user fees.

#### **Lakeview Fitness Fund**

The Lakeview Fitness Fund is used to account for the operations of Lakeview Fitness and Little Learners Childcare.

#### **Special Recreation Fund**

The Special Recreation Fund is used to account for property taxes restricted for funding recreation activities for disabled individuals.

#### **Family Aquatic Center Fund**

The Family Aquatic Center Fund is used to account for the operations of the District's water parks. Financing is provided primarily from fees charged for programs and activities.

---

### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

---



## **INDIVIDUAL FUND DESCRIPTIONS**

---

### **CAPITAL PROJECTS FUND**

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit.

#### **Capital Fund**

The Capital Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlays including the acquisition and construction of capital facilities and other capital assets.

---

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
General Government			
Business Services			
Legal Fees	\$ 20,000	20,000	13,569
Professional Fees	67,535	67,535	45,417
Contractual Services	363,644	363,644	409,176
Liability Insurance	135,265	135,265	136,295
Bank Fees and Credit Card Charges	73,684	73,684	84,902
Technology	119,903	119,903	118,696
Supplies and Safety Equipment	35,861	35,861	33,566
Total Business Services	<u>815,892</u>	<u>815,892</u>	<u>841,621</u>
Employee Benefits			
IMRF	54,320	54,320	55,723
Social Security	57,694	57,694	52,782
Health and Life Insurance	187,700	187,700	177,507
Total Employee Benefits	<u>299,714</u>	<u>299,714</u>	<u>286,012</u>
Total General Government	<u>1,115,606</u>	<u>1,115,606</u>	<u>1,127,633</u>
Parks and Recreation			
Salaries and Wages			
Maintenance Workers - Full-Time	656,735	656,735	633,643
Maintenance Workers - Part-Time	97,430	97,430	71,265
Services			
Clothing and Uniforms	7,425	7,425	6,749
Training and Travel	8,080	8,080	9,306
Supplies and Equipment			
Maintenance Supplies	211,175	211,175	180,262
Office Supplies	2,000	2,000	1,987
Equipment	28,900	28,900	16,812
Utilities	51,813	51,813	46,812
Repairs/Improvements	185,565	185,565	160,407
Total Parks and Recreation	<u>1,249,123</u>	<u>1,249,123</u>	<u>1,127,243</u>
Debt Service			
Interest and Fiscal Charges	86,925	86,925	86,925
Total Expenditures	<u>2,451,654</u>	<u>2,451,654</u>	<u>2,341,801</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation			
Administration			
Salaries and Wages	\$ 195,167	195,167	164,274
Services			
Training and Travel	32,387	32,387	25,218
Utilities	8,700	8,700	9,390
Miscellaneous	500	500	29,769
Total Administration	<u>236,754</u>	<u>236,754</u>	<u>228,651</u>
Employee Benefits			
IMRF	172,013	172,013	177,261
Social Security	280,639	280,639	260,531
Health and Life Insurance	638,328	638,328	646,216
Other	60,873	60,873	76,550
Total Employee Benefits	<u>1,151,853</u>	<u>1,151,853</u>	<u>1,160,558</u>
Programs			
Salaries and Wages			
Recreation - Full-Time	964,280	964,280	957,187
Recreation - Part-Time	518,770	518,770	520,992
Supervision - Full-Time	317,549	317,549	314,124
Customer Service - Part-Time	35,070	35,070	38,950
Services			
Contractual	129,696	129,696	113,419
Recreation Contractors	453,684	453,684	489,390
Officials	18,914	18,914	21,168
Training and Travel	1,745	1,745	1,505
Utilities	4,578	4,578	5,334
League/Tourney Fees	120,650	120,650	121,972
Supplies and Equipment			
Recreation Supplies	64,028	64,028	64,446
Clothing	13,540	13,540	14,704
Recreation Equipment	4,725	4,725	5,027
Total Programs	<u>2,647,229</u>	<u>2,647,229</u>	<u>2,668,218</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual - Continued  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Facilities			
Sullivan Center			
Salaries and Wages			
Maintenance Workers - Full-Time	\$ 175,748	175,748	182,341
Maintenance Workers - Part-Time	49,433	49,433	42,127
Services			
Contractual	50,619	50,619	59,720
Utilities	80,764	80,764	83,636
Supplies and Equipment			
Building Supplies	1,500	1,500	959
Custodial Supplies	18,350	18,350	10,147
Repairs and Maintenance			
Equipment	24,700	24,700	27,713
Building and Grounds Improvements	60,000	60,000	53,256
Total Sullivan Center	461,114	461,114	459,899
Hartmann Pavilion			
Contractual	1,375	1,375	1,575
Utilities	4,668	4,668	3,541
Building Supplies	325	325	300
Building and Grounds Improvements	6,600	6,600	7,979
Total Hartmann Pavilion	12,968	12,968	13,395
Century Park Pavilion			
Wages - Part-Time	900	900	—
Services			
Contractual	1,767	1,767	1,798
Utilities	6,719	6,719	4,428
Building Supplies	800	800	300
Building and Grounds Improvements	3,000	3,000	8,597
Total Century Park Pavilion	13,186	13,186	15,123

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Recreation - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Facilities - Continued			
SRACLC Building			
Building and Grounds Improvements	\$ 4,700	4,700	4,135
Total Facilities	491,968	491,968	492,552
Marketing			
Contractual	50,925	50,925	61,460
Supplies and Equipment			
Postage	8,235	8,235	7,478
Promotional	85,338	85,338	78,233
Total Marketing	144,498	144,498	147,171
Total Expenditures	4,672,302	4,672,302	4,697,150

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Lakeview Fitness - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation			
Fitness			
Salaries and Wages			
Maintenance Workers	\$ 289,060	289,060	278,411
Personal Trainers	12,000	12,000	20,290
Fitness Instructors	90,821	90,821	104,117
Employee Benefits			
Other	700	700	42
Services			
Contractual	111,823	111,823	117,870
Special Events	1,870	1,870	2,954
Utilities	146,750	146,750	110,514
Supplies and Equipment			
Office Supplies	2,125	2,125	2,786
Office Equipment	4,400	4,400	1,849
Other Supplies/Equipment	48,471	48,471	55,308
Fitness Equipment	3,464	3,464	4,177
Building Supplies	1,540	1,540	3,198
Custodial Supplies	46,000	46,000	36,857
Repairs and Maintenance			
Equipment	19,175	19,175	20,536
Buildings and Grounds Improvement	43,600	43,600	31,694
Total Fitness	821,799	821,799	790,603
Childcare			
Salaries and Wages			
Supervision	111,800	111,800	115,494
Childcare Teachers	561,950	561,950	520,987
Services			
Contractual	1,730	1,730	1,508
Supplies and Equipment			
Field Trips	1,500	1,500	801
Childcare Supplies	8,310	8,310	7,992
Equipment	3,500	3,500	5,457
Lunch Supplies	34,403	34,403	33,463
Food Supplies	15,900	15,900	16,245
Total Childcare	739,093	739,093	701,947

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Lakeview Fitness - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual - Continued  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation - Continued			
Aquatics			
Salaries and Wages			
Swim Instructors	\$ 80,398	80,398	41,982
Lifeguards	32,545	32,545	3,692
Services			
Contractual	5,750	5,750	2,975
Lifeguard Training	2,800	2,800	371
Swim Meet Expenditures	21,472	21,472	16,797
Supplies and Equipment			
Swim Meet Supplies	3,000	3,000	3,162
Swim Lesson Supplies	400	400	—
Pool Supplies	21,638	21,638	35,461
Clothing	1,400	1,400	190
Repairs and Maintenance			
Equipment	300	300	2,467
Buildings and Ground Improvements	1,750	1,750	4,464
Total Aquatics	171,453	171,453	111,561
Total Expenditures	1,732,345	1,732,345	1,604,111

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Bond - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,186,270	1,186,270	1,185,782
Investment Income	1,864	1,864	1,863
Total Revenues	<u>1,188,134</u>	<u>1,188,134</u>	<u>1,187,645</u>
Expenditures			
Debt Service			
Principal Retirement	1,727,961	1,727,961	1,727,961
Interest and Fiscal Charges	283,835	283,835	284,723
Total Expenditures	<u>2,011,796</u>	<u>2,011,796</u>	<u>2,012,684</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(823,662)</u>	<u>(823,662)</u>	<u>(825,039)</u>
Other Financing Sources (Uses)			
Debt Issuance	1,167,948	1,167,948	1,182,385
Transfers Out	(344,286)	(344,286)	(366,896)
	<u>823,662</u>	<u>823,662</u>	<u>815,489</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>(9,550)</u>
Fund Balance - Beginning			<u>171,169</u>
Fund Balance - Ending			<u><u>161,619</u></u>



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Capital - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

**For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 600,000	600,000	126,885
Investment Income	9,948	9,948	253,995
Miscellaneous			
Developer Contributions	750,000	750,000	39,986
Total Revenues	<u>1,359,948</u>	<u>1,359,948</u>	<u>420,866</u>
Expenditures			
Capital Outlay	<u>4,657,691</u>	<u>4,657,691</u>	<u>3,002,057</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,297,743)	(3,297,743)	(2,581,191)
Other Financing Sources			
Transfers In	<u>657,496</u>	<u>657,496</u>	<u>693,569</u>
Net Change in Fund Balance	<u>(2,640,247)</u>	<u>(2,640,247)</u>	(1,887,622)
Fund Balance - Beginning			<u>5,198,739</u>
Fund Balance - Ending			<u><u>3,311,117</u></u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Family Aquatic Center - Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Aquatic Center Fees	\$ 307,750	307,750	308,351
Rental Income	20,070	20,070	16,403
Concessions	2,500	2,500	5,000
Miscellaneous	—	—	35
Total Revenues	<u>330,320</u>	<u>330,320</u>	<u>329,789</u>
Expenditures			
Parks and Recreation			
Aquatic Center	<u>465,284</u>	<u>465,284</u>	<u>465,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(134,964)	(134,964)	(136,011)
Other Financing Sources			
Transfers In	<u>20,000</u>	<u>20,000</u>	<u>25,011</u>
Change in Net Position	<u>(114,964)</u>	<u>(114,964)</u>	(111,000)
Fund Balance - Beginning			<u>(602,510)</u>
Net Position - Ending			<u><u>(713,510)</u></u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Family Aquatic Center - Special Revenue Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Fiscal Year Ended May 31, 2024**

	Budget		Actual
	Original	Final	
Parks and Recreation			
Aquatic Center			
Salaries and Wages			
Customer Service	\$ 50,060	50,060	47,099
Lifeguards	213,370	213,370	182,843
Supervision	12,960	12,960	15,988
Contractual Services	18,910	18,910	18,758
Utilities	89,764	89,764	62,797
Supplies and Equipment			
Pool Supplies	10,580	10,580	9,208
Pool Chemicals	42,940	42,940	63,985
Repairs and Maintenance			
Equipment	16,200	16,200	17,998
Building and Grounds Improvements	10,500	10,500	46,902
Miscellaneous	—	—	222
Total Expenditures	465,284	465,284	465,800

## **SUPPLEMENTAL SCHEDULES**

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation (Alternate Revenue Source) Park Bonds of 2016A**

**May 31, 2024**

---

---

Date of Issue	June 9, 2016
Date of Maturity	December 15, 2032
Authorized Issue	\$6,000,000
Interest Rates	2.00% - 3.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable to	Amalgamated Bank of Chicago

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2025	\$ 530,000	163,650	693,650
2026	550,000	147,750	697,750
2027	570,000	131,250	701,250
2028	590,000	114,154	704,154
2029	610,000	96,450	706,450
2030	635,000	78,150	713,150
2031	645,000	59,100	704,100
2032	650,000	39,750	689,750
2033	675,000	20,250	695,250
	<u>5,455,000</u>	<u>850,504</u>	<u>6,305,504</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation (Alternate Revenue Source) Park Bonds of 2023A**

**May 31, 2024**

---



---

Date of Issue	April 6, 2023
Date of Maturity	December 15, 2042
Authorized Issue	\$5,115,000
Interest Rates	4.00%
Interest Date	June 15 and December 15
Principal Maturity Date	December 15
Payable to	Amalgamated Bank of Chicago

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2025	\$ —	204,600	204,600
2026	—	204,600	204,600
2027	—	204,600	204,600
2028	—	204,600	204,600
2029	—	204,600	204,600
2030	—	204,600	204,600
2031	—	204,600	204,600
2032	—	204,600	204,600
2033	—	204,600	204,600
2034	425,000	204,600	629,600
2035	440,000	187,600	627,600
2036	460,000	170,000	630,000
2037	480,000	151,600	631,600
2038	495,000	132,400	627,400
2039	520,000	112,600	632,600
2040	540,000	91,800	631,800
2041	560,000	70,200	630,200
2042	585,000	47,800	632,800
2043	610,000	24,400	634,400
	<u>5,115,000</u>	<u>3,034,400</u>	<u>8,149,400</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Tax Park Bonds of 2023B**

**May 31, 2024**

---

---

Date of Issue	November 30, 2023
Date of Maturity	December 1, 2024
Authorized Issue	\$1,182,385
Interest Rate	4.29%
Interest Date	December 1
Principal Maturity Date	December 1
Payable to	Time Bank, Park Ridge

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2025	\$ 1,182,385	50,865	1,233,250

## **STATISTICAL SECTION (Unaudited)**

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue sources.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

---

---

**See Following Page**

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

	2015	2016	2017
<b>Governmental Activities</b>			
Net Investment in Capital Assets	\$ 18,071,739	21,807,207	22,503,763
Restricted	351,716	383,970	356,095
Unrestricted	3,372,563	1,014,821	882,308
<b>Total Governmental Activities Net Position</b>	<b>21,796,018</b>	<b>23,205,998</b>	<b>23,742,166</b>
<b>Business-Type Activities</b>			
Net Investment in Capital Assets	—	—	—
Unrestricted	—	—	—
<b>Total Business-Type Activities Net Position</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Primary Government</b>			
Net Investment in Capital Assets	18,071,739	21,807,207	22,503,763
Restricted	351,716	383,970	356,095
Unrestricted	3,372,563	1,014,821	882,308
<b>Total Primary Government Net Position</b>	<b>21,796,018</b>	<b>23,205,998</b>	<b>23,742,166</b>

Data Source: Audited Financial Statements

\*In 2018, the Kindergarten Building was classified as a capital projects fund, but in 2019 was reported as an enterprise fund.

2018	2019*	2020	2021	2022	2023	2024
23,818,815	24,235,627	36,583,247	41,240,643	41,593,076	46,412,835	44,698,365
408,730	387,678	256,250	262,083	255,799	220,203	37,995
1,208,381	(484,683)	716,267	719,136	2,601,182	(241,747)	2,045,443
25,435,926	24,138,622	37,555,764	42,221,862	44,450,057	46,391,291	46,781,803
—	1,779,285	—	—	—	—	—
—	(499,249)	—	—	—	—	—
—	1,280,036	—	—	—	—	—
23,818,815	26,014,912	36,583,247	41,240,643	41,593,076	46,412,835	44,698,365
408,730	387,678	256,250	262,083	255,799	220,203	37,995
1,208,381	(983,932)	716,267	719,136	2,601,182	(241,747)	2,045,443
25,435,926	25,418,658	37,555,764	42,221,862	44,450,057	46,391,291	46,781,803

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years\*  
May 31, 2024 (Unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental Activities										
General Government	8,376,704	9,631,699	9,644,569	9,847,642	8,252,731	8,647,873	7,020,835	8,464,841	8,702,585	9,571,183
Recreation	118,159	91,546	258,625	257,924	264,494	254,213	229,678	213,010	360,505	415,030
Interest and Fiscal Charges	8,494,863	9,723,245	9,903,194	10,105,566	10,866,043	10,234,216	8,588,265	9,744,054	10,986,558	11,356,526
Total Governmental Activities Expenses	—	—	—	—	—	—	—	—	—	—
Business-Type Activities	—	—	—	—	—	—	—	—	—	—
Total Primary Government Expenses	8,494,863	9,723,245	9,903,194	10,105,566	10,866,043	10,234,216	8,588,265	9,744,054	10,986,558	11,356,526
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services	4,073,236	4,958,474	4,880,872	4,864,241	4,680,777	16,380,602	6,975,742	3,314,896	4,476,104	4,981,944
Operating Grants and Contributions	—	1,973,528	507,162	1,131,353	473,605	—	383,228	64,641	—	—
Capital Grants and Contributions	23,739	—	—	—	—	—	—	425,975	2,526,038	126,885
Total Governmental Activities Program Revenues	4,096,975	6,932,002	5,388,034	5,995,594	5,154,382	16,380,602	7,358,970	3,805,512	7,002,142	5,108,829
Business-Type Activities	—	—	—	—	536,128	—	—	—	—	—
Kindergarten Building	—	—	—	—	536,128	—	—	—	—	—
Total Primary Government Program Revenues	4,096,975	6,932,002	5,388,034	5,995,594	5,690,510	16,380,602	7,358,970	3,805,512	7,002,142	5,108,829

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental Activities	\$ (4,397,888)	(2,791,243)	(4,515,160)	(4,109,972)	(5,711,661)	6,146,386	(1,229,295)	(5,938,542)	(3,984,416)	(6,247,697)
Business-Type Activities	—	—	—	—	536,128	—	—	—	—	—
Total Primary Government Net Revenue (Expense)	(4,397,888)	(2,791,243)	(4,515,160)	(4,109,972)	(5,175,533)	6,146,386	(1,229,295)	(5,938,542)	(3,984,416)	(6,247,697)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	4,573,441	4,691,273	4,923,723	4,836,267	4,985,302	5,045,637	5,408,419	5,504,678	5,627,276	6,014,121
Intergovernmental	25,171	23,173	25,741	27,511	23,301	25,505	32,352	71,298	79,705	52,500
Investment Income	12,677	21,430	25,468	51,990	104,351	83,708	58,060	9,358	(33,930)	409,890
Miscellaneous	712,787	65,904	66,396	887,964	49,170	466,563	396,562	2,581,403	252,599	161,698
Transfers	—	—	—	—	—	1,280,036	—	—	—	—
Total Governmental Activities	5,324,076	4,801,780	5,041,328	5,803,732	5,162,124	6,901,449	5,895,393	8,166,737	5,925,650	6,638,209
Business-Type Activities										
Transfers	—	—	—	—	—	(1,280,036)	—	—	—	—
Total Primary Government	5,324,076	4,801,780	5,041,328	5,803,732	5,162,124	5,621,413	5,895,393	8,166,737	5,925,650	6,638,209
Changes in Net Position										
Governmental Activities	926,188	2,010,537	526,168	1,693,760	(549,537)	13,047,835	4,666,098	2,228,195	1,941,234	390,512
Business-Type Activities	—	—	—	—	536,128	(1,280,036)	—	—	—	—
Total Primary Government Change in Net Position	926,188	2,010,537	526,168	1,693,760	(13,409)	11,767,799	4,666,098	2,228,195	1,941,234	390,512

Data Source: Audited Financial Statements

\* Accrual Basis of Accounting

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**May 31, 2024 (Unaudited)**

	2015	2016	2017
General Fund			
Nonspendable	\$ —	3,345	8,984
Unassigned	867,383	1,064,219	924,990
Total General Fund	<u>867,383</u>	<u>1,067,564</u>	<u>933,974</u>
All Other Governmental Funds			
Nonspendable	—	—	—
Restricted	397,895	383,973	356,095
Committed	1,439,814	1,779,946	1,971,169
Assigned	1,832,436	657,474	748,671
Unassigned	(588,747)	(560,417)	(633,621)
Total All Other Governmental Funds	<u>3,081,398</u>	<u>2,260,976</u>	<u>2,442,314</u>
Total Governmental Funds	<u><u>3,948,781</u></u>	<u><u>3,328,540</u></u>	<u><u>3,376,288</u></u>

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

2018	2019	2020	2021	2022	2023	2024
3,534	2,470	1,042	3,406	3,949	—	585,983
1,129,073	758,570	1,038,805	1,293,004	1,358,325	1,456,572	910,672
1,132,607	761,040	1,039,847	1,296,410	1,362,274	1,456,572	1,496,655
6,061	8,714	—	—	—	—	695
408,730	387,678	365,121	360,510	344,915	220,203	199,614
2,245,656	—	—	—	—	—	—
1,433,858	3,784,749	3,254,780	3,169,848	4,475,898	7,397,692	5,807,475
(838,531)	(1,153,053)	(1,555,523)	(1,795,231)	(1,889,682)	(1,704,289)	(1,536,188)
3,255,774	3,028,088	2,064,378	1,735,127	2,931,131	5,913,606	4,471,596
4,388,381	3,789,128	3,104,225	3,031,537	4,293,405	7,370,178	5,968,251

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years\*  
May 31, 2024 (Unaudited)**

	2015	2016	2017
Revenues			
Taxes	\$ 4,598,612	4,691,273	4,923,723
Intergovernmental	23,739	1,635,914	341,294
Charges for Services	4,073,236	4,807,978	4,880,872
Investment Income	12,677	21,430	35,468
Miscellaneous	138,718	577,187	258,005
Total Revenues	<u>8,846,982</u>	<u>11,733,782</u>	<u>10,439,362</u>
Expenditures			
General Government	1,843,749	2,014,117	1,923,598
Parks and Recreation	5,709,003	6,026,506	6,213,961
Capital Outlay	512,104	3,598,768	7,764,738
Debt Service			
Principal Retirement	1,387,285	1,524,166	1,422,880
Interest and Fiscal Charges	119,134	95,007	182,455
Total Expenditures	<u>9,571,275</u>	<u>13,258,564</u>	<u>17,507,632</u>
Excess of Revenues Over (Under) Expenditures	<u>(724,293)</u>	<u>(1,524,782)</u>	<u>(7,068,270)</u>
Other Financing Sources (Uses)			
Debt Issuance	990,663	904,528	7,004,810
Premium on Bonds	—	—	111,208
Transfers In	—	488,000	708,880
Transfers Out	—	(488,000)	(708,880)
	<u>990,663</u>	<u>904,528</u>	<u>7,116,018</u>
Net Change in Fund Balances	<u>266,370</u>	<u>(620,254)</u>	<u>47,748</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>18.90%</u>	<u>14.81%</u>	<u>14.57%</u>

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting



2018	2019	2020	2021	2022	2023	2024
4,836,267	5,008,603	5,071,142	5,408,419	5,504,678	5,627,276	6,014,121
891,562	135,396	12,705,913	5,577,050	561,914	2,605,743	179,385
4,864,241	4,680,777	3,729,192	1,814,272	3,314,896	4,476,104	4,981,944
51,990	104,351	83,708	58,060	9,358	(33,930)	409,890
1,148,315	387,379	412,060	396,562	2,581,403	252,599	161,698
11,792,375	10,316,506	22,002,015	13,254,363	11,972,249	12,927,792	11,747,038
2,170,447	775,194	981,873	898,561	980,146	928,719	1,127,633
6,441,636	7,875,430	7,288,804	5,678,187	7,183,953	7,323,644	8,102,051
1,489,144	1,572,066	13,189,849	5,987,100	1,773,844	5,829,186	3,002,057
1,439,810	1,464,205	1,570,416	1,608,421	1,656,321	1,697,186	1,727,961
258,450	270,730	271,369	247,072	229,272	321,214	371,648
11,799,487	11,957,625	23,302,311	14,419,341	11,823,536	16,099,949	14,331,350
(7,112)	(1,641,119)	(1,300,296)	(1,164,978)	148,713	(3,172,157)	(2,584,312)
1,019,205	1,031,385	1,059,390	1,092,290	1,113,155	6,248,930	1,182,385
—	—	—	—	—	—	—
332,000	873,595	392,208	500,000	475,855	906,159	718,580
(332,000)	(873,595)	(891,457)	(500,000)	(475,855)	(906,159)	(718,580)
1,019,205	1,031,385	560,141	1,092,290	1,113,155	6,248,930	1,182,385
1,012,093	(609,734)	(740,155)	(72,688)	1,261,868	3,076,773	(1,401,927)
14.39%	15.50%	17.59%	20.94%	18.62%	19.38%	18.28%

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Tax Levy Years  
May 31, 2024 (Unaudited)**

Tax Levy Year	Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Equalized Assessed Value as a Percentage of Actual Value
2014	\$ 1,034,209,066	0.4550	\$ 3,102,627,198	33.33%
2015	1,079,105,866	0.4578	3,237,317,598	33.33%
2016	1,154,068,636	0.4194	3,462,205,908	33.33%
2017	1,198,394,088	0.4163	3,595,182,264	33.33%
2018	1,227,876,585	0.4110	3,683,629,755	33.33%
2019	1,292,111,520	0.4202	3,876,334,560	33.33%
2020	1,272,987,913	0.4337	3,818,963,739	33.33%
2021	1,267,747,514	0.4458	3,803,242,542	33.33%
2022	1,308,843,533	0.4596	3,926,530,599	33.33%
2023	1,380,216,695	0.4633	4,140,650,085	33.33%

Data Source: Office of the County Clerk

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Property Tax Rates (Per \$100 of EAV) Direct and Overlapping Governments - Last Ten Tax Levy Years  
May 31, 2024 (Unaudited)**

Taxing Body	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Direct Rates</b>										
Corporate	0.2079	0.2029	0.1930	0.1918	0.1891	0.1825	0.1832	0.1795	0.1704	0.1695
Recreation	0.1243	0.1205	0.1141	0.1112	0.1145	0.1134	0.1251	0.1372	0.1586	0.1636
Special Recreation	0.0251	0.0400	0.0235	0.0259	0.0204	0.0400	0.0379	0.0400	0.0400	0.0400
Bonds and Interest	0.0977	0.0944	0.0888	0.0874	0.0870	0.0843	0.0875	0.0891	0.0906	0.0902
<b>Total District Rates</b>	<b>0.4550</b>	<b>0.4578</b>	<b>0.4194</b>	<b>0.4163</b>	<b>0.4110</b>	<b>0.4202</b>	<b>0.4337</b>	<b>0.4458</b>	<b>0.4596</b>	<b>0.4633</b>
<b>Overlapping Governments</b>										
Lake County	0.6830	0.6630	0.6320	0.6220	0.6120	0.5968	0.5980	0.5977	0.5887	0.5863
Village of Mundelein	N/A	1.5710	1.5630	1.5590	1.4194	1.4425	1.4605	1.4700	1.4721	1.4716
Lake County Forest Preserve District	0.2100	0.2080	0.1930	0.1870	0.1820	0.1798	0.1818	0.1789	0.1732	0.1680
Libertyville Township	0.1340	0.1310	0.1240	0.1220	0.1220	0.1227	0.1266	0.0670	0.0681	0.0687
Vernon Township	0.0663	0.0644	0.0611	0.0564	N/A	0.0564	N/A	0.0951	0.0960	0.1313
Central Lake County JAWA	0.0560	0.0540	0.0460	0.0410	N/A	N/A	N/A	N/A	N/A	N/A
Countryside Fire Protection District	0.6130	0.5990	0.5670	0.5620	0.5640	0.5595	0.5961	0.6101	0.6301	0.6064
Lincolnshire-Riverwoods Fire Protection District	N/A	0.7480	0.7470	0.7470	0.7511	0.7467	N/A	0.8179	0.8533	0.8675
Cook County Memorial Library District	0.3120	0.3040	0.2890	0.2840	0.2840	0.2834	0.2857	0.2914	0.2880	0.2859
Vernon Area Library District	N/A	0.3080	0.2930	0.2910	0.2939	0.2909	0.4337	0.3123	0.3199	0.3207
School District No. 73	4.1180	4.0330	3.8710	3.8250	3.8470	3.7402	3.3814	3.9162	4.0174	3.9762
School District No. 76	N/A	4.8710	4.6800	4.5670	4.5799	4.5670	4.5969	4.6222	4.7373	4.7118
School District No. 96	N/A	3.8700	3.6900	3.6550	3.7166	3.6955	3.9360	4.0316	4.1388	4.0916
School District No. 103	N/A	3.0240	2.8770	2.8700	2.8884	0.3848	3.0800	3.1800	3.2980	3.3886
High School District No. 120	N/A	2.7710	2.6200	2.5520	2.5431	2.5524	2.5115	2.4829	2.5189	2.4860
High School District No. 125	N/A	3.0040	2.8580	2.8620	2.5021	2.8618	2.9831	3.0923	3.1922	3.2027
High School District No. 128	2.6870	2.7320	2.5320	2.4940	2.5020	2.5125	2.6034	2.6737	2.7500	2.7819
Community College District No. 532	0.3060	0.2990	0.2850	0.2810	0.2820	0.2815	0.2897	0.2935	0.2958	0.2942
<b>Total Overlapping Rates</b>	<b>9.1853</b>	<b>29.2544</b>	<b>27.9281</b>	<b>27.5774</b>	<b>27.0895</b>	<b>24.8744</b>	<b>27.0644</b>	<b>28.7328</b>	<b>29.4378</b>	<b>29.4394</b>
<b>Total Tax Rates</b>	<b>9.6403</b>	<b>29.7122</b>	<b>28.3475</b>	<b>27.9937</b>	<b>27.5005</b>	<b>25.2946</b>	<b>27.4981</b>	<b>29.1786</b>	<b>29.8974</b>	<b>29.9027</b>

Data Source: Lake County Clerk

Note: Representative tax rate is for Libertyville Township Tax Code 11-012, which represents the largest portion of the District's total 2020 assessed valuation.

N/A - Not Available

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
May 31, 2024 (Unaudited)**

Taxpayer	Rank	2024		Rank	2015	
		Taxable Assessed Value	Taxable Assessed Valuation		Taxable Assessed Value	Taxable Assessed Valuation
Hawthorn LP	1	\$ 26,625,876	1.93%	1	\$ 20,250,467	1.95%
Passco Melody Farm DST Trust	2	24,897,641	1.80%			
Mesirow Financial Revf LLL Reit LLC	3	20,118,492	1.46%			
Melody Farm LLC	4	19,120,598	1.39%			
Azure Partners LLC	5	17,679,710	1.28%			
Van Vissingen & Co.	6	10,473,509	0.76%	2	14,694,838	1.42%
IRC Retail Centers	7	8,424,127	0.61%	3	12,198,780	1.18%
CDW Computer Centers, Inc.	8	8,324,372	0.60%	6	7,892,107	0.76%
Hawthorn Hills Square, LLC	9	8,204,100	0.59%	8	6,791,882	0.65%
700 LLC	10	7,823,364	0.57%			
PWA Continental Executive Park, LP				7	7,118,368	0.69%
Museum Gardens II LLC				4	11,968,661	1.15%
Leahy Vernon Hills Development				5	8,929,422	0.86%
Walmart Stores, Inc.				9	5,227,678	0.50%
Corporate Woods Associates, LLC				10	5,208,038	0.50%
Totals		<u>151,691,789</u>	<u>10.99%</u>		<u>100,280,241</u>	<u>9.66%</u>

Data Source: Office of the County Clerk

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Tax Levy Years  
May 31, 2024 (Unaudited)**

Tax Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2014	\$ 4,705,196	\$ 4,691,273	99.70%	\$ N/A	\$ 4,691,273	99.70%
2015	4,939,790	108,805	2.20%	4,815,008	108,805	2.20%
2016	4,840,637	135,396	2.80%	4,700,872	4,836,268	99.91%
2017	4,987,201	543,166	10.89%	4,984,970	5,528,136	110.85%
2018	5,046,118	511	0.01%	5,045,607	5,046,118	100.00%
2019	5,430,228	238,542	4.39%	5,198,328	5,436,870	100.12%
2020	5,521,229	210,090	3.81%	5,311,139	5,521,229	100.00%
2021	5,650,771	260,525	4.61%	5,366,751	5,627,276	99.58%
2022	6,016,989	215,656	3.58%	5,798,959	6,014,615	99.96%
2023	6,396,173	378,241	5.91%	—	378,241	5.91%

Data Source: Office of the County Clerk

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years**

**May 31, 2024 (Unaudited)**

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Intergovernmental Loan			
2015	\$ 4,580,660	\$ 853,812	\$ 5,434,472	0.49%	\$ 209.7
2016	4,167,880	840,306	5,008,186	0.44%	190.3
2017	9,861,018	840,306	10,701,324	0.92%	406.7
2018	9,433,462	840,306	10,273,768	0.83%	391.3
2019	8,993,691	840,306	9,833,997	0.78%	369.1
2020	8,559,745	756,275	9,316,020	0.74%	349.7
2021	8,120,695	672,244	8,792,939	0.66%	327.5
2022	7,654,609	588,213	8,242,822	0.62%	307.0
2023	12,283,433	504,182	12,787,615	0.89%	477.9
2024	11,814,939	420,151	12,235,090	0.78%	457.4

(1) See Schedule of Demographics and Economic Statistics for personal income and population data.

Source: Audited Financial Statements

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less: Amounts Available For Debt Service	Totals	Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2015	\$ 4,580,660	\$ 313,882	\$ 4,266,778	0.41%	\$ 164.7
2016	4,167,880	33,349	4,134,531	0.38%	157.1
2017	9,861,018	345,555	9,515,463	0.82%	361.6
2018	9,433,462	348,317	9,085,145	0.76%	346.1
2019	8,993,691	336,502	8,657,189	0.71%	325.0
2020	8,559,745	228,780	8,330,965	0.64%	312.7
2021	8,120,695	169,464	7,951,231	0.62%	296.1
2022	7,654,609	159,080	7,495,529	0.59%	279.2
2023	12,283,433	171,169	12,112,264	0.93%	452.6
2024	11,814,939	—	11,814,939	0.86%	441.7

Data Source: Audited Financial Statements

- (1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.
- (2) See the Schedule of Demographic and Economic Statistics for population data.

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
May 31, 2024 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to District (2) (3)	District's Share of Debt
<b>Direct</b>			
Vernon Hills Park District	\$ 12,235,090	100.00%	\$ 12,235,090
<b>Overlapping Debt (1)</b>			
Lake County	155,595,000	4.70%	7,312,965
Lake County Forest Preserve	167,700,000	4.70%	7,881,900
Village of Vernon Hills	27,445,000	100.00%	27,445,000
Unit School District #73	76,917,313	67.48%	51,903,803
Unit School District #76	9,520,000	25.47%	2,424,744
Unit School District #103	6,395,000	20.43%	1,306,499
High School District #120	53,265,000	1.01%	537,977
High School District #125	43,525,000	9.17%	3,991,243
Community College District #532	84,145,000	4.93%	4,148,349
Countryside Fire Protection District	1,340,000	62.80%	841,520
Total Overlapping Bonded Debt	625,847,313		107,794,000
Total Direct and Overlapping Debt	638,082,403		120,029,090

Data Sources:

- (1) Lake County Clerk's Office
- (2) Lake County Department of Revenue
- (3) Determined by ratio of assessed valuation of property subject to taxation in the District to valuation of property subject to taxation in overlapping unit.



**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Legal Debt Margin Information - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

---

---

**See Following Page**

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Legal Debt Margin Information - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

	2015	2016	2017	2018
Equalized Assessed Valuation	\$ 1,034,209,066	1,079,105,866	1,154,068,636	1,198,394,088
Bonded Debt Limit - 8.625% of Assessed Value	31,526,546	29,835,042	29,733,511	31,024,294
Total Net Debt Applicable to Limit	990,660	997,880	1,004,810	1,019,205
Legal Debt Margin	30,535,886	28,837,162	28,728,701	30,005,089
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.34%	3.39%	3.45%	3.32%
Non-Referendum Legal Debt Limit .575% of Assessed Value	6,305,309	5,967,008	5,946,702	6,204,859
Amount of Debt Applicable to Limit	1,880,000	977,285	990,660	997,880
Legal Debt Margin	4,425,309	4,989,723	4,956,042	5,206,979
Percentage of Legal Debt Margin to Bonded Debt Limit	29.82%	16.38%	16.66%	16.08%

Data Source: District Records

2019	2020	2021	2022	2023	2024
1,227,876,585	1,292,111,520	1,272,987,913	1,267,747,514	1,308,843,533	1,380,216,695
33,179,473	34,453,830	35,301,452	37,148,206	37,629,252	39,681,230
1,031,385	1,059,390	1,092,290	1,113,155	1,133,930	1,182,385
32,148,088	33,394,440	34,209,162	36,035,051	36,495,322	38,498,845
3.12%	3.05%	3.01%	2.94%	3.11%	3.07%
6,635,895	6,890,766	7,060,290	7,429,641	7,525,850	7,936,246
1,004,810	1,019,205	1,031,385	1,059,390	1,133,930	1,182,385
5,631,085	5,871,561	6,028,905	6,370,251	6,391,920	6,753,861
15.14%	14.79%	14.61%	14.26%	15.07%	14.90%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed Value	<u>\$ 1,380,216,695</u>
Bonded Debt Limit - 2.875% of Assessed Value	39,681,230
Amount of Debt Applicable to Limit	<u>1,182,385</u>
Legal Debt Margin	<u>38,498,845</u>

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Demographic and Economic Statistics - Last Ten Fiscal Years**

**May 31, 2024 (Unaudited)**

---

---

Fiscal Year	Population	Personal Income (In Thousands of Dollars)	Per Capita Personal Income	Unemployment Rate
2015	25,911	\$ 1,100,103	\$ 42,457	6.00%
2016	26,314	1,127,450	42,846	4.40%
2017	26,314	1,162,671	44,185	4.30%
2018	26,253	1,239,299	47,206	3.30%
2019	26,641	1,257,615	47,206	3.40%
2020	26,641	1,257,615	47,206	3.50%
2021	26,850	1,327,867	49,455	7.30%
2022	26,850	1,330,149	49,540	3.10%
2023	26,759	1,431,178	53,484	5.20%
2024	26,750	1,574,906	58,875	4.30%

Data Sources: U.S. Census Bureau and Illinois Department of Employment Security

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Principal Employers - Prior Fiscal Year and Nine Fiscal Years Ago  
May 31, 2024 (Unaudited)**

Employer	2023		2014	
	Rank	% of Total District Population	Rank	% of Total District Population
Becton Dickinson	1	2.25%		
Mitsubishi Electric Automation, Inc.	2	1.59%	3	1.56%
CDW Computer Centers, Inc.	3	1.31%	5	1.37%
Rust-Oleum Company	4	1.31%	10	0.70%
Antylia Scientific (FKA Cole-Palmer)	5	1.12%	6	1.17%
ZF Aftermarket	6	1.12%	7	0.94%
Target	7	1.12%		
Mercer	8	0.94%		
Wurth Baer Supply Company	9	0.94%		
Tuson Corporatoin	10	0.84%		
Westfield Shoppingtown Hawthorn			1	9.76%
Zebra Technologies Corp.			2	3.52%
American Hotel Register			3	1.56%
Richard Wolf Medical Instruments Corp.			8	0.78%
ETA/Cuisenaire			8	0.78%
		<u>12.54%</u>		<u>22.14%</u>

Data Source: Lake County Partners and 2023 Illinois Manufacturers Directory and Illinois Services Directory

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Full-Time Equivalent District Employees by Function - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

---

---

Function/Program	2015	2016	2017	2018
Full-Time Employees	46	50	50	50

---

---

Data Source: District Records

---

---

2019	2020	2021	2022	2023	2024
50	46	45	47	47	49

---

---

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

Fiscal Year	2015	2016	2017
Parks and Facilities			
Parks			
Number	23	23	23
Acres	453	453	453
Baseball/Softball Fields	19	19	19
Basketball Courts	7	7	7
Walking Trails	12	12	12
Boat Launches	2	2	2
Community Centers	2	2	2
Fitness Centers	1	1	1
Lakes/Ponds	7	7	7
Neighborhood Center	1	1	1
Outdoor Skating Rinks	1	4	4
Picnic Shelters	32	32	32
Playgrounds	24	24	24
Skate Parks	1	1	1
Sled Hills	1	1	1
Soccer Fields	5	5	5
Swimming Pools	2	2	2
Tennis Courts	12	12	12
Volleyball Courts	6	6	6
Pickleball Courts	—	—	—

Data Source: District Records



2018	2019	2020	2021	2022	2023	2024
23	23	23	23	24	24	24
453	453	453	453	435	435	435
19	19	23	23	23	23	23
7	7	6	6	6	6	6
12	12	10	10	10	10	10
2	2	2	2	2	2	2
2	2	2	2	2	2	2
1	1	1	1	1	1	1
7	7	9	9	9	9	9
1	1	1	1	1	1	1
4	4	4	2	1	1	1
32	32	33	33	33	33	33
24	24	24	24	25	25	25
1	1	1	1	2	2	2
1	1	1	1	1	1	1
5	5	9	9	9	9	9
2	2	2	2	2	2	2
12	12	10	12	12	12	12
6	6	6	6	6	6	6
—	6	6	8	8	8	8

**VERNON HILLS PARK DISTRICT, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
May 31, 2024 (Unaudited)**

---

---

Function	2015	2016	2017
Recreation			
Carrying Amount of Capital Assets	23,606,211	26,157,919	32,456,415

Source: District Records

---

---

2018	2019	2020	2021	2022	2023	2024
32,658,725	33,229,379	45,142,992	49,361,338	49,247,685	53,088,318	54,013,444