

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2011



Certified Public Accountants & Advisors

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ROLLING MEADOWS, ILLINOIS
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998 Corporate Boulevard • Aurora, IL 60502

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
Rolling Meadows Park District
Rolling Meadows, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Rolling Meadows Park District, Rolling Meadows, Illinois, as of and for the year ended April 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the management of the Rolling Meadows Park District, Rolling Meadows, Illinois. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Rolling Meadows Park District, Rolling Meadows, Illinois as of April 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rolling Meadows Park District, Rolling Meadows, Illinois' basic financial statements. The combining and individual fund financial statements and schedules and supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Sibich LLP".

Aurora, Illinois
June 30, 2011

GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS

ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011

As management of the Rolling Meadows Park District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2011. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the District's financial statements.

Financial Highlights

- The assets of the District exceeded its liabilities at April 30, 2011 by \$17.256 million. Of this amount, \$33,966 represents unrestricted assets which may be used to meet the District's ongoing obligations to citizens and creditors.
- At the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$2,034,807, an increase of \$122,664 in comparison with prior fiscal year.
- Property and replacement taxes collected were \$3,677,574 and \$86,552, a decrease of \$350,171 in property taxes and an increase of \$8,686 in replacement taxes.
- The Governmental Activities revenue was \$7.669 million, an increase of \$428,192 over the prior fiscal year, while the expenses were \$6.559 million, a decrease of \$33,418 over the prior fiscal year.
- The District's outstanding long-term bonded debt is \$3,535,000, compared to \$4,370,000 last year, reflecting a 19.1% decrease.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The Governmental Activities reflect the District's basic services, including administration and culture and recreation. Property taxes and program fees finance the majority of these services. The Business-

ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011

Type Activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the outstanding bond holding fund, both of which are considered to be major funds. Information from the District's five other governmental funds are combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

The District maintains one type of proprietary fund (enterprise funds). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the rental of its property to an independent concession vendor. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the concessions.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 15 of this report.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the District's progress in funding its obligation to

ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011

provide pension benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following chart reflects the condensed Statement of Net Assets (in thousands):

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Assets:						
Current & other assets	\$ 4,937	4,520	\$(116)	(133)	\$ 4,821	4,387
<u>Capital assets</u>	<u>18,894</u>	<u>18,873</u>	<u>0.0</u>	<u>0.0</u>	<u>18,894</u>	<u>18,873</u>
Total assets	23,831	23,393	(116)	(133)	23,715	23,260
Liabilities:						
Other liabilities	2,791	2,487	0.0	0.0	2,791	2,487
<u>Long-term liabilities</u>	<u>3,668</u>	<u>4,644</u>	<u>0.0</u>	<u>0.0</u>	<u>3,668</u>	<u>4,644</u>
Total liabilities	6,459	7,131	0.0	0.0	6,459	7,131
Net Assets:						
Invested in capital						
Assets, net,	15,423	14,461	0.0	0.0	15,423	14,461
Restricted	1,800	1,716	0.0	0.0	1,800	1,716
<u>Unrestricted</u>	<u>149</u>	<u>85</u>	<u>(116)</u>	<u>(133)</u>	<u>34</u>	<u>(48)</u>
Total Net Assets	<u>\$17,372</u>	<u>\$16,262</u>	<u>\$(116)</u>	<u>\$(133)</u>	<u>\$17,256</u>	<u>\$16,129</u>

- The District's combined net assets increased by \$1,127,179.
- The largest portion of the District's net assets reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.
- An additional portion of the District's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$33,966 may be used to meet the District's ongoing obligations to citizens and creditors.
- The District reflects negative unrestricted assets of (\$115,654) in its business-type activities which represent previous year's losses relating to the self operation of concessions activities. Beginning in the fiscal year ending April 30, 2005, the District leased out its concessions operation to an outside vendor which realizes monthly rental revenue. During fiscal year 2010/2011, the District received \$17,369 in rental revenue thus decreasing the unrestricted asset balance over prior fiscal year by this same amount.

ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011

The following chart reflects the condensed Statement of Activities (in thousands):

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u> <u>Government</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
REVENUES						
Program Revenues:						
Charges for Services	\$3,565	\$3,045	\$ 19	\$ 19	\$3,584	\$3,045
Oper. Grants/Contrib.	0.0	0.0	0.0	0.0	0.0	0.0
Cap. Grants/Contrib.	247	0.0	0.0	0.0	247	0.0
General Revenues:						
Property Taxes	3,677	4,003	0.0	0.0	3,677	4,003
Other Taxes	87	78	0.0	0.0	87	78
Other	93	115	0.0	0.0	93	115
Total Revenues	7,669	7,241	19	19	7,688	7,241
EXPENSES						
Gen Gov't	682	688	0.0	0.0	682	688
Cult & Rec	5,701	5,679	0.0	0.0	5,701	5,679
Interest on Debt	176	215	0.0	0.0	176	215
Concessions	0.0	0.0	2	0.0	2	0.0
Total Expenses	6,559	6,583	0.2	0.0	6,561	6,583
Change in Net Assets	1,110	658	17	19	1,127	677
Beginning Net Assets	16,262	15,604	-133	-152	16,129	15,452
Ending Net Assets	\$17,372	\$16,262	\$ -116	\$ -133	\$17,256	\$16,129

GOVERNMENTAL ACTIVITIES

Revenues:

- Property tax revenues accounted for 48% of total District revenues for the fiscal year.
- General Recreation program revenue accounted for \$1.385 million or 18% of the total District revenues for the year.
- The District's ice arena programs accounted for \$2.055 million or 26% of the total District revenues for the year.

ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011

BUSINESS TYPE- ACTIVITIES

Revenues:

- Revenue of \$19,025 relates to the rental of District property within the Nelson Sports Complex and the West Meadows Ice Arena to an independent concessions vendor as well as vending machine sales revenue sharing.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The General, Recreation, IMRF/FICA, Debt Service, Special Recreation and Capital Projects funds are the primary operating funds of the District.

- The General Fund total fund balance totaled \$809,758, a decrease of 9.5% over prior fiscal year.
- The Recreation Fund's ending fund balance for the fiscal year was (\$735,265). For the fiscal year, it recorded a change in the fund balance by \$473,277. The change is due to a slight increase in charges for recreation programs and a decrease in recreation fund expenses.
- The IMRF/FICA Fund has a total fund balance of \$323,513, a decrease of \$8,604 over the prior fiscal year. All of which is reserved for IMRF (\$171,206) and FICA (\$152,307) payments.
- The Debt Service Fund has a total fund balance of \$619,246 all of which is reserved for the payment of debt service. The increase is due to interest accruals.
- The Capital Projects Fund decreased by \$376,869 from the prior year, primarily due to an increase in various capital improvements made throughout the district.

Proprietary Funds

- The District's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.
- Unrestricted net assets of the Concessions fund at the end of the fiscal year amounted to a balance of (\$115,654) which was detailed under the Government-Wide Financial Analysis section.

**ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule (in thousands):

General Fund:	<u>Adopted Budget</u>	<u>Actual</u>
Revenues:		
Taxes	\$1,215	\$1,153
Other	32	96
Total	<u>\$1,247</u>	<u>\$1,249</u>
Expenditures:		
Expenditures	1,389	1,334
Debt Service	0.0	0.0
Total	<u>\$1,389</u>	<u>\$1,334</u>
Change in Fund Balance	\$(142)	\$(85)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

**Governmental Activities
Change in Capital Assets
(in thousands)**

	<u>Restated Balance May 1, 2010</u>	<u>Net Additions/ Deletions</u>	<u>Balance April 30, 2011</u>
Non-Depreciable Assets:			
Land/CIP	\$ 5,789	\$ 62	\$ 5,851
Other Capital Assets:			
Land Improvements	2,072	6	2,078
Construction	16,158	421	16,579
Machinery & Equipment	2,681	(148)	2,533
Vehicles	397	56	453
Accum. Depreciation on Capital Assets	<u>(8,225)</u>	<u>(375)</u>	<u>(8,600)</u>
Totals	<u>\$ 18,872</u>	<u>\$ 22</u>	<u>\$ 18,894</u>

**ROLLING MEADOWS PARK DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2011**

Debt Administration

At April 30, 2011, the District had \$3,548,608 of debt outstanding, compared to \$4,525,484 last year. The following debt types are outstanding:

General Obligation Alternate Revenue Source Bonds, Series 2004	\$2,990,000
General Obligation Limited Tax Park Bonds, Series 2009	\$545,000
West Meadows Copier Capital Lease	\$2,835
Park Central Copier Capital Lease	\$10,773

- During the year, the District retired \$976,876 in debt. The retired debt was G.O. Bonds, Series 2009 in the amount of \$525,000 and \$310,000 on the 2004 Alternative Source G.O. Bond. Additionally, \$120,000 was paid on the 2002 Limited Tax Capital Appreciation Certificates, and \$8,268 was paid on the Lawn Tracker Lease to retire them as well.

DECISIONS EXPECTED TO HAVE AN EFFECT ON FUTURE OPERATIONS

The 2010 Tax Levy (for taxes collected in 2011) was based on the Consumer Price Index (CPI) of 2.70%; however, the District does not anticipate any significant growth in the tax base as the City of Rolling Meadows does not currently have any development projects. Even with a decrease in the District's 2009 EAV, the current year's budget reflects a slight increase, of 1.50% in property tax revenue.

Many trends and economic factors will continue to be monitored, along with the managing of expenses. To insure the financial health of the District, conservative revenue projections will continue to be used for several future years. The District will continue working on maintaining fund balance goals and scheduling projects to ensure maximum affordability within budget constraints.

The District will continue to have the ongoing challenges of planning for capital replacements and infrastructure improvements while maintaining and operating the District's existing facilities in the first class manner the residents deserve and expect.

CONTACTING THE PARK DISTRICTS FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances. Questions concerning this report or requests for additional financial information should be directed to the District Treasurer, Rolling Meadows Park District, 3000 Central Road, Rolling Meadows, Illinois 60008

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 2,507,537	\$ 446	\$ 2,507,983
Receivables (net, where applicable, of any related debt)			
Property taxes	2,042,168	-	2,042,168
Accounts receivable	95,545	5,400	100,945
Advances to/from other funds	121,500	(121,500)	-
Net OPEB asset	2,668	-	2,668
Deferred charges	167,714	-	167,714
Capital assets not being depreciated	5,850,151	-	5,850,151
Capital assets (net of accumulated depreciation)	13,043,870	-	13,043,870
 Total assets	 23,831,153	 (115,654)	 23,715,499
LIABILITIES			
Accounts payable	253,063	-	253,063
Accrued payroll	88,222	-	88,222
Interest payable	59,151	-	59,151
Unearned revenue	2,390,658	-	2,390,658
Noncurrent liabilities			
Due within one year	906,826	-	906,826
Due in more than one year	2,761,139	-	2,761,139
 Total liabilities	 6,459,059	 -	 6,459,059
NET ASSETS			
Invested in capital assets, net of related debt	15,422,879	-	15,422,879
Restricted for			
Liability insurance	122,109	-	122,109
Debt service	619,246	-	619,246
IMRF	171,206	-	171,206
Social security and medicare	152,307	-	152,307
Audit	20,543	-	20,543
Paving and lighting	77,873	-	77,873
Special recreation	529,120	-	529,120
Working cash	107,191	-	107,191
Unrestricted	149,620	(115,654)	33,966
 TOTAL NET ASSETS (DEFICIT)	 \$ 17,372,094	 \$ (115,654)	 \$ 17,256,440

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2011

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
Governmental Activities				
General government	\$ 682,177	\$ 78,170	\$ -	\$ -
Culture and recreation	5,700,619	3,486,955	-	247,000
Interest	176,534	-	-	-
Total governmental activities	6,559,330	3,565,125	-	247,000
Business-Type Activities				
Concessions	1,656	19,025	-	-
Total business-type activities	1,656	19,025	-	-
TOTAL PRIMARY GOVERNMENT	\$ 6,560,986	\$ 3,584,150	\$ -	\$ 247,000

	<u>Net (Expense) Revenue and Change in Net Assets</u>		
	<u>Governmental</u>	<u>Business-Type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
	\$ (604,007)	\$ -	\$ (604,007)
	(1,966,664)	-	(1,966,664)
	(176,534)	-	(176,534)
	<u>(2,747,205)</u>	<u>-</u>	<u>(2,747,205)</u>
	-	17,369	17,369
	-	17,369	17,369
	<u>(2,747,205)</u>	<u>17,369</u>	<u>(2,729,836)</u>
General revenues			
Taxes			
Property	3,677,573	-	3,677,573
Replacement	86,552	-	86,552
Investment income	11,225	-	11,225
Miscellaneous	81,665	-	81,665
Total	<u>3,857,015</u>	<u>-</u>	<u>3,857,015</u>
CHANGE IN NET ASSETS	1,109,810	17,369	1,127,179
NET ASSETS (DEFICIT), MAY 1	<u>16,262,284</u>	<u>(133,023)</u>	<u>16,129,261</u>
NET ASSETS (DEFICIT), APRIL 30	<u>\$ 17,372,094</u>	<u>\$ (115,654)</u>	<u>\$ 17,256,440</u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS

BALANCE SHEET
 GOVERNMENTAL FUNDS

April 30, 2011

	General	Recreation	IMRF/ FICA	Special Recreation	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and investments	\$ 536,832	\$ 65,642	\$ 323,513	\$ 578,060	\$ 619,246	\$ 282,828	\$ 101,416	\$ 2,507,537
Receivables (net, where applicable, of allowances for uncollectibles)								
Property taxes	615,235	382,583	281,768	193,877	540,270	-	28,435	2,042,168
Other	8,333	87,212	-	-	-	-	-	95,545
Advances to other funds	469,015	121,500	-	-	-	-	107,191	697,706
TOTAL ASSETS	\$ 1,629,415	\$ 656,937	\$ 605,281	\$ 771,937	\$ 1,159,516	\$ 282,828	\$ 237,042	\$ 5,342,956

	General	Recreation	IMRF/ FICA	Special Recreation	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 74,191	\$ 126,932	\$ -	\$ 48,940	\$ -	\$ -	\$ 3,000	\$ 253,063
Accrued payroll	23,040	65,182	-	-	-	-	-	88,222
Deferred revenue	615,235	731,073	281,768	193,877	540,270	-	28,435	2,390,658
Advances from other funds	107,191	469,015	-	-	-	-	-	576,206
Total liabilities	819,657	1,392,202	281,768	242,817	540,270	-	31,435	3,308,149
FUND BALANCES								
Reserved for advances	469,015	121,500	-	-	-	-	-	590,515
Reserved for insurance	122,109	-	-	-	-	-	-	122,109
Reserved for debt service	-	-	-	-	619,246	-	-	619,246
Reserved for IMRF	-	-	171,206	-	-	-	-	171,206
Reserved for social security and medicare	-	-	152,307	-	-	-	-	152,307
Reserved for audit purposes	-	-	-	-	-	-	20,543	20,543
Reserved for paving and lighting	-	-	-	-	-	-	77,873	77,873
Reserved for special recreation	-	-	-	529,120	-	-	-	529,120
Reserved for working cash	-	-	-	-	-	-	107,191	107,191
Unreserved								
General fund (deficit)	218,634	-	-	-	-	-	-	218,634
Special revenue funds (deficit)	-	(856,765)	-	-	-	-	-	(856,765)
Capital projects funds	-	-	-	-	-	282,828	-	282,828
Total fund balances (deficit)	809,758	(735,265)	323,513	529,120	619,246	282,828	205,607	2,034,807
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,629,415	\$ 656,937	\$ 605,281	\$ 771,937	\$ 1,159,516	\$ 282,828	\$ 237,042	\$ 5,342,956

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

April 30, 2011

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,034,807
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets of the general government are not financial resources and, therefore, are not reported in the governmental funds	18,894,021
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(3,535,000)
Capital leases payable	(13,608)
Accrued interest payable	(59,151)
Compensated absences payable	(100,965)
Net other postemployment benefits asset	2,668
Unamortized premium on bonds	(18,392)
The accounting loss on refunding is not displayed in governmental funds but is shown as a component of long-term debt and amortized over the life of the bonds on the statement of net assets	95,858
Issuance costs are expenditures in governmental funds but are shown as a deferred charge and amortized over the life of the bonds on the statement of net assets	<u>71,856</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 17,372,094</u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	General	Recreation	IMRF/ FICA	Special Recreation	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 1,152,816	\$ 682,536	\$ 543,744	\$ 349,987	\$ 982,747	\$ -	\$ 52,295	\$ 3,764,125
Charges for services	-	3,479,990	-	-	-	-	-	3,479,990
Intergovernmental	-	-	-	-	-	247,000	-	247,000
Investment income	11,225	-	-	-	-	-	-	11,225
Miscellaneous	85,137	81,663	-	-	-	-	-	166,800
Total revenues	1,249,178	4,244,189	543,744	349,987	982,747	247,000	52,295	7,669,140
EXPENDITURES								
Current								
General government								
Administration	472,005	-	-	-	-	-	-	472,005
Insurance	52,640	-	-	-	-	-	-	52,640
Employee benefits	-	-	138,087	-	-	-	-	138,087
Audit and professional services	-	-	-	-	-	-	17,967	17,967
Culture and recreation								
Parks administration	651,470	-	-	-	-	-	-	651,470
Insurance	157,922	-	-	-	-	-	-	157,922
Recreation and maintenance	-	1,319,053	-	-	-	-	-	1,319,053
General recreation programs	-	689,049	-	-	-	-	-	689,049
Sports Complex and West Meadows Ice arenas	-	1,389,730	-	-	-	-	-	1,389,730
Swimming pool programs	-	106,993	-	-	-	-	-	106,993
Employee benefits	-	-	414,261	-	-	-	-	414,261
Paving and lighting	-	-	-	-	-	-	17,797	17,797
Special recreation	-	-	-	252,524	-	-	-	252,524
CARE Program	-	143,697	-	-	-	-	-	143,697
Plum Grove Park	-	129,089	-	-	-	-	-	129,089
Capital outlay	-	-	-	-	-	445,946	-	445,946
Debt service								
Principal retirement	-	13,608	-	-	835,000	128,268	-	976,876
Interest and fiscal charges	-	-	-	-	102,479	68,891	-	171,370
Total expenditures	1,334,037	3,791,219	552,348	252,524	937,479	643,105	35,764	7,546,476

	General	Recreation	IMRF/ FICA	Special Recreation	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (84,859)	\$ 452,970	\$ (8,604)	\$ 97,463	\$ 45,268	\$ (396,105)	\$ 16,531	\$ 122,664
OTHER FINANCING SOURCE (USES)								
Transfer in	-	20,307	-	-	-	19,236	-	39,543
Transfer (out)	-	-	-	(39,543)	-	-	-	(39,543)
Total other financing sources (uses)	-	20,307	-	(39,543)	-	19,236	-	-
NET CHANGE IN FUND BALANCES	(84,859)	473,277	(8,604)	57,920	45,268	(376,869)	16,531	122,664
FUND BALANCES (DEFICIT), MAY 1	894,617	(1,208,542)	332,117	471,200	573,978	659,697	189,076	1,912,143
FUND BALANCES (DEFICIT), APRIL 30	\$ 809,758	\$ (735,265)	\$ 323,513	\$ 529,120	\$ 619,246	\$ 282,828	\$ 205,607	\$ 2,034,807

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, 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 April 30, 2011

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 122,664
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the in the statement of activities	568,757
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities:	
General obligation bonds	835,000
Installment contracts	120,000
Capital leases	21,876
Certain changes in long-term debt are report as (increases) decreases in interest expense on the statement of activities	
Change in accrued interest	13,862
Amortization of premium on bonds	6,946
Amortization of bond issuance costs	(13,990)
Amortization of accounting loss on refunding	(11,982)
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 governmental funds	
Depreciation	(531,143)
Loss on disposal of capital assets	(16,264)
The change in compensated absences payable is shown as an expense on the statement of activities	
	(7,430)
The change in net other postemployment benefits payable is shown as an expense on the statement of activities	
	<u>1,514</u>
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 1,109,810</u></u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

April 30, 2011

	<u>Concessions</u>
CURRENT ASSETS	
Cash	\$ 446
Accounts receivable	<u>5,400</u>
Total assets	<u>5,846</u>
CURRENT LIABILITIES	
Advances from other funds	<u>121,500</u>
Total liabilities	<u>121,500</u>
NET ASSETS	
Unrestricted	<u>(115,654)</u>
TOTAL NET ASSETS (DEFICIT)	<u><u>\$ (115,654)</u></u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	<u>Concessions</u>
OPERATING REVENUES	
Charges for service	<u>\$ 19,025</u>
Total operating revenues	<u>19,025</u>
OPERATING EXPENSES	
Supplies	<u>1,656</u>
Total operating expenses	<u>1,656</u>
CHANGES IN NET ASSETS	17,369
NET ASSETS (DEFICIT), MAY 1	<u>(133,023)</u>
NET ASSETS (DEFICIT), APRIL 30	<u><u>\$ (115,654)</u></u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2011

	<u>Concessions</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 13,625
Payments to suppliers	<u>(1,656)</u>
Net cash from operating activities	<u>11,969</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payment to recreation fund	<u>(11,672)</u>
Net cash from noncapital financing activities	<u>(11,672)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
None	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	297
CASH AND CASH EQUIVALENTS, MAY 1	<u>149</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 446</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 17,369
Adjustments to reconcile operating income to net cash from operating activities	
Accounts receivable	<u>(5,400)</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 11,969</u></u>

See accompanying notes to financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The District has adopted the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, under which the financial statements include all organizations, activities, functions and component units for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the District's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District.

The accompanying basic financial statements present the District only since the District does not have component units. The District has a separately elected board, the power to levy taxes, the authorization to expend funds, the responsibility to designate management and the ability to prepare and modify the annual budget and issue debt. Therefore, the District is not included as a component unit of any other entity.

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 government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental and proprietary.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

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

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). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the District has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity has been eliminated from these statements except for interfund services provided and used. 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 fees and charges for support.

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 standard revenues 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

The Recreation Fund accounts for the operation of the District's recreation activities and is financed by a specific annual property tax levy to the extent user charges are not sufficient.

The IMRF/FICA Fund accounts for the property tax revenues and related expenditures for the District's participation in the Illinois Municipal Retirement Fund, Social Security and Medicare.

The Special Recreation Fund accounts for the expenditures for the District's participation in the Northwest Special Recreation Association and is financed by a specific annual property tax levy.

The Debt Service Fund is used to account for the payment of principal and interest on the District's general obligation bonds.

The Capital Projects Fund accounts for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The District has elected to report this fund as a major fund.

The District reports the following major proprietary funds:

The Concession Fund operations are financed similar to a private business enterprise; the intent is that the cost of the service is financed by user charges and the activities be measured on a net income basis.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary financial statements. Revenues are recorded when earned and expenses 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. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operations of these funds.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, usually 60 days. The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, licenses, interest revenue and charges for services.

In applying the susceptible-to-accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The District reports deferred or unearned revenue on its financial statements. Unearned or deferred revenues arise when a potential revenue does not meet the measurable, available or earned and earned criteria for recognition in the current period. Unearned or deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for unearned or deferred revenue is removed from the financial statements and revenue is recognized.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

In accordance with Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, nonnegotiable certificates of deposit and investments with maturity of less than one year at date of purchase are stated at amortized cost. All other investments are recorded at fair value.

f. 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 funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

g. Inventories

Inventories are valued at cost. Cost has been determined using the first-in, first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight- line method over the following estimated useful lives:

Land improvements	10-50 years
Buildings and other improvements	10-50 years
Machinery and equipment	3-10 years

j. Compensated absences

Vested or accumulated sick leave and compensatory time off that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested and accumulated sick leave and compensatory time off of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs and unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and unamortized loss on refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

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.

l. Fund Balances/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the net assets are restricted as a result of enabling legislation adopted by the District. Invested in capital assets, net of related debt, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

2. LEGAL COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balances

The following funds had a deficit in fund balance at April 30, 2011:

Fund	Deficit
Recreation Fund	\$ (735,265)
Concessions	(115,654)

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS

The District’s investment policy authorizes the District to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). The District’s investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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 objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The District maintains a cash and investment pool that is available for use by all funds. In addition, investments are separately held by several of the District’s funds.

a. 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, at 110% of the deposits secured, for all bank balances in excess of federal depository insurance, with the collateral held by and independent third party.

b. Investments

The following table presents the investments and maturities of the District’s debt securities as of April 30, 2011:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
Illinois Park District Liquid Asset Fund	\$ 66,490	\$ 66,490	\$ -	\$ -	\$ -
TOTAL	\$ 66,490	\$ 66,490	\$ -	\$ -	\$ -

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

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 primarily investing in external investment pools.

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 basis with the underlying investments held in a custodial account with the trust department of an approved financial institution.

Concentration of credit risk is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2011 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 5,788,400	\$ -	\$ -	\$ 5,788,400
Construction in progress	-	61,751	-	61,751
Total capital assets not being depreciated	<u>5,788,400</u>	<u>61,751</u>	<u>-</u>	<u>5,850,151</u>
Capital assets being depreciated				
Land Improvements	2,072,821	5,500	-	2,078,321
Construction	16,158,035	420,597	-	16,578,632
Machinery and equipment	2,680,905	24,878	172,557	2,533,226
Licensed vehicles	397,339	56,031	-	453,370
Total capital assets being depreciated	<u>21,309,100</u>	<u>507,006</u>	<u>172,557</u>	<u>21,643,549</u>

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Land Improvements	\$ 968,071	\$ 51,195	\$ -	\$ 1,019,266
Construction	6,035,156	335,430	-	6,370,586
Machinery and equipment	1,028,043	100,716	156,293	972,466
Licensed vehicles	193,559	43,802	-	237,361
Total accumulated depreciation	<u>8,224,829</u>	<u>531,143</u>	<u>156,293</u>	<u>8,599,679</u>
 Total capital assets being depreciated, net	 <u>13,084,271</u>	 <u>(24,137)</u>	 <u>16,264</u>	 <u>13,043,870</u>
 GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	 <u>\$18,872,671</u>	 <u>\$ 37,614</u>	 <u>\$ 16,264</u>	 <u>\$18,894,021</u>

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

GOVERNMENTAL ACTIVITIES	
Recreation	<u>\$ 531,143</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 531,143</u>

5. PROPERTY TAXES

The District's property taxes are levied each calendar year on all taxable real property located in the District. Property taxes collected are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of Cook County is reassessed each year on a repeating triennial schedule established by the County Assessor.

The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in Cook County.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. PROPERTY TAXES (Continued)

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. The first installment is an estimated bill and is one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December of the levy year. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

The 2010 property tax levy is recorded as a receivable, net of estimated uncollectibles approximating 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, is recognized as revenue. Such time thereafter does not exceed 60 days. Net taxes receivable, less the amount expected to be collected during a period not exceeding 60 days after the end of the fiscal year, are reflected as deferred revenue.

The 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011 as the tax has not yet been levied by the District and will not be levied until December 2011, and therefore, the levy is not measurable at April 30, 2011.

6. RISK MANAGEMENT

The District is exposed to various risks of loss to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees and natural disasters. The District purchases insurance to cover employee health, dental and life insurance.

Park District Risk Management Agency (PDRMA)

The District participates in the PDRMA. PDRMA is a public entity risk pool whose members are Illinois governments. PDRMA manages and funds first party property losses, third party liability claims, boiler and machinery claims, workers' compensation claims and public officials' liability claims of its members. The District's payments to PDRMA are displayed on the financial statements as expenditures in the Tort Immunity Fund.

Each member assumes the first \$1,000 of property claims each occurrence and has self-insurance retentions at various amounts.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

Park District Risk Management Agency (PDRMA) (Continued)

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Risk Manager and a Treasurer.

The District does not exercise any control over the activities of PDRMA beyond its representation on the Board of Directors.

Initial contributions are determined in advance of each membership year based on the individual member's expenditures as defined in the bylaws of PDRMA, assessment factors based on past member experience and the funding needs for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure that adequate funds are available to meet the obligations applicable to the membership year. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

At December 31, 2010, the total equity of PDRMA was \$30,394,424. For the year ended December 31, 2010, the net income (loss) of PDRMA was \$787,923. The District's share of the overall equity is 1.418% or \$430,823. The District made \$130,065 of payments to PDRMA during the year ended April 30, 2011.

In the event of a liability loss exceeding \$16,500,000 per occurrence, self-insured and reinsurance limit, the members would be responsible for funding the excess amount.

PDRMA Health Program

The District participates in the PDRMA Health Program, a health insurance pool of park districts, special recreation associations and public service organizations through which medical, vision, dental, life and prescription drug card coverage are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$225,000. The District's payments to the PDRMA Health Program are displayed on the financial statements as expenditures in the governmental funds.

Members can choose to provide any combination of coverages to their employees, and pay premiums accordingly.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

As a member of the PDRMA Health Program, the District is represented on the Health Program Council as well as the Membership Assembly and is entitled to one vote on each. The relationship between the District and the PDRMA Health Program is governed by a contract and by-laws that have been adopted by resolution of the each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

At December 31, 2010, the most recent information available, the total equity of the PDRMA Health Program was \$5,782,030. For the period ended December 31, 2010, the net loss of the PDRMA Health Program was \$1,836,509.

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

7. LONG-TERM DEBT

a. General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds.

Governmental Activities

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
2004 Alternative Source General Obligation Bonds- \$4,460,000 due in annual installments of \$20,000 to \$430,000 through November 15, 2018; interest at 3.50% to 4.50% funded by district program revenues.	Debt Service	\$ 3,300,000	\$ -	\$ 310,000	\$ 2,990,000	\$ 320,000

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Governmental Activities (Continued)

Issue	Fund Debt Retired by	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
2009 General Obligation Limited Tax Park Bonds- \$1,070,000 due in annual installments of \$525,000 and \$545,000 on December 1, 2010 and December 1, 2011, respectively; interest at 2.85% to 2.90% funded by Debt Service Fund property tax levies.	Debt Service	\$ 1,070,000	\$ -	\$ 525,000	\$ 545,000	\$ 545,000
TOTAL		\$ 4,370,000	\$ -	\$ 835,000	\$ 3,535,000	\$ 865,000

b. Installment Contracts/Debt Certificates

Governmental Activities

The District enters into installment contracts/debt certificates payable to provide funds for the acquisition of capital assets. Installment contracts/debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
2002 Limited Tax Capital Appreciation Certificates - \$1,000,000; due in annual installments of \$120,000 to \$150,000 commencing December 1, 2007 through December 1, 2010. To be repaid from the Recreation Fund.	Debt Service	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ -
TOTAL		\$ 120,000	\$ -	\$ 120,000	\$ -	\$ -

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

c. Capital Leases

The District enters into capital leases for the purchase of machinery and equipment. The District has entered into various capital leases payable over 60 months. The total amount of equipment purchased under outstanding capital leases is \$111,115 as of April 30, 2011. Capital leases currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
West Meadows copier lease payable in 60 monthly installments of \$567 from October 2006 through September 2011. Lease was transferred to West Meadows.	Recreation	\$ 9,639	\$ -	\$ 6,804	\$ 2,835	\$ 2,835
Park Central copier lease payable in 60 monthly installments of \$567 from October 2006 through September 2011.	Recreation	17,577	-	6,804	10,773	6,804
Lawn Tracker lease payable in five annual installments ranging from \$8,269 to \$10,000 payable from July 2006 through July 2010.	Capital Projects	8,268	-	8,268	-	-
TOTAL		\$ 35,484	\$ -	\$ 21,876	\$ 13,608	\$ 9,639

d. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	General Obligation Bonds	
	Principal	Interest
2012	\$ 865,000	\$ 141,963
2013	335,000	113,357
2014	350,000	99,958
2015	365,000	85,520
2016	380,000	70,555
2017	395,000	54,595
2018	415,000	37,610
2019	430,000	19,350
TOTAL	\$ 3,535,000	\$ 622,908

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity (Continued)

Obligations of governmental activities under capital leases, including future interest payments, at April 30, 2011 were as follows:

Fiscal Years Ending April 30,	Capital Leases
2012	\$ 9,639
2013	3,969
Total minimum lease payments	13,608
Less amount representing interest costs	-
TOTAL	\$ 13,608

e. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities.

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
General obligation bonds	\$ 4,370,000	\$ -	\$ 835,000	\$ 3,535,000	\$ 865,000
Installment contracts/debt certificates	120,000	-	120,000	-	-
Capital leases	35,484	-	21,876	13,608	9,639
Unamortized premiums	25,338	-	6,946	18,392	6,946
Compensated absences*	93,535	30,814	23,384	100,965	25,241
Net other postemployment benefit obligation asset*	(1,154)	(1,514)	-	(2,668)	-
TOTAL	\$ 4,643,203	\$ 29,300	\$ 1,007,206	\$ 3,665,297	\$ 906,826

* Compensated absences and the net other postemployment benefit obligation are funded by the general and recreation funds.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

f. Legal Debt Margin

2009 equalized assessed valuation (most recent available)	<u>\$ 926,916,254</u>
Debt limitation - 2.875% of assessed valuation	<u>\$ 26,648,842</u>
Amount of debt applicable to debt limit	
2004 General Obligation Bonds	2,990,000
2009 General Obligation Bonds	<u>545,000</u>
Total debt	<u>3,535,000</u>
LEGAL DEBT MARGIN	<u>\$ 23,113,842</u>

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides, “. . . for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protecting of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any Government is authorized to issue the bonds or notes of such Government and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the District’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the District, who voted at the last general election in the District, asking that the authorized aggregate indebtedness of the District be increased to not more than 5.75% of the value of the taxable property therein, is presented to the board and such increase is approved by the voters of the District at a referendum held on the question.”

g. Tax Anticipation Notes

On December 1, 2010 the District issued \$610,000 of tax anticipation notes. These were retired within 62 days on February 1, 2011 and resulted in \$1,554 in interest payments. These notes were necessary for the meeting of operational expenditure due to the timing of property tax receipts.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

h. Alternative Revenue Bonds

The District has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams. The Series 2004 General Obligation Alternate Revenue Source Bonds, issued for the construction and acquisition of an Ice Arena Facility, are payable from a pledge of the District's Ice Arena Revenues, with a remaining total pledge of \$3,597,103 and the bonds maturing November 15, 2018. During the current fiscal year, the pledge of Ice Arena Revenues of \$447,782 was approximately 40.53% of total Ice Arena Revenues revenues.

8. COMMITMENTS AND CONTINGENCIES

Contingent Liabilities

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

9. JOINT VENTURE

Northwest Special Recreation Association

The District is a member of the Northwest Special Recreation Association (the Association), which was organized by 16 area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis.

The Association's Board of Directors consists of one representative from each participating park district. The Board of Directors is the governing body of the Association and is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlay, programming and master plans. This cooperative association, however, is considered a separate reporting entity by the District's administration. The District does not have financial accountability for the Association, and accordingly, the Association has not been included in the accompanying general purpose financial statements. To obtain the Association's financial statements, contact their administrative offices at 3000 W. Central Road, Suite 205, Rolling Meadows, Illinois 60008.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. GOLDEN YEARS COUNCIL

The Golden Years Council (the Council), a nonprofit, independent organization utilizes the Senior Citizens Center of the District. The District provides certain services and resources to the Council at no cost, including utilities, custodial service, insurance on certain equipment and the salary of a full-time recreation programmer. Special program activity costs provided by the District are covered by program fees collected from Senior Citizens Center program participants. The Council maintains separate accounting records for certain funds received and disbursed, which are not included in the District's financial statements.

11. INTERFUND SCHEDULE

a. Advance To/From Other Funds

Receivable Fund	Payable Fund	Amount
General	Recreation	\$ 469,015
Recreation	Concessions	121,500
Nonmajor Governmental	General	<u>107,191</u>
TOTAL		<u><u>\$ 697,706</u></u>

The purposes of the advance to/from other funds are as follows:

- The \$469,015 due from the Recreation Fund to the General Fund is due to a long-term cash loans due to deficit cash within this fund. This amount will be repaid.
- The \$121,500 advanced from the Recreation Fund to the Concessions Fund is startup costs associated with the setup of the Concessions Fund. This amount will be repaid.
- The \$107,191 advance to the Working Cash Fund from the General Fund is a cash loan that will be repaid.

b. Interfund Transfers

Individual interfund transfers are as follows:

	Transfers In	Transfers Out
Recreation	\$ 20,307	\$ -
Special Recreation	-	39,543
Capital Projects	<u>19,236</u>	<u>-</u>
TOTAL	<u><u>\$ 39,543</u></u>	<u><u>\$ 39,543</u></u>

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. INTERFUND SCHEDULE (Continued)

c. Interfund Transfers (continued)

The purpose of the interfund transfer was:

- The \$39,243 transferred from the Special Recreation Fund to the Recreation Fund and Capital Projects Fund was for reimbursement for certain allowable ADA costs. The amount will not be repaid.

12. RETIREMENT FUND COMMITMENTS

a. Plan Descriptions

Illinois Municipal Retirement Fund

The District's defined benefit pension 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 required supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2010 was 18.02% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. RETIREMENT FUND COMMITMENTS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

For April 30, 2011, the District's annual pension cost of \$326,833 was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 2008 actuarial valuation using the entry-age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 0.4% to 10.00% per year and (c) 3% per year cost-of-living adjustments (d) post-retirement benefit increases of 3% annually. Both (a) and (b) included an inflation component of 4.00%. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis (overfunded liability amortized on open basis). The remaining amortization period at December 31, 2010 was 30 years.

Employer annual required contribution (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

b. Summary of Significant Accounting Policies and Plan Asset Matters

Significant Investments - There are no investments (other than U.S. Government and U.S. agency - guaranteed obligations) in any one organization that represents 5% or more of net assets available for benefits.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

12. RETIREMENT FUND COMMITMENTS (Continued)

c. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

	Fiscal Year	Amount
Annual required contribution (ARC)	2009	\$ 286,690
	2010	287,550
	2011	326,833
Actual contribution	2009	\$ 286,690
	2010	287,550
	2011	326,833
Percentage of ARC contributed	2009	100.00%
	2010	100.00%
	2011	100.00%
NPO (asset)	2009	\$ -
	2010	-
	2011	-

The funded status of the plan as of April 30, 2011 is based on actuarial valuations performed as of December 31, 2010 for the Illinois Municipal Retirement Fund and is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC of the plans as disclosed above.

	Illinois Municipal Retirement
Actuarial accrued liability (AAL)	\$ 6,000,648
Actuarial value of plan assets	3,755,370
Unfunded actuarial accrued liability (UAAL)	2,245,278
Funded ratio (actuarial value of plan assets/AAL)	62.58%
Covered payroll (active plan members)	\$ 1,780,047
UAAL as a percentage of covered payroll	126.14%

See the schedules of funding progress in the required supplementary information immediately following the notes to the financial statements for additional information related to the funded status of the plan.

13. TERMINATION BENEFITS

During 2002, the District adopted an Early Retirement Incentive Program Offered by the IMRF. For an employee to be eligible to retire under this plan, the employee must have attained age 50 and have at least 20 years of creditable service by his or her retirement date. Five employees of the District accepted the early retirement agreement. Under the agreement, the District and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The District has amortized its additional contributions over a ten-year period with interest charged annually on the remaining balance at 7.5%. These additional contributions are made through regular monthly contributions to IMRF. As of December 31, 2010, the most recent valuation available, the District's remaining contributions due under the program was \$258,911.

14. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the District provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the 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 and union contracts. 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 governmental and business-type activities.

b. Benefits Provided

The District provides pre and post Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under the District's retirement plan. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the District's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2010, membership consisted of:

Retirees and beneficiaries currently receiving benefits	2
Terminated employees entitled to benefits but not yet receiving them	-
Active employees - vested	18
Active employees - nonvested	<u>18</u>
 TOTAL	 <u><u>38</u></u>
 Participating employers	 <u><u>1</u></u>

d. Funding Policy

The District is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The District first had an actuarial valuation performed for the Plan as of April 30, 2009 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended April 30, 2010. The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010 and 2011 was as follows (information for the preceding years is not available as an actuarial valuation was performed for the first time as of May 1, 2009):

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 7,295	\$ 8,449	115.82%	\$ (1,154)
April 30, 2011	6,935	8,449	121.84%	(2,668)

ROLLING MEADOWS PARK DISTRICT
 ROLLING MEADOWS, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of April 30, 2011 was calculated as follows:

Annual required contribution	\$ 6,954
Interest on net OPEB obligation	(58)
Adjustment to annual required contribution	<u>39</u>
Annual OPEB cost	6,935
Contributions made	<u>8,449</u>
Increase in net OPEB obligation	(1,514)
Net OPEB obligation, beginning of year	<u>(1,154)</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ (2,668)</u>

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2010, the most recent information available, was as follows:

Actuarial accrued liability (AAL)	\$ 86,129
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	86,129
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 1,511,029
UAAL as a percentage of covered payroll	5.70%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the May 1, 2009 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0%, projected salary increases of 5.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the District has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011 was 30 years.

REQUIRED SUPPLEMENTARY INFORMATION

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	\$ 1,140,000	\$ 1,140,000	\$ 1,066,264
Replacement taxes	75,000	75,000	86,552
Investment income	9,000	9,000	11,225
Miscellaneous	23,000	23,000	85,137
Total revenues	1,247,000	1,247,000	1,249,178
EXPENDITURES			
Current			
General government			
Administration	522,000	522,000	472,005
Insurance	59,750	59,750	52,640
Culture and recreation			
Parks administration	628,000	628,000	651,470
Insurance	179,250	179,250	157,922
Total expenditures	1,389,000	1,389,000	1,334,037
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(142,000)	(142,000)	(84,859)
NET CHANGE IN FUND BALANCE	<u>\$ (142,000)</u>	<u>\$ (142,000)</u>	(84,859)
FUND BALANCE, MAY 1			<u>894,617</u>
FUND BALANCE, APRIL 30			<u>\$ 809,758</u>

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 740,000	\$ 740,000	\$ 682,536
Charges for services			
Charges for recreation programs	990,000	990,000	1,042,474
Sports Complex revenue	890,200	890,200	950,195
West Meadows revenue	864,800	864,800	1,104,776
Swimming pool revenue	64,000	64,000	69,535
Plum Grove Park revenue	88,000	88,000	66,356
CARE Program revenue	220,000	220,000	207,165
Rental income	38,000	38,000	39,489
Miscellaneous	54,000	54,000	81,663
Total revenues	3,949,000	3,949,000	4,244,189
EXPENDITURES			
Current			
Culture and recreation			
Recreation and maintenance	1,529,500	1,529,500	1,319,053
General recreation programs	701,000	701,000	689,049
Sports Complex and West Meadows Ice arenas	1,407,000	1,407,000	1,389,730
Swimming pool programs	125,000	125,000	106,993
CARE Program	148,000	148,000	143,697
Plum Grove Park	140,500	140,500	129,089
Debt service			
Principal	14,000	14,000	13,608
Total expenditures	4,065,000	4,065,000	3,791,219
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(116,000)	(116,000)	452,970
OTHER FINANCING SOURCE (USES)			
Transfer in	20,000	20,000	20,307
Total other financing sources (uses)	20,000	20,000	20,307
NET CHANGE IN FUND BALANCE	\$ (96,000)	\$ (96,000)	473,277
FUND BALANCE (DEFICIT), MAY 1			(1,208,542)
FUND BALANCE (DEFICIT), APRIL 30			\$ (735,265)

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT/FICA FUND

For the Year Ended April 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Property taxes			
IMRF	\$ 380,000	\$ 380,000	\$ 361,325
FICA and Medicare	190,000	190,000	182,419
	<hr/>		
Total revenues	570,000	570,000	543,744
	<hr/>		
EXPENDITURES			
Current			
General government			
Employee benefits			
IMRF	90,000	90,000	89,958
FICA and Medicare	52,500	52,500	48,129
Culture and recreation			
Employee benefits			
IMRF	270,000	270,000	269,875
FICA and Medicare	157,500	157,500	144,386
	<hr/>		
Total expenditures	570,000	570,000	552,348
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	(8,604)
FUND BALANCE, MAY 1			<u>332,117</u>
FUND BALANCE, APRIL 30			<u><u>\$ 323,513</u></u>

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 370,000	\$ 370,000	\$ 349,987
EXPENDITURES			
Current			
Culture and recreation			
Special Recreation programs	220,000	220,000	252,524
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>150,000</u>	<u>150,000</u>	<u>97,463</u>
OTHER FINANCING SOURCE (USES)			
Transfer (out)	(200,000)	(200,000)	(39,543)
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(39,543)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	57,920
FUND BALANCE, MAY 1			<u>471,200</u>
FUND BALANCE, APRIL 30			<u><u>\$ 529,120</u></u>

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	Unfunded (Overfunded) AAL as a Percentage of Covered Payroll (4) / (5)
2005	\$ 3,028,259	\$ 4,486,822	67.49%	\$ 1,458,563	\$ 1,551,659	94.00%
2006	3,639,152	4,989,056	72.94%	1,349,904	1,782,459	75.73%
2007	3,848,491	5,131,685	74.99%	1,283,194	1,866,559	68.75%
2008	2,729,547	5,058,592	53.96%	2,329,045	1,969,571	118.25%
2009	3,229,965	5,711,947	56.55%	2,481,982	1,937,098	128.13%
2010	3,755,370	6,000,648	62.58%	2,245,278	1,780,047	126.14%

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	Unfunded (Overfunded) AAL as a Percentage of Covered Payroll (4) / (5)
2010	\$ -	\$ 86,129	0.00%	\$ 86,129	\$ 1,511,029	5.70%
2011	n/a	n/a	n/a	n/a	n/a	n/a

n/a - information is not available as no actuarial valuation was performed

Information for prior years not available.

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2011

<u>Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2006	\$ 295,175	\$ 295,175	100.00%
2007	298,649	298,649	100.00%
2008	297,602	297,602	100.00%
2009	286,690	286,690	100.00%
2010	287,550	287,550	100.00%
2011	326,833	326,833	100.00%

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2011

<u>Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2010	\$ 8,449	\$ 7,295	115.82%
2011	8,449	6,954	121.50%

Information for prior years not available.

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2011

1. BUDGETS AND BUDGETARY ACCOUNTING

- a. The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the required supplementary information.
- 1) The Executive Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
 - 2) Public hearings on the budget are conducted.
 - 3) Prior to August 1 of the following fiscal year, the budget is legally enacted through the passage of a Budget and Appropriations Ordinance.
 - 4) The Board of Commissioners may amend the Budget and Appropriation Ordinance in the same manner as its original enactment.
 - 5) The legal level of budgetary control is the fund level.
 - 6) All appropriations lapse at the year end. Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level.
 - 7) The appropriations were not amended during the year by the Board of Commissioners.
- b. Annual budgets are adopted for the General Fund (including the Insurance Subfund), Special Revenue Funds, the Debt Service Fund and the Concessions Fund. The District adopts budgets consistent with accounting principles generally accepted in the United States of America.

2. EXCESSES OF EXPENDITURES OVER BUDGET

The following funds had expenditures over operating budget:

	<u>Expenditures Over Budget</u>
Special Recreation Fund	\$ 32,524

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 1,050,000	\$ 1,050,000	\$ 982,747
EXPENDITURES			
Debt service			
Principal retirement	835,000	835,000	835,000
Interest and fees	103,000	103,000	102,479
Total expenditures	938,000	938,000	937,479
NET CHANGE IN FUND BALANCE	\$ 112,000	\$ 112,000	45,268
FUND BALANCE, MAY 1			573,978
FUND BALANCE, APRIL 30			\$ 619,246

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2011

	Special Revenue		Permanent	Total
	Audit	Paving and Lighting	Working Cash	Nonmajor Governmental Funds
ASSETS				
Cash	\$ 23,543	\$ 77,873	\$ -	\$ 101,416
Receivables				
Property taxes	5,170	23,265	-	28,435
Due from other funds	-	-	107,191	107,191
TOTAL ASSETS	\$ 28,713	\$ 101,138	\$ 107,191	\$ 237,042
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 3,000	\$ -	\$ -	\$ 3,000
Deferred revenue	5,170	23,265	-	28,435
Total liabilities	8,170	23,265	-	31,435
FUND BALANCES				
Reserved for audit purposes	20,543	-	-	20,543
Reserved for paving and lighting	-	77,873	-	77,873
Reserved for working cash	-	-	107,191	107,191
Total fund balances	20,543	77,873	107,191	205,607
TOTAL LIABILITIES AND FUND BALANCES	\$ 28,713	\$ 101,138	\$ 107,191	\$ 237,042

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Special Revenue		Permanent	Total
	Audit	Paving and Lighting	Working Cash	Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 9,450	\$ 42,845	\$ -	\$ 52,295
Total revenues	9,450	42,845	-	52,295
EXPENDITURES				
Current				
General government				
Audit and professional services	17,967	-	-	17,967
Culture and recreation				
Paving and lighting	-	17,797	-	17,797
Total expenditures	17,967	17,797	-	35,764
NET CHANGE IN FUND BALANCES	(8,517)	25,048	-	16,531
FUND BALANCES, MAY 1	29,060	52,825	107,191	189,076
FUND BALANCES, APRIL 30	\$ 20,543	\$ 77,873	\$ 107,191	\$ 205,607

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 10,000	\$ 10,000	\$ 9,450
EXPENDITURES			
Current			
General government			
Audit and professional services	18,000	18,000	17,967
NET CHANGE IN FUND BALANCE	<u>\$ (8,000)</u>	<u>\$ (8,000)</u>	(8,517)
FUND BALANCE, MAY 1			<u>29,060</u>
FUND BALANCE, APRIL 30			<u>\$ 20,543</u>

(See independent auditor's report.)

ROLLING MEADOWS PARK DISTRICT
ROLLING MEADOWS, ILLINOIS

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

For the Year Ended April 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 45,000	\$ 45,000	\$ 42,845
EXPENDITURES			
Current			
Culture and recreation			
Paving and lighting	90,000	90,000	17,797
NET CHANGE IN FUND BALANCE	<u>\$ (45,000)</u>	<u>\$ (45,000)</u>	25,048
FUND BALANCE, MAY 1			<u>52,825</u>
FUND BALANCE, APRIL 30			<u>\$ 77,873</u>

(See independent auditor's report.)