

2020



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR JANUARY 1–DECEMBER 31, 2020

PREPARED BY: FINANCIAL SERVICES AND CHIEF FINANCIAL OFFICER



**ROCKFORD PARK DISTRICT**

*Rockford, Illinois*

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
December 31, 2020

Prepared by:  
Penny Christians, Chief Financial Officer

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Officials and Officers.....	i
Organizational Chart.....	ii
Certificate of Achievement for Excellence in Financial Reporting.....	iii
Transmittal Letter.....	iv-ix
<b>FINANCIAL SECTION</b>	
INDEPENDENT AUDITOR’S REPORT .....	1-3
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS</b>	
Management’s Discussion and Analysis.....	MD&A 1-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4-5
Statement of Activities .....	6
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	7-8
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	9
Statement of Revenues, Expenditures and Changes in Fund Balances .....	10-11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	12

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

Page(s)

**FINANCIAL SECTION (Continued)**

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Proprietary Fund

Statement of Net Position .....	13
Statement of Revenues, Expenses and Changes in Net Position.....	14
Statement of Cash Flows .....	15

Fiduciary Fund

Statement of Fiduciary Net Position.....	16
Statement of Changes in Fiduciary Net Position.....	17

Notes to Financial Statements .....	18-57
-------------------------------------	-------

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund .....	58
Recreation Fund.....	59
Illinois Municipal Retirement Fund	
Schedule of Employer Contributions .....	60
Schedule of Changes in the Employer's Net Pension Liability (Asset) and Related Ratios .....	61
Other Postemployment Benefit Plan	
Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios .....	62
Notes to Required Supplementary Information .....	63

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

Page(s)

**FINANCIAL SECTION (Continued)**

**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

**MAJOR GOVERNMENTAL FUNDS**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - By Object	
General Fund .....	64
Recreation Fund.....	65
Debt Service Fund .....	66
Capital Projects Fund .....	67

**NONMAJOR GOVERNMENTAL FUNDS**

Combining Balance Sheet .....	68-69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	70-71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - By Object	
Museum Fund.....	72
Police Protection Fund .....	73
Employee Benefit Fund.....	74
Liability Insurance Fund.....	75
Audit Fund.....	76
Special Recreation Fund.....	77

**SUPPLEMENTAL INFORMATION**

Schedule of Revenues and Expenditures - Recreation Fund Departments	
Ice Arenas.....	78
Sportscore Operations .....	79
Golf Courses.....	80
Consolidated Year End Financial Report.....	81

<b>INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER  FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>.....</b>	<b>82-83</b>
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**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
TABLE OF CONTENTS (Continued)

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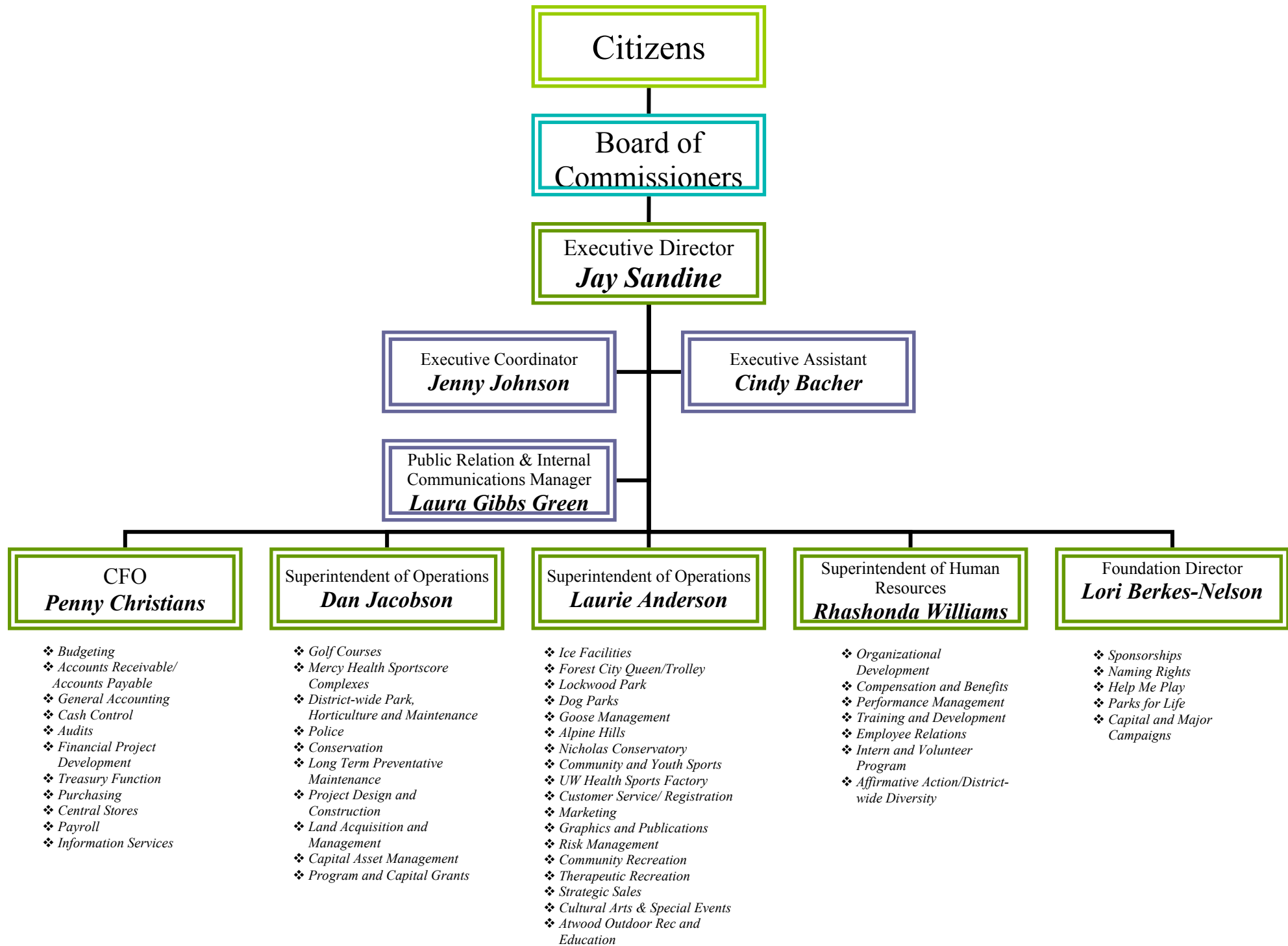
	<u>Page(s)</u>
<b>STATISTICAL SECTION</b>	
Financial Trends	
Net Position by Component .....	84
Change in Net Position .....	85-86
Fund Balances of Governmental Funds .....	87
Changes in Fund Balances of Governmental Funds .....	88-89
Revenue Capacity	
Property Tax Levies and Collections .....	90
Assessed Value and Estimated Actual Value of Taxable Property .....	91
Property Tax Rates - Direct and Overlapping Governments .....	92
Principal Property Taxpayers .....	93
Debt Capacity	
Ratios of Outstanding Debt by Type .....	94
Ratios of General Bonded Debt Outstanding .....	95
Direct and Overlapping Governmental Activities Debt .....	96
Legal Debt Margin Information .....	97
Pledged-Revenue Coverage .....	98
Demographic and Economic Information	
Demographic and Economic Information .....	99
Principal Employers .....	100
Operating Information	
Employees by Function .....	101
Operating Indicators .....	102
Capital Asset Statistics .....	103

## **INTRODUCTORY SECTION**

**Officials and Officers**  
**2020**  
**Board of Commissioners**

Scott Olson	President
Tyler Smith	Vice President
Jack L. Armstrong	Secretary
Ian K. Linnabary	Commissioner
Martasha Brown	Commissioner
Jay Sandine	Executive Director
Penny Christians	Chief Financial Officer







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Presented to

**Rockford Park District  
Illinois**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO



# ROCKFORD PARK DISTRICT

The mission of the Rockford Park District is to **HELP PEOPLE ENJOY LIFE**

April 22, 2021

To: The Citizens of the Rockford Park District

The Comprehensive Annual Financial Report of the Rockford Park District (the District) for the year ended December 31, 2020, is submitted herewith. This report was prepared by the District's Financial Services Team. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. The District has established a comprehensive framework of internal controls to ensure District assets are protected from loss, theft or misuse. The costs of these internal control measures do not outweigh the benefits and therefore result in financial statements that provide reasonable, rather than absolute, assurance they are free from material misstatements. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial affairs have been included.

The District's financial statements are required by "an act in relation to audits of the accounts of certain governmental units" to be audited annually by a licensed public accountant. The District's financial statements were audited in accordance with said "act" by the accounting firm of Sikich LLP. The firm has issued an unmodified ("clean") opinion of the Rockford Park District's basic financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

This report also includes the operations of the Rockford Park District Foundation, which is reported as a discretely presented component unit. The Foundation is a nonprofit entity operated in conjunction with and for the benefit of the District.

We encourage readers to consider the information presented here in conjunction with additional information we have furnished in the management discussion and analysis, which can be found in the financial section of this report. In the financial section, all amounts are presented in whole dollars unless indicated otherwise.



401 S Main St, Rockford, IL 61101-1321 • Phone 815-987-8800 • TTY 888-871-6171 • Fax 815-987-8877 • [rockfordparkdistrict.org](http://rockfordparkdistrict.org)

Serving the Communities of Cherry Valley, Loves Park, New Milford, Rockford, and unincorporated areas of Winnebago and Boone Counties

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## **Profile of the Government**

There are opportunities for all citizens to enjoy the District's services in some aspect, as there is programming to address the needs and desires of children, adults, and persons of all ages with disabilities. The District provides safety and security at the parks and recreation facilities through the efforts of the Rockford Park District Police Department.

The District maintains budgetary controls to ensure compliance with legal provisions embodied in the Annual Appropriated Budget approved by the District's Board of Commissioners. Activities of all District funds except the Working Cash Fund are included in the Annual Appropriated Budget. The Rockford Park District Foundation does prepare and approve an annual budget under the governance of the Rockford Park District Foundation Board of Directors as a best practice. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established by object class within each fund.

## **Local Economy**

The Rockford Park District is located in the northernmost tier of Illinois counties. Rockford, the fifth largest city in Illinois, is 65 miles northwest of Chicago's O'Hare International Airport and 17 miles south of the Wisconsin border and has great access to major road and rail systems. Rockford is part of the Rockford Metropolitan Statistical Area (MSA), which includes Boone, Ogle, and Winnebago Counties.

The Rockford-based Chicago Rockford International Airport is a top 25 US cargo airport and is home to the largest regional UPS parcel sorting facility in the system. Rockford's history includes its rise to national prominence in furniture manufacturing. At one time no less than 25 firms were located in the region, making it the second largest cluster in the US. Rockford was also a center of excellence for farm implement manufacturing. The combination of these industries allowed Rockford to diversify into machine tools, heavy machinery, automotive, aerospace, fasteners, cabinet hardware, packaging devices, and toys. The Rockford Region is considered an excellent location for logistics services, warehouses and distribution centers, aerospace and on-and-off road vehicles manufacturing, industrial machinery, and metals manufacturing, as well as back office operations/call centers, professional business services, food processing, and chemicals manufacturing.

The employment outlook for the region improved slightly from the previous year. The Illinois Department of Employment Security reports the average unemployment rate in 2020 for the Rockford MSA rose from 5.8% in 2019 to 11.1% in 2020. The Rockford MSA unemployment rate is still above the average 2020 state unemployment rate of 9.3%. The largest employment sectors are manufacturing and healthcare.

The District is mindful of the economic climate of the area and makes every effort to keep fees low for citizens. The District's taxing capability is also limited as it is subject to the Property Tax Extension Limitation Law (PTELL) act. PTELL limits the sale of non-referendum general obligation bonds as well as limits increases in equalized assessed valuation to the Consumer Price Index plus real growth. EAV declined significantly in levy years 2009-2015, with very slight recovery in 2016 and 2017. Increases have been more significant in 2018, 2019 and estimated 2020.

The population served by the District is diverse, but aging. Education levels continue to trail the nation for bachelor's and professional degrees, creating a lack of access to professional workers in the area and higher education is a focus for workforce development initiatives.

As the economy and demographics continue to change, the District Board and staff remain dedicated to maintaining the quality of life services needed to help all citizens enjoy life and take pride in their community as a great place to live, work, learn, play, and visit.

### **Long-Term Financial Planning**

The Rockford Park District consults with a financial advisor to ensure its debt structure remains in compliance with statutory requirements, while also strategically leveraging debt to maximize the use of District funds. Under current state statutes, the District's total debt is subject to a legal limitation based on 2.875% of total assessed value of real property. Included in the total general obligation bonds outstanding are general obligation bonds supported by real estate tax revenues. These bonds are limited to .575% of total assessed value of real property unless approved via referendum.

Senior management staff continually work on planning for long-term financial sustainability. This includes annual updates of the three-year financial forecast for operating and capital funds. The District completed a comprehensive master planning process in 2018, which was utilized to create a five year strategic plan for operations and facilities. There is further discussion later in this document under Major Initiatives.

Additionally, the District continues to refine and expand the application of the cost recovery model originally developed in 2013. This model identifies the operational costs funded by support from taxes, if any, and patron fees for all programs offered throughout the District. This model has provided a basis for improved budgeting and financial analysis of existing programs, strategic addition of new programs, and elimination of programs not meeting financial and service objectives. The District also puts significant efforts toward identifying new alternative revenues, such as sponsorships, endowments, and naming rights.

### **Relevant Financial Policies**

The District regularly reviews its financial policies to ensure compliance. A fund balance policy was established to comply with required standards outlined in the Governmental Accounting Standards Board Statement 54. The Board's policy is to have a fund balance in the operating funds between 47.5 and 52.5 percent of the estimated tax collections for those funds for the coming year. The Park District is compliant with this policy.

## **Major Initiatives**

### **Multi Year Priority Projects**

The District utilized a community-led master plan process in 2018 to determine what services or areas the District should set as priorities and determine the desired allocation of taxpayer dollars. The process included holding seven community engagement sessions, a recreational needs assessment survey, social media interaction, and feedback from an Operations Advisory Committee. The Committee consisted of seven members of the community with various areas of professional expertise who toured facilities, met with staff, reviewed policies, asked questions and made recommendations. Staff also engaged with dozens of neighborhood groups and other organizations to educate them about the history and financial realities facing the District.

The following question was asked of our citizens in the recreational needs assessment: “If an additional \$100 were available, how would you allocate those funds?” Our community’s answers reinforced our beliefs on the direction the Park District should be heading; prioritizing resources for neighborhood parks/playgrounds, youth programs, open space/trails/rec paths, arts & cultural programming, swimming, and outdoor education/recreation. Other services the District provides, such as ice rinks, sports facilities, golf, conservatory/gardens, special events, and adventure activities were considered secondary to those listed above.

As a result, the following will be the major initiatives and focus of the District in the coming years:

**Playgrounds/Parks** The District has approximately 65 playgrounds which need to be replaced, as they are beyond their useful life (15 years). The playgrounds within the Rockford Park District are places where children grow physically and socially, and develop creativity and imagination. Parks and playgrounds were rated the top priority by citizens in our strategic plan engagement sessions and surveys. The Foundation is actively fundraising for this effort. In 2020, park related projects included the playgrounds at Ekberg-Pine Manor, White Swan, Walker, and Washington Park. The District is also continuing its development of Clarence Hicks Memorial Sports Park and Levings Park.

**Youth** The Park District recognizes the importance of investing in our community youth to build lifelong leisure skills and provide opportunities for character development and safe places to play with positive role models and staff. However, in 2020, the District was forced to shut down playgrounds, facilities, and programs in the spring due to COVID-19. This had a negative impact on our community as juvenile crime increased 100%. As a result of COVID-19, at-risk youth ages 16 to 24 also found it extremely challenging to gain employment due to virus-related impacts to businesses. Illinois State Representative Maurice West advocated for the Rockford Park District to receive funding from the Department of Human Services to employ 100 area youth throughout the summer months. The District was awarded this again for 2021. The District was also awarded a grant from the Illinois Criminal Justice Information Authority (ICJIA) for violence prevention programming. Funding received will provide a variety of community-based recreational programs with the goal of reaching up to 5,000 at-risk youth between the ages of 8 and 18.

Many youth may not have the financial resources needed to participate in programs, so the Rockford Park District Foundation established a fund called “Help Me Play,” which provides financial assistance for Park District program registrations. The fund also helps the District with playground programming. This is a priority for fundraising efforts for the foundation.

COVID-19 mitigation restrictions at indoor facilities allowed the District to shift resources to provide youth, teens, and families things to do during the winter months. The Winter Flurry initiative included a variety of outdoor programs, outdoor activities, and outdoor facilities. As part of these efforts, the District was able to reopen the Snow Park at Alpine Hills, which had been previously closed due to a lack of funding.

**Silent Sports** The plan for Atwood Park Silent Sports includes the development of 20 miles of purposeful and sustainable multi-use trails, as well as a trailhead. A silent sports facility includes activities such as mountain biking, hiking, trail running, cross-country skiing, snowshoeing, wildlife observation, and fat biking. The master plan, which focuses on sustainability, utilizes existing trails, closes unnecessary trails, and improves the trail system connectivity for all users.

The District collaborated with the Silent Sports Friends Group to pursue fundraising efforts to minimize the reliance on tax dollars. The plan is to complete the project in phases, coinciding with fundraising efforts. Phase 1 of this project was completed in 2019, and completion of phase 2 is now underway. In addition, an endowment of \$1.9 million was donated to maintain Atwood Park, which includes the Silent Sports Trails. Future plans include the development of a bike park at Alpine Hills Adventure Park. A bike park is a non-motorized, bike specific recreational facility that contains progressive-based elements for skill building and recreation. The terrain and purpose of Alpine Hills Adventure Park provides the perfect setting for this project.

**Reduction of Footprint** District staff are completing a project that will result in a recommendation to the Board of Commissioners to dispose of properties that do not provide recreational use or do not meet District priorities. The reduction of property will result in lower capital needs as well as operational savings. Of note in the District’s 2021 budget is the closure of Elliot Golf Course.

### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Rockford Park District for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the twenty-fourth consecutive year the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. It must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid of one year only. We believe that our current comprehensive annual 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.

In addition, the Rockford Park District received its tenth consecutive Popular Annual Financial Reporting Award for the fiscal year ended December 31, 2019. The award truly exemplifies the commitment of the Board of Commissioners and management to being truly transparent in providing financial information in an easy to understand format to the citizens.

The entire Financial Services Team of the Rockford Park District has contributed to the preparation of this report and we would like to express our appreciation to each one of them. Should you like additional information on this report or any aspect of the District, we encourage you to call the Executive Director or Chief Financial Officer. Thank you for your interest and support of your Rockford Park District. It is a pleasure to serve you.

Respectfully submitted,



Penny Christians  
Chief Financial Officer



Matthew Sweet  
Finance Manager



## **FINANCIAL SECTION**

1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
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**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

Members of the Board of  
Park Commissioners  
Rockford Park District  
Rockford, Illinois

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Rockford Park District, Rockford, Illinois (the District), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component unit, the Rockford Park District Foundation, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Rockford Park District, Rockford, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and the supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Sikich LLP*

Naperville, Illinois  
April 22, 2021

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

## ROCKFORD PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the Rockford Park District, we offer readers of the Park District's financial statements this narrative overview and analysis of the financial activities of the Rockford Park District for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information provided in the letter of transmittal in the Introductory Section of this report.

### **Financial Highlights**

- The assets and deferred outflows of the District exceeded the liabilities and deferred inflows by approximately \$83,146,000 (net position) at December 31, 2020. Of this amount, approximately (\$46,218) is unrestricted. The negative amount is primarily a result of a \$500,000 contingent liability for estimated clean up costs resulting from a remediation claim as discussed in Note 14. Approximately \$65,694,306 of net position is net investment in capital assets.
- The District's long-term debt (including current portion) decreased by a total of approximately \$8,571,297 from the District's 2019 ending balances. This increase is due to:
  - a decrease of \$1,322,943 in general obligation bond and debt certificate debt. This was primarily the result of with the issuance of the annual general obligation bond and debt service payments on the District's outstanding bond issues;
  - a decrease in the pledge due to the City of Rockford of \$150,000 for the current installment paid in 2020;
  - a decrease of \$166,417 in the liability calculated for Total Other Post-Employment Benefits;
  - an increase of \$28,793 in compensated absences due to the adjustment required for unpaid benefit time accrued;
  - a decrease in premiums/discounts on bonds payable of \$19,206 as a result of the annual amortization of balances;
  - a decrease of \$6,397,492 in the District's net pension liability due to investment performance. Refer to note 9 for additional detail;
  - a decrease of \$32,007 for capital leases as a result of payments made in 2020.
  - A decrease of \$1,000,000 in the contingent liability for EPA pollution remediation estimated costs.
  - An increase relating to a retirement incentive program offered in 2020.

Further discussion regarding the District's long-term debt is included in Note 7.

- The District invested \$3,277,537 in capital assets in 2020. This amount included the redevelopment of Washington Park Playground, Ekberg-Pine Manor Playground, Riverfront Boat Ramp, and the completion of Sand Park Phase 4 remediation work. Depreciation expense on the District's governmental capital assets totaled \$6,127,173 for the year ended December 31, 2020.
- As of December 31, 2020, the District's governmental funds reported combined ending fund balances of \$21,243,207 an increase of \$1,490,320 from the prior year combined ending fund balances. The increase is mainly due to unanticipated grant revenues, savings from the District's health insurance fund, and lower programming expenditures due to COVID-19. Approximately \$7,758,965 is Unrestricted and *available for spending* at the District's discretion. Included in this amount is \$4,344,157 *Assigned* by management for specified uses within various funds.

## ROCKFORD PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **Overview of the Financial Statements**

This discussion and analysis intends to introduce the District's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. The District also includes required supplementary information to the basic financial statements in this report.

**Government-wide financial statements.** The *government-wide* financial statements provide both short-term and long-term information about the District's overall financial status. The two statements included in the government-wide financial statements are the *statement of net position* and the *statement of activities*. This set of statements provides a broad overview of the District in a manner similar to a private-sector business. The *government-wide financial statements* include the Rockford Park District Foundation (Foundation) which is a discretely presented component unit of the District.

The *statement of net position* presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows. The difference between the assets and deferred outflows and the liabilities and deferred inflows is the District's *net position*. The change in net position over time is one indicator used to determine if the District's financial condition is improving or weakening. In order to assess the District's overall health, you also need to consider additional non-financial factors such as changes in the District's property tax base and the condition of buildings, land and recreational equipment and structures.

The *statement of activities* is a financial statement showing what changes make up the total change in net position for the most recent year. All items affecting the change 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*. Revenues and expenses are included in this statement for items that may only result in cash flows in a future fiscal period. This is similar to private industry financial statements.

The District's activities are considered governmental type activities. The District's governmental activities include park operations, recreation operations, museum operations, police protection, and administration. The District's reports one Proprietary Fund for the activities related to employee health and life benefits.

The government-wide financial statements not only include the Rockford Park District itself, but also a legally separate Foundation for which the District is financially accountable. Financial information for the Rockford Park District Foundation is reported separately from the financial information presented for the District itself.

The government wide financial statements are presented on pages 4 -6 of this report.

**Fund financial statements.** A fund is a grouping of related accounts and departments that are used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required by state law and by bond covenants. The District also establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as working cash). All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** -The fund financial statements of the primary government provide more detailed information about the District's funds, focusing on its most significant or "major" funds rather than the District as a whole. The focus of governmental funds is also narrower than government-wide financial statements due to the emphasis on *current financial resources*. It is helpful to compare the governmental funds financial statements to the government-wide financial statements to show the reader the resulting long-term effects of short-term financing decisions.

## ROCKFORD PARK DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

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The governmental fund financial statements include the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. All of the District's services are included in governmental funds, which generally focus on 1) how cash and other financial assets that can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources than can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is included as a separate statement explaining, or reconciling, the relationship (or differences) between them.

**Proprietary Funds.** – The District maintains one proprietary fund which is classified as an Internal Service Fund. The fund is used to account for all activity for the employee health and life insurance benefits. The financial statements include the Statement of Net Position, the Statement of Revenues, Expenses and Change in Net Position, and the Statement of Cash Flows and appear on pages 13-15 of this report.

**Fiduciary Funds** – The District maintains one fiduciary fund, which is classified as a Custodial Fund. The fund is used to account for all activity for the Winnebago County Regional Tourism Facility Board, which was formed to oversee revenue produced by a 2% hotel tax in Winnebago County authorized by Illinois State Statute 55 ILCS 5/5-1030. The hotel tax revenue is being utilized to assist with funding the various projects and debt service within Reclaiming First. The financial statements include the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position appear on pages 16-17 of this report.

**Notes to the financial statements.** Also included in this report are important notes to the financial statements that further explain some of the information in the statements and provide more detailed data. The notes to the financial statements can be found on pages 18-57.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The required supplementary schedules include 1) the actual fund performance for the General Fund and the Recreation Fund compared to their respective budgets; 2) the schedule of employer contributions for IMRF and the schedule of changes in net pension liability and related ratios for the District's pension plan; and 3) the District's schedule of employer contributions and funding progress for the OPEB plan.

Following the required supplementary information, there is also additional supplementary information and statistical information the District has provided to further explain and support the financial statements, grant activity, and to provide historical and trend information for the District and the surrounding community.

### ***Government-wide Financial Analysis***

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the primary government's financial statements. For detailed information pertaining to the Foundation, refer to the separately issued Foundation financial statements for the year ended December 31, 2020.

### ***2021 Financial Analysis of the District as a Whole***

*Net Position:* The District's total net position for the primary government decreased by \$661,304 to \$83,145,715 at 12/31/2020. The following provides a summary of the District's net position as of December 31, 2020 and 2019.



**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Assets</b>				
Current assets	\$ 65,477,929	\$ 64,658,285	\$ 819,644	1.3%
Capital assets	108,098,917	111,079,604	(2,980,687)	-2.7%
Total assets	<u>173,576,846</u>	<u>175,737,889</u>	<u>(2,161,043)</u>	<u>-1.2%</u>
<b>Deferred outflows of resources</b>	<u>2,622,671</u>	<u>7,093,260</u>	<u>(4,470,589)</u>	<u>-</u>
<b>Liabilities</b>				
Current liabilities	11,335,205	11,785,866	(450,661)	-3.8%
Long-term obligations, less current portion	53,090,904	61,662,201	(8,571,297)	-13.9%
Total liabilities	<u>64,426,109</u>	<u>73,448,067</u>	<u>(9,021,958)</u>	<u>-12.3%</u>
<b>Deferred inflows of resources</b>	<u>28,627,693</u>	<u>25,576,063</u>	<u>3,051,630</u>	<u>11.9%</u>
<b>Net position</b>				
Net investment in capital assets	65,694,306	66,949,373	(1,255,067)	-1.9%
Restricted	17,497,627	17,059,642	437,985	2.6%
Unrestricted	(46,218)	(201,996)	155,778	-77.1%
Total net position	<u>\$ 83,145,715</u>	<u>\$ 83,807,019</u>	<u>\$ (661,304)</u>	<u>-0.8%</u>

Assets and Deferred Outflows

- Cash and Investments increased by \$950,980 from the previous year primarily due to operational savings from the COVID-19 pandemic.
- Receivables:
  - Property taxes receivable increased by \$781,013 due to the additional amount available through the Property Tax Extension Limitation Law for operational funds and an increase for bond principal and interest payments.
  - Accounts Receivables increased by \$401,489 due to the COVID-19 Local Cure Grant as well as capital grant and contribution related receivables.
  - Given the poor interest rate environment, the District did not have accrued interest receivable in 2020.
  - Other Government receivables decreased by \$533,000 mainly due to the receipt of pledge payments for Reclaiming First
  - Component Unit (Rockford Park District Foundation) receivable decreased by \$191,400 due to principal payments made from pledges for the Series 2011A bond issue for construction of the Nicholas Conservatory and Gardens and Series 2017B and 2017C bond issues for construction of the Aldeen Pavilion.
  - Naming rights receivable decreased by \$494,026 due to receipts for the agreements for Mercy Health Sportscores, UW Health Sports Factory, and the Illinois Bank & Trust Pavilion at Aldeen Golf Club.
- Inventory decreased by \$16,370 primarily as a result of the Skybox restaurant's limited operational capacities caused by COVID-19.
- Capital assets not being depreciated decreased by \$693,677 primarily due to the completion of Sand Park remediation phase 4 work.
- Capital assets, net of accumulated depreciation, decreased by \$2,287,010 in 2020. The increase for additions was offset with reductions for depreciation expense and retirements. The detail of the increases and decreases by asset class are displayed in Note 5.
- Deferred outflows of resources decreased by \$4,470,589 due to change in net difference between projected and actual earnings on IMRF plan investments, as detailed in Note 9.

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Liabilities and Deferred Inflows

- Accounts Payable was \$172,719 lower due to fewer capital related invoices being outstanding at 2020 year end.
- Unearned Revenue decreased by \$490,566 due to the recognition of deferred naming rights revenue in 2020.
- Claims payable increased \$104,905 mainly due to the current portion of premiums payable for the retirement incentive program.
- Noncurrent liabilities decreased \$8,571,297 as explained on page MD&A 1.
- Deferred Inflows were \$3,051,630 higher than 2019 due to changes in the difference between projected and actual IMRF investment earnings, as detail in Note 9.

The following provides a summary of the District's changes in net position for the year ended December 31, 2020:

	<u>2020</u>	<u>2019</u>
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 6,202,786	\$ 9,177,363
Operating grants and contributions	1,566,720	1,768,356
Capital grants and contributions	1,576,896	2,152,352
General revenues		
Property taxes	23,929,412	23,984,045
Replacement taxes	2,460,954	2,753,535
Investment income	100,109	473,728
Miscellaneous	901,048	1,047,037
Total revenues	<u>36,737,925</u>	<u>41,356,416</u>
<b>Expenses</b>		
Park operations	6,832,567	7,450,503
Recreation operations		
Facilities	14,525,262	14,563,166
Programs	3,330,847	4,608,101
Therapeutic operations	691,132	1,020,507
Museum operations	1,664,447	1,713,213
Police protection	1,686,194	1,618,528
Administration	7,772,126	6,844,501
Interest and fiscal charges	1,896,654	2,161,876
Total expenses	<u>38,399,229</u>	<u>39,980,395</u>
Special Item	<u>1,000,000</u>	<u>5,500,000</u>
Change in net position	(661,304)	6,876,021
Net Position, January 1	<u>83,807,019</u>	<u>76,930,998</u>
Net Position, December 31	<u><u>83,145,715</u></u>	<u><u>83,807,019</u></u>

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Analysis 2020 Statement of Activities and Governmental Activities:**

**Revenues**

The District's total revenues were \$36,737,925 for governmental activities in 2020, an overall decrease of \$4,618,491 or 11%, from 2019. The decrease in revenue is attributable to several factors as follows:

Charges for Services decreased by \$2,974,577 in 2020 due to the outbreak of the COVID-19 pandemic. As mandated by the State of Illinois, the District dramatically limited in-person activities throughout the year, making every effort to reduce transmissions, including the complete closure of facilities during the "stay-at-home" period. As facilities slowly opened, the District was unable to begin most general admission and facility rental activities, and limited program participation levels. However, the District was able to creatively reach citizens through avenues such as virtual programming, "Stay and Play" boxes, and outdoor recreation opportunities such as Alpine Hills Snow Park. Additionally, District golf courses were able to operate throughout the summer months and saw a large increase in rounds played.

Operating Grants and Contributions decreased by \$201,636 mainly due to a one time operational support contribution of \$250,000 for the UW Health Sports Factory from the Winnebago County Regional Tourism and Facility Board in 2019, a decrease in Nicholas Conservatory endowment operational expenditures, and the limited ability to run operational grant and contribution funded programming, both due to COVID-19. This was partially offset by the receipt of new State and Federal operating grants and contributions for youth employment, juvenile crime reduction, and COVID-19 expenditure reimbursement.

Capital Grants and contributions decreased by \$575,456 due to receipts in 2019 for various projects, including the reconstruction of Ekberg-Pine Manor and Atwood trails. This was partially offset by receipts for projects in 2020 such as the Riverview Boat Launch and Washington Park Playground.

The District's property tax revenue stayed relatively consistent with 2019, although the District saw a slight decrease due to collection and distribution being impacted by COVID-19. Replacement taxes decreased by \$292,581 due to decreased collections from the business impact of COVID-19.

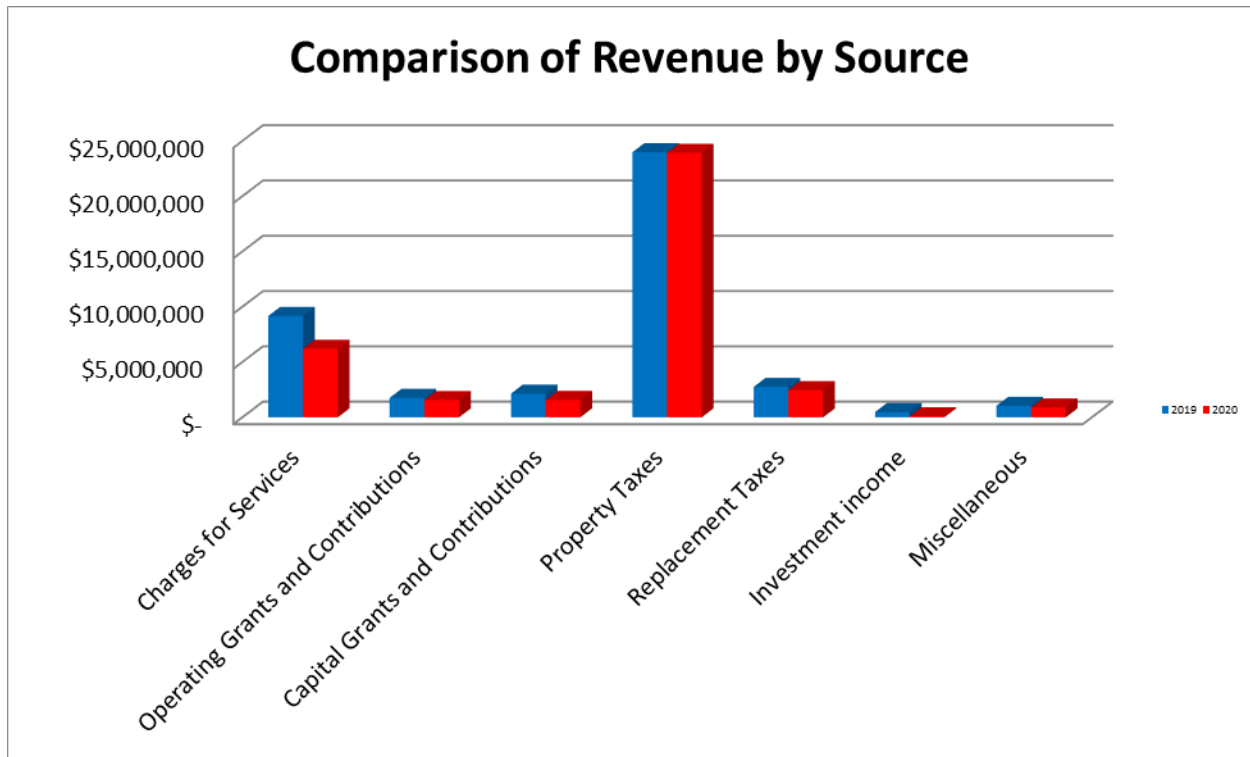
Investment income decreased by \$373,619 due to a sharp decline in investment rates.

Miscellaneous revenue decreased primarily due to lower insurance recoveries in 2020.

A comparative of revenue by source for 2020 and 2019 is shown below in a table and graphic illustration:

<b>Revenue Source</b>	<b>2020</b>		<b>2019</b>		<b>Dollar Change</b>	<b>% Change</b>
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>		
Charges for Services	\$ 6,202,786	16.9%	\$ 9,177,363	22.2%	\$ (2,974,577)	-32.4%
Operating Grants and Contributions	1,566,720	4.3%	1,768,356	4.3%	(201,636)	-11.4%
Capital Grants and Contributions	1,576,896	4.3%	2,152,352	5.2%	(575,456)	-26.7%
Property Taxes	23,929,412	65.1%	23,984,045	58.0%	(54,633)	-0.2%
Replacement Taxes	2,460,954	6.7%	2,753,535	6.7%	(292,581)	-10.6%
Investment income	100,109	0.3%	473,728	1.1%	(373,619)	-78.9%
Miscellaneous	901,048	2.5%	1,047,037	2.5%	(145,989)	-13.9%
<b>Total</b>	<b>\$36,737,925</b>	<b>100.0%</b>	<b>\$41,356,416</b>	<b>100.0%</b>	<b>(4,618,491)</b>	<b>-11.2%</b>

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**



**Expenses**

The total cost of all governmental programs and services was \$38,399,229 for the year ended December 31, 2020. This is a decrease in total costs from 2019 of \$1,581,166 or 4%.

With the outbreak of the COVID-19 pandemic, the District's park and recreation program expenses saw a sharp decrease. As noted in the revenue section, many District facilities were unable to operate, or operated in a limited capacity, for much of the year. Further, with fee revenues being greatly impacted, the District made every effort to control expenditures throughout the year to reduce operational losses.

Museum expenses remained consistent with 2019, with a slight increase relating to higher revenues available from property taxes, as a result of an increased equalized assessed value. There was also an increase in capital repair and maintenance expenditures.

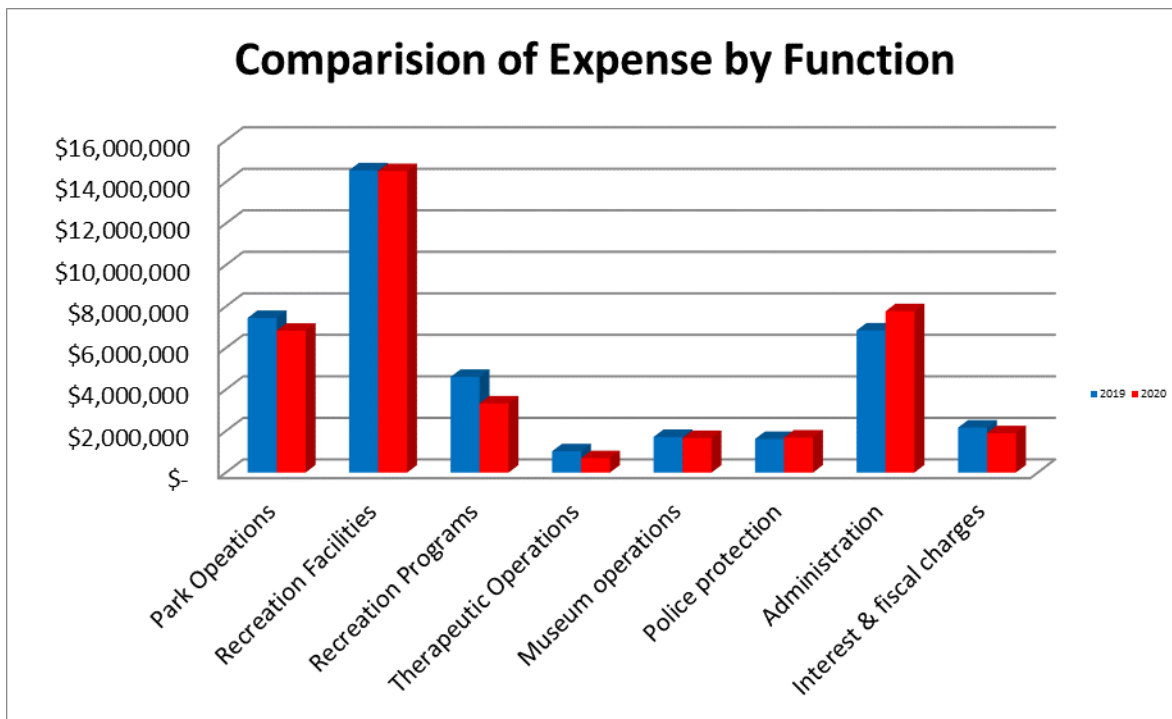
Administration experienced an increase in 2020 primarily due to an increase in capital repair and maintenance expenditures, along with an increase in wage and benefit expenditures.

Interest and fiscal charges decreased in 2020 due to a decrease in principal retirement and interest payments on the District's annual general obligation bonds issued for capital improvements.

A comparison of expenses by function for 2020 and 2019 is shown below in a table and graphic illustration:

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

<u>Operations</u>	<u>2020</u>		<u>2019</u>		<u>Dollar Change</u>	<u>Percent Change</u>
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>		
Park	6,832,567	18%	7,450,503	19%	(617,936)	-8%
Recreation Operations						
Facilities	14,525,262	38%	14,563,166	38%	(37,904)	0%
Programs	3,330,847	7%	4,608,101	7%	(1,277,254)	-28%
Therapeutic	691,132	2%	1,020,507	3%	(329,375)	-32%
Museum	1,664,447	4%	1,713,213	4%	(48,766)	-3%
Police	1,686,194	4%	1,618,528	4%	67,666	4%
Administration	7,772,126	20%	6,844,501	18%	927,625	14%
Interest and fiscal charges	1,896,654	5%	2,161,876	6%	(265,222)	-12%
<b>Total</b>	<b>38,399,229</b>	<b>100%</b>	<b>39,980,395</b>	<b>100%</b>	<b>(1,581,166)</b>	<b>-4%</b>



The following table presents the cost of six major District activities: park operations, recreation operations (which includes facilities, programs and therapeutic operations), museum operations, police protection, administration and interest on debt. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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	<b>Total Cost of Services 2020</b>	<b>Net Cost of Services 2020</b>
Park operations	\$ 6,832,567	\$ 6,781,862
Recreation operations		
Facilities	14,525,262	6,584,671
Programs	3,330,847	2,465,480
Therapeutic operations	691,132	642,251
Museum operations	1,664,447	1,664,447
Police protection	1,686,194	1,414,477
Administration	7,772,126	7,602,985
Interest on debt	1,896,654	1,896,654
	<b>\$ 38,399,229</b>	<b>\$ 29,052,827</b>

The cost of all governmental activities this year was approximately \$38,399,229. Individuals who directly participated or benefited from a program offering, as well as operating and capital grants/contributions paid for approximately \$9,346,402 of the costs. The remaining "net cost of services" was financed primarily by District taxpayers through property taxes as well as corporate personal property replacement taxes totaling approximately \$26,390,366. The District also continually seeks alternative revenue sources such as endowment funding, sponsorships, and naming rights agreements to lessen the reliance on property taxes.

***Financial Analysis of the District's Funds***

The financial performance of the District is also reflected in its governmental funds throughout the fund financial statements. The District ended the year with a total governmental fund balance of \$21,243,207, a \$1,490,320 increase from the prior year. A significant portion of this is due to higher than expected corporate personal property replacement tax revenues and health insurance fund savings. A total of \$3,414,808, or 16%, is *unrestricted* fund balance within the general fund. The amount of unassigned fund balance is a measure of the general fund's liquidity. The unrestricted and unassigned fund balance in the general fund of \$3,414,808 represents approximately 36% of total general fund expenditures. The recreation fund's *assigned* fund balance for recreation is \$40,510. The remaining total fund balance consists of \$901,389 – *nonspendable* (not in spendable form), \$12,582,853 – *restricted* (legally required to be spent for a specific purpose) and \$4,344,157 – *assigned* (management has assigned a particular purpose).

**General Fund Budgetary Highlights**

The District's original budget for the general fund was a balanced budget and did not anticipate any change to fund balance. The actual results for the year showed an increase of \$128,136 versus the amended final budget of (\$65,064), increasing the general fund's ending fund balance to \$3,477,748. The increase is primarily the result of lower than anticipated expenditures due to the impact of COVID-19.

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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***Capital Assets and Debt Administration***

Capital assets: At the end of 2020, the District had invested \$210,356,361 (**not** net of accumulated depreciation) in a broad range of capital assets.

Major capital asset increases during the current fiscal year included the following:

- Land additions of the former New Mulford and Thompson school sites
- Mechanical Improvements at Alpine Pool
- Compressor replacement at Carlson Arctic Ice Arena
- Kitchen renovations at the Skybox Restaurant
- Riverview Park Boat Ramp
- Washington Park and Ekberg-Pine Manor Playground improvements
- Sand Park Phase 4 Land improvements

Total depreciation expense for the year was \$6,127,173, while the net change from acquisitions and disposals was \$3,146,486. The following table shows the change in the District's capital assets, net of depreciation:

	<b>2020</b>	<b>2019</b>	<b>Change</b>
Construction in progress	\$ 4,315,138	\$ 5,022,335	(707,197)
Land	\$ 23,074,931	\$ 23,061,411	13,520
Land improvements	\$ 24,735,768	\$ 24,011,983	723,785
Vehicles	\$ 701,390	\$ 801,211	(99,821)
Infrastructure	\$ 3,527,721	\$ 3,865,067	(337,346)
Intangible assets	\$ 10,474	\$ 23,783	(13,309)
Fine Art	\$ 1,049,633	\$ 1,117,048	(67,415)
Administrative equipment	\$ 422,018	\$ 415,872	6,146
Recreation equipment and structures	\$ 10,353,631	\$ 11,058,663	(705,032)
Buildings and improvements	\$ 39,908,213	\$ 41,702,231	(1,794,018)
	<u>\$ 108,098,917</u>	<u>\$ 111,079,604</u>	<u>\$ (2,980,687)</u>

The detail of the increases and decreases by asset class are displayed in Note 5.

Long-term obligations: At December 31, 2020, the District had \$46,486,435 outstanding in general obligation bonds and debt certificates, a decrease of \$1,493,943 from the prior year. More detailed comparative information is laid out in the following chart and information about the District's long-term debt and other obligations is also presented in Notes 4, 7, 9, 10, 14 and 17 to the financial statements.

**ROCKFORD PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The following shows the District's outstanding long-term obligations:

	<u>2020</u>	<u>2019</u>	<u>Net Change</u>
General obligation bonds	\$ 43,580,435	\$ 44,903,378	\$ (1,322,943)
Premium on bonds payable, net of amortization	177,492	196,698	(19,206)
Discount on bonds payable, net of accretion	-	-	-
General obligation debt certificates	2,906,000	3,077,000	(171,000)
Capital lease obligation	21,602	53,609	(32,007)
Note payable - City of Rockford	2,850,000	3,000,000	(150,000)
Net other post employment benefit	352,196	518,613	(166,417)
Net pension liability	1,175,836	7,573,328	(6,397,492)
Compensated absences	868,368	839,575	28,793
Contingent liabilities	500,000	1,500,000	(1,000,000)
Early Retirement Insurance Liability	658,975	-	658,975
	<u>\$ 53,090,904</u>	<u>\$ 61,662,201</u>	<u>\$ (8,571,297)</u>

The District maintained its long term credit rating by Moody's Investor Service of Aa3. Although this is still a high rating, the rating reflects the erosion in equalized assessed value the District has experienced over the last several years and the continuation of stressed economic indicators in the Rockford area. The equalized assessed value is now however starting to tick upward.

***Factors Bearing on the District's Future***

At the time these financial statements were prepared and audited, the District is continuing to align our programming and other operations with the restrictions put in place by the State of Illinois in response to the COVID-19 pandemic. As phase changes allow, we have begun to resume recreational opportunities, while striving to do so with the upmost focus on staff and participant safety. A key area of focus in coming years will be bringing tournaments and other events back to our sports facilities, which moved to states with fewer restrictions.

Part of the District's long term strategic plan is to reduce its footprint. This includes selling or leasing properties which either do not have recreational value or where an improved business opportunity exists. Of note in the District's 2021 budget is the closure of Elliot Golf Course.

Minimum wage will continue to impact the District as it increases annually, up to \$15 per hour in 2025. With the District's large seasonal workforce, as the first-time employer of many in our community, this will be particularly impactful.

***Contacting the District's Financial Management***

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Chief Financial Officer, Penny Christians, at the Rockford Park District, 401 South Main Street, Rockford, Illinois 61101.



## **BASIC FINANCIAL STATEMENTS**

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2020

	<b>Primary Government Governmental Activities</b>	<b>Component Unit Rockford Park District Foundation</b>
<b>ASSETS</b>		
Cash	\$ 1,224,233	\$ 1,983,616
Investments	22,143,561	7,160,055
Receivables (net, where applicable, of allowances for uncollectibles)		
Property taxes	24,736,549	-
Accounts	1,779,472	2,222
Accrued interest	-	5,907
Other governments	6,642,020	-
Component unit	814,478	-
Naming rights	7,935,983	-
Pledges	-	470,369
Notes receivable	-	817
Prepaid expenses	29,917	-
Inventory	159,716	-
Land held for future donation	-	882,522
Other real estate	-	40,756
Other assets	12,000	-
Capital assets not being depreciated	27,390,069	-
Capital assets being depreciated, net of accumulated depreciation	80,708,848	261,860
Total assets	173,576,846	10,808,124
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized charge on refunding	278,226	-
Pension items - IMRF	2,304,956	-
OPEB Items	39,489	-
Total deferred outflows of resources	2,622,671	-
Total assets and deferred outflows of resources	176,199,517	10,808,124

(This statement is continued on the following page.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

December 31, 2020

	<b>Primary Government Governmental Activities</b>	<b>Component Unit Rockford Park District Foundation</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 1,527,154	\$ 79,340
Accrued payroll	860,293	-
Unearned revenue	7,826,599	-
Claims payable	986,159	-
Accrued interest payable	135,000	-
Other liabilities	-	2,504
Noncurrent liabilities		
Due within one year	8,331,404	-
Due in more than one year	44,759,500	814,438
	<u>64,426,109</u>	<u>896,282</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension items - IMRF	3,880,495	-
OPEB items	167,159	-
Deferred revenue - property taxes	24,580,039	-
	<u>28,627,693</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>93,053,802</u>	<u>896,282</u>
<b>NET POSITION</b>		
Net investment in capital assets	65,694,306	261,860
Restricted for		
Museum operations	576,040	-
Police protection	5,963	-
Employee benefits	1,327,791	-
Audit	63,902	-
Working cash	711,832	-
Special recreation	1,566,548	-
Debt service	552,719	-
Liability insurance	1,433,872	-
Capital projects	4,668,960	-
Reclaiming First	6,590,000	-
Park district purposes	-	1,862,835
Restricted for purpose	-	4,585,079
Perpetual in nature	-	3,202,068
Unrestricted (deficit)	(46,218)	-
	<u>\$ 83,145,715</u>	<u>\$ 9,911,842</u>
<b>TOTAL NET POSITION</b>	<u>\$ 83,145,715</u>	<u>\$ 9,911,842</u>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Governmental Activities	Rockford Park District Foundation
<b>PRIMARY GOVERNMENT</b>						
Governmental Activities						
Park operations	\$ 6,868,682	\$ 50,705	\$ -	\$ -	\$ (6,817,977)	\$ -
Recreation operations						
Facilities	14,513,952	5,888,762	474,933	1,576,896	(6,573,361)	-
Programs	3,229,663	94,501	770,866	-	(2,364,296)	-
Therapeutic operations	666,334	7,556	41,325	-	(617,453)	-
Museum operations	1,664,447	-	-	-	(1,664,447)	-
Police protection	1,703,312	24,568	247,149	-	(1,431,595)	-
Administration	7,856,185	136,694	32,447	-	(7,687,044)	-
Interest and fiscal charges	1,896,654	-	-	-	(1,896,654)	-
Total governmental activities	38,399,229	6,202,786	1,566,720	1,576,896	(29,052,827)	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 38,399,229</b>	<b>\$ 6,202,786</b>	<b>\$ 1,566,720</b>	<b>\$ 1,576,896</b>	<b>(29,052,827)</b>	<b>-</b>
<b>COMPONENT UNIT</b>						
Rockford Park District Foundation	\$ 1,599,547	\$ 25,292	\$ 1,671,248	\$ 18,965	-	115,958
General Revenues						
Taxes						
Property					23,929,412	-
Intergovernmental - unrestricted					2,460,954	-
Investment income					100,109	629,846
Miscellaneous					901,048	249,818
Total					<u>27,391,523</u>	<u>879,664</u>
SPECIAL ITEM					1,000,000	-
CHANGE IN NET POSITION					<u>(661,304)</u>	<u>995,622</u>
NET POSITION, JANUARY 1					<u>83,807,019</u>	<u>8,916,220</u>
<b>NET POSITION, DECEMBER 31</b>					<u><b>\$ 83,145,715</b></u>	<u><b>\$ 9,911,842</b></u>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

December 31, 2020

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 199,204	\$ 70,128	\$ 9,605	\$ 540,311	\$ 333,806	\$ 1,153,054
Investments	3,632,871	1,007,524	176,051	9,903,810	6,118,614	20,838,870
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	6,663,148	6,543,154	6,032,354	-	5,497,893	24,736,549
Accounts	32,875	192,759	-	1,309,161	239,040	1,773,835
Other governments	12,080	-	-	6,629,940	-	6,642,020
Component unit	-	-	-	814,478	-	814,478
Naming rights	-	7,285,983	-	650,000	-	7,935,983
Prepaid expenditures	12,298	-	-	5,463	-	17,761
Inventory	38,598	121,118	-	-	-	159,716
Other assets	-	12,000	-	-	-	12,000
	<u>\$ 10,591,074</u>	<u>\$ 15,232,666</u>	<u>\$ 6,218,010</u>	<u>\$ 19,853,163</u>	<u>\$ 12,189,353</u>	<u>\$ 64,084,266</u>
Total assets						

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 243,828	\$ 416,189	\$ 230	\$ 531,806	\$ 335,101	\$ 1,527,154
Accrued payroll	223,721	312,561	-	7,704	316,307	860,293
Unearned revenue	1,367	7,817,728	-	-	-	7,819,095
Total liabilities	468,916	8,546,478	230	539,510	651,408	10,206,542
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	6,644,374	6,524,560	5,930,061	8,054,478	5,481,044	32,634,517
Total deferred inflows of resources	6,644,374	6,524,560	5,930,061	8,054,478	5,481,044	32,634,517
Total liabilities and deferred inflows of resources	7,113,290	15,071,038	5,930,291	8,593,988	6,132,452	42,841,059
<b>FUND BALANCES</b>						
Nonspendable - inventory	38,598	121,118	-	-	-	159,716
Nonspendable - prepaid items	12,298	-	-	5,463	-	17,761
Nonspendable - long-term receivables	12,080	-	-	-	-	12,080
Nonspendable - working cash	-	-	-	-	711,832	711,832
Restricted for museum operations	-	-	-	-	576,040	576,040
Restricted for police protection	-	-	-	-	5,963	5,963
Restricted for employee benefits	-	-	-	-	1,327,791	1,327,791
Restricted for audit	-	-	-	-	63,902	63,902
Restricted for special recreation	-	-	-	-	1,566,548	1,566,548
Restricted for debt service	-	-	287,719	-	-	287,719
Restricted for liability insurance	-	-	-	-	1,433,872	1,433,872
Restricted for capital projects	-	-	-	7,321,018	-	7,321,018
Unrestricted						
Assigned for recreation	-	40,510	-	-	-	40,510
Assigned for capital projects	-	-	-	3,932,694	-	3,932,694
Assigned for museum operations	-	-	-	-	25,084	25,084
Assigned for police protection	-	-	-	-	257,204	257,204
Assigned for special recreation	-	-	-	-	85,746	85,746
Assigned for audit	-	-	-	-	2,919	2,919
Unassigned	3,414,808	-	-	-	-	3,414,808
Total fund balances	3,477,784	161,628	287,719	11,259,175	6,056,901	21,243,207
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 10,591,074</b>	<b>\$ 15,232,666</b>	<b>\$ 6,218,010</b>	<b>\$ 19,853,163</b>	<b>\$ 12,189,353</b>	<b>\$ 64,084,266</b>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2020

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 21,243,207</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 governmental funds	108,098,917
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for IMRF are recognized as deferred outflows of resources on the statement of net position	2,304,956
Differences between expected and actual experiences, assumptions changes, and net differences between projected and actual earnings are recognized as deferred inflows of resources on the statement of net position	(3,880,495)
Differences between expected and actual experiences and assumption changes for OPEB are recognized as deferred outflows and inflows of resources on the statement of net position	(127,670)
The net position of the internal service funds are included in the governmental activities in the statement of net position	400,000
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation debt payable	(46,486,435)
Notes payable	(2,850,000)
Contingent liabilities	(500,000)
Unamortized premium on issuance	(177,492)
Loss on refunding	278,226
Capital lease obligations	(21,602)
Accrued compensated absences	(868,368)
Net pension liability - IMRF	(1,175,836)
Total OPEB liability	(352,196)
Early retirement health insurance liability	(658,975)
Accrued interest payable on long-term liabilities are reported as a liability on the statement of net position	(135,000)
Certain unavailable revenues related to long-term receivables on the fund financial statements are considered earned and on the statement of activities	8,054,478
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 83,145,715</b>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	General	Recreation	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 6,284,129	\$ 6,223,860	\$ 5,782,637	\$ -	\$ 5,638,786	\$ 23,929,412
Intergovernmental	549,363	1,694,685	-	1,938,910	1,322,016	5,504,974
Local donations	-	-	-	601,761	-	601,761
Fees and admissions	187,414	5,857,137	-	113,800	31,674	6,190,025
Investment income	17,409	12	10,427	43,629	28,632	100,109
Miscellaneous income	182,830	660,380	-	296,773	144,179	1,284,162
Total revenues	7,221,145	14,436,074	5,793,064	2,994,873	7,165,287	37,610,443
<b>EXPENDITURES</b>						
Current						
Park operations	3,917,455	-	-	1,215,080	510,228	5,642,763
Recreation operations						
Facilities	-	8,665,443	-	580,793	1,160,280	10,406,516
Programs	-	2,543,636	-	-	403,603	2,947,239
Therapeutic operations	-	-	-	5,291	593,811	599,102
Museum operations	-	-	-	96,701	1,114,577	1,211,278
Police protection	-	-	-	-	1,556,624	1,556,624
Administration	5,558,301	-	-	1,041,371	771,409	7,371,081
Capital outlay	-	-	-	2,963,810	-	2,963,810
Debt service						
Principal retirement	-	-	5,605,000	1,875,950	-	7,480,950
Interest and fiscal charges	-	-	261,811	1,720,968	-	1,982,779
Total expenditures	9,475,756	11,209,079	5,866,811	9,499,964	6,110,532	42,162,142
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,254,611)	3,226,995	(73,747)	(6,505,091)	1,054,755	(4,551,699)



	<b>General</b>	<b>Recreation</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ 3,040,307	\$ 23,004	\$ -	\$ 1,783,458	\$ 37,328	\$ 4,884,097
Transfers (out)	(657,560)	(3,234,409)	-	(15,130)	(976,998)	(4,884,097)
Issuance of bonds	-	-	-	5,805,000	-	5,805,000
Premium on bond issuance	-	-	-	54,376	-	54,376
Insurance proceeds	-	-	-	59,241	-	59,241
Proceeds from the sale of capital assets	-	-	-	123,402	-	123,402
Total other financing sources (uses)	2,382,747	(3,211,405)	-	7,810,347	(939,670)	6,042,019
NET CHANGE IN FUND BALANCES	128,136	15,590	(73,747)	1,305,256	115,085	1,490,320
FUND BALANCES, JANUARY 1	3,349,648	146,038	361,466	9,953,919	5,941,816	19,752,887
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 3,477,784</b>	<b>\$ 161,628</b>	<b>\$ 287,719</b>	<b>\$ 11,259,175</b>	<b>\$ 6,056,901</b>	<b>\$ 21,243,207</b>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,490,320</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,138,537
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(6,127,173)
Contributions of capital assets are not a current financial resource of governmental funds	139,000
Sales and disposals of capital assets are reported as proceeds from the sale of capital assets in governmental funds but as loss from sale or disposal on the statement of activities	(131,051)
Certain revenues are reported as unavailable in the fund financial statements but are accrued and reported as revenue on the statement of activities	(872,518)
The change in the IMRF net pension (asset) liability is not a source of use of a financial resource	6,397,492
The change in deferred outflows of resources for IMRF is reported only in the statement of activities	(4,444,444)
The change in deferred inflows of resources for IMRF is reported only in the statement of activities	(2,283,128)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of net position	
Bonds	7,298,943
Note payable	150,000
Capital lease	32,007
The amortizations of premiums, discounts, and loss on refundings is reported as interest expense on the statement of activities	
Current year premium on bond issuance	(54,376)
Amortization of premium on bonds	73,582
Loss on refunding	(15,457)
The issuance of long-term debt is reported as an other financing source when due in governmental funds but as an increase in principal outstanding in the statement of activities	
Bonds	(5,805,000)
Early retirement health insurance liability	(658,975)
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	28,000
The change in compensated absences liability is reported as an expense on the statement of activities	(28,793)
The change in contingent liabilities is reported as a special item in the statement of activities	1,000,000
The change in deferred outflows of resources for OPEB is reported only in the statement of activities	(154,687)
The change in the total OPEB liability is reported as an expense on the statement of activities	166,417
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ (661,304)</b>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUND**

December 31, 2020

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	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 71,179
Investments	1,304,691
Accounts receivable	5,637
Interest receivable	-
Prepaid expenses	12,156
	<hr/>
Total current assets	1,393,663
	<hr/>
<b>CURRENT LIABILITIES</b>	
Unearned revenue	7,504
Health premiums payable	167,879
Claims payable	818,280
	<hr/>
Total current liabilities	993,663
	<hr/>
<b>NET POSITION</b>	
Unrestricted	400,000
	<hr/>
<b>TOTAL NET POSITION</b>	<b>\$ 400,000</b>
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See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUND

For the Year Ended December 31, 2020

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Premiums	
Employee contributions	\$ 658,913
Employer contributions	2,233,069
Retiree contributions	138,363
Total operating revenues	3,030,345
<b>OPERATING EXPENSES</b>	
Health and life insurance premiums	794,651
Claims incurred	1,991,778
Administrative services	250,917
Total operating expenses	3,037,346
OPERATING INCOME (LOSS)	(7,001)
<b>NON-OPERATING REVENUE</b>	
Investment income	7,001
Total non-operating revenue	7,001
CHANGE IN NET POSITION	-
NET POSITION, JANUARY 1	400,000
<b>NET POSITION, DECEMBER 31</b>	<b>\$ 400,000</b>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND

For the Year Ended December 31, 2020

	<u><b>Governmental Activities Internal Service Fund</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from employees	\$ 674,056
Receipts from employer	2,233,069
Receipts from retirees	138,363
Payments to vendors	<u>(2,934,281)</u>
Net cash from operating activities	<u>111,207</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from capital and related financing activities	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	8,155
Purchase of investments	(1,304,691)
Proceeds from sale of investments	<u>1,155,581</u>
Net cash from investing activities	<u>(140,955)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(29,748)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>100,927</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u><u>\$ 71,179</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (7,001)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Changes in assets and liabilities	
Accounts receivable	15,143
Prepaid expenses	(2,184)
Health premiums payable	167,879
Claims payable	(62,974)
Unearned revenue	<u>344</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ 111,207</u></u>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION  
WINNEBAGO COUNTY REGIONAL TOURISM FACILITY BOARD**

December 31, 2020

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	<u>Custodial</u>
<b>ASSETS</b>	
Cash	\$ 196,875
Investments	1,075,040
Other receivables	<u>94,051</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,365,966</u></u>
<b>LIABILITIES</b>	
Accounts payable	<u>\$ 171,875</u>
Total liabilities	<u>171,875</u>
<b>NET POSITION</b>	
Restricted for tourism	<u>1,194,091</u>
Total net position	<u>1,194,091</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 1,365,966</u></u>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
WINNEBAGO COUNTY REGIONAL TOURISM FACILITY BOARD**

For the Year Ended December 31, 2020

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	<u><b>Custodial</b></u>
<b>ADDITIONS</b>	
Intergovernmental revenue from Winnebago County	\$ 470,796
Intergovernmental receivable from Winnebago County	94,051
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Subtotal - intergovernmental additions	564,847
	<hr/>
Interest	6,214
	<hr/>
<b>TOTAL ADDITIONS</b>	<u>571,061</u>
<b>DEDUCTIONS</b>	
Capital acquisitions	120,000
Reclaiming first contribution	853,105
	<hr/>
<b>TOTAL DEDUCTIONS</b>	<u>973,105</u>
CHANGE IN FIDUCIARY NET POSITION	(402,044)
NET POSITION, JANUARY 1, 2020	<u>1,596,135</u>
<b>NET POSITION, DECEMBER 31, 2020</b>	<u><u>\$ 1,194,091</u></u>

See accompanying notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The District was established in 1909 under the Submerged Lands Statute of 1895 to acquire, develop and manage park and recreation lands and facilities. The District is a separate, autonomous, special purpose taxing district governed by an elected five person Board of District Commissioners. The District provides a wide range of facilities and programs to residents in the Rockford and surrounding communities that include parks and recreation paths, recreational programs, swimming pools and a water park, golf courses, museums, soccer fields and tennis courts.

a. Financial Reporting Entity

The District is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The District is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statement No. 14 and No. 34*, since its board is separately elected and fiscally independent. In accordance with these pronouncements, the basic financial statements include all funds for which the District is financially accountable. The District has also considered all other potential organizations for which the nature and significance of their relationships with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The criteria used by the District to include component units within its reporting entity are financial accountability and the nature and significance of the relationship. The District includes the Rockford Park District Foundation (the Foundation) as a discretely presented component unit as it is legally separate and its sole purpose is to obtain financial resources to be used by the District or for the District's benefit.

The Foundation is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of promoting educational, scientific and charitable activities in the Rockford community area. The Foundation follows the standards set forth by the Financial Accounting Standards Board and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. The separate audited financial statements of the Foundation are available upon request at the District administrative offices at 401 South Main Street, Rockford, Illinois 61101-1321.



**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

a. Financial Reporting Entity (Continued)

The Winnebago County Regional Tourism Facility Board (WCRTFB) is a joint venture between the District, Winnebago County, the City of Rockford, the City of Loves Park, the Village of Machesney Park, the Village of Cherry Valley, the Village of Rockton, the Village of Roscoe, the City of South Beloit and the Rockford Area Convention & Visitors Bureau. The purpose of the board is to direct the use of revenues collected pursuant to a hotel tax as well as any other revenue directed to the WCRTFB, specifically to fund the Reclaiming First initiatives of the District. The affairs of the WCRTFB are managed by a ten-person Board of Directors appointed by the Chief Executive of each member entity. The District has pledged an annual payment of \$300,000 for a period of 20 years to support the Reclaiming First initiatives which is made by servicing debt payments on the 2014A Bonds, 2015A Bonds and 2016 bonds.

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The District's funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for the District's general activities. The General (Corporate) Fund is the primary operating fund; accounting for all financial resources not accounted for in another fund. Special Revenue Funds account for revenue sources that are legally restricted or committed for specific purposes (except for capital projects funds). The Debt Service Fund accounts for the servicing of bonded general long-term debt using funds restricted, committed or assigned for debt service. Capital Projects Funds account for funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund. Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for the purposes that support the District's programs.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds). The District does not have any enterprise funds.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting (Continued)

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The District's fiduciary activities consist of a custodial fund which is used to account for assets that the District holds on behalf of WCRTFB as their custodian.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity other than interfund sales and services has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support. The District does not have any business-type activities.

c. Government-Wide and Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund accounts for the resources traditionally associated with general government, except those accounted for in another fund. Revenues of the General Fund are primarily property and other taxes plus interest. Expenditures relate primarily to general administration and maintenance activities.

The Recreation Fund accounts for the planning, establishing and maintaining of recreational programs and facilities. Financing is provided from an annual property tax levy restricted by the state for recreation purposes, an intergovernmental grant restricted for recreation purposes, an allocation of Illinois personal property replacement taxes and fees and charges for programs and activities assigned for recreation purposes.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The Debt Service Fund accounts for the accumulation of resources that are restricted or assigned for repayment of various general obligation bond issues where repayment is financed by an annual property tax levy.

The Capital Projects Fund accounts for financial resources restricted, committed or assigned for the acquisition or construction of major capital expenditures not being financed by the proprietary fund.

The District reports the following internal service fund:

The Insurance Fund accounts for the District's self-insured health plan for employees and other employee benefits, funded by charges to the various departments of the District and by employee and retiree contributions.

The District reports the following fiduciary fund:

The WCRTFB Fund is used to account for the activities of the joint venture between the District, Winnebago County, the City of Rockford, the City of Loves Park, the Village of Machesney Park, the Village of Cherry Valley, the Village of Rockton, the Village of Roscoe, the City of South Beloit and the Rockford Area Convention & Visitors Bureau. The District serves only in a custodial capacity and serves as accountant for the activities.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days for property taxes and most other revenues). The District recognizes property taxes when they become both measurable and available in the year intended to finance.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Expenditures are recorded when the related liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, charges for services, intergovernmental and interest on investments.

The District reports unavailable/deferred/unearned revenue on its financial statements. Unavailable/deferred/unearned revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period for governmental funds or earned at the government-wide level. Deferred/unearned revenue also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability or deferred inflow of resources for unavailable/deferred/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash represents cash and cash equivalents which include cash and demand deposits.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At December 31, 2020, the District held no investments required to be reported at fair value.

f. Property Taxes

Property taxes are recognized as a receivable at the time they are levied, and the current taxes receivable represent the 2020 levy and prior levies still uncollected, if any.

Property taxes are levied each year in December and attach as an enforceable lien on the property as of the preceding January 1. Tax bills are prepared by the County and issued on or about May 1 of the following year and are due and collectible on or about June 1 and September 1. The County collects the taxes and remits them periodically to the District. An allowance for uncollectible amounts has been provided on the outstanding receivable amount and is based upon past collection experience.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Accounts Receivable

Accounts receivable are carried at the original invoice amount, less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowances for doubtful receivables by identifying troubled accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts previously written off are recorded as revenue when received. Receivables are generally considered past due when the invoice is outstanding past the due date, typically 30 days from the billing date. Interest is not charged on past due receivables.

h. Capital Assets

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

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

Assets	Years
Land improvements	20-30
Vehicles	7-10
Infrastructure	20-30
Administrative equipment	5-7
Intangible assets	5-7
Recreation equipment and structures	10-30
Buildings and improvements	20-30
Fine art	20-30

i. Inventories and Prepaid Expenditures

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of current assets.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Inventories and Prepaid Expenditures (Continued)

Certain payments to vendors reflected costs applicable to future accounting periods and are recorded as prepaid expenditures using the consumption method. Such amounts are offset by nonspendable fund balance in the governmental fund financial statements.

j. Compensated Absences

The liability for compensated absences in the government-wide financial statements consists of unpaid, accumulated vacation and vested sick leave balances for district employees and is recorded as earned by employees. Employees earn vacation based upon their length of service. In the event of termination, an employee is paid for accumulated vacation days.

Prior to July 1, 1983, employees were allowed to accumulate unused sick days and upon termination were paid 50% of the accumulated sick days. In July 1983, this policy was changed but the accumulated sick days as of that date were vested. Currently, employees earn sick pay at the rate of one day per month which does not vest and is only payable upon illness.

Compensated absences are reported in governmental funds when due and payable, upon employee retirement or termination. The General Fund, Recreation Fund, Police Protection Fund, Special Recreation Fund and Museum Fund liquidate the liabilities pertaining to their assigned employees.

k. 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. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. The unamortized loss on bond refunding is reported as deferred charges, a deferred outflow of resources and amortized over the term of the related debt. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental funds 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 expenditures.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

l. Net Position/Fund Balances

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Commissioners.

Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Executive Director and the Chief Financial Officer by the District Board of Commissioners via the fund balance policy approved in Board Policy 2.3.4. Any residual fund balance in the General Fund or any deficit balances in other governmental funds are reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

The District has established fund balance reserve policies for its operating funds, which include the General and Special Revenue Funds. The Operating Funds target 50%, plus or minus 5%, of annual estimated real estate tax revenues as spendable fund balance. The Capital Projects and Debt Service Funds do not have established fund balance limits due to the nature of the transactions accounted for in these funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the District. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

m. Interfund Transactions

Reciprocal interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other fund” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

p. Use of Estimates

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

q. Special Item

Special items are significant transactions or other events that are either unusual or infrequent and are within the control of management. The reduction of the District’s contingent liability as discussed in Note 14 has been reported as a special item.

r. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases*, to December 31, 2022.



**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. CASH AND INVESTMENTS**

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

a. Permitted Deposits and Investments

The District's investment policy permits the District to invest in bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest, bonds and notes debentures or similar obligations of the agencies of the United States of America; interest-bearing savings accounts, certificates of deposit, time deposits or other investment constituting direct obligations of a bank as defined by the Illinois Banking Act; money market mutual funds registered under the Investment Company Act of 1940 which invest only in bonds, notes, certificates of indebtedness, treasury bills and other securities which are guaranteed by the full faith and credit of the United States of America as to principal and interest and agrees to repurchase such obligations; AAAM rated local government investment pools (including The Illinois Funds (a money market fund created by the State of Illinois under the control of the State Treasurer that maintains a \$1 share value), the Illinois Park District Liquid Asset Fund (IPDLAF), and the Illinois Public Reserves Investment Management Trust (IPRIME)); collateralized repurchase agreements and commercial paper for companies which are organized in the United States of America, have assets exceeding \$500,000,000, rated A1/P1 or better and have maturity of no longer than 270 days. In addition, the investment policy prohibits investments in derivatives.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

IPDLAF allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. The IPDLAF is composed of finance officials and treasurers all of whom are employees of the Illinois public agencies, which are investors in the IPDLAF. Investments in the IPDLAF are valued at amortized cost, which approximates fair value.

IPRIME allows units of local governments to pool their funds for investment purposes. Investments in IPRIME are valued at amortized cost, which approximates fair value.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. CASH AND INVESTMENTS (Continued)**

a. Permitted Deposits and Investments (Continued)

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

b. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance at 102% of the balance with the collateral held by a third party in the name of the District or collateral pledged by a single institution collateral pool which is monitored by a third party and with the collateral pledged being securities which are allowable investments under the District’s investment policy. The District’s deposits with financial institutions were covered by FDIC insurance collateral in the name of the District at December 31, 2020. In addition, one of the District’s deposits is collateralized by a letter of credit pooled by the District’s agent in one letter of credit with the Federal Home Loan Bank for all public entity deposits in that bank for which the agent is a counterparty and is monitored by a third party.

c. Investments

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell maturities on the open market prior to maturity, investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy, laddering investments with different maturity dates to ensure the District is not trapped for an extended period of time with an interest rate lower than market and limiting the maximum length of maturity of investments to three years.

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; limiting investments to the types of securities allowed, pre-qualifying the financial institutions, broker/dealers, intermediaries and advisers with which the District will do business, diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized and limiting investments to those rated AA or higher (long-term rating) or A1/P1 or higher (short-term rating) by two Nationally Recognized Statistical Rating Organizations. The Illinois Funds, the Illinois Park District Liquid Asset Fund and the Illinois Public Reserves Investment Management Trust are rated AAAM.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. CASH AND INVESTMENTS (Continued)**

c. Investments (Continued)

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

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. The Illinois Funds, the Illinois Park District Liquid Asset Fund and the Illinois Public Reserves Investment Management Trust are not subject to custodial credit risk.

Concentration of credit risk - The District limits its exposure to concentration of credit risk by requiring diversification of securities whereby no more than 50% of the portfolio may be invested in a single instrument and by emphasizing the diversification of maturities. Additionally, no more than 33% of the portfolio can be invested in commercial paper and no more than \$20 million can be invested in one company.

**3. LONG-TERM RECEIVABLE**

The District has a long-term receivable in the General and Capital Projects Funds, due from the Burpee Museum of Natural History in the amount of \$65,020 that is for the repayment of an advance made by the District during the year ended December 31, 2013, to assist the museum with a cash flow shortfall with respect to services in connection with Burpee Museum's exhibit commonly known as "Rick's Picks." This advance is being repaid with museum fund distributions at the rate of \$13,000 per year. Repayment began in 2015.

The District also has long-term receivables in connection with naming rights agreements and sponsorships reported in the Recreation Fund in the amount of \$7,285,983. These agreements give third parties the right to name Sportscore I and Sportscore II and the new downtown facility in addition to market and advertise at these facilities. Naming rights revenue is considered earned when the naming rights usage takes place. Sponsorship revenue is considered earned in accordance with the compensation schedule outlined in the agreements.

The District reports long-term receivables in the Capital Projects Fund for amounts due from the Foundation (\$549,478) related to future pledges for the Rockford Bank & Trust Pavilion. Additionally, the District reports naming rights for the pavilion in the amount of \$650,000.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. RECLAIMING FIRST INITIATIVE**

The District, Winnebago County, the City of Rockford, the City of Loves Park, the Village of Machesney Park, the Village of Cherry Valley, the Village of Rockton, the Village of Roscoe and the City of South Beloit entered into an intergovernmental agreement to authorize Winnebago County to levy a hotel tax to be administered by WCRTFB. WCRTFB will direct the use of hotel tax revenues collected and other revenue pledged by the member governments to the District's Reclaiming First Initiative whose purpose is to enhance amateur sports tournament and recreation venues within Winnebago County.

During the year ended December 31, 2014, the District issued \$10,000,000 General Obligation Park (Alternate Revenue Source) Bonds, Series 2014A for improvements to Indoor Soccer Center and Sportscore II for the Reclaiming First Initiative. During the year ended December 31, 2015, the District issued \$10,000,000 General Obligation Park (Alternate Revenue Source) Bonds, Series 2015A for improvements to Indoor Soccer Center and Sportscore II for the Reclaiming First Initiative. During the year ended December 31, 2016, the District issued \$7,500,000 General Obligation Park (Alternate Revenue Sources) Bonds, Series 2016 for improvements to Sportscore II for the Reclaiming First Initiative.

The District has committed \$300,000 annually for 20 years towards debt service on these bonds.

The following describes the long-term commitments made by other governments in connection with the Reclaiming First Initiative:

The District has a long-term receivable due from the City of Loves Park with an original amount due of \$2,890,000 that was pledged to provide funding for the Reclaiming First Initiative. This will be paid at the rate of \$150,000 for the first year and \$170,000 per year for 19 years beginning in January 2015. The balance as of December 31, 2020, was \$2,040,000.

The District has a long-term receivable due from Winnebago County with an original amount due of \$7,000,000 that was pledged to provide funding for the Reclaiming First Initiative. This will be paid at the rate of \$350,000 per year for 20 years beginning on November 1, 2014. The balance as of December 31, 2020 was \$4,550,000.

**5. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 23,061,411	\$ 139,000	\$ 125,480	\$ 23,074,931
Construction in progress	5,022,335	1,322,685	2,029,882	4,315,138
Total capital assets not being depreciated	28,083,746	1,461,685	2,155,362	27,390,069

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
(Continued)				
Capital assets being depreciated				
Intangible assets	\$ 415,102	\$ -	\$ -	\$ 415,102
Fine art	1,373,330	-	-	1,373,330
Land improvements	46,126,151	2,519,917	-	48,646,068
Vehicles	2,558,427	104,321	115,533	2,547,215
Infrastructure	15,142,456	-	-	15,142,456
Administrative equipment	3,650,004	120,378	48,979	3,721,403
Recreation equipment and structure	39,550,618	711,624	142,058	40,120,184
Buildings and improvements	70,810,448	389,494	199,408	71,000,534
Total capital assets being depreciated	<u>179,626,536</u>	<u>3,845,734</u>	<u>505,978</u>	<u>182,966,292</u>
Less accumulated depreciation for				
Intangible assets	391,319	13,309	-	404,628
Fine art	256,282	67,416	-	323,698
Land improvements	22,114,168	1,796,131	-	23,910,299
Vehicles	1,757,216	198,571	109,962	1,845,825
Infrastructure	11,277,389	337,346	-	11,614,735
Administrative equipment	3,234,132	114,232	48,979	3,299,385
Recreation equipment and structure	28,491,955	1,416,656	142,058	29,766,553
Buildings and improvements	29,108,217	2,183,512	199,408	31,092,321
Total accumulated depreciation	<u>96,630,678</u>	<u>6,127,173</u>	<u>500,407</u>	<u>102,257,444</u>
Total capital assets being depreciated, net	<u>82,995,858</u>	<u>(2,281,439)</u>	<u>5,571</u>	<u>80,708,848</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>				
	<u>\$ 111,079,604</u>	<u>\$ (819,754)</u>	<u>\$ 2,160,933</u>	<u>\$ 108,098,917</u>

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Park operations	\$ 1,244,914
Recreation operations	
Facilities	4,063,705
Programs	76,454
Therapeutic operations	17,508
Museum operations	462,634
Police protection	62,130
Administration	<u>199,828</u>
<b>TOTAL DEPRECIATION/AMORTIZATION EXPENSE -</b>	
<b>GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 6,127,173</u></u>

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. INDIVIDUAL FUND DISCLOSURES**

The composition of interfund transfers during the year is as follows:

Fund	Transfers In	Transfers Out
General	\$ 3,040,307	\$ 657,560
Recreation	23,004	3,234,409
Capital projects	1,783,458	15,130
Nonmajor governmental	37,328	976,998
<b>TOTAL</b>	<b>\$ 4,884,097</b>	<b>\$ 4,884,097</b>

The purposes of significant transfers during the year were as follows:

- \$2,824,516 transferred from the Recreation Fund to the General Fund for normal administrative, operational and maintenance costs. This amount will not be repaid.
- \$650,000 transferred from the General Fund to the Capital Projects Fund for capital projects. This transfer will not be repaid.
- \$474,564 transferred from Nonmajor Governmental Funds to the Capital Projects Fund for bond payments not fully funded within the Capital Projects Fund. This transfer will not be repaid.
- \$136,500 transferred from the Recreation Fund to the Capital Projects Funds for lease payments not fully funded within the Capital Projects Fund. This transfer will not be repaid.
- \$347,000 transferred to the Capital Projects Fund from Nonmajor Governmental Funds for capital projects. This transfer will not be repaid.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT**

a. General Obligation Debt

The outstanding general obligation debt as of December 31, 2020, consist of the following:

General Obligation Bonds

	Purpose	Balance December 31	Current Portion
2009 Series B Bonds, due in varying annual amounts through December 15, 2021, semiannual interest at 3% to 4%.	Museum Improvements	\$ 255,000	\$ 255,000
2011 Series A Bonds, due in varying annual amounts through December 15, 2021, semiannual interest at 2.77%.	Various Capital Improvements	265,000	265,000
2014 Series A Bonds, interest paid monthly through August 15, 2016, thereafter due in varying semiannual amounts through October 15, 2034, semiannual interest at 4.05%.	Rehabilitation, Improvements and Extensions to and Equipping of Sportscore II	9,408,197	59,244
2015 Series Bonds, interest paid monthly through August 15, 2016, thereafter due in varying semiannual amounts through December 15, 2034, with final payment due January 8, 2035 semiannual interest at 3.89%.	Rehabilitation, Improvements and Extensions to and Equipping of Sportscore II	9,313,191	83,578
2016 Series Bonds, interest paid monthly through August 15, 2017, thereafter due in varying semiannual amounts through December 15, 2034, with final payment due December 15, 2034 semiannual interest at 4.05%.	Rehabilitation, Improvements and Extensions to and Equipping of Sportscore II	7,074,047	47,739
2018A Series Bonds, due in varying annual amounts through December 15, 2037, semiannual interest at 3% to 4%.	Environmental remediation and constructing improvements at Sand Park and to provide payment for certain claims against the District	4,440,000	305,000

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

a. General Obligation Debt (Continued)

General Obligation Bonds (Continued)

	Purpose	Balance December 31	Current Portion
2019A Series Bonds, due in varying annual amounts through December 15, 2038, semiannual interest at 4.00% to 4.25%.	Refund Magic Waters bonds	\$ 7,020,000	\$ 270,000
2020A Series Bonds, due in one installment on December 15, 2021, semiannual interest at 2.25%.	General Park Improvements Within the District	4,855,000	4,855,000
2020B Series Bonds, due in one installment on December 15, 2021, semiannual interest at 2.00%.	General Park Improvements Within the District	950,000	950,000
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>		<b>\$ 43,580,435</b>	<b>\$ 7,090,561</b>

General Obligation Debt Certificates (Direct Placement)

	Purpose	Balance December 31	Current Portion
Debt Certificates, Series 2017B, due in varying annual amounts through December 30, 2027, semiannual interest at 3.375%.	Aldeen Golf Club Pavilion	\$ 1,096,000	\$ 88,000
Debt Certificates, Series 2017C, due in varying annual amounts through December 30, 2027, semiannual interest at 3.375%.	Aldeen Golf Club Pavilion	1,810,000	89,000
<b>TOTAL GENERAL DEBT CERTIFICATES PAYABLE</b>		<b>\$ 2,906,000</b>	<b>\$ 177,000</b>



**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. LONG-TERM DEBT (Continued)**

a. General Obligation Debt (Continued)

Refunding - Taxable General Obligation Refunding Park Bonds, Series 2019A

On February 7, 2019, the District issued \$7,575,000 Taxable General Obligation Refunding Park Bonds, Series 2019A with interest ranging from 4.00% to 4.25% maturing at various amounts through December 15, 2038. The District passed an ordinance directing the execution of an escrow agreement in order to refund District's Obligation Park Bonds (Alternate Revenue Source), Series 2011 outstanding in the principal amount of \$2,510,000, General Obligation Park Bonds (Alternate Revenue Source), Series 2016A outstanding in the principal amount of \$2,370,000, and Taxable General Obligation Park Bonds (Alternate Revenue Source), Series 2016B outstanding in the principal amount of \$2,075,000.

This advance refunding was undertaken to restructure the outstanding debt related to Magic Waters. This refunding increased total debt service payments over the next 19 years by \$1,943,897 and to resulted in an economic loss (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$845,623. The reacquisition price exceeded the net carrying amount of the old debt by \$309,147. This amount is being amortized over the remaining life of the refunding debt.

Proceeds in the amount of \$7,228,121 from the refunding bonds were used to execute the escrow agreement. The refunded \$2,510,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2011 will be called in its entirety on December 30, 2020, \$2,370,000 General Obligation Park Bonds (Alternate Revenue Source), Series 2016A bonds will be called in its entirety on December 15, 2025 and the \$2,075,000 Taxable General Obligation Park Bonds (Alternate Revenue Source), Series 2016B bonds will be called in its entirety on December 15, 2025.

Interest on general obligation debt is due semiannually on June 15 or June 30 and December 15 or December 30 with principal payable each December 15 or December 30. The Capital Projects Fund is used to retire general obligation alternate revenue source debt. The Debt Service Fund is used to retire general obligation debt.

The 2020A Series General Obligation Bonds and 2020B Series Taxable General Obligation Bonds are to be paid from property taxes. The District has the following outstanding bonds that will be paid from pledged future revenues: The 2009 Series B Bonds are to be paid from revenues from the Museum Fund and were issued for general museum improvements. The 2011 Series A Bonds are to be paid from revenues generated through the Foundation contributions and were issued to partially fund the construction of the Nicholas Conservatory. The 2014 Series A, 2015 Series A and 2016 General Obligation Bonds are to be paid from personal property replacement tax and hotel tax. The 2018A Series Bonds and 2019A Series Bonds are to be paid from the proceeds of the annual GO Limited Tax Park Bonds. These pledges will remain until all bonds are retired.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

a. General Obligation Debt (Continued)

The amount of the pledges remaining as of December 31, 2020 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
2009B	Museum tax	\$ 265,200	12/15/2021
2011A	Rockford Park District Foundation	272,341	12/15/2021
2014A	Personal property replacement and hotel tax	14,491,085	10/15/2034
2015	Personal property replacement and hotel tax	14,024,407	12/15/2034
2016	Personal property replacement and hotel tax	10,870,765	12/15/2034
2018A	Annual G.O. Limited Tax Park Bonds	5,721,075	12/15/2037
2019A	Annual G.O. Limited Tax Park Bonds	10,037,625	12/15/2038

A comparison of the pledged revenues collected and the related principal and interest expenditure for fiscal year 2020 is as follows:

Debt Issue	Pledged Revenue Source	Pledged Revenue	Principal and Interest Paid	Estimated % of Revenue Pledged
2009B	Museum tax	\$ 1,634,222	\$ 265,000	16%
2011A	Rockford Park District Foundation	110,111	110,111	100%
2014A	Personal property replacement and hotel tax*	3,082,631	608,571	20%
2015	Personal property replacement and hotel tax*	3,082,631	607,704	20%
2016	Personal property replacement and hotel tax*	3,082,631	456,830	15%
2018A	Annual GO Limited Tax Park Bonds	5,805,000	449,281	8%
2019A	Annual GO Limited Tax Park Bonds	5,805,000	554,394	10%

\*The pledged hotel taxes are from collections distributed to the District by Winnebago County pursuant to Section 5-1030(b) of the Counties Code, as amended, and intergovernmental agreements providing for said hotel tax to be paid to the District.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

a. General Obligation Debt (Continued)

A summary of the changes in long-term obligations of the District for the year ended December 31, 2020, is as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion	Long-Term Portion
General obligation bonds	\$ 44,903,378	\$ 5,805,000	\$ 7,127,943	\$ 43,580,435	\$ 7,090,561	\$ 36,489,874
General obligation debt certificates direct placement	3,077,000	-	171,000	2,906,000	177,000	2,729,000
Capital lease obligation	53,609	-	32,007	21,602	10,406	11,196
Note payable - City of Rockford	3,000,000	-	150,000	2,850,000	150,000	2,700,000
Compensated absences	839,575	848,186	819,393	868,368	212,047	656,321
Net pension liability	7,573,328	-	6,397,492	1,175,836	-	1,175,836
Total other postemployment benefit liability	518,613	-	166,417	352,196	38,230	313,966
Contingent liabilities	1,500,000	-	1,000,000	500,000	500,000	-
Premium on bonds payable	196,698	54,376	73,582	177,492	-	177,492
Early retirement health insurance liability	-	658,975	-	658,975	153,160	505,815
<b>TOTAL LONG-TERM OBLIGATIONS</b>	<b>\$ 61,662,201</b>	<b>\$ 7,366,537</b>	<b>\$ 15,937,834</b>	<b>\$ 53,090,904</b>	<b>\$ 8,331,404</b>	<b>\$ 44,759,500</b>

Compensated absences and the early retirement health insurance liability will be liquidated by several of the governmental funds. The total other postemployment benefit liability will be paid by the General Fund. The net pension liability will be liquidated by the employee benefit fund. Contingent liabilities will be liquidated by the Capital Projects Fund and are discussed in Note 14.

Future principal and interest payments due on general obligation debt is as follows:

Fiscal Year Ending	Governmental Activities				
	General Obligation Debt Certificates Direct Placement		General Obligation Bonds		
	Principal	Interest	Principal	Interest	Total
December 31, 2021	\$ 177,000	\$ 98,078	\$ 7,090,561	\$ 1,674,649	\$ 9,040,288
2022	183,000	92,104	798,254	1,434,971	2,508,329
2023	214,000	85,928	821,258	1,406,117	2,527,303
2024	221,000	78,705	846,759	1,379,216	2,525,680
2025	229,000	71,246	878,135	1,345,690	2,524,071
2026	237,000	63,518	912,144	1,313,831	2,526,493
2027	1,645,000	55,519	951,518	1,280,707	3,932,744
2028	-	-	793,545	1,248,930	2,042,475

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. LONG-TERM DEBT (Continued)**

a. General Obligation Debt (Continued)

Fiscal Year Ending December 31,	Governmental Activities					Total
	General Obligation Debt		General Obligation Bonds			
	Certificates	Direct Placement	Principal	Interest		
2029	\$ -	\$ -	\$ 826,305	\$ 1,216,220	\$ 2,042,525	
2030	-	-	856,857	1,184,968	2,041,825	
2031	-	-	887,835	1,152,053	2,039,888	
2032	-	-	916,650	1,120,537	2,037,187	
2033	-	-	956,034	1,082,435	2,038,469	
2034	-	-	23,304,580	987,721	24,292,301	
2035	-	-	705,000	112,794	817,794	
2036	-	-	735,000	84,000	819,000	
2037	-	-	765,000	53,981	818,981	
2038	-	-	535,000	22,738	557,738	
<b>TOTAL</b>	<b>\$ 2,906,000</b>	<b>\$ 545,098</b>	<b>\$ 43,580,435</b>	<b>\$ 18,101,558</b>	<b>\$ 65,133,091</b>	

The District aggregate indebtedness is subject to a statutory limitation of 2.875% of its equalized assessed value. As of December 31, 2020, the statutory limit for the District was \$67,505,565. The District's outstanding debt, net of assets available for bond retirements, was \$5,805,000, leaving a legal debt margin of \$61,700,565.

The District may issue general obligation bonds without submitting the proposition of the issue in a referendum as long as the aggregate balance of bonds and notes does not exceed 0.575% of the total equalized assessed value of the District. As of December 31, 2020, this limit on the nonreferendum general obligation bonds was \$13,501,113. The District's outstanding general obligation bonds, net of the \$37,775,435 of general obligation bonds payable from alternative sources and \$202,719 available in the Debt Service Fund, total \$7,898,832, leaving a margin for additional bond issues of \$5,602,281.

b. Capital Lease

During the year ended December 31, 2014, the District entered into a capital lease for a cargo van. The interest rate for the lease is 4.52%. The assets acquired through capital lease have a cost of \$23,194; accumulated depreciation of \$23,194 and a book value of \$0 at December 31, 2020.

During the year ended December 31, 2015, the District entered into a capital lease for a Zamboni. The interest rate for the lease is 1.88%. The asset acquired through capital lease has a cost of \$103,263; accumulated depreciation of \$103,263 and a book value of \$0 at December 31, 2020.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**7. LONG-TERM DEBT (Continued)**

b. Capital Lease (Continued)

During the year ended December 31, 2016, the District entered into a capital lease for a Zamboni. The interest rate for the lease is 1.86%. The asset acquired through capital lease has a cost of \$103,623; accumulated depreciation of \$93,261 and a book value of \$10,362 at December 31, 2020.

The following is a schedule of future minimum lease payments under the capital lease and the present value of minimum lease payments:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2021	\$ 21,851
TOTAL MINIMUM LEASE PAYMENTS	21,851
Amount representing interest	<u>(249)</u>
Present value of minimum lease payments	<u>\$ 21,602</u>

c. Note payable - City of Rockford

The District has committed to pay the City of Rockford \$150,000 per year for 20 years, beginning 2015 through 2034, for the Ingersoll Facility renovations. The Ingersoll Facility will be transferred by the City of Rockford to the District. The balance of the commitment was \$2,850,000 as of December 31, 2020.

**8. RELATED PARTY TRANSACTIONS**

The District provides office space, equipment and support services for the Foundation. The value of such in-kind benefits to the Foundation was \$249,819. The total cost for general and administrative expenses for the Foundation was \$309,819. The Foundation reimbursed the District \$60,000 for general and administration costs.

Total general and administrative cost of the Foundation	\$ 309,819
Less reimbursement	<u>(60,000)</u>
TOTAL IN-KIND GIFT FROM THE DISTRICT	<u>\$ 249,819</u>

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. RELATED PARTY TRANSACTIONS (Continued)**

During the year ended December 31, 2020, the Foundation paid the District \$1,213,392.

General and administration	\$ 60,000
Programs and capital improvements	<u>1,153,392</u>
<b>TOTAL</b>	<b><u>\$ 1,213,392</u></b>

In addition, the District has a long-term receivable, offset by unavailable revenue in the capital projects fund and net position of governmental activities in the entity-wide statements, due from the Foundation in the amount of \$365,000 that is used to repay the 2011A General Obligation Alternate Revenue Source Bonds. The amounts are due in annual installments through December 31, 2021 as follows:

<u>Year Ending December 31,</u>	<u>Amount Due</u>
2021	<u>\$ 265,000</u>
<b>TOTAL</b>	<b><u>\$ 265,000</u></b>

**9. EMPLOYEE RETIREMENT SYSTEMS**

The District's defined benefit pension plan (the Plan), Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the Plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the Plan as a whole but not by individual employer. That report may be obtained at [www.imrf.org](http://www.imrf.org). The net pension liability (asset) for the governmental activities has been liquidated by the Employee Benefit Fund.

Illinois Municipal Retirement Fund

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Administration (Continued)*

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.

*Plan Membership*

At December 31, 2019, the latest actuarial valuation date, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	190
Inactive employees entitled to but not yet receiving benefits	223
Active employees	<u>277</u>
 TOTAL	 <u><u>690</u></u>

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer rate for 2020 was 9.15% of covered employee payroll.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

The District's net pension liability (asset) was measured as of December 31, 2019, the latest actuarial valuation date and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Interest rate	7.25%
Asset valuation method	Fair value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Discount Rate*

The discount rate used to measure the IMRF total pension liability was 7.25%. 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 the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the employer's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.



**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 66,139,464	\$ 58,566,136	\$ 7,573,328
Changes for the period			
Service cost	1,172,563	-	1,172,563
Interest	4,718,817	-	4,718,817
Difference between expected and actual experience	(148,138)	-	(148,138)
Changes in assumptions	-	-	-
Employer contributions	-	918,841	(918,841)
Employee contributions	-	546,115	(546,115)
Net investment income	-	11,008,687	(11,008,687)
Benefit payments and refunds	(3,277,216)	(3,277,216)	-
Other (net transfer)	-	(332,909)	332,909
Net changes	2,466,026	8,863,518	(6,397,492)
BALANCES AT DECEMBER 31, 2019	\$ 68,605,490	\$ 67,429,654	\$ 1,175,836

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2020, the District recognized pension expense of \$1,459,274. At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 221,538	\$ 416,439
Changes in assumption	954,224	664,023
Contributions made after the measurement date	1,129,194	-
Net difference between projected and actual earnings on pension plan investments	-	2,800,033
TOTAL	<u>\$ 2,304,956</u>	<u>\$ 3,880,495</u>

\$1,129,194 reported as deferred outflows or resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) for the measurement period ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>December 31,</u>	
2021	\$ (905,855)
2022	(764,790)
2023	340,567
2024	<u>(1,374,655)</u>
TOTAL	<u>\$ (2,704,733)</u>

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*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 of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 9,366,552	\$ 1,175,836	\$ (5,501,587)

**10. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the District provides other postemployment health care (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District's Internal Service Fund.

b. Benefits Provided

The District provides postemployment health care to its retirees. To be eligible for benefits, an employee must qualify for retirement under the District's retirement plan (IMRF) and have been employed for at least seven years with the District.

All health care benefits are provided through the District's self-insurance plan. The benefit levels are the same as those afforded to active employees; however, the retiree pays a blended premium which results in an implicit subsidy. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care, vision care, dental care and prescriptions. The benefit is available until the employee becomes Medicare eligible at the age of 65. After age 65 the retiree may continue in the District's program via a Medicare-supplement policy.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

c. Membership

At December 31, 2019 (most recent information available), membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	5
Active plan members	<u>161</u>
<b>TOTAL</b>	<b><u>166</u></b>

d. Total OPEB Liability

The District's total OPEB liability of \$352,196 was measured as of December 31, 2020 and was determined by an actuarial valuation as December 31, 2019.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2020, as determined by an actuarial valuation as of December 31, 2019, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Inflation	2.50%
Salary increases	Varies by service
Discount rate	3.26%
Healthcare cost trend rates	7.50% Initial 4.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT DECEMBER 31, 2019	\$ 518,613
Changes for the period	
Service cost	22,890
Interest	21,425
Differences between expected and actual experience	(99,758)
Changes of assumptions	(72,744)
Benefit payments	(38,230)
Net changes	(166,417)
BALANCES AT DECEMBER 31, 2020	\$ 352,196

Changes in assumptions related to the discount rate and healthcare cost trend rates were made in 2020.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 3.26% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	\$ 378,517	\$ 352,196	\$ 327,836

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 4.00% to 7.50% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.00% to 6.50%) or 1 percentage point higher (5.00% to 8.50%) than the current rate:

	1% Decrease (3.00% to 6.50%)	Current Healthcare Rate (4.00% to 7.50%)	1% Increase (5.00% to 8.50%)
Total OPEB liability	\$ 320,402	\$ 352,196	\$ 389,117

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended December 31, 2020, the District recognized OPEB expense of (\$11,730). At December 31, 2020, 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
Changes in assumptions	\$ 7,958	\$ 81,652
Differences between actual and expected experience	-	85,507
Employer contributions subsequent to measurement date	31,531	-
<b>TOTAL</b>	<b>\$ 39,489</b>	<b>\$ 167,159</b>

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

Year Ending December 31,	
2021	\$ (26,514)
2022	(26,514)
2023	(26,514)
2024	(26,512)
2025	(28,503)
Thereafter	(24,644)
<b>TOTAL</b>	<b>\$ (159,201)</b>

## **11. RISK MANAGEMENT**

The District is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; injuries to employees; and net income losses. The District is a member of the Park District Risk Management Agency (PDRMA), a risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

In the event losses exceeded the per occurrence self-insured and reinsurance limit, the District would be liable for the excess amount. PDRMA's Board of Directors evaluates the aggregate self-insured limit annually.

As a member of PDRMA, the District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body. The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, to cooperate with PDRMA, its claims administrator and attorneys in claims investigation and settlement and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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

Since 87% 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.

Complete financial statements for PDRMA can be obtained from the PDRMA's administration offices at 2033 Burlington Avenue, Lisle, Illinois 60532.

The District maintains a partial self-insurance plan to cover the risks of health claims and has retained the services of an outside agency to administer its self-insurance claims. The District does not assume unlimited liability for health claims as it maintains a stop-loss coverage which covers medical expenses in excess of negotiated limits. Specific and aggregate stop-loss excess risk benefit coverage insurance was obtained in the amounts of \$60,000 and \$1,000,000 respectively, in addition to an administrative services contract to administer the plan. Costs of administration and claims for health insurance are charged to the Internal Services Fund as expenses when they are incurred.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**11. RISK MANAGEMENT (Continued)**

The changes in claims and judgments are as follows:

	<u>2020</u>	<u>2019</u>
CLAIMS PAYABLE, JANUARY 1	\$ 881,254	\$ 576,396
Add: Claims incurred/premiums	2,866,482	2,915,378
Less: Claim paid/dismissed	<u>(2,929,456)</u>	<u>(2,610,520)</u>
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 818,280</u>	<u>\$ 881,254</u>

**12. RENTAL INCOME**

The District leases building space to several tenants under the terms of operating leases. Monthly rental income for the year ended December 31, 2020 is approximately \$55,209 for the leases, with scheduled rent increases throughout the term of several of the leases. There are varied lease terms through December 2030.

The total rental income recognized by the District for these leases for the year ended December 31, 2020 was \$662,508.

Additionally, the District entered into a lease agreement with Six Flags MW, LLC in October 2018 to lease Magic Waters Waterpark. The District will receive \$425,000 per year for an initial term of ten years with an additional three ten-year option terms. The lease has an effective date of April 1, 2019.

Future minimum lease payments to be received by the District as of December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2021	\$ 615,250
2022	523,650
2023	523,650
2024	453,800
2025	453,800
2026-2030	<u>1,453,250</u>
TOTAL	<u>\$ 4,023,400</u>

The cost of the buildings being leased is \$17,255,382, accumulated depreciation is \$3,207,544, resulting in a \$14,047,838 book value, as of December 31, 2020.



**13. CONTINGENCIES AND COMMITMENTS**

On December 2, 2015, the District concluded its negotiations with the Illinois EPA and the Attorney General's Office and entered into a Consent Order settling the cleanup responsibilities of the District. Legal counsel has determined that the amount the District will be required to spend on cleanup is between \$9,000,000 and \$10,000,000 over the term of the required remediation. The actual cost of remediation cannot be determined until the work is bid, awarded and completed as unanticipated costs overruns are expected to occur. The District has estimated its share of the cleanup costs to be approximately \$500,000 after recoveries from insurance and other related parties as of December 31, 2020. Based on future estimated costs, the District reported a special item of \$1,000,000 during the year ended December 31, 2020 to reduce the liability from \$1,500,000 to \$500,000.

The District has recorded a liability on the government-wide financial statement of net position of \$500,000 to record its estimated liability for outstanding claims.

There are also other claims against the District, the ultimate outcome of which cannot be determined at this time. Management, through consultation with legal counsel, does not believe that the potential loss to the District for claims not covered by insurance would materially affect the basic financial statements of the District.

**14. SERVICE CONCESSION ARRANGEMENT**

In January of 2016, the District entered into an arrangement with an operator to lease the restaurant and bar area of the Aldeen Golf Club and Practice Centre. The District's objective for entering into the agreement was to obtain an operator for the facilities that is knowledgeable in the field of food operations, catering and food service. The District will lease the premises, including all equipment to the operator for a term of five years, with an option to renew in one-year increments thereafter. The fee is recognized as a percentage of gross receipts of the operations, which includes all income of normal business, as well as special events that are hosted on the premises. The District recognized revenue in the amount of \$10,501 related to this arrangement.

**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION**

Nature of Business and Summary of Significant Accounting Policies

The Rockford Park District Foundation (the Foundation) is a nonprofit corporation organized under the laws of the State of Illinois for the purpose of promoting educational, scientific and charitable activities in the Rockford community area. The Foundation follows the standards set forth by the Financial Accounting Standards Board and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

The Foundation is operated in conjunction with, and primarily for the benefit of the Rockford Park District (the District). The Foundation was established to support the operations and facilities of the District, to solicit and receive gifts, grants and bequests of real and personal property and to make contributions, grants, gifts and transfers of property for the benefit of the District or others associated with the District. The Foundation by-laws provide that the number of directors be not less than 10 or more than 40 and that one of the Directors shall be the President of the District Board of Commissioners or any other Park District Commissioner the President appoints. The Foundation is subsidized by the District for general and administrative expenses, which is included in the statement of activities.

a. Accounting and Reporting Basis

Assets, liabilities, revenue and expenses are recognized on the accrual basis method of accounting. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Undesignated - Net assets that are not subject to donor-imposed restrictions or Board imposed stipulations.

Designated - Net assets subject to stipulations imposed by the Board of Directors and determined to be unavailable for general use.

Net Assets with Donor Restrictions

Net assets subject to donor-imposed restrictions that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations.

Net assets which require, by donor-imposed restriction, that the corpus be invested in perpetuity. In the absence of donor specifications, earnings on such funds are recognized as restricted for time until formally appropriated by the Foundation's board.

The Foundation has presented its assets and liabilities on the statement of financial position in an unclassified manner but in the order of liquidity.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

b. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses, including functional allocations during the reporting period. Accordingly, actual results could differ from those estimates.

c. Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and highly liquid investments in various checking and money market accounts that are readily convertible to known amounts of cash. The Foundation's depository accounts from time-to-time may exceed FDIC insured limits. The Foundation did not have deposits in excess of federally insured limits at December 31, 2020. Management has not experienced any losses and does not believe there is any significant market risk associated with such balances.

d. Restricted Cash

The Foundation has restricted cash which consists of pledges received for the purpose of paying the long-term liability related to the construction of the Nicholas Conservatory and Gardens. Restricted cash is \$0 and \$577,819 as of December 31, 2020 and 2019, respectively.

e. Revenue Recognition

*Contributions*

When the Foundation receives contributions of cash, securities, other assets, services or space; an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Contributions received and unconditional promises to give are measured at their fair values and are reported in net assets without donor restrictions unless the use of the related assets is limited by the donor-imposed restrictions. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

e. Revenue Recognition (Continued)

*Contributions (Continued)*

periods. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

The Foundation reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues with donor restrictions and a reclassification to net assets without donor restrictions is made to reflect the expiration of such restrictions.

f. Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An estimate made for uncollectible pledges is based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for uncollectible pledges by regularly evaluating individual receivables and considering a donor's financial condition and current economic conditions. Pledges receivable are written off when deemed uncollectible. Recoveries of pledges receivable previously written off are recorded when received. Interest on outstanding receivables is not charged.

**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

g. Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value on the statement of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor. The Foundation has a 50% equity investment in a limited liability company (LLC). Based on donor's restrictions, the Foundation's proportionate income or loss allocated from the LLC, if any, is included in changes in net assets with donor restrictions. Investment return on the statement of activities is reported net of external and direct internal investment expense.

h. Fair Value Measurements

GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. GAAP requires the Foundation to maximize the use of observable inputs when measuring fair value.

The hierarchy describes three levels of inputs, which are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are principally from or corroborated by observable market data by correlation or other means.

Level 3: Significant unobservable inputs.

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

h. Fair Value Measurements (Continued)

If an investment that is measured using net asset value (NAV) has a readily determinable fair value (that is, it can be traded at the measurement date at its published NAV), it is included in Level 1 of the hierarchy. Otherwise, investments measured using NAVs are not included in Level 1, 2 or 3 but are separately reported.

Following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the years ended December 31, 2020 and 2019.

*Mutual funds:* Valued at the NAV of shares on the last trading day of the fiscal year.

*Equity securities and common stock:* Valued at the closing quoted price in an active market.

*Fixed income corporate bonds:* The investment grade corporate bonds held by the Foundation generally do not trade in active markets on the measurement date. Therefore, corporate debt securities are valued using inputs including yields currently available on comparative securities of issuers with similar credit ratings, recent market price quotations where observable, bond spreads, and fundamental data relating to the issuer.

*U.S. Government securities:* U.S. Treasury bonds and notes in which the Foundation invests are usually “off the run” on the measurement date. Therefore, they are valued by a pricing service using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bid offers and reference data. U.S. Treasury bonds and notes that are “on the run” are measured at quoted prices in active markets for the same security.

i. Real Estate Held for Donation

Real estate held for donation consists of land and buildings that were donated or purchased with the intent that the property will be held until it can be used by the District. Real estate is recorded at its estimated fair value at the date of donation or cost at the date of purchase. At the date of donation to the District the property is recorded as a donation expense.

**ROCKFORD PARK DISTRICT**  
**ROCKFORD, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**15. COMPONENT UNIT - ROCKFORD PARK DISTRICT FOUNDATION (Continued)**

Nature of Business and Summary of Significant Accounting Policies (Continued)

j. Property and Equipment

All purchased property is recorded at the lower of cost or fair value at the time of purchase. Donated property is recorded at the estimated fair value on the date of donation. Buildings with a cost of \$5,000 or more are depreciated over an estimated useful life of 40 years using the straight-line method. Improvements are depreciated over an estimated useful life of 25 to 40 years using the straight-line method.

k. In-Kind Donated Services and Facilities

The Foundation receives donated services and facility expenses during the year which are recorded in the statement of activities as in-kind contributions from the Foundation at their fair value. The District is the donor of such services and facilities to the Foundation.

l. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**REQUIRED SUPPLEMENTARY INFORMATION**



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>				
Property taxes	\$ 6,294,468	\$ 6,294,468	\$ 6,284,129	\$ (10,339)
Intergovernmental	300,000	300,000	549,363	249,363
Fees and admissions	225,290	225,290	187,414	(37,876)
Investment income	72,000	72,000	17,409	(54,591)
Miscellaneous income	138,431	138,431	182,830	44,399
Total revenues	7,030,189	7,030,189	7,221,145	190,956
<b>EXPENDITURES</b>				
Current				
Park operations	4,500,713	3,919,000	3,917,455	(1,545)
Administration	5,999,925	5,559,000	5,558,301	(699)
Total expenditures	10,500,638	9,478,000	9,475,756	(2,244)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,470,449)	(2,447,811)	(2,254,611)	193,200
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,839,838	3,040,307	3,040,307	-
Transfers (out)	(369,389)	(657,560)	(657,560)	-
Total other financing sources (uses)	3,470,449	2,382,747	2,382,747	-
NET CHANGE IN FUND BALANCE	\$ -	\$ (65,064)	128,136	\$ 193,200
FUND BALANCE, JANUARY 1			3,349,648	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 3,477,784</b>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RECREATION FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 6,234,557	\$ 6,234,557	\$ 6,223,860	\$ (10,697)
Intergovernmental	1,976,473	1,976,473	1,694,685	(281,788)
Fees and admissions	9,966,546	9,966,546	5,857,137	(4,109,409)
Investment income	-	-	12	12
Miscellaneous income	831,705	831,705	660,380	(171,325)
<b>Total revenues</b>	<b>19,009,281</b>	<b>19,009,281</b>	<b>14,436,074</b>	<b>(4,573,207)</b>
<b>EXPENDITURES</b>				
Current				
Recreation operations				
Facilities	11,238,343	8,667,000	8,665,443	(1,557)
Programs	3,816,417	2,545,000	2,543,636	(1,364)
<b>Total expenditures</b>	<b>15,054,760</b>	<b>11,212,000</b>	<b>11,209,079</b>	<b>(2,921)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>3,954,521</b>	<b>7,797,281</b>	<b>3,226,995</b>	<b>(4,570,286)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	23,000	23,004	23,004	-
Transfers (out)	(3,977,521)	(3,234,409)	(3,234,409)	-
<b>Total other financing sources (uses)</b>	<b>(3,954,521)</b>	<b>(3,211,405)</b>	<b>(3,211,405)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 4,585,876</b>	<b>15,590</b>	<b>\$ (4,570,286)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>146,038</b>	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 161,628</b>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Actuarially determined contribution	\$ 1,179,898	\$ 1,210,532	\$ 1,209,566	\$ 1,143,928	\$ 918,842	\$ 1,129,194
Contributions in relation to the actuarially determined contribution	1,179,898	1,210,532	1,209,566	1,143,928	918,842	1,129,194
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 10,783,924	\$ 11,330,087	\$ 11,812,130	\$ 11,744,693	\$ 11,920,094	\$ 12,347,320
Contributions as a percentage of covered payroll	10.94%	10.68%	10.24%	9.74%	7.71%	9.15%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was five-year smoothed market and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.735% to 14.25% compounded annually and postretirement benefit increases of 3.00% compounded annually.

This information is presented as of the government's fiscal year end, rather than the measurement date of the plan as presented.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31	2014	2015	2016	2017	2018	2019
<b>TOTAL PENSION LIABILITY</b>						
Service cost	\$ 1,141,037	\$ 1,116,323	\$ 1,153,885	\$ 1,211,849	\$ 1,138,992	\$ 1,172,563
Interest	3,796,960	4,058,985	4,324,937	4,482,500	4,588,906	4,718,817
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(699,746)	974,639	(638,604)	621,327	(379,328)	(148,138)
Changes of assumptions	1,714,348	69,460	(71,065)	(1,832,217)	1,746,968	-
Benefits payments, including refunds of member contributions	(2,298,770)	(2,594,373)	(2,635,991)	(2,912,574)	(3,143,986)	(3,277,216)
Net change in total pension liability	3,653,829	3,625,034	2,133,162	1,570,885	3,951,552	2,466,026
Total pension liability - beginning	51,205,002	54,858,831	58,483,865	60,617,027	62,187,912	66,139,464
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 54,858,831</b>	<b>\$ 58,483,865</b>	<b>\$ 60,617,027</b>	<b>\$ 62,187,912</b>	<b>\$ 66,139,464</b>	<b>\$ 68,605,490</b>
<b>PLAN FIDUCIARY NET POSITION</b>						
Contributions - employer	\$ 1,178,537	\$ 1,179,898	\$ 1,210,528	\$ 1,387,513	\$ 1,143,933	\$ 918,841
Contributions - member	457,530	494,501	513,138	558,563	530,766	546,115
Net investment income	3,071,467	259,828	3,607,778	9,625,998	(3,420,325)	11,008,687
Benefit payments, including refunds of member contributions	(2,298,770)	(2,594,373)	(2,635,991)	(2,912,574)	(3,143,986)	(3,277,216)
Other	(666,433)	359,279	49,886	(1,041,836)	968,010	(332,909)
Net change in plan fiduciary net position	1,742,331	(300,867)	2,745,339	7,617,664	(3,921,602)	8,863,518
Plan fiduciary net position - beginning	50,683,271	52,425,602	52,124,735	54,870,074	62,487,738	58,566,136
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 52,425,602</b>	<b>\$ 52,124,735</b>	<b>\$ 54,870,074</b>	<b>\$ 62,487,738</b>	<b>\$ 58,566,136</b>	<b>\$ 67,429,654</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 2,433,229</b>	<b>\$ 6,359,130</b>	<b>\$ 5,746,953</b>	<b>\$ (299,826)</b>	<b>\$ 7,573,328</b>	<b>\$ 1,175,836</b>
Plan fiduciary net position as a percentage of the total pension liability	95.56%	89.13%	90.52%	100.48%	88.55%	98.29%
Covered payroll	\$ 10,245,500	\$ 10,783,924	\$ 11,399,278	\$ 11,812,130	\$ 11,744,693	\$ 11,912,700
Employer's net pension liability (asset) as a percentage of covered payroll	23.75%	58.97%	50.42%	(2.54%)	64.48%	9.87%

Changes in assumptions related to retirement age and mortality were made in 2015. There was a change in the discount rate assumption from 2015 to 2016. Changes in assumptions related to retirement age and mortality were made in 2017. There was a change in the discount rate assumption from 2017 to 2018.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Three Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>TOTAL OPEB LIABILITY</b>			
Service cost	\$ 22,432	\$ 24,791	\$ 22,890
Interest	19,656	18,735	21,425
Differences between expected and actual experience	-	-	(99,758)
Changes of benefit terms	-	-	-
Changes of assumptions	13,925	(27,020)	(72,744)
Benefit payments	(32,326)	(35,154)	(38,230)
Net change in total OPEB liability	23,687	(18,648)	(166,417)
Total OPEB liability - beginning	513,574	537,261	518,613
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 537,261</b>	<b>\$ 518,613</b>	<b>\$ 352,196</b>
Covered payroll	\$ 10,207,214	\$ 10,609,091	\$ 9,087,181
Employer's total OPEB liability as a percentage of covered payroll	5.26%	4.89%	3.88%

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

For December 31, 2017, the health care trend rate assumption has been updated from the prior valuation to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries. The discount rate has been updated from 3.78% to 3.44%. The annual per capita claims costs and premium rates have been updated.

For December 31, 2018 the discount rate has been updated from 3.44% to 4.10%.

For December 31, 2019 the discount rate has been updated from 4.10% to 3.26% and changes to healthcare cost trend rates were made.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

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**BUDGET AND BUDGETARY ACCOUNTING**

The District follows these procedures in establishing the budgetary data reflected in the required supplementary information.

The District adopts its budget and appropriation ordinance on an annual basis. This budget and appropriation ordinance is prepared in accordance with state law which requires a public hearing and making the tentative budget and appropriation ordinance available for public inspection at least 30 days prior to adoption by the Board of Commissioners.

Budgeted revenues are based on estimates approved by the Board of Commissioners. The District's operations are organized as recreational park programs. The amounts budgeted for each department's expenditure object classification (i.e., personnel cost, employee benefits, commodities, services, capital outlays and debt service) are accumulated to a total for the fund. Expenditures may not legally exceed the amount appropriated for each object classification within each fund. The Board of Commissioners, after the first six months of the year, may make transfers between these object classifications while retaining the total appropriation for the fund. The Board of Commissioners also may adjust the appropriation amount by following the same procedure as required for the original appropriation.

All appropriations of the District lapse at the end of each calendar year. Budgetary information included in financial statements represents amounts approved by the Board of Commissioners as identified in the final amended budget. The departmental budget and fund appropriations presented in the financial statements are presented in accordance with GAAP as they are based upon the modified accrual basis of accounting. Budgets and appropriations were adopted for all funds, except the Working Cash Fund.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULE**

**MAJOR GOVERNMENTAL FUNDS**



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
GENERAL FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 6,294,468	\$ 6,294,468	\$ 6,284,129	\$ (10,339)
Intergovernmental	300,000	300,000	549,363	249,363
Fees and admissions	225,290	225,290	187,414	(37,876)
Investment income	72,000	72,000	17,409	(54,591)
Miscellaneous income	138,431	138,431	182,830	44,399
<b>Total revenues</b>	<b>7,030,189</b>	<b>7,030,189</b>	<b>7,221,145</b>	<b>190,956</b>
<b>EXPENDITURES</b>				
Current				
Personnel costs	5,816,439	5,590,000	5,589,108	(892)
Employee benefits	1,287,643	1,081,000	1,080,913	(87)
Commodities	596,391	507,000	506,375	(625)
Professional services	2,800,165	2,300,000	2,299,360	(640)
<b>Total expenditures</b>	<b>10,500,638</b>	<b>9,478,000</b>	<b>9,475,756</b>	<b>(2,244)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,470,449)</b>	<b>(2,447,811)</b>	<b>(2,254,611)</b>	<b>193,200</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,839,838	3,040,307	3,040,307	-
Transfers (out)	(369,389)	(657,560)	(657,560)	-
<b>Total other financing sources (uses)</b>	<b>3,470,449</b>	<b>2,382,747</b>	<b>2,382,747</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ (65,064)</b>	<b>128,136</b>	<b>\$ 193,200</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>3,349,648</b>	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 3,477,784</b>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
RECREATION FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 6,234,557	\$ 6,234,557	\$ 6,223,860	\$ (10,697)
Intergovernmental	1,976,473	1,976,473	1,694,685	(281,788)
Fees and admissions	9,966,546	9,966,546	5,857,137	(4,109,409)
Investment income	-	-	12	12
Miscellaneous income	831,705	831,705	660,380	(171,325)
<b>Total revenues</b>	<b>19,009,281</b>	<b>19,009,281</b>	<b>14,436,074</b>	<b>(4,573,207)</b>
<b>EXPENDITURES</b>				
Current				
Personnel costs	8,882,897	6,658,000	6,657,482	(518)
Employee benefits	1,261,336	1,046,000	1,045,339	(661)
Commodities	2,142,386	1,501,000	1,500,317	(683)
Professional services	2,768,141	2,007,000	2,005,941	(1,059)
<b>Total expenditures</b>	<b>15,054,760</b>	<b>11,212,000</b>	<b>11,209,079</b>	<b>(2,921)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>3,954,521</b>	<b>7,797,281</b>	<b>3,226,995</b>	<b>(4,570,286)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	23,000	23,004	23,004	-
Transfers (out)	(3,977,521)	(3,234,409)	(3,234,409)	-
<b>Total other financing sources (uses)</b>	<b>(3,954,521)</b>	<b>(3,211,405)</b>	<b>(3,211,405)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 4,585,876</b>	<b>15,590</b>	<b>\$ (4,570,286)</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>146,038</b>	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 161,628</b>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
DEBT SERVICE FUND**

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 5,793,666	\$ 5,798,196	\$ 5,782,637	\$ (15,559)
Investment income	40,000	40,000	10,427	(29,573)
Total revenues	<u>5,833,666</u>	<u>5,838,196</u>	<u>5,793,064</u>	<u>(45,132)</u>
<b>EXPENDITURES</b>				
Debt service				
Principal	5,605,000	5,605,000	5,605,000	-
Interest and fiscal charges	261,559	262,000	261,811	(189)
Total expenditures	<u>5,866,559</u>	<u>5,867,000</u>	<u>5,866,811</u>	<u>(189)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (32,893)</u>	<u>\$ (28,804)</u>	(73,747)	<u>\$ (44,943)</u>
FUND BALANCE, JANUARY 1			<u>361,466</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 287,719</u>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 1,552,313	\$ 1,552,313	\$ 1,938,910	\$ 386,597
Local donations	401,640	401,640	601,761	200,121
Fees and admissions	113,800	113,800	113,800	-
Investment income	100,000	100,000	43,629	(56,371)
Miscellaneous income	396,984	396,984	296,773	(100,211)
<b>Total revenues</b>	<b>2,564,737</b>	<b>2,564,737</b>	<b>2,994,873</b>	<b>430,136</b>
<b>EXPENDITURES</b>				
Current				
Personnel costs	520,255	496,300	496,300	-
Employee benefits	76,528	62,480	62,473	(7)
Commodities	32,210	3,150	3,147	(3)
Professional services	313,000	2,378,000	2,377,316	(684)
Capital outlay	8,181,517	2,963,900	2,963,810	(90)
Debt service				
Principal	1,383,380	1,875,950	1,875,950	-
Interest and fiscal charges	1,645,806	1,721,050	1,720,968	(82)
<b>Total expenditures</b>	<b>12,152,696</b>	<b>9,500,830</b>	<b>9,499,964</b>	<b>(866)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(9,587,959)</b>	<b>(6,936,093)</b>	<b>(6,505,091)</b>	<b>431,002</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	827,560	1,783,458	1,783,458	-
Transfers (out)	(115,000)	(15,130)	(15,130)	-
Issuance of bonds	5,715,000	5,715,000	5,805,000	90,000
Premium on issuance of bonds	-	-	54,376	54,376
Insurance proceeds	-	-	59,241	59,241
Proceeds from the sale of capital assets	10,000	10,000	123,402	113,402
<b>Total other financing sources (uses)</b>	<b>6,437,560</b>	<b>7,493,328</b>	<b>7,810,347</b>	<b>317,019</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (3,150,399)</b>	<b>\$ 557,235</b>	<b>1,305,256</b>	<b>\$ 748,021</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>9,953,919</b>	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 11,259,175</b>	

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Museum Fund - to account for the operations of the District's museums. Financing is provided by a specific annual property tax levy restricted for museum purposes.

Police Protection Fund - to account for property taxes restricted statute for providing public safety at the parks, playgrounds and other facilities maintained by the District.

Employee Benefit Fund - to account for the activities resulting from the District's participation in the IMRF and funding for the District's Social Security expenditures. Financing is provided by a specific annual restricted property tax levy.

Liability Insurance Fund - to account for the expenditures in connection with the District's liability insurance costs. Financing is provided from an annual restricted property tax levy.

Audit Fund - to account for the expenditures in connection with the District's annual financial and compliance audit, which is mandated by state statute. Financing is provided from an annual restricted property tax levy.

Special Recreation Fund - to account for the expenditure in connection with the District's participation in the special recreation activities, which provides recreation programs to the handicapped and impaired. Financing is provided from an annual restricted property tax levy.

### **PERMANENT FUND**

Working Cash Fund - to account for the working cash funds of the District which are required by statute to be used to provide short-term cash loans to other operating funds of the District.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue					Special Recreation	Permanent Working Cash	Total
	Museum	Police Protection	Employee Benefit	Liability Insurance	Audit			
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>								
<b>ASSETS</b>								
Cash	\$ 30,849	\$ 5,540	\$ 84,368	\$ 86,604	\$ 3,908	\$ 85,711	\$ 36,826	\$ 333,806
Investments	565,459	101,550	1,546,454	1,587,439	71,640	1,571,066	675,006	6,118,614
Receivables (net, where applicable, of allowances for uncollectibles)								
Property taxes	1,709,019	613,457	1,541,852	710,721	53,754	869,090	-	5,497,893
Accounts	-	239,016	-	-	-	24	-	239,040
Accrued interest	-	-	-	-	-	-	-	-
Total assets	2,305,327	959,563	3,172,674	2,384,764	129,302	2,525,891	711,832	12,189,353
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
None	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 2,305,327</b>	<b>\$ 959,563</b>	<b>\$ 3,172,674</b>	<b>\$ 2,384,764</b>	<b>\$ 129,302</b>	<b>\$ 2,525,891</b>	<b>\$ 711,832</b>	<b>\$ 12,189,353</b>

	Special Revenue					Special Recreation	Permanent Working Cash	Total
	Museum	Police Protection	Employee Benefit	Liability Insurance	Audit			
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ 13,544	\$ 67,831	\$ 242,731	\$ 8,900	\$ 2,095	\$ -	\$ 335,101
Accrued payroll	-	71,118	240,182	-	-	5,007	-	316,307
Total liabilities	-	84,662	308,013	242,731	8,900	7,102	-	651,408
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue	1,704,203	611,734	1,536,870	708,161	53,581	866,495	-	5,481,044
Total deferred inflows of resources	1,704,203	611,734	1,536,870	708,161	53,581	866,495	-	5,481,044
Total liabilities and deferred inflows of resources	1,704,203	696,396	1,844,883	950,892	62,481	873,597	-	6,132,452
<b>FUND BALANCES</b>								
Nonspendable - working cash	-	-	-	-	-	-	711,832	711,832
Restricted for museum operations	576,040	-	-	-	-	-	-	576,040
Restricted for police protection	-	5,963	-	-	-	-	-	5,963
Restricted for employee benefits	-	-	1,327,791	-	-	-	-	1,327,791
Restricted for liability insurance	-	-	-	1,433,872	-	-	-	1,433,872
Restricted for audit	-	-	-	-	63,902	-	-	63,902
Restricted for special recreation	-	-	-	-	-	1,566,548	-	1,566,548
Unrestricted								
Assigned for museum operations	25,084	-	-	-	-	-	-	25,084
Assigned for police protection	-	257,204	-	-	-	-	-	257,204
Assigned for audit	-	-	-	-	2,919	-	-	2,919
Assigned for special recreation	-	-	-	-	-	85,746	-	85,746
Total fund balances	601,124	263,167	1,327,791	1,433,872	66,821	1,652,294	711,832	6,056,901
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,305,327</b>	<b>\$ 959,563</b>	<b>\$ 3,172,674</b>	<b>\$ 2,384,764</b>	<b>\$ 129,302</b>	<b>\$ 2,525,891</b>	<b>\$ 711,832</b>	<b>\$ 12,189,353</b>

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	Special Revenue					Special Recreation	Permanent Working Cash	Total Nonmajor Governmental Funds
	Museum	Police Protection	Employee Benefit	Liability Insurance	Audit			
<b>REVENUES</b>								
Property taxes	\$ 1,612,128	\$ 576,738	\$ 1,666,439	\$ 857,008	\$ 57,888	\$ 868,585	\$ -	\$ 5,638,786
Intergovernmental	-	731,387	590,629	-	-	-	-	1,322,016
Fees and admissions	-	24,568	-	-	-	7,106	-	31,674
Investment income	2,144	1,770	6,557	7,280	261	7,353	3,267	28,632
Miscellaneous income	-	-	-	87,093	-	57,086	-	144,179
<b>Total revenues</b>	<b>1,614,272</b>	<b>1,334,463</b>	<b>2,263,625</b>	<b>951,381</b>	<b>58,149</b>	<b>940,130</b>	<b>3,267</b>	<b>7,165,287</b>
<b>EXPENDITURES</b>								
Current								
Park operations	-	-	359,876	150,352	-	-	-	510,228
Recreation operations								
Facilities	-	-	783,133	377,147	-	-	-	1,160,280
Programs	-	-	290,160	113,443	-	-	-	403,603
Therapeutic operations	-	-	62,922	30,668	-	500,221	-	593,811
Museum operations	1,114,577	-	-	-	-	-	-	1,114,577
Police protection	-	1,334,463	166,978	55,183	-	-	-	1,556,624
Administration	-	-	541,175	177,854	52,380	-	-	771,409
<b>Total expenditures</b>	<b>1,114,577</b>	<b>1,334,463</b>	<b>2,204,244</b>	<b>904,647</b>	<b>52,380</b>	<b>500,221</b>	<b>-</b>	<b>6,110,532</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>499,695</b>	<b>-</b>	<b>59,381</b>	<b>46,734</b>	<b>5,769</b>	<b>439,909</b>	<b>3,267</b>	<b>1,054,755</b>



	Special Revenue					Permanent	Nonmajor	
	Museum	Police Protection	Employee Benefit	Liability Insurance	Audit	Special Recreation	Working Cash	Governmental Funds
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,328	\$ -	\$ 37,328
Transfers (out)	(499,884)	-	-	-	-	(473,847)	(3,267)	(976,998)
Total other financing sources (uses)	(499,884)	-	-	-	-	(436,519)	(3,267)	(939,670)
<b>NET CHANGE IN FUND BALANCES</b>	(189)	-	59,381	46,734	5,769	3,390	-	115,085
<b>FUND BALANCES, JANUARY 1</b>	601,313	263,167	1,268,410	1,387,138	61,052	1,648,904	711,832	5,941,816
<b>FUND BALANCES, DECEMBER 31</b>	\$ 601,124	\$ 263,167	\$ 1,327,791	\$ 1,433,872	\$ 66,821	\$ 1,652,294	\$ 711,832	\$ 6,056,901

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
MUSEUM FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 1,606,975	\$ 1,606,975	\$ 1,612,128	\$ 5,153
Investment income	7,500	7,500	2,144	(5,356)
Total revenues	<u>1,614,475</u>	<u>1,614,475</u>	<u>1,614,272</u>	<u>(203)</u>
<b>EXPENDITURES</b>				
Current				
Museum operations				
Professional services	1,114,598	1,114,600	1,114,577	(23)
Total expenditures	<u>1,114,598</u>	<u>1,114,600</u>	<u>1,114,577</u>	<u>(23)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>499,877</u>	<u>499,875</u>	<u>499,695</u>	<u>(180)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(499,877)	(499,884)	(499,884)	-
Total other financing sources (uses)	<u>(499,877)</u>	<u>(499,884)</u>	<u>(499,884)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (9)</u>	<u>(189)</u>	<u>\$ (180)</u>
FUND BALANCE, JANUARY 1			<u>601,313</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 601,124</u></u>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
POLICE PROTECTION FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 576,833	\$ 576,833	\$ 576,738	\$ (95)
Intergovernmental	750,000	750,000	731,387	(18,613)
Fees and admissions	22,650	22,650	24,568	1,918
Investment income	5,000	5,000	1,770	(3,230)
Total revenues	<u>1,354,483</u>	<u>1,354,483</u>	<u>1,334,463</u>	<u>(20,020)</u>
<b>EXPENDITURES</b>				
Current				
Police protection				
Personnel costs	1,051,726	1,035,800	1,035,741	(59)
Employee benefits	212,855	180,700	180,685	(15)
Commodities	61,300	58,150	58,149	(1)
Professional services	80,433	60,000	59,888	(112)
Total expenditures	<u>1,406,314</u>	<u>1,334,650</u>	<u>1,334,463</u>	<u>(187)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(51,831)</u>	<u>19,833</u>	<u>-</u>	<u>(19,833)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>51,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>51,831</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 19,833</u>	<u>-</u>	<u>\$ (19,833)</u>
FUND BALANCE, JANUARY 1			<u>263,167</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 263,167</u></u>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
EMPLOYEE BENEFIT FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 1,666,918	\$ 1,668,192	\$ 1,666,439	\$ (1,753)
Intergovernmental	600,000	600,000	590,629	(9,371)
Investment income	21,000	21,000	6,557	(14,443)
Total revenues	<u>2,287,918</u>	<u>2,289,192</u>	<u>2,263,625</u>	<u>(25,567)</u>
<b>EXPENDITURES</b>				
Current				
Park operations	406,191	359,917	359,876	(41)
Recreation operations				
Facilities	883,917	783,224	783,133	(91)
Programs	327,502	290,194	290,160	(34)
Therapeutic operations	71,020	62,930	62,922	(8)
Police protection	188,467	166,997	166,978	(19)
Administration	610,821	541,238	541,175	(63)
Total expenditures	<u>2,487,918</u>	<u>2,204,500</u>	<u>2,204,244</u>	<u>(256)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(200,000)</u>	<u>84,692</u>	<u>59,381</u>	<u>(25,311)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 84,692</u>	<u>59,381</u>	<u>\$ (25,311)</u>
FUND BALANCE, JANUARY 1			<u>1,268,410</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 1,327,791</u></u>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
LIABILITY INSURANCE FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 853,237	\$ 853,237	\$ 857,008	\$ 3,771
Investment income	29,000	29,000	7,280	(21,720)
Miscellaneous	-	-	87,093	87,093
Total revenues	<u>882,237</u>	<u>882,237</u>	<u>951,381</u>	<u>69,144</u>
<b>EXPENDITURES</b>				
Current				
Park operations	164,909	150,362	150,352	(10)
Recreation operations				
Facilities	413,664	377,169	377,147	(22)
Programs	124,427	113,449	113,443	(6)
Therapeutic operations	33,637	30,669	30,668	(1)
Police protection	60,526	55,187	55,183	(4)
Administration	195,074	177,864	177,854	(10)
Total expenditures	<u>992,237</u>	<u>904,700</u>	<u>904,647</u>	<u>(53)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(110,000)</u>	<u>(22,463)</u>	<u>46,734</u>	<u>69,197</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>110,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>110,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (22,463)</u>	<u>46,734</u>	<u>\$ 69,197</u>
FUND BALANCE, JANUARY 1			<u>1,387,138</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 1,433,872</u>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
AUDIT FUND**

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 56,599	\$ 56,599	\$ 57,888	\$ 1,289
Investment income	850	850	261	(589)
Total revenues	57,449	57,449	58,149	700
<b>EXPENDITURES</b>				
Current				
Administration				
Professional services	57,449	52,400	52,380	(20)
Total expenditures	57,449	52,400	52,380	(20)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 5,049</b>	<b>5,769</b>	<b>\$ 720</b>
<b>FUND BALANCE, JANUARY 1</b>			61,052	
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 66,821</b>	

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BY OBJECT  
SPECIAL RECREATION FUND

For the Year Ended December 31, 2020

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>				
Property taxes	\$ 866,479	\$ 866,479	\$ 868,585	\$ 2,106
Fees and admissions	49,915	49,915	7,106	(42,809)
Investment income	27,000	27,000	7,353	(19,647)
Miscellaneous income	50,450	50,450	57,086	6,636
Total revenues	<u>993,844</u>	<u>993,844</u>	<u>940,130</u>	<u>(53,714)</u>
<b>EXPENDITURES</b>				
Current				
Therapeutic operations				
Personnel costs	701,207	390,300	390,300	-
Employee benefits	75,466	55,600	55,569	(31)
Commodities	30,167	19,100	19,091	(9)
Professional services	96,562	35,300	35,261	(39)
Total expenditures	<u>903,402</u>	<u>500,300</u>	<u>500,221</u>	<u>(79)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>90,442</u>	<u>493,544</u>	<u>439,909</u>	<u>(53,635)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	19,558	37,328	37,328	-
Transfers (out)	(110,000)	(473,847)	(473,847)	-
Total other financing sources (uses)	<u>(90,442)</u>	<u>(436,519)</u>	<u>(436,519)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 57,025</u>	<u>3,390</u>	<u>\$ (53,635)</u>
<b>FUND BALANCE, JANUARY 1</b>			<u>1,648,904</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 1,652,294</u>	

(See independent auditor's report.)

**SUPPLEMENTARY INFORMATION**



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES AND EXPENDITURES  
RECREATION FUND DEPARTMENTS  
ICE ARENAS

For the Year Ended December 31, 2020

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Fees and admissions	\$ 1,808,145	\$ 777,713	\$ (1,030,432)
Intergovernmental	-	25,439	25,439
Other income	54,658	29,621	(25,037)
Total revenues	1,862,803	832,773	(1,030,030)
<b>EXPENDITURES</b>			
Current			
Personnel costs	120,880	872,437	751,557
Employee benefits	175,853	122,725	(53,128)
Commodities	248,550	105,514	(143,036)
Professional services	581,550	419,111	(162,439)
Total expenditures	1,126,833	1,519,787	392,954
<b>REVENUES OVER (UNDER) EXPENDITURES</b>			
	\$ 735,970	\$ (687,014)	\$ (1,422,984)

Note: Fund transfers are excluded from totals.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES AND EXPENDITURES  
RECREATION FUND DEPARTMENTS  
SPORTSCORE OPERATIONS

For the Year Ended December 31, 2020

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Fees and admissions	\$ 2,517,845	\$ 912,202	\$ (1,605,643)
Intergovernmental	-	17,372	17,372
Other income	338,672	237,166	(101,506)
<b>Total revenues</b>	<b>2,856,517</b>	<b>1,166,740</b>	<b>(1,689,777)</b>
<b>EXPENDITURES</b>			
Current			
Personnel costs	1,420,915	1,123,034	(297,881)
Employee benefits	246,366	189,356	(57,010)
Commodities	685,251	365,902	(319,349)
Professional services	471,775	336,305	(135,470)
<b>Total expenditures</b>	<b>2,824,307</b>	<b>2,014,597</b>	<b>(809,710)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 32,210</b>	<b>\$ (847,857)</b>	<b>\$ (880,067)</b>

Note: Fund transfers are excluded from totals.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

SCHEDULE OF REVENUES AND EXPENDITURES  
RECREATION FUND DEPARTMENTS  
GOLF COURSES

For the Year Ended December 31, 2020

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Fees and admissions	\$ 2,735,140	\$ 2,671,857	\$ (63,283)
Intergovernmental	-	17,480	17,480
Other income	101,727	143,981	42,254
<b>Total revenues</b>	<b>2,836,867</b>	<b>2,833,318</b>	<b>(3,549)</b>
<b>EXPENDITURES</b>			
Current			
Personnel costs	1,692,950	1,465,436	(227,514)
Employee benefits	175,235	151,684	(23,551)
Commodities	603,372	597,561	(5,811)
Professional services	363,707	485,715	122,008
<b>Total expenditures</b>	<b>2,835,264</b>	<b>2,700,396</b>	<b>(134,868)</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,603</b>	<b>\$ 132,922</b>	<b>\$ 131,319</b>

Note: Fund transfers are excluded from totals.

(See independent auditor's report.)

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT  
CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended December 31, 2020

CSFA Number	Program Name	State	Federal	Other	Total
420-00-1960	Site Improvements	\$ 28,142	\$ -	\$ 6,790	\$ 34,932
	Local Coronavirus Urgent Remediation Emergency (or Local CURE) & Economic Support Payments				
420-00-2433	Grants Program	-	244,000	-	244,000
422-11-0970	Open Space Land Acquisition & Development	211,118	-	226,881	437,999
422-11-1095	Boat Access Area Development	95,000	-	7,532	102,532
422-11-1154	Recreational Trails Program	44,400	-	11,100	55,500
422-11-1163	Snowmobile Local Government	-	25,342	-	25,342
	COVID-19 Summer Youth Employment Program (C-SYEP)				
444-80-2432		353,195	-	-	353,195
494-00-1000	Illinois Transportation Enhancements Program	-	68,187	17,047	85,234
	Section 319(h) - Nonpoint Source Pollution Control Financial Assistance Program				
532-60-0378		-	20,607	-	20,607
546-00-2446	Violence Prevention - Rockford Park District	73,948	-	-	73,948
586-18-0408	Special Milk Program	-	102	-	102
	Other grant programs and activities	-	-	-	-
	All other costs not allocated	-	-	36,965,838	36,965,838
	<b>TOTAL</b>	<u>\$ 805,803</u>	<u>\$ 358,238</u>	<u>\$ 37,235,188</u>	<u>\$ 38,399,229</u>

(See independent auditor's report.)

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Members of the Board of  
Park Commissioners  
Rockford Park District  
Rockford, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Rockford Park District, Rockford, Illinois (the District), as of and for the year ended December 31, 2020, and the related notes to financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated April 22, 2021. The financial statements of the Rockford Park District Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Rockford Park District Foundation.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Sikich LLP*

Naperville, Illinois  
April 22, 2021

## **STATISTICAL SECTION**

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	84-89
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	90-93
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	94-98
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	99-100
<b>Operating Information</b> 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.	101-103

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$ 60,731,795	\$ 63,657,961	\$ 64,804,127	\$ 66,466,818	\$ 66,137,281	\$ 66,751,016	\$ 67,076,660	\$ 65,477,746	\$ 66,949,373	\$ 65,694,306
Restricted	6,113,673	8,816,174	7,587,233	17,906,021	16,913,944	16,380,920	16,324,786	19,622,644	17,059,642	17,497,627
Unrestricted	(9,736,397)	(11,049,544)	(10,245,096)	(10,571,903)	(10,000,303)	(8,779,507)	(10,479,582)	(8,169,392)	(201,996)	(46,218)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 57,109,071</b>	<b>\$ 61,424,591</b>	<b>\$ 62,146,264</b>	<b>\$ 73,800,936</b>	<b>\$ 73,050,922</b>	<b>\$ 74,352,429</b>	<b>\$ 72,921,864</b>	<b>\$ 76,930,998</b>	<b>\$ 83,807,019</b>	<b>\$ 83,145,715</b>

Note

Increases in unrestricted net position for fiscal years 2018 and 2019 are due to reductions in the estimated Sand Park liability.

Data Source

Audited financial statements

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>EXPENSES</b>										
Governmental activities										
Park operations	\$ 6,440,226	\$ 6,416,140	\$ 6,354,290	\$ 6,527,857	\$ 6,878,434	\$ 6,807,504	\$ 6,619,566	\$ 6,546,077	\$ 7,450,503	\$ 6,868,682
Recreation operations	19,893,296	20,949,593	19,604,372	19,641,401	19,829,648	22,046,390	24,068,759	25,140,864	20,191,774	18,409,949
Museum operations	2,161,593	2,043,907	2,259,746	1,791,665	1,771,005	1,605,201	1,616,431	1,708,997	1,713,213	1,664,447
Police protection	2,074,287	2,043,411	1,984,336	1,932,322	1,940,498	1,533,013	1,601,164	1,668,729	1,618,528	1,703,312
Administration	7,124,545	6,912,356	7,084,225	6,930,477	7,125,634	7,893,541	7,484,737	7,362,650	6,844,501	7,856,185
Interest on debt	624,187	681,339	536,339	775,660	498,884	1,612,460	1,465,874	2,252,762	2,161,876	1,896,654
<b>TOTAL GOVERNMENTAL ACTIVITIES EXPENSES</b>	<b>\$ 38,318,134</b>	<b>\$ 39,046,746</b>	<b>\$ 37,823,308</b>	<b>\$ 37,599,382</b>	<b>\$ 38,044,103</b>	<b>\$ 41,498,109</b>	<b>\$ 42,856,531</b>	<b>\$ 44,680,079</b>	<b>\$ 39,980,395</b>	<b>\$ 38,399,229</b>
<b>PROGRAM REVENUES</b>										
Governmental activities										
Program revenues										
Charges for services										
Recreation operations	\$ 9,794,420	\$ 10,252,999	\$ 8,328,295	\$ 8,313,033	\$ 9,169,912	\$ 10,353,537	\$ 10,224,538	\$ 10,255,875	\$ 8,842,337	\$ 5,990,819
Other	374,571	313,189	323,438	338,082	340,170	345,443	307,381	325,418	335,026	211,967
Operating grants and contributions	1,238,228	1,581,212	922,910	967,790	967,879	1,417,125	1,592,625	1,438,550	1,768,356	1,566,720
Capital grants and contributions	4,425,937	2,410,343	2,112,428	12,917,539	2,093,680	2,469,758	2,506,510	2,730,679	2,152,352	1,576,896
<b>TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES</b>	<b>\$ 15,833,156</b>	<b>\$ 14,557,743</b>	<b>\$ 11,687,071</b>	<b>\$ 22,536,444</b>	<b>\$ 12,571,641</b>	<b>\$ 14,585,863</b>	<b>\$ 14,631,054</b>	<b>\$ 14,750,522</b>	<b>\$ 13,098,071</b>	<b>\$ 9,346,402</b>
<b>NET REVENUE (EXPENSE)</b>										
Governmental activities	\$ (22,484,978)	\$ (24,489,003)	\$ (26,136,237)	\$ (15,062,938)	\$ (25,472,462)	\$ (26,912,246)	\$ (28,225,477)	\$ (29,929,557)	\$ (26,882,324)	\$ (29,052,827)

<b>Fiscal Year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION</b>										
Governmental activities										
Taxes										
Property	\$ 22,394,484	\$ 22,724,413	\$ 23,285,043	\$ 23,564,421	\$ 23,544,225	\$ 23,613,467	\$ 23,678,883	\$ 23,782,627	\$ 23,984,045	\$ 23,929,412
Intergovernmental	2,135,389	2,139,301	2,371,606	2,441,525	2,304,035	2,306,928	2,585,949	2,364,529	2,753,535	2,460,954
Investment earnings	49,139	30,611	23,965	22,857	22,967	55,986	134,838	377,353	473,728	100,109
Other	214,297	143,732	1,475,848	367,103	1,282,547	699,305	395,242	701,194	1,047,037	901,048
Gain on sale of capital assets	-	-	-	23,152	1,903	14,875	-	-	-	-
<b>SPECIAL ITEM</b>	-	-	-	-	-	-	-	-	5,500,000	1,000,000
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 24,793,309</b>	<b>\$ 25,038,057</b>	<b>\$ 27,156,462</b>	<b>\$ 26,419,058</b>	<b>\$ 27,155,677</b>	<b>\$ 26,690,561</b>	<b>\$ 26,794,912</b>	<b>\$ 27,225,703</b>	<b>\$ 33,758,345</b>	<b>\$ 28,391,523</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ 2,308,331	\$ 549,054	\$ 1,020,225	\$ 11,356,120	\$ 1,683,215	\$ (221,685)	\$ (1,430,565)	\$ (2,703,854)	\$ 6,876,021	\$ (661,304)

Note

In 2019, the District outsourced the operations of Magic Waters.

Data Source

Audited financial statements

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>GENERAL FUND</b>										
Nonspendable in form - inventory	\$ 49,460	\$ 54,810	\$ 50,192	\$ 44,449	\$ 44,292	\$ 49,150	\$ 41,472	\$ 39,866	\$ 39,156	\$ 38,598
Nonspendable in form - prepaid items	35,960	43,700	5,000	5,000	58,865	87,507	-	48,492	50,873	12,298
Nonspendable in form - long-term receivables	-	-	30,000	30,000	27,010	24,040	21,050	18,060	15,070	12,080
Unassigned	2,771,216	2,783,571	2,913,971	3,013,138	2,941,347	3,147,914	3,415,659	3,421,556	3,244,549	3,414,808
<b>TOTAL GENERAL FUND</b>	<b>\$ 2,856,636</b>	<b>\$ 2,882,081</b>	<b>\$ 2,999,163</b>	<b>\$ 3,092,587</b>	<b>\$ 3,071,514</b>	<b>\$ 3,308,611</b>	<b>\$ 3,478,181</b>	<b>\$ 3,527,974</b>	<b>\$ 3,349,648</b>	<b>\$ 3,477,784</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable - inventory	\$ 97,384	\$ 91,227	\$ 70,107	\$ 75,122	\$ 91,899	\$ 92,067	\$ 94,986	\$ 75,410	\$ 136,930	\$ 121,118
Nonspendable - prepaid items	992,360	-	2,550	65,060	6,480	13,818	7,350	9,459	19,048	5,463
Nonspendable - long-term receivables	-	-	100,000	117,000	89,990	-	-	-	-	-
Nonspendable - working cash	711,834	711,834	711,834	711,834	711,834	711,834	711,832	711,832	711,832	711,832
Restricted										
Restricted for museum operations	613,531	614,886	581,826	572,124	572,124	569,930	573,617	573,739	576,229	576,040
Restricted for police protection	55,860	25,076	12,173	10,014	-	7,355	6,221	6,406	6,577	5,963
Restricted for employee benefits	1,154,228	1,154,228	1,155,723	1,155,723	1,087,854	970,192	915,611	1,005,272	1,268,410	1,327,791
Restricted for audit	732,219	732,219	37,570	49,121	49,570	55,867	60,196	59,998	58,394	63,902
Restricted for special recreation	1,402,229	1,444,389	1,423,890	1,439,592	1,438,610	1,476,179	1,509,882	1,507,748	1,570,510	1,566,548
Restricted for debt service	602,989	545,943	521,600	487,764	432,406	386,283	358,733	348,416	361,466	287,719
Restricted for liability insurance	1,552,617	1,552,617	1,552,617	1,552,617	1,512,541	1,478,822	1,448,758	1,409,850	1,387,138	1,433,872
Restricted for capital projects	2,175,617	5,356,161	1,948,086	2,886,086	2,901,171	5,098,643	6,476,137	7,265,609	6,484,542	7,321,018
Unrestricted reported in										
Assigned for specific purposes	220,476	212,597	246,924	367,020	236,427	512,244	832,162	1,517,937	3,815,966	-
Assigned for recreation	-	-	-	-	-	-	-	-	6,197	40,510
Assigned for capital	-	-	-	3,421,556	-	-	-	-	-	3,932,694
Assigned for museum operations	-	-	-	-	-	-	-	-	-	25,084
Assigned for police protection	-	-	-	-	-	-	-	-	-	257,204
Assigned for special recreation	-	-	-	-	-	-	-	-	-	85,746
Assigned for audit	-	-	-	-	-	-	-	-	-	2,919
Unassigned (deficit)	(247,953)	-	-	(70,142)	(98,094)	(59,436)	(88,986)	(56,314)	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 8,261,813</b>	<b>\$ 12,441,177</b>	<b>\$ 8,364,900</b>	<b>\$ 12,840,491</b>	<b>\$ 9,032,812</b>	<b>\$ 11,313,798</b>	<b>\$ 12,906,499</b>	<b>\$ 14,435,362</b>	<b>\$ 16,403,239</b>	<b>\$ 17,765,423</b>

Note

GASB Statement No. 54 was implemented in 2011.

Data Source

Audited financial statements

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>REVENUES</b>										
Property taxes	\$ 22,394,484	\$ 22,724,413	\$ 23,285,043	\$ 23,564,421	\$ 23,544,225	\$ 23,613,468	\$ 23,678,882	\$ 23,782,627	\$ 23,984,045	\$ 23,929,412
Intergovernmental	4,665,418	4,799,172	3,440,428	5,581,534	4,577,532	5,495,402	6,141,026	4,369,201	5,928,611	5,504,974
Local donations	2,305,525	1,855,157	1,920,552	1,499,113	842,821	596,641	474,930	604,037	905,941	601,761
Fees and admissions	10,067,813	10,486,096	8,560,556	8,515,485	9,437,247	10,698,653	10,528,600	10,574,969	9,174,457	6,190,025
Investment income	49,139	30,611	23,965	22,857	22,967	55,985	134,838	377,353	473,728	100,109
Miscellaneous	670,226	469,036	409,764	518,243	1,434,980	1,352,049	1,087,690	1,298,270	1,647,406	1,284,162
<b>Total revenues</b>	<b>40,152,605</b>	<b>40,364,485</b>	<b>37,640,308</b>	<b>39,701,653</b>	<b>39,859,772</b>	<b>41,812,198</b>	<b>42,045,966</b>	<b>41,006,457</b>	<b>42,114,188</b>	<b>37,610,443</b>
<b>EXPENDITURES</b>										
Current										
Park operations	5,485,507	5,533,664	5,291,305	5,510,187	5,953,904	5,891,953	5,487,190	5,299,649	6,228,659	5,642,763
Recreation operations	17,815,948	19,072,606	17,203,654	17,207,271	17,832,857	19,933,786	20,855,511	21,386,393	17,082,765	13,952,857
Museum operations	1,900,635	1,760,042	1,956,986	1,290,273	1,271,094	1,102,808	1,111,238	1,226,098	1,244,945	1,211,278
Police operations	1,977,949	2,021,409	1,887,921	1,845,485	1,919,081	1,524,890	1,472,914	1,552,791	1,534,619	1,556,624
Administration	6,602,962	6,751,085	6,717,204	6,546,841	6,966,476	6,878,525	7,191,578	7,082,577	6,647,166	7,371,081
Capital outlay	9,815,740	5,765,423	1,456,853	9,055,652	14,891,936	16,337,161	9,261,841	5,267,126	5,019,106	2,963,810
Debt service										
Principal	5,550,000	7,055,000	6,930,500	7,121,077	6,453,266	6,272,793	6,417,571	6,774,047	7,630,892	7,480,950
Interest	755,737	679,635	782,186	878,015	795,069	1,672,539	1,657,532	2,230,868	2,152,216	1,982,779
Payment to refunding escrow agent	-	-	-	-	-	296,527	-	-	-	-
<b>Total expenditures</b>	<b>49,904,478</b>	<b>48,638,864</b>	<b>42,226,609</b>	<b>49,454,801</b>	<b>56,083,683</b>	<b>59,910,982</b>	<b>53,455,375</b>	<b>50,819,549</b>	<b>47,540,368</b>	<b>42,162,142</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(9,751,873)</b>	<b>(8,274,379)</b>	<b>(4,586,301)</b>	<b>(9,753,148)</b>	<b>(16,223,911)</b>	<b>(18,098,784)</b>	<b>(11,409,409)</b>	<b>(9,813,092)</b>	<b>(5,426,180)</b>	<b>(4,551,699)</b>

<b>Fiscal Year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Bonds issued	\$ 7,660,000	\$ 9,540,000	\$ -	\$ 6,723,120	\$ 15,686,276	\$ 21,071,548	\$ 12,834,056	\$ 10,895,000	\$ 13,180,000	\$ 5,805,000
Issuance of refunding bonds	-	600,000	-	-	-	-	-	-	-	-
Issuance of capital lease obligation	-	-	27,195	94,691	103,623	123,623	-	-	-	-
Issuance of note payable - City of Rockford	-	-	-	3,750,000	-	-	-	-	-	-
Payment to refunding escrow agent	(526,705)	(569,741)	-	-	(281,890)	(835,062)	-	-	(7,228,908)	-
Discount on insurance of bonds	(18,840)	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	338,859	-	102,802	317,679	127,066	216,684	92,315	141,481	54,376
Transfers in	5,570,107	5,739,623	4,182,814	3,922,953	4,382,104	5,119,358	4,476,604	4,730,042	5,851,949	4,884,097
Transfers (out)	(6,591,964)	(5,145,146)	(4,182,814)	(3,922,953)	(4,382,104)	(5,119,358)	(4,476,604)	(4,730,042)	(5,851,949)	(4,884,097)
Insurance proceeds	392,399	144,519	1,097,079	124,782	71,184	114,817	96,065	374,412	100,309	59,241
Sale of capital assets	13,765	36,312	207,850	23,152	1,903	14,875	24,875	30,021	1,022,849	123,402
Total other financing sources (uses)	6,498,762	10,684,426	1,332,124	10,818,547	15,898,775	20,616,867	13,171,680	11,391,748	7,215,731	6,042,019
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (3,253,111)</b>	<b>\$ 2,410,047</b>	<b>\$ (3,254,177)</b>	<b>\$ 1,065,399</b>	<b>\$ (325,136)</b>	<b>\$ 2,518,083</b>	<b>\$ 1,762,271</b>	<b>\$ 1,578,656</b>	<b>\$ 1,789,551</b>	<b>\$ 1,490,320</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	15.73%	18.04%	18.97%	19.80%	17.60%	17.60%	17.60%	19.83%	23.12%	24.25%

Notes

In 2019, the District outsourced the operations of Magic Waters.

Data Source

Audited financial statements

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

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Levy Year	Tax Levied	Amount Collected within the Fiscal Year of the Levy	Percentage of Levy	Amounts Collected in Subsequent Fiscal Years	Total Collections to Date	Percentage of Levy
2010	\$ 22,513,392	\$ 22,352,642	99.29%	\$ 41,842	\$ 22,394,484	99.47%
2011	22,820,609	22,700,672	99.47%	23,741	22,724,413	99.58%
2012	23,415,076	23,289,716	99.46%	(4,673)	23,285,043	99.44%
2013	23,733,571	23,581,192	99.36%	(16,771)	23,564,421	99.29%
2014	23,796,501	23,569,089	99.04%	(26,454)	23,542,635	98.93%
2015	23,853,845	23,660,898	99.19%	(49,318)	23,611,580	98.98%
2016	23,819,699	23,705,148	99.52%	(20,151)	23,684,997	99.43%
2017	24,017,207	23,788,255	99.05%	(19,081)	23,769,174	98.97%
2018	24,142,506	23,992,065	99.38%	(4,724)	23,987,341	99.36%
2019	24,177,682	23,846,426	98.63%	-	23,846,426	98.63%

Data Source

Office of the County Clerk

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Real Property Assessed Value	Railroad Property Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2010	\$ 2,862,111,986	\$ -	\$ 2,862,111,986	0.7869	\$ 8,594,930,889	33.3%
2011	2,706,355,707	-	2,706,355,707	0.8432	8,127,194,315	33.3%
2012	2,458,916,643	-	2,458,916,643	0.9522	7,384,134,063	33.3%
2013	2,243,884,947	-	2,243,884,947	1.0577	6,738,393,234	33.3%
2014	2,109,477,022	-	2,109,477,022	1.1286	6,334,765,832	33.3%
2015	2,051,167,849	-	2,051,167,849	1.1629	6,159,663,210	33.3%
2016	2,070,193,990	-	2,070,193,990	1.1544	6,216,798,769	33.3%
2017	2,112,066,491	-	2,112,066,491	1.1371	6,342,542,015	33.3%
2018	2,202,108,817	-	2,202,108,817	1.0963	6,612,939,390	33.3%
2019	2,348,019,651	-	2,348,019,651	1.0334	7,051,110,063	33.3%

Note: Property in the District is reassessed each year. Property is assessed at 33% of actual value. In addition, the District is subject to two sets of tax limits; rate limits which limit the maximum rates that can be levied for a particular purpose and tax caps, which limit the total dollar increase in the levy to the lesser of 5% or the consumer price index as published by the Illinois Department of Revenue, excluding new construction/annexation.

Data Source

Office of the County Clerk



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>DISTRICT DIRECT RATES</b>										
Corporate	0.2500	0.2500	0.2545	0.2847	0.3102	0.3184	0.3088	0.3007	0.2931	0.2713
Bonds and interest	0.1763	0.1892	0.2145	0.2396	0.2579	0.2675	0.2667	0.2670	0.2614	0.2499
IMRF	0.0250	0.0311	0.0366	0.0406	0.0396	0.0413	0.0452	0.0428	0.0309	0.0329
Police protection	0.0250	0.0250	0.0250	0.0250	0.0247	0.0250	0.0250	0.0250	0.0250	0.0249
Audit	0.0017	0.0020	0.0024	0.0027	0.0027	0.0027	0.0029	0.0026	0.0028	0.0025
Tort	0.0229	0.0259	0.0305	0.0361	0.0367	0.0383	0.0416	0.0413	0.0410	0.0370
Social Security	0.0291	0.0333	0.0387	0.0390	0.0396	0.0433	0.0480	0.0458	0.0426	0.0391
Museum	0.0700	0.0700	0.0700	0.0700	0.0689	0.0700	0.0698	0.0700	0.0698	0.0696
Recreation	0.1469	0.1767	0.2400	0.2800	0.3089	0.3164	0.3065	0.3019	0.2898	0.2687
Special recreation	0.0400	0.0400	0.0400	0.0400	0.0394	0.0400	0.0399	0.0400	0.0399	0.0375
<b>TOTAL DISTRICT DIRECT RATES</b>	<b>0.7869</b>	<b>0.8432</b>	<b>0.9522</b>	<b>1.0577</b>	<b>1.1286</b>	<b>1.1629</b>	<b>1.1544</b>	<b>1.1371</b>	<b>1.0963</b>	<b>1.0334</b>
<b>OVERLAPPING RATES</b>										
City of Rockford (including Library)	2.7159	2.9051	3.2600	3.5535	3.7973	3.8791	3.8397	3.7608	3.6084	3.3749
Rockford Township and Rockford Township Roads	0.2043	0.2168	0.2349	0.2587	0.2813	0.2936	0.2942	0.2924	0.2801	0.2625
Rockford Public Schools, District No. 205	6.0152	6.5595	6.6884	7.2301	7.7810	7.9379	7.8031	7.6496	7.3508	6.8929
Winnebago County including Forest Preserve	0.9197	0.9632	1.0495	1.1494	1.2044	1.2187	1.2033	1.1769	1.1320	1.0768
Other	0.8862	0.9115	0.7166	0.7529	0.7894	0.8041	0.8112	0.8195	0.8024	0.7562
<b>TOTAL OVERLAPPING RATES</b>	<b>10.7413</b>	<b>11.5561</b>	<b>11.9494</b>	<b>12.9446</b>	<b>13.8534</b>	<b>14.1334</b>	<b>13.9515</b>	<b>13.6992</b>	<b>13.1737</b>	<b>12.3633</b>

Data Source

Office of the County Clerk

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Equalized Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation
CBL Cherryvale	\$ 14,669,968	1	0.62%	\$ 16,336,527	1	0.57%
Greater Rockford Airport Authority	11,342,625	2	0.48%	12,508,009	3	0.44%
Woodward Inc.	10,422,791	3	0.44%	-	-	-
Lowes Home Centers Inc.	10,343,250	4	0.44%	15,786,032	2	0.55%
Wesley Willows Corp.	10,126,651	5	0.43%	-	-	-
Forest Plaza LLC	7,509,397	6	0.32%	8,550,595	4	0.30%
Walmart	6,185,746	7	0.26%	-	-	-
NM PCI LP	4,902,170	8	0.21%	-	-	-
MB Rockford State LLC	4,386,112	9	0.19%	4,678,630	6	0.16%
Anderson Rockford Properties	4,256,861	10	0.18%	-	-	-
Fairhaven Christians Retirement Center	-	-	-	4,135,078	8	0.15%
Two Star Property	-	-	-	5,584,850	5	0.20%
WPH Rockford LLC	-	-	-	4,342,156	7	0.15%
Hamilton Sundstrand	-	-	-	3,995,803	9	0.14%
Rock River Valley Industrial Park	-	-	-	3,933,688	10	0.14%
	<u>\$ 84,145,571</u>		<u>3.57%</u>	<u>\$ 79,851,368</u>		<u>2.80%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Sources

Office of the County Clerk and Boone County Clerk

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Note Payable - City of Rockford	Total Primary Government	Percentage of Assessed Value	Per Capita
	General Obligation Bonds	Capital Lease Obligation				
2011	\$ 19,904,773	\$ -	\$ -	\$ 19,904,773	0.23%	\$ 99.79
2012	20,632,111	-	-	20,632,111	0.25%	103.44
2013	15,528,983	26,695	-	15,555,678	0.21%	77.99
2014	15,175,036	70,309	3,750,000	18,995,345	0.28%	95.23
2015	24,314,245	135,666	3,600,000	28,049,911	0.44%	140.63
2016	38,242,943	209,497	3,450,000	41,902,440	0.68%	210.08
2017	44,868,174	150,751	3,385,000	48,403,925	0.78%	242.67
2018	49,325,193	99,119	3,150,000	52,574,312	0.83%	263.58
2019	48,177,076	53,609	3,000,000	51,230,685	0.77%	256.84
2020	46,663,927	21,602	2,850,000	49,535,529	0.70%	248.34

See the Schedule of Demographic and Economic Information on page 99 for population data.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>General Obligation Debt</b>	<b>Less Amounts Available In Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property*</b>	<b>Per Capita</b>
2011	\$ 19,904,773	\$ 602,989	\$ 19,301,784	0.22%	\$ 96.77
2012	20,632,111	545,943	20,086,168	0.25%	100.70
2013	15,528,983	521,600	15,007,383	0.20%	75.24
2014	15,175,036	487,764	14,687,272	0.22%	73.63
2015	24,314,245	432,406	23,881,839	0.38%	119.73
2016	24,314,245	386,283	23,927,962	0.39%	119.96
2017	44,868,174	358,733	44,509,441	0.72%	223.15
2018	49,325,193	348,416	48,976,777	0.77%	245.54
2019	48,177,076	361,466	47,815,610	0.72%	239.72
2020	46,663,927	287,719	46,376,208	0.66%	232.51

See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 91 for property value data.

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2020

<b>Governmental Unit</b>	<b>Gross Debt</b>	<b>Percentage Debt Applicable to the District (1)</b>	<b>District's Share of Debt (2)</b>
Rockford Park District	\$ 49,535,529	100.00%	\$ 49,535,529
Rockford School District No. 205	152,236,755	88.65%	134,957,883
Harlem School District No. 122	14,110,000	45.35%	6,398,885
Winnebago School District No. 323	13,453,500	16.22%	2,182,158
Meridian School District No. 223	11,182,261	0.10%	11,182
Belvidere School District No. 100	63,033,598	4.24%	2,672,625
Community College No. 511	69,508,001	38.56%	26,802,285
Winnebago County Forest Preserve District	1,725,163	56.88%	981,273
Total overlapping debt	<u>325,249,278</u>		<u>174,006,291</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<u><u>\$ 374,784,807</u></u>		<u><u>\$ 223,541,820</u></u>

(1) The District's share of overlapping debt percentages are estimated by determining the portion of the other governments taxable assessed value that is within the District's boundaries based upon 2017 Real Property Valuations.

(2) Totals may not be exact due to rounding.

Data Sources

Winnebago County Clerks' Office

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Legal debt limit	\$ 82,285,720	\$ 77,807,727	\$ 70,698,007	\$ 64,511,692	\$ 60,647,464	\$ 58,971,076	\$ 59,518,077	\$ 60,721,912	\$ 63,310,628	\$ 67,505,565	
Total net debt applicable to limit	19,242,011	12,280,000	5,245,000	5,280,000	5,100,000	5,285,000	5,320,000	5,550,000	5,605,000	5,805,000	
<b>LEGAL DEBT MARGIN</b>	<b>\$ 63,043,709</b>	<b>\$ 65,527,727</b>	<b>\$ 65,453,007</b>	<b>\$ 59,231,692</b>	<b>\$ 55,547,464</b>	<b>\$ 53,686,076</b>	<b>\$ 54,198,077</b>	<b>\$ 55,171,912</b>	<b>\$ 57,705,628</b>	<b>\$ 61,700,565</b>	
<b>TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT</b>	23.38%	15.78%	7.42%	8.18%	8.41%	8.96%	8.94%	9.14%	8.85%	8.60%	
										Legal debt margin calculation for fiscal 2020	2.875%
										Equalized assessed value	<u>\$ 2,348,019,651</u>
										Debt limit	\$ 67,505,565
										Debt applicable to limit general obligation bonds	<u>5,805,000</u>
										<b>LEGAL DEBT MARGIN</b>	<u><b>\$ 61,700,565</b></u>

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Magic Waters						Ice Arenas					
	Operating Revenues	Less Operating Expenses	Net Available Revenue	Debt Service			Operating Revenues	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage				Principal	Interest	Coverage
2011	\$ 3,068,448	\$ 2,328,918	\$ 739,530	\$ 565,000	\$ 108,535	\$ 1.10	\$ 1,385,543	\$ 1,772,996	\$ (387,453)	\$ -	\$ -	N/A
2012	3,334,955	2,633,238	701,717	350,000	240,507	1.19	1,325,973	1,789,188	(463,215)	-	26,459	(17.51)
2013	2,330,854	2,104,227	226,627	250,000	224,513	0.48	1,306,608	1,700,447	(393,839)	-	-	N/A
2014	2,192,077	2,194,519	(2,442)	390,000	215,263	-	1,371,432	1,781,187	(409,755)	265,000	28,574	(1.40)
2015	2,726,625	2,192,511	534,114	420,000	201,562	0.86	1,536,816	1,979,207	(442,391)	275,000	22,948	(1.48)
2016	3,044,685	2,550,150	494,535	300,000	272,963	0.86	1,584,296	1,848,252	(263,956)	295,000	2,974	(0.89)
2017	2,609,034	2,578,107	30,927	325,000	288,144	0.05	N/A	N/A	N/A	N/A	N/A	N/A
2018	2,651,965	2,422,952	229,013	325,000	275,794	0.38	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Fiscal Year	Indoor Sports Center					
	Operating Revenues	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage
2011	\$ 1,021,470	\$ 1,118,227	\$ (96,757)	\$ 240,000	\$ 38,000	\$ (0.35)
2012	1,031,034	1,131,152	(100,118)	210,000	33,200	(0.41)
2013	729,727	728,590	1,137	230,000	29,000	-
2014	789,761	782,201	7,560	250,000	24,400	0.03
2015	827,405	852,232	(24,827)	265,000	18,775	(0.09)
2016	1,569,053	1,545,954	23,099	285,000	12,150	0.08
2017	1,569,242	1,761,957	(192,715)	120,000	3,600	(1.56)
2018	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Information is not applicable.

Note: Details of the District's outstanding debt can be found in the notes to financial statements. Operating revenue includes program grants, but excludes investment earnings and sale of property. Operating expenses do not include debt service, depreciation or reserve requirements.

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Population (a)</b>	<b>Equalized Assessed Valuation (EAV)</b>	<b>Per Capita EAV</b>	<b>Unemployment Rate (b)</b>
2011	199,463	\$ 2,862,111,986	\$ 14,349	12.4%
2012	199,463	2,706,355,707	13,568	11.5%
2013	199,463	2,458,916,643	12,328	11.2%
2014	199,463	2,243,884,947	11,250	9.5%
2015	199,463	2,109,477,022	10,576	6.7%
2016	199,463	2,051,167,849	10,283	6.8%
2017	199,463	2,070,193,990	10,379	6.6%
2018	199,463	2,112,066,491	10,589	5.4%
2019	199,463	2,202,108,817	11,040	5.8%
2020	199,463	2,348,019,651	11,772	11.1%

Note: Personal income data is not available.

Data Sources

- (a) 2011-2020: WINGIS from 2010 Census
- (b) Illinois Department of Employment Security



**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2020			2011		
	Rank	Number of Employees (1)	% of Total City Population	Rank	Number of Employees (2)	% of Total City Population
FCA US, LLC	1	3,879	1.94%	8	1,700	0.85%
Mercy Health/Rockford Health System	2	3,800	1.91%	2	3,003	1.51%
Rockford Public Schools District No. 205	3	3,515 (3)	1.76%	1	3,730 (3)	1.87%
Swedish American Health System	4	2,600	1.30%	4	2,600	1.30%
United Parcel Service	5	2,300	1.15%	9	1,600	0.80%
Collins Aerospace Systems	6	2,000	1.00%	6	2,000	1.00%
OSF St. Anthony's Medical Center	7	2,000	1.00%	5	2,000	1.00%
Walmart	8	1,500	0.75%	3	2,750	1.38%
Anderson Brecon, Inc.	9	1,200	0.60%			
County of Winnebago	10	1,167	0.59%	7	1,731	0.87%
Harris Bank				10	1,600	0.80%

Data Sources

(1) 2020 Illinois Manufacturers and Services Directories, the Rockford Area Council of 100, the Rockford Area Economic Development Council, the City and a selected telephone survey

(2) 2011 Rockford Area Economic Development Council and 2011 Illinois Manufacturers and Services Directories

(3) Includes full and part time employees

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>EMPLOYEES</b>										
Regular employees	178	177	173	177	177	176	173	168	162	164
Seasonal employees	1,433	1,463	1,656	1,656	1,460	1,481	1,441	1,397	1,063	435
<b>FULL-TIME EQUIVALENT EMPLOYEES</b>										
Regular employees	178	177	173	177	178	176	173	168	166	172
Seasonal employees	267	271	259	275	284	295	291	271	231	123
<b>GENERAL GOVERNMENT</b>										
Park operations	58	53	49	57	64	66	60	49	54	49
Recreation operations	291	301	288	301	313	326	328	314	267	170
Police protection	35	34	31	31	24	20	18	19	18	18
Administration	61	60	64	63	61	60	58	57	58	58
Total full-time equivalent employees	445	448	432	452	462	471	464	439	397	295

Data Source

District Records

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

**OPERATING INDICATORS**

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>RECREATION</b>										
Area served in square miles	125	125	125	125	125	125	125	125	125	125
Residents served	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000

Data Sources

2011-2020 - Provided by WinGIS from 2010 Census

**ROCKFORD PARK DISTRICT  
ROCKFORD, ILLINOIS**

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>PARK OPERATIONS</b>										
Acreage - owned	4,896	4,896	4,929	4,939	4,953	4,953	4,962	4,940	4,918	4,917
Number of parks - owned	176	177	177	177	179	179	181	180	182	181
<b>RECREATION</b>										
Golf courses	5	5	6	6	6	6	6	6	5	5
Ice skating arena - indoor	2	2	2	2	2	2	2	2	2	2
Outdoor swimming pools/beach	4	4	4	4	4	4	4	4	4	4
Indoor playground	1	1	1	1	1	1	1	1	1	1
Community center	1	1	1	1	1	1	1	1	1	1
Tennis courts	90	90	90	88	88	88	87	87	87	73
Pickleball courts	16	16	16	16	16	16	36	36	36	36
Softball/baseball diamonds	125	126	126	126	126	126	136	126	126	126
Soccer fields	91	91	91	91	91	91	108	108	108	108
Greenhouse and gardens	1	1	1	1	1	1	1	1	1	1
Arboretum/prairies	7	7	7	7	7	7	10	10	10	10
Equestrian facility (15+ miles of equestrian trail)	1	1	1	1	1	1	1	1	1	1
Snowmobile trail - 100+ miles	1	1	1	1	1	1	1	1	1	1
Recreation paths - 34.6 miles	38.7	38.7	38.7	38.7	38.7	38.7	43.8	43.8	43.8	43.8
Boat docks/launches	17	23	23	23	23	23	26	26	26	26
Excursion boat	1	1	1	1	1	1	1	1	1	1
Trolley	1	1	1	1	1	1	1	1	1	1
Sportscore Sports Field complexes	2	2	2	2	2	2	2	2	2	2
Outdoor education center	2	2	2	2	2	2	2	2	2	2
Magic Waters - water theme park	1	1	1	1	1	1	1	1	-	-
Minor league baseball stadium	1	1	1	1	1	1	1	1	1	1
Soccer/football stadium	1	1	1	1	1	1	1	1	1	1
Observatory	1	1	1	1	1	1	1	1	1	1
BMX Track	1	1	1	1	1	1	1	1	1	1
Dog parks	3	3	3	3	3	3	3	3	3	3
Volleyball - indoor	4	4	4	4	4	4	16	16	16	16
Volleyball - sand	7	7	7	7	7	7	10	10	10	10
<b>MUSEUMS OPERATIONS</b>										
Facilities	6	6	6	6	6	6	6	6	6	6
<b>POLICE PROTECTION</b>										
Stations	1	1	1	1	1	1	1	1	1	1

Data Source

District Records