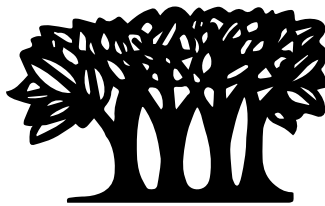


MORTON GROVE
PARK DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



MORTON GROVE
PARK DISTRICT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022

6834 W. Dempster
Morton Grove, IL 60053
Phone: 847.965.1200
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www.mortongroveparks.com

**MORTON GROVE PARK DISTRICT
MORTON GROVE, ILLINOIS**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Fiscal Year Ended
December 31, 2022**

**Prepared by:
Finance Department**

MORTON GROVE PARK DISTRICT

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Principal Officials	1
Organization Chart	2
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	7

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	10
-------------------------------------	--------------------

MANAGEMENT'S DISCUSSION AND ANALYSIS	14
---	--------------------

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	25
Statement of Activities	27
Fund Financial Statements	
Balance Sheet - Governmental Funds	29
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	31
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	35
Notes to Financial Statements	36

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	68
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	69
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefit Plan	71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	72
Recreation - Special Revenue Fund	73
Special Recreation Fund – Special Revenue Fund	74
Retirement - Special Revenue Fund	75

MORTON GROVE PARK DISTRICT

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION

Schedule of Expenditures - Budget and Actual - General Fund	79
Schedule of Revenues - Budget and Actual - Recreation - Special Revenue Fund	81
Schedule of Expenditures - Budget and Actual - Recreation - Special Revenue Fund	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Debt Service Fund	84
Capital Projects Fund	85
Combining Balance Sheet - Nonmajor Governmental Funds	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental Funds	87
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Audit - Special Revenue Fund	88
Liability Insurance - Special Revenue Fund	89
Museum - Special Revenue Fund	90
Police Protection - Special Revenue Fund	91

SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
General Obligation Park Bonds (Alternate Revenue Source), Series 2020A	93
General Obligation Limited Tax Park Bonds of 2022	94
General Obligation Limited Tax Debt Certificates of 2013	95

MORTON GROVE PARK DISTRICT

TABLE OF CONTENTS

PAGE

STATISTICAL SECTION (Unaudited)

Net Position by Component - Last Ten Fiscal Years	98
Changes in Net Position - Last Ten Fiscal Years	100
Fund Balances of Governmental Funds - Last Ten Fiscal Years	102
Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years	104
Equalized Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years	106
Property Tax Rates – Direct and Overlapping Governments - Last Ten Tax Levy Years	108
Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago	110
Property Tax Levies and Collections - Last Ten Fiscal Years	111
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	112
Ratio of Net General Obligation Debt to Equalized Assessed Value and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years	113
Schedule of Direct and Overlapping Governmental Activities Debt	114
Schedule of Legal Debt Margin - Last Ten Fiscal Years	116
Demographic and Economic Statistics - Last Ten Fiscal Years	118
Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago	119
Park Facilities Locations and Full Time Employees - Last Ten Fiscal Years	120
District Information - Last Ten Fiscal Years	122

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the District including:

Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

MORTON GROVE PARK DISTRICT

Principal Officials

December 31, 2022

BOARD OF COMMISSIONERS

Steve Schmidt, President

Paul Minx, Vice President

Mazhar Khan, Treasurer

John Pietron, Commissioner

Keith White, Commissioner

ADMINISTRATIVE

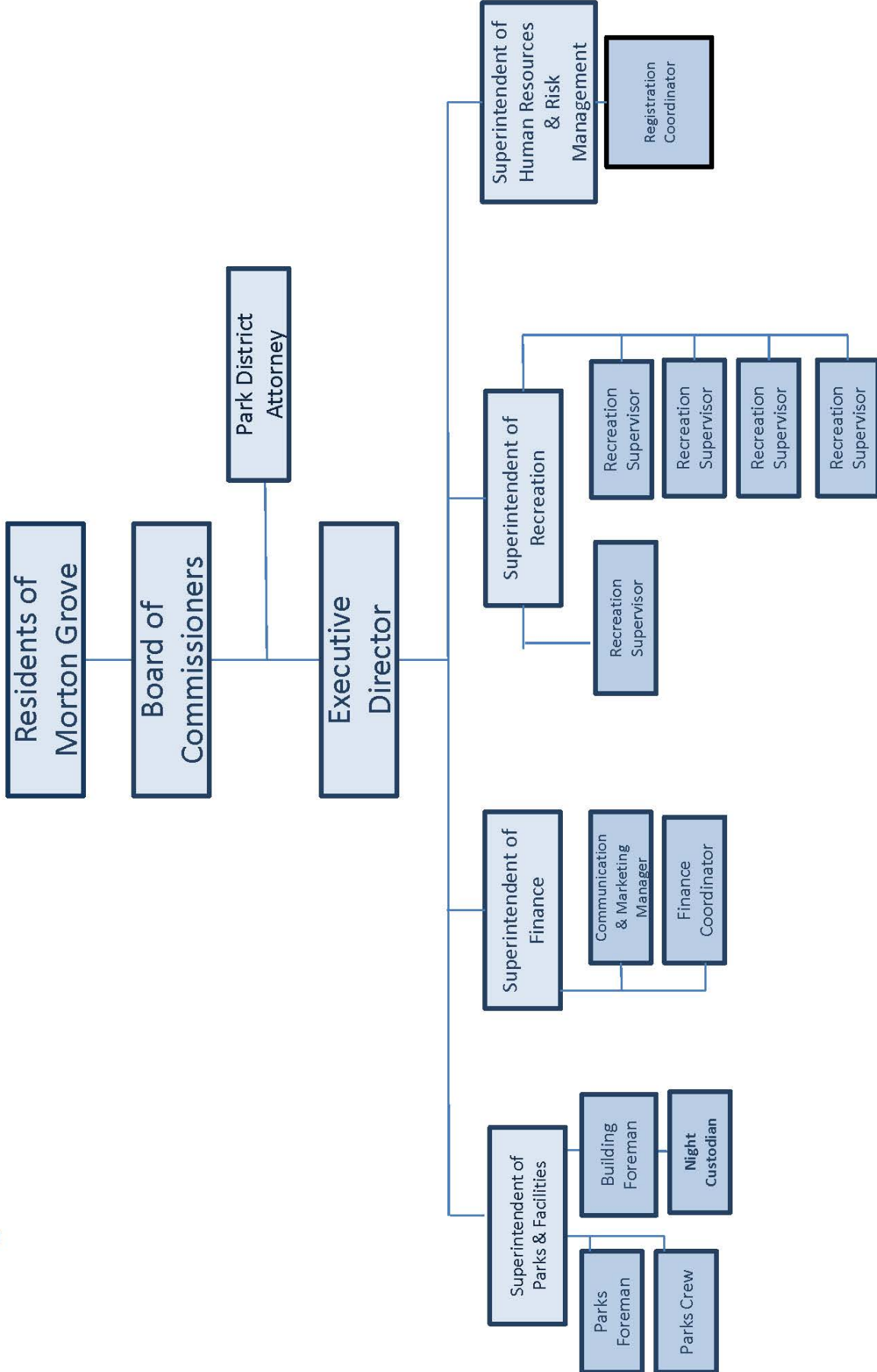
Jeffrey Wait, Executive Director

Keith Gorczyca, Superintendent of Parks and Facilities

Martin O'Brien, Superintendent of Finance

Susan Braubach, Superintendent of Recreation

Morton Grove Park District Organizational Chart - 2022



Morton Grove Park District

6834 Dempster Street • Morton Grove, Illinois • 60053 847/965-1200



May 23, 2023

To the Village of Morton Grove Residents and the
Park Board of Commissioners of the Morton Grove Park District:

We are pleased to submit the Annual Comprehensive Financial Report of the Morton Grove Park District for the fiscal year ended December 31, 2022. The management of the Morton Grove Park District is responsible for the compilation and accuracy of the financial, investment and statistical information contained in this report. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Morton Grove Park District.

The District's management has created a comprehensive internal control structure. These controls are designed to provide reasonable assurance regarding safekeeping of assets and the reliability of financial records. Because the cost of internal controls should not outweigh their benefits, the Morton Grove Park District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Independent Audit

The Illinois Compiled State Statutes require that an annual audit be performed by an independent certified public accountant within six months of the close of each fiscal year. Lauterbach & Amen, LLP, Certified Public Accountants, reviewed the attached financial statements for the fiscal year ending December 31, 2022 and based on that review issued an unmodified ("clean") opinion. The auditor's report on the general-purpose financial statements is included in the financial section of this report.

Management Discussion and Analysis

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Morton Grove Park District Profile

The Morton Grove Park District is a separate independent unit of local government incorporated in 1951 to provide recreational services and opportunities to the residents of the community. The District is governed by an elected Board of Commissioners and operates under Illinois Statutes for Park Districts. The five members of the Board of Commissioners are elected at large for six-year terms. The board appoints the Executive Director as the chief administrative officer who oversees the day-to-day operations of the District. The District has 23 full-time and over 200 part-time employees who work for one of four departments: Parks Maintenance & Facilities, Recreation, Administration & Finance or Human Resources. Each of the departments are coordinated by a department head who reports directly to the Executive Director.

The District consists of 14 parks on 73.7 acres of land. The District controls all funds included in the annual report.

Services provided using these funds include recreation programs, park management, capital development, and general administration. The facilities operated by the District include the Prairie View Community Center, four fieldhouses, the Morton Grove Historical Museum, two outdoor swimming pools, ten outdoor tennis courts as well as an assortment of baseball diamonds, soccer fields, playgrounds and picnic areas. Funds are provided for these services by real estate taxes, user fees, bond sales, interest income and other sources.

The Morton Grove Park District is a separate reporting entity as defined by GASB Statement Number 14. The Board of Commissioners is a separate and distinct board that is not controlled by any other governmental unit. Also, the District does not have significant influence on or direct oversight responsibility for any other governmental unit that should be included in these financial statements.

The Maine-Niles Association for Special Recreation (a joint venture), the Village of Morton Grove and the Morton Grove Library do not meet the established criteria for inclusion as part of this reporting entity, and as a result are excluded from this report.

Major Initiatives

Current Year Projects:

The Capital Budget for the year ending 2022 identified major facilities and programs that needed to be either redeveloped or expanded to enhance the quality of recreation within the community. The 2022 Capital Projects budget sold bonds in the amount of \$1 million dollars to repair facilities and repay principal and interest on the Oriole Pool bond issue.

In October of 2020, the Morton Grove Park District issued a contract to rebuild Harrer Pool which was originally built in 1962. The estimated cost of the project is \$12 million dollars which will be paid for with the Harrer Pool bond sale. The residents of Morton Grove approved a referendum to raise the corporate fund levy by .105 percent to pay principal and interest on that bond issue. The estimated completion date for this project is May 2022.

Other major capital expenditures for the fiscal year involved repairing and repainting Oriole Pool. Normally the activity pool would be touched up prior to the start of the season but it was determined that the entire pool needed to be sand blasted prior to repainting. The Project's estimated cost was \$220,000.

In addition, the District undertook the job of refurbishing all of the basketball and tennis courts over a three year cycle in the amount of \$465,450. The first basketball courts to be repaired were at Austin, Shermer, Harrer and Mansfield. In 2022, we completed the Prairie View basketball court as well as the Harrer Park tennis courts.

Other capital projects completed during the fiscal year involved the maintenance of the District's aging facilities and upgrades to our Fitness center.

Future Year Projects:

The District plans to do a complete remodeling of Oketo park as part of the annual playground replacement schedule as stated above. The District received approval for a portion of the project to be funded by an OSLAD grant.

Department Focus

Recreation Programming:

To recognize and provide for the changing needs of the Community, the District seeks to constantly maintain and enhance its level of recreational programming. New programs for residents are consistently introduced and maintained if interest is created. Current activities are continually being expanded to meet the growing needs of the community such as Senior, Teen and Cultural Arts programming.

Budget Process

The Board of Commissioners is required to adopt an annual budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the Morton Grove Park District financial planning and control. Annual budgets are prepared for the General, Recreation, Police, Museum, Retirement, Debt Service, Liability, Special Recreation, Audit and Capital Projects.

Economic Base Outlook

The Village of Morton Grove's principal growth took place during the late 50's and early 60's when the population increased from 7,427 to 20,533 residents. The Village primarily consists of residential land uses. Some industrial, office and commercial land uses are also located in the community. There is very little vacant land remaining in the district's service area. Approximately twenty percent (20%) of the Village's land area is Cook County Forest Preserve property.

Currently local governments are facing difficult choices of whether to reduce service levels or staffing as well as maintain adequate reserves. The Morton Grove Park District has re-evaluated every aspect of its operations for opportunities for new revenues and cost containment. Some of the positive cost containment results were due to staff changes, joint proposals in the procurement of goods and services, reductions in general operating expenses as a result of re-evaluating many budgeted items and cost-sharing through new intergovernmental agreements with neighboring communities.

Financial Policies

To protect the strong financial position of the Morton Grove Park District, ensure uninterrupted services, and stabilize annual tax levies, the Board of Commissioners follows the following policies:

- The General Fund total fund balance should always be in excess of 15% of the current year's appropriations.
- In the General Fund, when an expenditure occurs, the District considers restricted amounts to be spent first, followed by committed, assigned and finally unassigned.
- In all other funds, when an expenditure is incurred, the District considers unassigned amounts to be spent first, followed by assigned, committed and finally restricted.

Awards & Acknowledgments

The Government Finance Officers Association of the United States awarded the Certificate of Achievement for Excellence in Financial Reporting to the Morton Grove Park District for its annual comprehensive financial report for the year ended December 31, 2021. This was the 22th consecutive year that the Morton Grove Park District has achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the District. We would like to express our appreciation to all members of the park district who assisted and contributed to its preparation. We would also like to thank the members of the Park Board of Commissioners for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Martin O'Brien". The signature is written in dark ink and is positioned above a solid horizontal line that serves as a separator between the signature and the typed name below.

Martin O'Brien
Superintendent of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Morton Grove Park District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

May 23, 2023

Members of the Board of Commissioners
Morton Grove Park District
Morton Grove, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Morton Grove Park District, Illinois, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Morton Grove Park District, Illinois, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Morton Grove Park District

Management's Discussion and Analysis

Introduction

The following Management's Discussion and Analysis (MD&A) of the Morton Grove Park District's (increase) financial performance provides an introduction to the financial statements of the increase for the year ending December 31, 2022 and the prior year ended December 31, 2021. Since the MD&A is designed to focus on current activities, resulting changes and current known facts, please read it in conjunction with the transmittal letter, the financial statements and the required supplementary information.

Financial Highlights

- The District's total assets/deferred outflows exceeded its total liabilities/deferred inflows at the close of the most recent fiscal year by \$17,042,839. Of this amount, \$3,844,702 is unrestricted and available to meet ongoing and future obligations and \$1,270,419 is restricted for specific funds use.
- The District's total net position increased by \$728,877, or 4.5% for the year ended December 31, 2022 over the fiscal year ended December 31, 2021. This rise in net position can be attributed to increases to capital assets with the construction of Harrer Pool.
- Property and replacement taxes collected, were \$5,755,118, compared to prior year of \$5,122,434 for an increase of \$632,684, or 12.4%. The property taxes increased due to a large COLA adjustment and better than expected collections of PPRT.
- The District's recreational programming revenues for the year ended were \$1,574,099 or an increase of \$629,225 66.6% over the year ended December 31, 2021. This increase is due to the continued lifting of COVID restrictions allowing more resident participation in programs.
- As of December 31, 2022, the District's combined fund balance of all governmental funds was \$9,538,935, an increase of \$29,095 in comparison with the last fiscal period. This increase is the result of revenue growth and controlling expenditures.
- The District's bonds payable increased by \$18,760 due to the issuance of new General Obligation bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Morton Grove Park District basic financial statements. The information is organized into government-wide financial statements, fund financial statements, notes to the financial statements and required supplemental information. The District also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Morton Grove Park District finances, in a manner similar to a private-sector business. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting which means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets/deferred outflows and liabilities/deferred inflows, including capital assets and long-term debt, are reported at the entity level. The Statement of Net Position and the Statement of Activities provide the basis for answering the question "Is the Park District better or worse off financially as a result of the year's activities?"

The *Statement of Net Position* presents information on all the Morton Grove Park District's assets, deferred outflows, liabilities, and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents expenses of major programs and matches direct program revenues with each. To the extent that direct charges and grants do not cover a program's cost, it is paid from general taxes and other resources. The statement simplifies the user's analysis to determine what extent programs are self-supporting and/or subsidized by general revenues.

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 funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole, and therefore provide additional information that won't be found in the statement of net position or the statement of activities. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with the fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and the balance of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Reconciliation between Government-Wide and Fund Statements

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 for governmental activities in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. Following are some of the major differences between the two statements:

- Capital asset and long-term debt are included on the government-wide statement but are not reported on the governmental fund statements.
- Capital outlay spending results in capital assets on the government-wide statements but are expenditures on the governmental fund statements.
- Bond proceeds result in liabilities on the government-wide statements but are other financing sources on the governmental fund statements.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information showing budgetary comparisons of non-major funds and information about infrastructure assets of the District.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At year-end, net position for the Morton Grove Park District was \$17,042,839. A condensed version of the Statement of Net Position is as follows:

Table 1
Governmental Activities
Statement of Net Position

	2022	2021
ASSETS		
Current and Other Assets	\$ 15,208,675	18,029,945
Capital Assets	27,531,245	27,239,484
TOTAL ASSETS:	<u>42,739,920</u>	<u>45,269,429</u>
DEFERRED OUTFLOWS		
Deferred Items - IMRF	1,007,366	67,375
TOTAL ASSETS AND DEFERRED OUTFLOWS:	<u>43,747,286</u>	<u>45,336,804</u>
LIABILITIES		
Current Liabilities	2,163,270	3,173,355
Non-Current Liabilities	19,154,886	18,544,134
TOTAL LIABILITIES:	<u>21,318,156</u>	<u>21,717,489</u>
DEFERRED INFLOWS		
Property Taxes	5,280,993	5,767,675
Deferred Items - IMRF	81,763	1,523,294
Deferred Items - RBP	23,535	14,384
TOTAL DEFERRED INFLOWS OF RESOURCES:	<u>5,386,291</u>	<u>7,305,353</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS:	<u>26,704,447</u>	<u>29,022,842</u>
NET POSITION		
Net Investment in Capital Assets	11,927,718	12,130,463
Restricted	1,270,419	1,546,199
Unrestricted	3,844,702	2,637,300
TOTAL NET POSITION:	<u><u>17,042,839</u></u>	<u><u>16,313,962</u></u>

The governmental statement of activities for the fiscal year showed a total net position of \$17,042,839 reflects an increase of \$728,877. A summary of statement of changes in net position for the year ending December 31, 2022 is as follows:

**Table 2
Governmental Activities
Changes in Net Position**

	2022	2021
REVENUES		
Recreational Program Revenues		
General Government	\$ 85,053	82,047
Recreation	1,529,769	833,024
Operating Grants/Contributions	44,330	111,850
General Revenues	5,704,227	5,227,191
TOTAL REVENUES:	7,363,379	6,254,112
EXPENSES		
Recreational Program Expense	3,840,349	1,276,947
General Expenses	2,169,787	2,600,169
Interest on Long Term Debt	624,366	672,363
TOTAL EXPENSES:	6,634,502	4,549,479
CHANGE IN NET POSITION	728,877	1,704,633
BEGINNING NET POSITION	16,313,962	14,609,329
ENDING NET POSITION	17,042,839	16,313,962

The total cost of all governmental activities in the year ended was \$6,634,502. Revenues to fund these activities consisted of \$1,614,822 from those who directly benefited from or contributed to the programs, \$44,330 from grants and \$5,704,227 financed through taxes, interest, and miscellaneous revenues.

The general financial condition of the Morton Grove Park District is solid with a high percentage of operating expenditures being funded solely from current revenues. All governmental funds currently maintain surplus fund balances. During the past twenty years, the total District operating funds have had operating surpluses. Program revenues are up significantly due to the lifting of COVID restrictions and the opening of the new Harrer Pool. In addition, property taxes are higher due to a large COLA adjustment allowed by the county.

Revenues totaled \$7,363,379 in the fiscal year ended December 31, 2022. Property taxes produced 69.7% of total revenues compared to 77.0% in the prior year. Comparative data on revenues by functions is presented below:

**Table 3
Governmental Activities
Revenues**

Revenue by Function	2022	2021	Change	Percent of Total of 2022
General Revenues				
Property Taxes	\$ 5,133,508	4,815,210	318,298	69.7%
Replacement Taxes	621,610	307,224	314,386	8.4%
Interest	(73,642)	27,328	(100,970)	(1.0%)
Other	22,751	77,429	(54,678)	0.3%
Total General Revenues	5,704,227	5,227,191	477,036	77.4%
General Government Charges for Services	85,053	82,047	3,006	1.2%
Recreation Program Revenues				
Recreation Programs	—	756,696	(756,696)	—%
Community Center	1,529,769	76,328	1,453,441	20.8%
Other Revenues	44,330	111,850	(67,520)	0.6%
Total Recreation Program Revenues	1,574,099	944,874	629,225	21.4%
Total Revenue	7,363,379	6,254,112	1,109,267	100.0%

Recreational programming revenue have increased as the effects of the pandemic continue to wind down. There was a decrease in interest income due to the federal reserve lowering returns on treasury bills. Expenses for the General Government and Recreation functions in the year ended totaled \$6,634,502. A summary of expenses is listed below:

**Table 4
Governmental Activities
Expenses**

Function	Amount	Percent
General Government	\$ 2,169,787	32.7%
Recreation	3,840,349	57.9%
Interest on Long-Term Debt	624,366	9.4%
Total Expenses	6,634,502	100.0%

Financial Analysis of the Government's Funds

Fund Balances for the General, Recreation, Capital Projects and Debt Service fund types continue to remain strong after the current year operations. Several years ago, the Board of Park Commissioners adopted a surplus retention policy with the objective to protect the Districts financial condition by maintaining an adequate surplus amount in each fund in case any emergencies or unforeseen conditions arise. To accomplish this, the District strives to maintain in each fund a balance as a specified percentage of the annual appropriation for each fund.

Fund Balances categorized by fund type over the preceding year are as follows:

Table 5
Governmental Activities
Fund Balances

Fund	2022	2021	Change	2022 Percent of Total
General	\$ 924,040	670,357	253,683	9.7%
Recreation	694,444	747,254	(52,810)	7.3%
Special Recreation	235,553	427,968	(192,415)	2.5%
Retirement	196,872	286,500	(89,628)	2.1%
Debt Service	118,229	52,710	65,519	1.2%
Capital Projects	7,285,946	7,240,574	45,372	76.4%
Nonmajor Governmental	83,851	84,477	(626)	0.9%
Total	<u>9,538,935</u>	<u>9,509,840</u>	<u>29,095</u>	<u>100.0%</u>

The fund balance in the General Fund increased by \$253,683 due to the increased tax levy to pay for the Harrer Pool bond. The Recreation Fund's balance saw a decrease of \$52,810 because of a reduction in property taxes being allocated to the Recreation Fund. The fund balance in the Special Recreation Fund decreased by \$192,415 due to many additional ADA related expenditures related to the new Harrer Pool. The Retirement Fund's balance decreased \$89,628 as a result of reductions in the respective tax levies. The Capital Projects Fund increased by \$45,372 due to an increase in bond proceeds. The fund balance of the Debt Service Fund increased because of the cost-of-living adjustment to the allowable debt.

Capital Assets

The capital assets of the District are those assets used in the performance of general governmental and recreational functions. As of December 31, 2022, net capital assets amounted to \$27,531,245. This compares to capital assets of \$27,239,484 in the December 31, 2021 fiscal year. This amount represents the original cost or estimated historical cost value of the assets adjusted by depreciation of the assets since their acquisition.

For more detailed information on capital asset activity see Note 3 of this report.

Liabilities

As of December 31, 2022, total liabilities for the District were \$21,318,156 of which \$2,163,270 amount is current. This compares to the total liabilities of \$21,717,489 from 2021 of which \$3,173,355 was current liabilities.

Debt Administration

A useful indicator of the District's debt position is the ratio of general obligation bonded debt to the District's total assessed valuation and the amount of debt per capita.

On November 17, 2022, \$1,010,993 of general obligation limited tax bonds were sold. These bonds are payable on December 1, 2023. The interest rate per annum is 3.70%.

A comparison, including overlapping debt as of December 31, 2022, is as follows:

Table 6
Governmental Activities
Total Direct and Overlapping Debt

	Outstanding G.O. Bonded Debt	Percent of Debt to Assessed Valuation	Outstanding Debt Per Capita
G.O. Bonded Debt	\$ 19,316,581	2.249%	764.44
Overlapping Debt for All Government Units	96,564,731	11.243%	3,821.47
Total Direct and Overlapping	<u>115,881,312</u>	<u>13.492%</u>	<u>4,585.91</u>

Under current state statutes, the District's aggregate indebtedness cannot exceed the legal debt limit of 2.875% of the value of the taxable property within the District or \$24,692,315. As of December 31, 2022, the District's aggregate outstanding debt totaled \$17,105,993 is below the limit set by law.

Readers desiring more detailed information on long-term debt activity should go to Note 3 Long-Term Debt of the Notes to the Financial Statements.

Overall Financial Position / Results of Operations

The District's overall financial position as of December 31, 2022 remains solid. All District fund balances have surplus balances and most funds are very healthy. As noted above, total District bond debt is \$17,105,993. Of this amount, \$1,715,993 is scheduled for payment in December 2023. This debt reduction is funded through the annual tax levy. During the 2022 year, the funds with operating deficits were planned deficits to reduce fund balances. The excess revenues over expenditures in the operating funds improved the overall financial position of District moving forward into 2023. The District did an excellent job controlling expenses while still providing residents with excellent programs and safe facilities.

Economic Factors and the Budget

Morton Grove Park District serves the Village of Morton Grove and a small portion of the Village of Skokie, and it is located approximately 15 miles northwest of downtown Chicago. The District offers over 200 athletic and recreation programs for residents, and maintains four field houses, a historical museum, and a community center, among other facilities. Area residents have access to the broad and diverse Chicago MSA economy, and the district is located adjacent to the Eden's Expressway, providing access to the city of Chicago and Wisconsin. Within the Village of Morton Grove is a Metra Milwaukee North line stop, with daily commuter service to downtown Chicago.

We consider the district's per capita effective buying income (EBI) and median household EBI to be good and strong, respectively. Equalized assessed valuation (AV) for the district increased in 2022 as the result of a cost of living adjustment by 5.0% from levy year 2021. Overall, we consider the District's tax base extremely strong on per capita market value basis. The District's top 10 taxpayer concentration is very diverse in our view, with the top 10 taxpayers representing approximately 5.7% of all taxpayers.

With that in mind, the 2023 Budget was crafted to conserve resources where possible but allow the park district to maintain its facilities and continue with the rebuilding of Harrer Pool. We are also working to bring members back to both our fitness center as well as to increase attendance at our summer activities. So far, we are seeing promising signs and we are excited about the future.

Significant / Unusual Transactions and Balances

The Morton Grove Park District contracts with Maine-Niles Association of Special Recreation (M-NASR) to provide professional help and programs to physically and mentally challenged individuals living within the district. The total payments to M-NASR were \$154,218 in 2022. The District also leases administrative office space to M-NASR at its Prairie View Community Center location at 6834 W. Dempster. The annual rent received from M-NASR is \$85,053.

The Morton Grove Park District works with Fifth Third Bank to invest cash on hand to maximize interest income. On December 31, 2022, \$6.8 million was invested in municipal bonds, agencies and CD's.

On November 12, 2020, the District secured \$11,895,000 in cash by issuing bonds at interest rates ranging from 4 to 5%. The money will be used during the 2022 fiscal year for the reconstruction of Harrer Pool. The residents of Morton Grove approved a referendum to raise the property tax rate by .105% to cover the principal and interest.

Also, on November 15, 2022, the District secured \$1,011,000 in cash by issuing bonds at 3.7%. The money will be used during the 2023 fiscal year for capital improvements to District facilities as well as principal and interest on the Oriole Pool bond.

The District issued debt certificates in May 2013 in the amount of \$7,200,000 for the construction of the Oriole Pool Aquatic Center. The debt certificates stipulate required annual principal payments from December 1, 2018, through December 1, 2032. In addition, interest is due and payable on June 1 and December 1 at various rates between 2.0% and 4.0%.

General Fund

The General Fund is the general operating fund of the District. It is used to account for and report all financial resources not accounted for or reported in another fund. A detailed comparison of the General Fund for the fiscal year ended December 31, 2022 budget and actual results is presented in the Budgetary Comparison Schedule in the financial section of this report. A summary of the General Fund is presented below:

	Original	Final Budget	Actual	Actual Variance with Final
General Revenues				
Property Taxes	\$ 2,500,000	2,500,000	2,920,524	420,524
Replacement Tax	158,164	158,164	—	(158,164)
Rental Income	85,296	85,296	85,053	(243)
Interest Income	41,202	41,202	(73,645)	(114,847)
Other	31,725	31,725	19,751	(11,974)
Total General Revenues	<u>2,816,387</u>	<u>2,816,387</u>	<u>2,951,683</u>	<u>135,296</u>
Operating Expenditures				
Salaries and Wages	992,077	968,427	952,938	(15,489)
Material and Supplies	85,108	103,658	87,209	(16,449)
Insurance	237,228	195,628	194,282	(1,346)
Utilities	39,900	47,400	42,162	(5,238)
Contractual Services	193,600	207,700	195,779	(11,921)
Equipment/Repair	79,625	84,125	51,555	(32,570)
Building and Landscape	30,500	32,000	23,881	(8,119)
Miscellaneous	18,349	18,449	10,194	(8,255)
Total General Expenditures	<u>1,676,387</u>	<u>1,657,387</u>	<u>1,558,000</u>	<u>(99,387)</u>

Actual revenues on a budgetary basis for year ended December 31, 2022 in the General Fund totaled \$2,951,683 or \$135,296 more than budgeted revenues, a 4.6% variation. The increase was attributed to a healthy increase in PPRT collections from the state of Illinois as well as better than expected property tax collections.

The actual expenditures on a budgetary basis for year ended December 31, 2022 in the General Fund totaled \$1,558,000 or \$99,387 less than budgeted. The decrease was due to the District delaying the purchase of new equipment and reduced demand for certain material and supplies.

Contacting the Park District Management

This financial report is designed to provide a general overview of the District's finances. If you have any questions about this report or require additional information, please contact the administration offices at Morton Grove Park District, 6834 West Dempster Street, Morton Grove, Illinois 60053 (847) 965-0225.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

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

MORTON GROVE PARK DISTRICT

Statement of Net Position

December 31, 2022

See Following Page

MORTON GROVE PARK DISTRICT

Statement of Net Position

December 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 8,701,176
Receivables - Net of Allowances	<u>6,507,499</u>
Total Current Assets	<u>15,208,675</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	3,286,069
Depreciable	36,389,205
Accumulated Depreciation	<u>(12,144,029)</u>
Total Capital Assets	<u>27,531,245</u>
Total Assets	<u>42,739,920</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	960,907
Deferred Items - RBP	<u>46,459</u>
Total Deferred Outflows of Resources	<u>1,007,366</u>
Total Assets and Deferred Outflows of Resources	<u>43,747,286</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 100,151
Accrued Payroll	81,799
Deposits Payable	500
Accrued Interest Payable	58,530
Other Payables	206,297
Current Portion of Long-Term Debt	<u>1,715,993</u>
Total Current Liabilities	<u>2,163,270</u>
Noncurrent Liabilities	
Net Pension Liability - IMRF	1,424,891
Total OPEB Liability - RBP	129,407
General Obligation Bonds - Net	12,742,065
Debt Certificates Payable - Net	<u>4,858,523</u>
Total Noncurrent Liabilities	<u>19,154,886</u>
Total Liabilities	<u>21,318,156</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	5,280,993
Deferred Items - IMRF	81,763
Deferred Items - RBP	<u>23,535</u>
Total Deferred Inflows of Resources	<u>5,386,291</u>
Total Liabilities and Deferred Inflows of Resources	<u>26,704,447</u>
NET POSITION	
Net Investment in Capital Assets	11,927,718
Restricted	
Property Tax Levies	
Recreation	694,444
Special Recreation	235,553
Retirement	196,872
Audit	7,664
Liability Insurance	58,312
Paving and Lighting	3,315
Museum	9,960
Police Protection	4,600
Debt Service	59,699
Unrestricted	<u>3,844,702</u>
Total Net Position	<u>17,042,839</u>

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

MORTON GROVE PARK DISTRICT

Statement of Activities

For the Fiscal Year Ended December 31, 2022

	Program Revenues			Net (Expenses)/ Revenues
	Expenses	Charges for Services	Operating Grants/ Contributions	
Governmental Activities				
General Government	\$ 2,169,787	85,053	—	(2,084,734)
Recreation	3,840,349	1,529,769	44,330	(2,266,250)
Interest on Long-Term Debt	624,366	—	—	(624,366)
Total Governmental Activities	<u>6,634,502</u>	<u>1,614,822</u>	<u>44,330</u>	<u>(4,975,350)</u>
		General Revenues		
		Taxes		
		Property Taxes		5,133,508
		Intergovernmental - Unrestricted		
		Replacement Taxes		621,610
		Interest		(73,642)
		Miscellaneous		22,751
				<u>5,704,227</u>
		Change in Net Position		728,877
		Net Position - Beginning		<u>16,313,962</u>
		Net Position - Ending		<u>17,042,839</u>

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

MORTON GROVE PARK DISTRICT

Balance Sheet - Governmental Funds

December 31, 2022

See Following Page

MORTON GROVE PARK DISTRICT**Balance Sheet - Governmental Funds****December 31, 2022**

		Special Revenue	
	General	Recreation	Special Recreation
ASSETS			
Cash and Investments	\$ 258,772	866,727	162,550
Receivables - Net of Allowances			
Taxes	3,139,875	1,305,009	425,823
Accounts	—	—	—
Accrued Interest	24,220	—	—
Due from Other Funds	107,382	—	—
Total Assets	<u>3,530,249</u>	<u>2,171,736</u>	<u>588,373</u>
LIABILITIES			
Accounts Payable	47,220	30,374	820
Accrued Payroll	40,489	40,621	—
Deposits Payable	500	—	—
Other Payables	—	206,297	—
Due to Other Funds	—	—	—
Total Liabilities	<u>88,209</u>	<u>277,292</u>	<u>820</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,518,000	1,200,000	352,000
Total Liabilities and Deferred Inflows of Resources	<u>2,606,209</u>	<u>1,477,292</u>	<u>352,820</u>
FUND BALANCES			
Restricted	—	694,444	235,553
Assigned	—	—	—
Unassigned	924,040	—	—
Total Fund Balances	<u>924,040</u>	<u>694,444</u>	<u>235,553</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>3,530,249</u>	<u>2,171,736</u>	<u>588,373</u>

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

Retirement	Debt Service	Capital Projects	Nonmajor	Totals
132,754	—	7,188,389	91,984	8,701,176
264,118	1,236,604	—	—	6,371,429
—	—	111,850	—	111,850
—	—	—	—	24,220
—	—	—	—	107,382
396,872	1,236,604	7,300,239	91,984	15,316,057
—	—	14,293	7,444	100,151
—	—	—	689	81,799
—	—	—	—	500
—	—	—	—	206,297
—	107,382	—	—	107,382
—	107,382	14,293	8,133	496,129
200,000	1,010,993	—	—	5,280,993
200,000	1,118,375	14,293	8,133	5,777,122
196,872	118,229	—	83,851	1,328,949
—	—	7,285,946	—	7,285,946
—	—	—	—	924,040
196,872	118,229	7,285,946	83,851	9,538,935
396,872	1,236,604	7,300,239	91,984	15,316,057

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

MORTON GROVE PARK DISTRICT

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

December 31, 2022

Total Governmental Fund Balances	\$ 9,538,935
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	27,531,245
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	879,144
Deferred Items - RBP	22,924
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Liability - IMRF	(1,424,891)
Total OPEB Liability - RBP	(129,407)
General Obligation Bonds Payable - Net	(14,018,058)
Debt Certificates Payable - Net	(5,298,523)
Accrued Interest Payable	(58,530)
Net Position of Governmental Activities	<u>17,042,839</u>

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

MORTON GROVE PARK DISTRICT

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2022**

See Following Page

MORTON GROVE PARK DISTRICT

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2022**

	General	Recreation	Special Revenue Special Recreation
Revenues			
Taxes	\$ 2,920,524	495,936	348,622
Intergovernmental	—	488,045	—
Charges for Services	85,053	1,529,769	—
Interest	(73,645)	3	—
Miscellaneous	19,751	3,000	—
Total Revenues	2,951,683	2,516,753	348,622
Expenditures			
General Government	1,558,000	—	—
Recreation	—	2,569,563	155,037
Capital Outlay	—	—	—
Debt Service			
Principal Retirement	—	—	—
Interest and Fiscal Charges	—	—	—
Total Expenditures	1,558,000	2,569,563	155,037
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,393,683	(52,810)	193,585
Other Financing Sources (Uses)			
Debt Issuance	—	—	—
Transfers In	—	—	—
Transfers Out	(1,140,000)	—	(386,000)
	(1,140,000)	—	(386,000)
Net Change in Fund Balances	253,683	(52,810)	(192,415)
Fund Balances - Beginning	670,357	747,254	427,968
Fund Balances - Ending	924,040	694,444	235,553

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

Retirement	Debt Service	Capital Projects	Nonmajor	Totals
303,046	1,065,380	—	—	5,133,508
—	—	44,330	133,565	665,940
—	—	—	—	1,614,822
—	—	—	—	(73,642)
—	—	—	—	22,751
303,046	1,065,380	44,330	133,565	7,363,379
392,674	—	—	108,932	2,059,606
—	—	—	25,259	2,749,859
—	—	1,382,251	—	1,382,251
—	992,233	430,000	—	1,422,233
—	7,628	723,700	—	731,328
392,674	999,861	2,535,951	134,191	8,345,277
(89,628)	65,519	(2,491,621)	(626)	(981,898)
—	—	1,010,993	—	1,010,993
—	—	1,526,000	—	1,526,000
—	—	—	—	(1,526,000)
—	—	2,536,993	—	1,010,993
(89,628)	65,519	45,372	(626)	29,095
286,500	52,710	7,240,574	84,477	9,509,840
196,872	118,229	7,285,946	83,851	9,538,935

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

MORTON GROVE PARK DISTRICT

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended December 31, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 29,095

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

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

Capital Outlays	1,360,092
Depreciation Expense	(671,647)
Disposals - Cost	(1,007,444)
Disposals - Accumulated Depreciation	610,760

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

Change in Deferred Items - IMRF	2,373,040
Change in Deferred Items - RBP	(669)

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

Change in Net Pension Liability/(Asset) - IMRF	(2,485,804)
Change in Total OPEB Liability - RBP	3,252
Issuance of Debt	(1,010,993)
Retirement of Debt	1,422,233
Amortization of Discount on Debt Issuance	(3,789)
Amortization of Premium on Debt Issuance	109,676

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

1,075

Changes in Net Position of Governmental Activities

728,877

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Morton Grove Park District (the District) of Illinois was incorporated in 1951. The District operates under the board-manager form of government, providing recreation and other services to the residents of Morton Grove, which include: recreation programs, park management, capital development, and general administration.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61 "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

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

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (culture and recreation, etc.). The functions are supported by general government revenues (property taxes and replacement taxes, certain intergovernmental revenues, interest, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.). The District does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds, which is recorded as a transfer.

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

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

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

A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

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

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

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

Governmental Funds

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

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains eight special revenue funds. The Recreation Fund, a major fund, is used to account for the operations of the recreation programs. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities. The basis of budgeting for the Recreation Fund is the same as Generally Accepted Accounting Principals. The Special Recreation Fund, also a major fund, is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies to the Maine Niles Association of Special Recreation to provide special recreation programs for the physically and mentally challenged. The Retirement Fund, a major fund, is used to account for the District's participation in the Illinois Municipal Retirement Fund and contributions to employee social security benefits. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the District's contributions to the fund on behalf of its employees.

Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Debt Service Fund is treated as a major fund.

Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, excluding those types of capital related outflows financed by proprietary funds. The Capital Projects Fund is also treated as a major fund.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus - Continued

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

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

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

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

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

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Interfund Receivables, Payables and Activity

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

Receivables

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

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$1,000, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

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

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

Buildings	45 Years
Improvements	10 - 20 Years
Machinery and Equipment	5 - 15 Years
Vehicles	5 - 10 Years

Deferred Outflows/Inflows of Resources

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Board of Commissioners follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Director submits to the Board of Commissioners a proposed operating budget for the upcoming fiscal year commencing January 1.
- The operating budget includes proposed expenditures and the means for financing.
- The District's budgetary operations are governed by the appropriation law detailed in the Illinois Park District Code and administered by the Finance Manager.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

- Notice is given and public meetings are conducted to obtain taxpayer comments.
- The Board of Commissioners may add to, subtract from, or change appropriations, but may not change the form of the budget.
- Prior to the end of the first quarter of each fiscal year, the budget is legally enacted through the passage of the annual combined budget and appropriation ordinance.
- Budget for the General, Special Revenue, Debt Service, and Capital Projects funds, except the Paving and Lighting Fund, are legally adopted on a basis consistent with GAAP.
- Expenditures may not legally exceed appropriations at the fund level. Any expenditure in excess of the legally adopted appropriation must be approved by the District Board of Commissioners through a supplemental appropriation.
- After the first six months of the fiscal year, the District may by two-thirds vote amend the initially approved appropriation ordinance.
- Unused appropriations lapse at the end of the fiscal year. Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level.
- Management can make transfers between individual expenditure categories of a fund, however, Board of Commissioners approval is required in order for management to make transfers between individual funds.
- The level control is at the individual fund level.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk

Deposits. At year-end, the carrying amount of the District's deposits totaled \$5,231,778 and the bank balances totaled \$5,416,363.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk - Continued

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Agency Obligations	\$ 3,375,192	1,401,901	1,973,291	—	—
State and Local Obligations	94,206	—	94,206	—	—
Totals	3,469,398	1,401,901	2,067,497	—	—

The District has the following recurring fair value measurements as of the fiscal year ended December 31, 2022:

- U.S. Agency Obligations of \$3,375,192 are valued using a matrix pricing model (Level 2 inputs)
- State and Local Obligations of \$94,206 are valued using a matrix pricing model (Level 2 inputs)

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy limits interest rate risk by investing funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity, and yield.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the U.S. Agency Obligations and state and local obligations are not rated.

Concentration Risk. Concentration risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not address concentration risk. At year-end, the District does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk - Continued

Custodial Credit Risk - Continued. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not mitigate custodial credit risk for investments.

PROPERTY TAXES

Property taxes for 2021 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about March 1, and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Debt Service	\$ 107,382

INTERFUND TRANSFERS

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital Projects	General	\$ 1,140,000
Capital Projects	Special Recreation	<u>386,000</u>
		<u><u>1,526,000</u></u>

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 3,131,161	—	—	3,131,161
Construction in Progress	10,894,041	154,908	10,894,041	154,908
	<u>14,025,202</u>	<u>154,908</u>	<u>10,894,041</u>	<u>3,286,069</u>
Depreciable Capital Assets				
Buildings	16,159,567	—	37,706	16,121,861
Improvements	6,576,433	12,057,767	754,447	17,879,753
Machinery and Equipment	2,002,160	41,458	215,291	1,828,327
Vehicles	559,264	—	—	559,264
	<u>25,297,424</u>	<u>12,099,225</u>	<u>1,007,444</u>	<u>36,389,205</u>
Less Accumulated Depreciation				
Buildings	6,040,230	347,665	15,243	6,372,652
Improvements	4,325,452	174,289	387,061	4,112,680
Machinery and Equipment	1,257,862	113,912	208,456	1,163,318
Vehicles	459,598	35,781	—	495,379
	<u>12,083,142</u>	<u>671,647</u>	<u>610,760</u>	<u>12,144,029</u>
Total Net Depreciable Capital Assets	<u>13,214,282</u>	<u>11,427,578</u>	<u>396,684</u>	<u>24,245,176</u>
Total Net Capital Assets	<u>27,239,484</u>	<u>11,582,486</u>	<u>11,290,725</u>	<u>27,531,245</u>

Depreciation expense of \$671,647 was charged to the recreation function.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$10,950,000 General Obligation Park Bonds (ARS) of 2020A due in installments of \$265,000 to \$750,000 through December 1, 2045 plus interest at 4.00% to 5.00%.	\$ 10,950,000	—	—	10,950,000
\$992,233 General Obligation Limited Tax Park Bonds of 2021 due in one annual installment of \$992,233 through December 1, 2022 plus interest at 0.75%.	992,233	—	992,233	—
\$1,010,993 General Obligation Limited Tax Park Bonds of 2022 due in one annual installment of \$1,010,993 through December 1, 2023 plus interest at 3.70%.	—	1,010,993	—	1,010,993
	<u>11,942,233</u>	<u>1,010,993</u>	<u>992,233</u>	<u>11,960,993</u>

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Certificates

The District issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$7,200,000 General Obligation Limited Tax Debt Certificates of 2013 due in annual installments of \$400,000 to \$610,000 through December 1, 2032 plus interest at 2.00% to 4.00%.	\$ 5,575,000	—	430,000	5,145,000

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Liability/(Asset) - IMRF	\$ (1,060,913)	2,485,804	—	1,424,891	—
Total OPEB Liability - RBP	132,659	—	3,252	129,407	—
General Obligation Bonds	11,942,233	1,010,993	992,233	11,960,993	1,275,993
Plus: Unamortized Premium	2,146,503	—	89,438	2,057,065	—
Debt Certificates	5,575,000	—	430,000	5,145,000	440,000
Plus: Unamortized Premium	209,131	—	20,238	188,893	—
Less: Unamortized Discount	(39,159)	—	(3,789)	(35,370)	—
	<u>18,905,454</u>	<u>3,496,797</u>	<u>1,531,372</u>	<u>20,870,879</u>	<u>1,715,993</u>

For the governmental activities, the net pension liability/(asset) - IMRF and the total OPEB liability - RBP are liquidated by the General Fund. Payments on the general obligation bonds are made by the Debt Service Fund. Payments on the debt certificates are made by the Capital Projects Fund.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	General Obligation Bonds		Debt Certificates	
	Principal	Interest	Principal	Interest
2023	\$ 1,275,993	550,257	440,000	189,500
2024	280,000	499,600	455,000	176,300
2025	295,000	485,600	470,000	162,650
2026	310,000	470,850	485,000	146,200
2027	325,000	455,350	500,000	126,800
2028	340,000	439,100	500,000	106,800
2029	355,000	422,100	540,000	91,800
2030	375,000	404,350	560,000	70,200
2031	395,000	385,600	585,000	47,800
2032	410,000	365,850	610,000	24,400
2033	435,000	345,350	—	—
2034	455,000	323,600	—	—
2035	475,000	300,850	—	—
2036	500,000	277,100	—	—
2037	525,000	252,100	—	—
2038	555,000	225,850	—	—
2039	580,000	198,100	—	—
2040	610,000	169,100	—	—
2041	640,000	138,600	—	—
2042	665,000	113,000	—	—
2043	690,000	86,400	—	—
2044	720,000	58,800	—	—
2045	750,000	30,000	—	—
Totals	<u>11,960,993</u>	<u>6,997,507</u>	<u>5,145,000</u>	<u>1,142,450</u>

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

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

Assessed Valuation - 2021	<u>\$ 858,863,131</u>
Legal Debt Limit - 2.875% of Assessed Value	24,692,315
Amount of Debt Applicable to Limit	<u>6,155,993</u>
Legal Debt Margin	<u>18,536,322</u>
Non-Referendum Legal Debt Limit	
0.575% of Assessed Valuation	4,938,463
Amount of Debt Applicable to Debt Limit	<u>1,010,993</u>
Non-Referendum Legal Debt Margin	<u>3,927,470</u>

FUND BALANCE CLASSIFICATIONS

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

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

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

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

Minimum Fund Balance Policy. The District's policy manual states that each fund should have a fund balance that is no less than 25% of the yearly operating expenditures.

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

	Special Revenue							Totals
	General	Recreation	Special Recreation	Retirement	Debt Service	Capital Projects	Nonmajor	
Fund Balances								
Restricted								
Property Tax Levies								
Recreation	\$ —	694,444	—	—	—	—	—	694,444
Special Recreation	—	—	235,553	—	—	—	—	235,553
Retirement	—	—	—	196,872	—	—	—	196,872
Audit	—	—	—	—	—	—	7,664	7,664
Liability Insurance	—	—	—	—	—	—	58,312	58,312
Paving and Lighting	—	—	—	—	—	—	3,315	3,315
Museum	—	—	—	—	—	—	9,960	9,960
Police Protection	—	—	—	—	—	—	4,600	4,600
Debt Service	—	—	—	—	118,229	—	—	118,229
	—	694,444	235,553	196,872	118,229	—	83,851	1,328,949
Assigned								
Capital Projects	—	—	—	—	—	7,285,946	—	7,285,946
Unassigned	924,040	—	—	—	—	—	—	924,040
Total Fund Balances	924,040	694,444	235,553	196,872	118,229	7,285,946	83,851	9,538,935

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following at year-end:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 27,531,245
Plus: Unspent Bond Proceeds	3,713,054
Less Capital Related Debt:	
General Obligation Park Bonds of 2020A	(10,950,000)
General Obligation Limited Tax Bonds of 2022	(1,010,993)
General Obligation Limited Tax Debt Certificates of 2013	(5,145,000)
Unamortized Premium	(2,245,958)
Unamortized Discount	<u>35,370</u>
Net Investment in Capital Assets	<u><u>11,927,718</u></u>

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

Park District Risk Management Agency (PDRMA)

The District is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. Since 1984, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program, a joint risk management pool of park and forest preserve districts, and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials', employment practices liability and workers compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The following table is a summary of the coverage in effect as of January 1, 2022 to January 1, 2023:

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
PROPERTY			
Property/Bldg/Contents			
All Losses Per Occurrence	\$1,000	\$1,000,000	\$1,000,000,000/Occurrence/All Members
Flood/Except Zones A & V	\$1,000	\$1,000,000	\$100,000,000/Occurrence/Annual Aggregate
Flood, Zones A & V	\$1,000	\$1,000,000	\$50,000,000/Occurrence/Annual Aggregate
Earthquake Shock	\$1,000	\$100,000	\$100,000,000/Occurrence/Annual Aggregate
Auto Physical Damage			
Comprehensive and Collision	\$1,000	\$1,000,000	Included
Course of Construction	\$1,000	Included	\$25,000,000/Projects in excess of \$15,000,000 require approval
Tax Revenue Interruption	\$1,000	\$1,000,000	\$3,000,000/Reported Values \$1,000,000/Non-Reported Values
Business Interruption, Rental Income	\$1,000		\$100,000,000/Reported Values \$500,000/\$2,500,000/Non-Reported Values
Off Premises Service Interruption	24 Hours	N/A	\$25,000,000
Boiler and Machinery			\$100,000,000 Equipment Breakdown
Property Damage	\$1,000	\$9,000	Property Damage - Included
Business Income	48 Hours	N/A	Included
Fidelity and Crime	\$1,000	\$24,000	\$2,000,000/Occurrence
Seasonal Employees	\$1,000	\$9,000	\$1,000,000/Occurrence
Blanket Bond	\$1,000	\$24,000	\$2,000,000/Occurrence
WORKERS COMPENSATION			
Employers Liability	N/A	\$500,000	Statutory
		\$500,000	3500000
LIABILITY			
General	None	\$500,000	\$21,500,000/Occurrence
Auto Liability	None	\$500,000	\$21,500,000/Occurrence
Employment Practices	None	\$500,000	\$21,500,000/Occurrence
Public Officials' Liability	None	\$500,000	\$21,500,000/Occurrence
Law Enforcement Liability	None	\$500,000	\$21,500,000/Occurrence
Uninsured/Underinsured Motorists	None	\$500,000	\$1,000,000/Occurrence
Communicable Disease	\$1,000/\$5,000	\$5,000,000	\$250,000/Claim/Aggregate \$5,000,000 Aggregate All Members
POLLUTION LIABILITY			
Liability - Third Party	None	\$25,000	\$5,000,000/Occurrence
Property - First Party	\$1,000	\$24,000	\$30,000,000 3 Year Aggregate
OUTBREAK EXPENSE			
Outbreak Suspension	24 Hours	N/A	\$1,000,000 Aggregate Policy Limit \$5,000/\$25,000/Day All Locations \$150,000/\$500,000 Aggregate
Workplace Violence Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum
Fungus Suspension	24 Hours	N/A	\$15,000/Day All Locations 5 Day Maximum

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA			
LIABILITY COVERAGE			
Breach Response	\$1,000	\$50,000	\$500,000/Occurrence/\$1,000,000 Annual Aggregate
Business Interruption due to Security Breach	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Business Interruption due to System Failure	8 Hours	\$50,000	\$500,000/Occurrence/Annual Aggregate
Dependent Business Loss due to Security Breach	8 Hours	\$50,000	\$750,000/Occurrence/Annual Aggregate
Liability	\$1,000	\$50,000	\$2,000,000/Occurrence/Annual Aggregate
eCrime	\$1,000	\$50,000	\$75,000/Occurrence/Annual Aggregate
Criminal Reward	\$1,000	\$50,000	\$25,000/Occurrence/Annual Aggregate
DEADLY WEAPON RESPONSE			
Liability	\$1,000	\$9,000	\$500,000/Occurrence/\$2,500,000 Annual Aggregate
First Party Property	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Crisis Management Services	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Counseling/Funeral Expenses	\$1,000	\$9,000	\$250,000/Occurrence as part of overall limit
Medical Expenses	\$1,000	\$9,000	\$25,000/person/\$500,000 Annual Aggregate
AD&D	\$1,000	\$9,000	\$50,000/person/\$500,000 Annual Aggregate
VOLUNTEER MEDICAL ACCIDENT			
Volunteer Medical Accident	None	\$5,000	\$5,000 Medical Expense Excess of any other Collectible Insurance
UNDERGROUND STORAGE TANK LIABILITY			
Underground Storage Tank Liability	None	N/A	\$10,000, Follows Illinois Leaking Underground Tank Fund
UNEMPLOYMENT COMPENSATION			
Unemployment Compensation	N/A	N/A	Statutory

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

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

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigations and settlement, and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) - Continued

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

The following represents a summary of PDRMA's Property/Casualty Program balance sheet at December 31, 2021 and the statement of revenues and expenses for the period ending December 31, 2021. The District's portion of the overall equity of the pool is 0.817% or \$466,278.

Assets	\$ 77,156,496
Deferred Outflows of Resources - Pension	871,829
Liabilities	19,465,811
Deferred Inflows of Resources - Pension	1,466,716
Total Net Position	57,095,798
Operating Revenues	17,390,850
Nonoperating Revenues	2,635,445
Expenditures	19,688,616

Since 96.36% of PDRMA's liabilities are reserves for losses and loss adjustment expenses which are based on an actuarial estimate of the ultimate losses incurred, the Member Balances are adjusted annually as more recent loss information becomes available.

Park District Risk Management Agency (PDRMA) Health Program

Since February 1, 1990, the District has been a member of the Park District Risk Management Agency (PDRMA) Health Program, a health insurance pool of park districts, special recreation associations, and public service organizations through which medical, vision, dental, life and prescription drug coverages are provided in excess of specified limits for the members, acting as a single insurable unit. The pool purchases excess insurance covering single claims over \$300,000. Until January 1, 2001 the PDRMA Health Program was a separate legal entity formerly known as the Illinois Park Employees Health Network (IPEHN).

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Park District Risk Management Agency (PDRMA) Health Program - 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 member agency and PDRMA Health Program is governed by a contract and by-laws that have been adopted by a resolution of each member's governing body. Members are contractually obligated to make all monthly payments to the PDRMA Health Program and to fund any deficit of the PDRMA Health Program upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Health Program Council.

The following represents a summary of PDRMA's Health Program balance sheet at December 31, 2021 and the statement of revenues and expenses for the period ending December 31, 2021.

Assets	\$ 30,099,639
Deferred Outflows of Resources - Pension	373,641
Liabilities	4,502,442
Deferred Inflows of Resources - Pension	628,592
Total Net Position	25,342,246
Operating Revenues	32,172,095
Nonoperating Revenues	58,241
Expenditures	31,205,267

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

Unemployment Insurance

The District is subject to the State of Illinois Unemployment Compensation Act and has elected the reimbursing employer option for providing unemployment insurance benefits for eligible former employees. The District reimburses the State for claims paid by the State.

Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan are held in trust on behalf of the employees. Accordingly, the assets are not reported in these financial statements.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

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.

Grants

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

JOINT VENTURE

Maine Niles Association of Special Recreation (MNASR)

The District is a member of MNASR, which was organized by six area park districts and one Village in order to provide special recreation programs to physically and mentally challenged individuals and to share the expenses of such programs on a cooperative basis.

The MNASR's Board of Directors consists of one representative from each participating park district. The Board of Directors is the governing body of MNASR and is responsible for establishing all major policies and changes therein and for approving all budget, capital outlay, programming, and master plans. The audited financial statements of MNASR are available at 6834 West Dempster, Morton Grove, IL 60053.

The following is a summary of the MNASR's financial statements for the year ended December 31, 2022:

Current and Other Assets	\$ 1,423,385	Current Liabilities	\$ 125,109
Noncurrent Assets		Long-Term Liabilities	670,877
Capital Assets	<u>103,707</u>	Total Liabilities	<u>795,986</u>
Total Assets	1,527,092	Deferred Inflows	<u>—</u>
Deferred Outflows	<u>381,330</u>	Total Liabilities/Deferred Inflows	<u>795,986</u>
Total Assets/ Deferred Outflows	<u>1,908,422</u>	Net Position	<u><u>1,112,436</u></u>

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

JOINT VENTURE - Continued

Maine Niles Association of Special Recreation (MNASR) - Continued

Operating Revenues	\$ 2,125,248
Operating Expenses	<u>2,053,280</u>
Operating Income	71,968
Nonoperating Revenue	<u>87</u>
Change in Net Position	72,055
Net Position - Beginning as Restated	<u>1,040,381</u>
Net Position - Ending	<u><u>1,112,436</u></u>

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

Plan Descriptions

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

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

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	54
Inactive Plan Members Entitled to but not yet Receiving Benefits	50
Active Plan Members	<u>27</u>
Total	<u>131</u>

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2022, the District's contribution was 12.92% of covered payroll.

Net Pension Liability/(Asset). The District's net pension liability/(asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

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

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Actuarial Assumptions - Continued.

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

Discount Rate

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

Discount Rate Sensitivity

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

	<u>1% Decrease (6.25 %)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net Pension Liability	\$ 2,813,967	1,424,891	300,981

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 12,693,235	13,754,148	(1,060,913)
Changes for the Year:			
Service Cost	146,236	—	146,236
Interest on the Total Pension Liability	904,075	—	904,075
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(194,836)	—	(194,836)
Changes of Assumptions	—	—	—
Contributions - Employer	—	200,849	(200,849)
Contributions - Employees	—	70,028	(70,028)
Net Investment Income	—	(1,704,816)	1,704,816
Benefit Payments, Including Refunds of Employee Contributions	(592,707)	(592,707)	—
Other (Net Transfer)	—	(196,390)	196,390
Net Changes	262,768	(2,223,036)	2,485,804
Balances at December 31, 2022	12,956,003	11,531,112	1,424,891

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

For the year ended December 31, 2022, the District recognized pension expense of \$313,613. At December 31, 2022, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	(81,763)	(81,763)
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	960,907	—	960,907
Total Deferred Amounts Related to IMRF	960,907	(81,763)	879,144

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2023	\$ (130,942)
2024	162,657
2025	310,787
2026	536,642
2027	—
Thereafter	—
Total	879,144

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. The District offers medical, prescription drug, dental and vision coverage to retirees. Retirees pay the full cost of the premium. Coverage ends at age 65 for disabled employees or once retirees are eligible for Medicare.

Plan Membership. As of September 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>23</u>
Total	<u>25</u>

Total OPEB Liability

The District's total OPEB liability was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.89% to 9.85%
Discount Rate	4.02%
Healthcare Cost Trend Rates	Medical 6.00% graded to 4.50% over 15 years, Prescription drug 8.00% graded to 4.50% over 14 years
Retirees' Share of Benefit-Related Costs	N/A

The discount rate was based on the General Obligation Municipal Bond Rate as of September 30, 2022.

Mortality rates were based on the Pub-2010 General Healthy Retiree Headcount-Weighted Below-Medium Income Mortality Tables adjusted by 106% for males and 105% for females projected generationally using Scale MP-2020

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2021	\$ 132,659
Changes for the Year:	
Service Cost	6,817
Interest on the Total OPEB Liability	2,962
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	17,316
Changes of Assumptions or Other Inputs	(13,426)
Benefit Payments	(16,921)
Other Changes	—
Net Changes	<u>(3,252)</u>
Balance at December 31, 2022	<u>129,407</u>

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

The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.02%, while the prior valuation used 2.26%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.02%)	Current Discount Rate (4.02%)	1% Increase (5.02%)
Total OPEB Liability	\$ 132,689	129,407	126,059

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

	1 % Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 124,419	129,407	134,791

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

For the year ended December 31, 2022, the District recognized OPEB expense of \$14,338. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 45,142	(5,525)	39,617
Change in Assumptions	1,317	(18,010)	(16,693)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Pension Expense to be Recognized in Future Periods	46,459	(23,535)	22,924
Contributions Made Subsequent to the Measurement Date	—	—	—
Total Deferred Amounts Related to OPEB	46,459	(23,535)	22,924

MORTON GROVE PARK DISTRICT

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

There are no employer contributions made subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows of Resources
2023	\$ 4,565
2024	4,565
2025	4,565
2026	4,716
2027	3,706
Thereafter	<u>807</u>
Total	<u><u>22,924</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

MORTON GROVE PARK DISTRICT

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
December 31, 2022**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	\$ 217,278	\$ 289,977	\$ 72,699	\$ 1,240,171	23.38%
4/30/17	240,245	240,245	—	1,303,554	18.43%
4/30/18	222,997	222,997	—	1,350,553	16.51%
12/31/18 *	153,646	153,646	—	909,146	16.90%
12/31/19	208,459	208,459	—	1,366,942	15.25%
12/31/20	218,753	218,753	—	1,327,378	16.48%
12/31/21	217,204	217,204	—	1,403,126	15.48%
12/31/22	201,746	200,849	(897)	1,554,282	12.92%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

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

*For the eight months ending December 31, 2018.

MORTON GROVE PARK DISTRICT

Illinois Municipal Retirement Fund

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

December 31, 2022

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 149,205
Interest	734,517
Differences Between Expected and Actual Experience	(113,803)
Change of Assumptions	—
Benefit Payments, Including Refunds of Member Contributions	(356,259)
Net Change in Total Pension Liability	413,660
Total Pension Liability - Beginning	9,949,600
 Total Pension Liability - Ending	 <u>10,363,260</u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 289,977
Contributions - Members	65,487
Net Investment Income	40,348
Benefit Payments, Including Refunds of Member Contributions	(356,259)
Other (Net Transfer)	26,460
Net Change in Plan Fiduciary Net Position	66,013
Plan Net Position - Beginning	8,070,083
 Plan Net Position - Ending	 <u>8,136,096</u>
 Employer's Net Pension Liability/(Asset)	 <u>\$ 2,227,164</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 78.51%
 Covered Payroll	 \$ 1,240,171
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	 179.59%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2020.

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
146,399	139,433	136,116	141,178	140,828	127,423	146,236
761,780	789,166	802,793	820,980	840,671	867,208	904,075
(93,919)	44,351	(133,246)	(193,066)	(26,994)	83,025	(194,836)
(51,772)	(312,135)	309,291	—	(45,676)	—	—
(449,875)	(446,750)	(508,191)	(486,848)	(507,803)	(564,392)	(592,707)
312,613	214,065	606,763	282,244	401,026	513,264	262,768
10,363,260	10,675,873	10,889,938	11,496,701	11,778,945	12,179,971	12,693,235
10,675,873	10,889,938	11,496,701	11,778,945	12,179,971	12,693,235	12,956,003
240,245	219,393	224,859	208,459	218,753	217,204	200,849
58,660	58,661	59,874	61,558	59,732	63,141	70,028
563,655	1,462,709	(512,587)	1,715,327	1,506,729	1,990,856	(1,704,816)
(449,875)	(446,750)	(508,191)	(486,848)	(507,803)	(564,392)	(592,707)
49,526	(162,915)	187,241	(43,992)	92,193	42,630	(196,390)
462,211	1,131,098	(548,804)	1,454,504	1,369,604	1,749,439	(2,223,036)
8,136,096	8,598,307	9,729,405	9,180,601	10,635,105	12,004,709	13,754,148
8,598,307	9,729,405	9,180,601	10,635,105	12,004,709	13,754,148	11,531,112
2,077,566	1,160,533	2,316,100	1,143,840	175,262	(1,060,913)	1,424,891
80.54%	89.34%	79.85%	90.29%	98.56%	108.36%	89.00%
1,303,554	1,303,586	1,330,527	1,366,942	1,327,378	1,403,126	1,554,282
159.38%	89.03%	174.07%	83.68%	13.20%	(75.61%)	91.68%

MORTON GROVE PARK DISTRICT

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2022

	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
Total OPEB Liability					
Service Cost	\$ 5,839	5,578	5,529	6,569	6,817
Interest	3,654	4,238	2,647	3,076	2,962
Differences Between Expected and Actual Experience	—	—	—	(4,130)	17,316
Change of Assumptions or Other Inputs	(2,666)	(371)	(8,177)	1,793	(13,426)
Benefit Payments	(5,362)	(5,738)	(6,911)	(14,446)	(16,921)
Other Changes	—	(4,975)	49,292	—	—
Net Change in Total OPEB Liability	1,465	(1,268)	42,380	(7,138)	(3,252)
Total OPEB Liability - Beginning	97,220	98,685	97,417	139,797	132,659
Total OPEB Liability - Ending	98,685	97,417	139,797	132,659	129,407
Covered-Employee Payroll	\$ 954,704	954,704	981,987	960,428	1,116,097
Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.34%	10.20%	14.24%	13.81%	11.59%

Notes:

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

Changes of Assumptions. Changes of assumptions related to the discount rate were made in 2018 through 2022.

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

MORTON GROVE PARK DISTRICT

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,500,000	2,500,000	2,920,524
Intergovernmental			
Replacement Taxes	158,164	158,164	—
Charges for Services			
Rental Income	85,296	85,296	85,053
Interest	41,202	41,202	(73,645)
Miscellaneous	31,725	31,725	19,751
Total Revenues	<u>2,816,387</u>	<u>2,816,387</u>	<u>2,951,683</u>
Expenditures			
General Government			
Administrative	945,531	926,531	859,114
Park Maintenance	730,856	730,856	698,886
Total Expenditures	<u>1,676,387</u>	<u>1,657,387</u>	<u>1,558,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,140,000	1,159,000	1,393,683
Other Financing (Uses)			
Transfer Out	<u>(1,140,000)</u>	<u>(1,140,000)</u>	<u>(1,140,000)</u>
Net Change In Fund Balance	<u>—</u>	<u>19,000</u>	253,683
Fund Balance - Beginning			<u>670,357</u>
Fund Balance - Ending			<u><u>924,040</u></u>

MORTON GROVE PARK DISTRICT

Recreation - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,220,000	1,220,000	495,936
Intergovernmental			
Replacement Taxes	—	—	488,045
Charges for Services	1,369,423	1,369,423	1,529,769
Interest	—	—	3
Miscellaneous	—	—	3,000
Total Revenues	<u>2,589,423</u>	<u>2,589,423</u>	<u>2,516,753</u>
Expenditures			
Recreation	<u>2,589,423</u>	<u>2,589,423</u>	<u>2,569,563</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	(52,810)
Fund Balance - Beginning			<u>747,254</u>
Fund Balance - Ending			<u><u>694,444</u></u>

MORTON GROVE PARK DISTRICT

Special Recreation - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 373,000	373,000	348,622
Expenditures			
Recreation			
Contributions to MNARS	145,000	145,800	143,700
Inclusion - Programming	16,000	15,200	11,337
Total Expenditures	161,000	161,000	155,037
Excess (Deficiency) of Revenues Over (Under) Expenditures	212,000	212,000	193,585
Other Financing Sources (Uses)			
Transfers In	175,000	175,000	—
Transfers Out	(387,000)	(387,000)	(386,000)
	(212,000)	(212,000)	(386,000)
Net Change in Fund Balance	—	—	(192,415)
Fund Balance - Beginning			427,968
Fund Balance - Ending			235,553

MORTON GROVE PARK DISTRICT

Retirement - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 270,000	270,000	303,046
Miscellaneous	41,000	41,000	—
Total Revenues	<u>311,000</u>	<u>311,000</u>	<u>303,046</u>
Expenditures			
General Government			
District Contributions - IMRF	211,000	211,000	202,097
District Contributions - FICA	180,000	192,000	190,577
Total Expenditures	<u>391,000</u>	<u>403,000</u>	<u>392,674</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,000)	(92,000)	(89,628)
Other Financing Sources			
Transfers In	<u>80,000</u>	<u>80,000</u>	<u>—</u>
Net Change in Fund Balance	<u>—</u>	<u>(12,000)</u>	<u>(89,628)</u>
Fund Balance - Beginning			<u>286,500</u>
Fund Balance - Ending			<u><u>196,872</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects funds) that are legally restricted to expenditure for specified purposes.

Recreation

The Recreation Fund is used to account for the operations of the recreation programs. Financing is provided primarily from an annual property tax levy, and from fees charged for programs and activities. The basis of budgeting for the Recreation Fund is the same as Generally Accepted Accounting Principals.

Special Recreation

The Special Recreation Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies to the Maine Niles Association of Special Recreation to provide special recreation programs for the physically and mentally challenged.

Retirement

The Retirement Fund is used to account for the District's participation in the Illinois Municipal Retirement Fund and contributions to employee social security benefits. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the District's contributions to the fund on behalf of its employees.

Audit

The Audit Fund is used to account for the revenues derived from a specific annual property tax levy and expenditures of these monies for the annual audit of the District.

Liability Insurance

The Liability Insurance Fund is used to account for the operation of the District's insurance and risk management activities. Financing is provided from an annual property tax levy.

INDIVIDUAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS - Continued

Paving and Lighting

The Paving and Lighting Fund is used to account for the revenues derived from a specific annual property tax levy and expenditures of these monies for paving and lighting improvements through the District.

Museum

The Museum Fund is used to account for the revenue and expenditures of the Museum. An annual tax levy in conjunction with program revenue is used to finance the fund.

Police Protection

The Police Protection Fund is used to account for the revenues derived from a specific annual property tax levy and expenditures of these monies for police service for the parts.

DEBT SERVICE FUND

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets, excluding those types of capital related outflows financed by proprietary funds.

MORTON GROVE PARK DISTRICT

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries and Wages			
Administrative Manager	\$ 155,215	156,715	156,710
Human Resource Generalist	100,260	89,260	85,110
Superintendent of Finance	111,528	111,628	111,548
Finance Coordinator	55,318	47,318	44,799
Material and Supplies			
Commodities Purchases	10,700	10,700	6,465
Bank Charges	3,408	3,408	708
Insurance			
Health Insurance Premiums	237,228	195,628	194,282
Utilities			
Electricity	14,175	14,175	10,797
Heating Fuel	6,300	8,800	8,074
Water	1,050	2,050	1,263
Telephone	18,375	22,375	22,028
Contractual Services			
Legal Services	70,000	83,000	76,041
Technical Assistance	50,000	63,000	62,624
Maintenance Agreement	24,000	26,000	23,342
Equipment/Repair			
Office	500	500	400
Computer - Hardware	1,500	1,500	(78)
Computer - Software	500	500	—
Commissioners	16,380	17,880	6,938
Employee Travel	2,200	2,200	836
Dues and Subscriptions	13,845	13,845	12,288
Uniforms	1,200	1,200	1,125
Human Resources	5,000	8,200	8,127
Strategic Planning Costs	16,500	16,300	8,371
Employee Recognition	4,500	4,500	2,436
Morton Grove Special Events	11,500	11,500	6,870
Holiday Display	1,000	1,000	—

MORTON GROVE PARK DISTRICT

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government - Continued			
Administrative - Continued			
Miscellaneous			
Educational	\$ 13,349	13,349	8,010
Total Administrative	945,531	926,531	859,114
Park Maintenance			
Salaries and Wages			
Park Manager	93,128	93,128	89,106
Maintenance	451,628	457,228	456,722
Summer Staff	25,000	13,150	8,943
Material and Supplies			
Equipment Repair	1,000	1,600	1,014
Materials and Supplies	65,000	82,950	74,331
Motor Vehicle Expenditures	5,000	5,000	4,691
Contractual Services			
Maintenance Agreement	40,000	33,800	33,772
Temporary Maintenance Staff	9,600	1,900	—
Equipment/Repair			
Maintenance	5,000	5,000	3,358
Buildings	1,000	1,000	884
Building and Landscape			
General Park Improvements	8,500	10,000	9,563
Landscaping	22,000	22,000	14,318
Miscellaneous			
Educational Services	1,500	1,500	595
Uniforms	1,500	1,600	1,559
Prairie View Ice Arena	1,000	1,000	30
Total Park Maintenance	730,856	730,856	698,886
Total Expenditures	1,676,387	1,657,387	1,558,000

MORTON GROVE PARK DISTRICT

**Recreation - Special Revenue Fund
 Schedule of Revenues - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 1,220,000	1,220,000	495,936
Intergovernmental			
Replacement Taxes	—	—	488,045
Charges for Services			
Administration			
Other	30,532	30,532	34,814
Pools			
Token Sales	80,000	80,000	156,532
Daily Receipts	95,000	95,000	156,799
Swim Lessons	18,000	18,000	28,378
Rentals	24,500	24,500	34,326
Other	10,450	10,450	17,664
	227,950	227,950	393,699
Recreation Programs	955,941	955,941	860,129
Community Center			
Rentals	42,600	42,600	69,346
Membership Fees	110,000	110,000	161,306
Guest Fees	2,400	2,400	9,030
Other	—	—	1,445
	155,000	155,000	241,127
Total Charges for Services	1,369,423	1,369,423	1,529,769
Interest	—	—	3
Total Revenues	2,589,423	2,589,423	2,513,753

MORTON GROVE PARK DISTRICT

**Recreation - Special Revenue Fund
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Recreation			
Administration			
Salaries and Wages	\$ 448,917	440,647	440,622
Bank Charges	14,825	29,325	29,283
Commodities Purchases	2,000	2,000	1,989
Office Equipment Repairs and Rental	31,000	31,425	31,422
Health and Accident Insurance	141,989	122,464	122,376
Electricity	14,700	11,645	11,642
Fuel and Heating	5,250	8,125	8,117
Telephone	18,375	22,375	22,351
Water	1,050	1,175	1,172
Public Relations	60,054	37,329	37,328
Office Equipment	1,000	3,950	3,889
Staff Travel and Seminars	13,112	5,862	4,611
Dues and Subscriptions	1,300	2,525	2,504
Uniforms	1,000	2,350	2,326
Special Events	1,200	1,200	(20)
Employee Recognition	1,000	700	331
	<u>756,772</u>	<u>723,097</u>	<u>719,943</u>
Recreation Programs			
Program Expenditures	<u>598,307</u>	<u>624,677</u>	<u>615,824</u>
Pools			
Salaries and Wages	507,150	453,615	451,160
Technical Assistance	8,000	975	958
Lifeguard Suits	6,500	9,425	9,383
Chemicals	24,000	42,225	42,193
Utilities	84,000	86,625	86,280
Maintenance of Pool and Buildings	6,000	10,400	10,392
New Equipment and Maintenance	11,000	9,575	9,539
Special Events	4,000	2,900	2,464
Commodities	26,300	36,060	32,823
	<u>676,950</u>	<u>651,800</u>	<u>645,192</u>

MORTON GROVE PARK DISTRICT

Recreation - Special Revenue Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Recreation - Continued			
Community Center			
Salaries and Wages	\$ 304,599	328,269	327,692
Printing - Marketing	26,000	24,920	24,842
Office and Fitness Center Equipment	3,000	1,700	1,654
Utilities and Telephone	88,095	81,720	81,613
Contractual Service	82,000	109,655	109,616
Maintenance Equipment	10,700	5,950	5,813
Building Repairs and Improvements	16,000	15,500	15,473
Supplies	26,000	22,060	21,846
Uniforms	1,000	75	55
	<u>557,394</u>	<u>589,849</u>	<u>588,604</u>
Total Expenditures	<u>2,589,423</u>	<u>2,589,423</u>	<u>2,569,563</u>

MORTON GROVE PARK DISTRICT

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,005,000	1,005,000	1,065,380
Expenditures			
Debt Service			
Principal Retirement	992,233	992,233	992,233
Interest and Fiscal Charges	12,767	12,767	7,628
Total Expenditures	1,005,000	1,005,000	999,861
Net Change in Fund Balance	—	—	65,519
Fund Balance - Beginning			52,710
Fund Balance - Ending			118,229

MORTON GROVE PARK DISTRICT

Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 885,500	885,500	44,330
Expenditures			
Capital Outlay	1,592,500	1,697,100	1,382,251
Debt Service			
Principal Retirement	430,000	430,000	430,000
Interest and Fiscal Charges	5,850,000	5,745,400	723,700
Total Expenditures	7,872,500	7,872,500	2,535,951
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,987,000)	(6,987,000)	(2,491,621)
Other Financing Sources			
Debt Issuance	6,000,000	6,000,000	1,010,993
Transfers In	1,027,000	1,027,000	1,526,000
	7,027,000	7,027,000	2,536,993
Net Change in Fund Balance	40,000	40,000	45,372
Fund Balance - Beginning			7,240,574
Fund Balance - Ending			7,285,946

MORTON GROVE PARK DISTRICT

Nonmajor Governmental Funds - Special Revenue Funds

Combining Balance Sheet

December 31, 2022

	Audit	Liability Insurance	Paving and Lighting	Museum	Police Protection	Totals
ASSETS						
Cash and Investments	\$ 7,664	64,904	3,315	11,501	4,600	91,984
LIABILITIES						
Accounts Payable	—	6,592	—	852	—	7,444
Accrued Payroll	—	—	—	689	—	689
Total Liabilities	—	6,592	—	1,541	—	8,133
FUND BALANCES						
Restricted	7,664	58,312	3,315	9,960	4,600	83,851
Total Liabilities and Fund Balances	7,664	64,904	3,315	11,501	4,600	91,984

MORTON GROVE PARK DISTRICT

Nonmajor Governmental Funds - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2022

	Audit	Liability Insurance	Paving and Lighting	Museum	Police Protection	Totals
Revenues						
Intergovernmental	\$ 15,000	88,565	—	25,000	5,000	133,565
Expenditures						
General Government	15,000	85,718	—	—	8,214	108,932
Recreation	—	—	—	25,259	—	25,259
Total Expenditures	15,000	85,718	—	25,259	8,214	134,191
Net Change in Fund Balances	—	2,847	—	(259)	(3,214)	(626)
Fund Balances - Beginning	7,664	55,465	3,315	10,219	7,814	84,477
Fund Balances - Ending	7,664	58,312	3,315	9,960	4,600	83,851

MORTON GROVE PARK DISTRICT

Audit - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Replacement Taxes	\$ 15,000	15,000	15,000
Expenditures			
General Government			
Audit	15,000	15,000	15,000
Net Change in Fund Balance	<u>—</u>	<u>—</u>	—
Fund Balance - Beginning			<u>7,664</u>
Fund Balance - Ending			<u><u>7,664</u></u>

MORTON GROVE PARK DISTRICT

Liability Insurance - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 105,000	105,000	—
Intergovernmental			
Replacement Taxes	—	—	88,565
Total Revenues	105,000	105,000	88,565
Expenditures			
General Government			
Liability Insurance	59,000	65,000	52,138
Workmen's Compensation	36,000	30,000	26,519
Safety Training and Subscriptions	10,000	10,000	7,061
Total Expenditures	105,000	105,000	85,718
Net Change in Fund Balance	—	—	2,847
Fund Balance - Beginning			55,465
Fund Balance - Ending			58,312

MORTON GROVE PARK DISTRICT

Museum - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Replacement Taxes	\$ 22,000	22,000	25,000
Expenditures			
Recreation			
Salaries and Wages	12,000	15,150	15,120
Utilities	4,252	3,602	3,438
Contractual Services	4,500	4,535	4,207
Building and Landscape	248	1,008	1,003
Miscellaneous	1,000	1,705	1,491
Total Expenditures	22,000	26,000	25,259
Net Change in Fund Balance	—	(4,000)	(259)
Fund Balance - Beginning			10,219
Fund Balance - Ending			9,960

MORTON GROVE PARK DISTRICT

Police Protection - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 7,000	7,000	—
Intergovernmental			
Replacement Taxes	—	—	5,000
Total Revenues	7,000	7,000	5,000
Expenditures			
General Government			
Salaries and Wages	7,000	10,000	8,214
Net Change in Fund Balance	—	(3,000)	(3,214)
Fund Balance - Beginning			7,814
Fund Balance - Ending			4,600

SUPPLEMENTAL SCHEDULES

MORTON GROVE PARK DISTRICT

Long-Term Debt Requirements

General Obligation Park Bonds (Alternate Revenue Source) of 2020A

December 31, 2022

Date of Issue	November 24, 2020
Date of Maturity	December 1, 2045
Authorized Issue	\$10,950,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 265,000	512,850	777,850	2023	256,425	2023	256,425
2024	280,000	499,600	779,600	2024	249,800	2024	249,800
2025	295,000	485,600	780,600	2025	242,800	2025	242,800
2026	310,000	470,850	780,850	2026	235,425	2026	235,425
2027	325,000	455,350	780,350	2027	227,675	2027	227,675
2028	340,000	439,100	779,100	2028	219,550	2028	219,550
2029	355,000	422,100	777,100	2029	211,050	2029	211,050
2030	375,000	404,350	779,350	2030	202,175	2030	202,175
2031	395,000	385,600	780,600	2031	192,800	2031	192,800
2032	410,000	365,850	775,850	2032	182,925	2032	182,925
2033	435,000	345,350	780,350	2033	172,675	2033	172,675
2034	455,000	323,600	778,600	2034	161,800	2034	161,800
2035	475,000	300,850	775,850	2035	150,425	2035	150,425
2036	500,000	277,100	777,100	2036	138,550	2036	138,550
2037	525,000	252,100	777,100	2037	126,050	2037	126,050
2038	555,000	225,850	780,850	2038	112,925	2038	112,925
2039	580,000	198,100	778,100	2039	99,050	2039	99,050
2040	610,000	169,100	779,100	2040	84,550	2040	84,550
2041	640,000	138,600	778,600	2041	69,300	2041	69,300
2042	665,000	113,000	778,000	2042	56,500	2042	56,500
2043	690,000	86,400	776,400	2043	43,200	2043	43,200
2044	720,000	58,800	778,800	2044	29,400	2044	29,400
2045	750,000	30,000	780,000	2045	15,000	2045	15,000
	<u>10,950,000</u>	<u>6,960,100</u>	<u>17,910,100</u>		<u>3,480,050</u>		<u>3,480,050</u>

MORTON GROVE PARK DISTRICT

Long-Term Debt Requirements

General Obligation Limited Tax Park Bonds of 2022

December 31, 2022

Date of Issue	November 17, 2022
Date of Maturity	December 1, 2023
Authorized Issue	\$1,010,993
Denomination of Bonds	\$5,000
Interest Rate	3.70%
Interest Date	December 1
Principal Maturity Date	December 1
Payable at	Wintrust Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal			
Year	Principal	Interest	Totals
2023	\$ 1,010,993	37,407	1,048,400

MORTON GROVE PARK DISTRICT

Long-Term Debt Requirements

General Obligation Limited Tax Debt Certificates of 2013

December 31, 2022

Date of Issue	April 4, 2013
Date of Maturity	December 1, 2032
Authorized Issue	\$7,200,000
Interest Rates	2.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 440,000	189,500	629,500	2023	\$ 94,750	2023	\$ 94,750
2024	455,000	176,300	631,300	2024	88,150	2024	88,150
2025	470,000	162,650	632,650	2025	81,325	2025	81,325
2026	485,000	146,200	631,200	2026	73,100	2026	73,100
2027	500,000	126,800	626,800	2027	63,400	2027	63,400
2028	500,000	106,800	606,800	2028	53,400	2028	53,400
2029	540,000	91,800	631,800	2029	45,900	2029	45,900
2030	560,000	70,200	630,200	2030	35,100	2030	35,100
2031	585,000	47,800	632,800	2031	23,900	2031	23,900
2032	610,000	24,400	634,400	2032	12,200	2032	12,200
	<u>5,145,000</u>	<u>1,142,450</u>	<u>6,287,450</u>		<u>571,225</u>		<u>571,225</u>

STATISTICAL SECTION (Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

MORTON GROVE PARK DISTRICT

**Net Position by Component - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

See Following Page

MORTON GROVE PARK DISTRICT

**Net Position by Component - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$ 15,837,441	11,028,566	13,130,485
Restricted	1,511,409	1,392,530	1,214,064
Unrestricted	971,920	4,403,585	577,577
Total Governmental Activities Net Position	18,320,770	16,824,681	14,922,126

Data Source: Audited Financial Statements

* For the Eight Months Ended December 31, 2018

2017	2018	2018*	2019	2020	2021	2022
12,904,827	12,470,496	12,711,851	12,673,461	11,918,008	12,130,463	11,927,718
1,901,672	2,099,945	1,345,026	1,297,895	1,373,130	1,546,199	1,270,419
304,014	358,757	185,250	510,313	1,318,191	2,637,300	3,844,702
15,110,513	14,929,198	14,242,127	14,481,669	14,609,329	16,313,962	17,042,839

MORTON GROVE PARK DISTRICT

**Changes in Net Position - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2014	2015	2016
Expenses			
Governmental Activities			
General Government	\$ 3,258,989	1,714,626	1,960,021
Recreation	2,369,290	3,229,655	3,292,792
Interest on Long-Term Debt	13,125	240,866	245,813
Total Expenses	<u>5,641,404</u>	<u>5,185,147</u>	<u>5,498,626</u>
Program Revenues			
Governmental Activities			
Charges for Services			
General Government	44,722	58,071	58,651
Recreation	1,405,969	1,654,297	1,633,789
Operating Grants/Contributions	—	75,000	75,000
Total Program Revenues	<u>1,450,691</u>	<u>1,787,368</u>	<u>1,767,440</u>
 Total Primary Government Net Revenues (Expenses)	 <u>(4,190,713)</u>	 <u>(3,397,779)</u>	 <u>(3,731,186)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes			
Property Taxes	2,987,821	3,239,127	3,195,647
Intergovernmental			
Replacement Taxes	213,503	126,648	117,200
Interest	4,079	136,212	46,430
Miscellaneous	146,495	6,665	4,703
Total Governmental Activities	<u>3,351,898</u>	<u>3,508,652</u>	<u>3,363,980</u>
 Changes in Net Position			
Governmental Activities	 <u>(838,815)</u>	 <u>110,873</u>	 <u>(367,206)</u>

Data Source: Audited Financial Statements

* For the Eight Months Ended December 31, 2018

2017	2018	2018*	2019	2020	2021	2022
1,703,451	1,784,026	1,269,679	1,920,792	1,347,523	1,276,947	2,169,787
3,381,602	3,598,659	2,124,868	3,024,812	2,507,483	2,600,169	3,840,349
245,039	243,618	173,804	241,872	534,903	672,363	624,366
5,330,092	5,626,303	3,568,351	5,187,476	4,389,909	4,549,479	6,634,502
64,855	80,225	47,310	81,163	79,240	82,047	85,053
1,729,642	1,748,400	1,064,834	1,461,664	444,123	833,024	1,529,769
—	—	—	16,254	111,850	111,850	44,330
1,794,497	1,828,625	1,112,144	1,559,081	635,213	1,026,921	1,659,152
(3,535,595)	(3,797,678)	(2,456,207)	(3,628,395)	(3,754,696)	(3,522,558)	(4,975,350)
3,472,442	3,372,807	1,633,295	3,510,592	3,629,964	4,815,210	5,133,508
185,000	150,791	91,054	195,812	175,005	307,224	621,610
44,753	64,109	45,845	134,653	55,096	27,328	(73,642)
21,787	28,656	96,162	26,880	22,291	77,429	22,751
3,723,982	3,616,363	1,866,356	3,867,937	3,882,356	5,227,191	5,704,227
188,387	(181,315)	(589,851)	239,542	127,660	1,704,633	728,877

MORTON GROVE PARK DISTRICT

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2014	2015	2016
General Fund			
Nonspendable	\$ —	—	—
Unassigned	116,542	177,896	298,137
Total General Fund	116,542	177,896	298,137
All Other Governmental Funds			
Nonspendable			
Special Revenue	1,290	1,290	1,290
Assigned			
Capital Project	6,783,046	4,279,612	5,513,601
Restricted			
Special Revenue	1,010,929	959,758	852,759
Debt Service	499,190	537,220	467,191
Assigned			
Special Revenue	—	(1,022)	—
Total All Other Governmental Funds	8,294,455	5,776,858	6,834,841
Total Governmental Funds	8,410,997	5,954,754	7,132,978

Data Source: Audited Financial Statements

* For the Eight Months Ended December 31, 2018

2017	2018	2018*	2019	2020	2021	2022
—	1,217	—	—	—	—	—
461,262	432,314	189,506	419,926	408,532	670,357	924,040
461,262	433,531	189,506	419,926	408,532	670,357	924,040
1,290	1,290	—	—	—	—	—
4,162,328	4,660,863	4,778,367	4,819,819	16,430,754	7,240,574	7,285,946
1,556,025	1,725,268	1,345,026	1,296,177	1,373,130	1,546,199	1,210,720
451,158	479,530	1,583	21,721	43,230	52,710	118,229
—	—	—	—	—	—	—
6,170,801	6,866,951	6,124,976	6,137,717	17,847,114	8,839,483	8,614,895
6,632,063	7,300,482	6,314,482	6,557,643	18,255,646	9,509,840	9,538,935

MORTON GROVE PARK DISTRICT

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2014	2015	2016
Revenues			
Taxes	\$ 3,212,678	3,365,775	3,312,847
Intergovernmental	9,159,026	139,736	79,703
Charges for Services	1,450,691	1,654,297	1,692,440
Interest	4,079	136,212	46,430
Miscellaneous	—	—	—
Total Revenues	<u>13,826,474</u>	<u>5,296,020</u>	<u>5,131,420</u>
Expenditures			
General Government	2,180,684	2,104,541	1,784,110
Recreation	1,816,038	2,299,849	2,436,514
Capital Outlay	5,844,659	2,473,071	485,747
Debt Service			
Principal	750,000	750,000	750,000
Interest and Fiscal Charges	13,125	258,984	260,825
Total Expenditures	<u>10,604,506</u>	<u>7,886,445</u>	<u>5,717,196</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,221,968</u>	<u>(2,590,425)</u>	<u>(585,776)</u>
Other Financing Sources (Uses)			
Debt Issuance	—	—	1,764,000
Disposal of Capital Assets	—	14,670	—
Transfers In	—	—	—
Transfers Out	—	—	—
	<u>—</u>	<u>14,670</u>	<u>1,764,000</u>
Net Change in Fund Balances	<u><u>3,221,968</u></u>	<u><u>(2,575,755)</u></u>	<u><u>1,178,224</u></u>
Debt Service as a Percentage of Noncapital Expenditures	<u>9.76%</u>	<u>19.06%</u>	<u>19.03%</u>

Data Source: Audited Financial Statements

* For the Eight Months Ended December 31, 2018

2017	2018	2018*	2019	2020	2021	2022
3,657,442	3,523,598	1,724,349	3,706,404	3,629,964	4,815,210	5,133,508
21,787	28,656	96,162	43,134	286,855	419,074	665,940
1,794,497	1,828,625	1,112,144	1,542,827	523,363	915,071	1,614,822
44,753	64,109	45,845	134,653	55,096	27,328	(73,642)
—	—	—	—	22,291	77,429	22,751
5,518,479	5,444,988	2,978,500	5,427,018	4,517,569	6,254,112	7,363,379
1,741,036	1,856,500	1,297,569	1,890,604	1,889,100	1,948,231	2,059,606
2,500,271	2,508,428	1,692,811	2,287,437	1,465,666	1,884,162	2,749,859
638,223	173,915	321,647	368,253	1,733,062	10,015,536	1,382,251
878,000	886,000	1,309,000	1,320,550	1,356,900	1,360,000	1,422,233
261,864	260,726	264,023	263,913	538,579	784,222	731,328
6,019,394	5,685,569	4,885,050	6,130,757	6,983,307	15,992,151	8,345,277
(500,915)	(240,581)	(1,906,550)	(703,739)	(2,465,738)	(9,738,039)	(981,898)
—	909,000	920,550	946,900	11,895,000	992,233	1,010,993
—	—	—	—	2,268,741	—	—
786,000	—	125,000	134,565	120,000	881,920	1,526,000
(786,000)	—	(125,000)	(134,565)	(120,000)	(881,920)	(1,526,000)
—	909,000	920,550	946,900	14,163,741	992,233	1,010,993
(500,915)	668,419	(986,000)	243,161	11,698,003	(8,745,806)	29,095
21.15%	20.79%	34.07%	27.56%	15.09%	35.73%	30.83%

MORTON GROVE PARK DISTRICT

**Equalized Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxable Real Property		Percentage of Equalized Assessed Value to Estimated Actual Value (1)	Total Direct Tax Rate
		Equalized Assessed Value	Estimated Actual Value		
2013	2012	\$ 798,520,745	\$ 2,395,562,235	33.3	0.382
2014	2013	678,613,273	2,035,839,819	33.3	0.468
2015	2014	691,208,517	2,073,625,551	33.3	0.462
2016	2015	680,147,457	2,040,442,371	33.3	0.499
2017	2016	795,120,937	2,385,362,811	33.3	0.429
2018	2017	798,444,263	2,395,332,789	33.3	0.444
2019	2018	782,299,371	2,346,898,113	33.3	0.462
2020	2019	920,082,308	2,760,246,924	33.3	0.405
2021	2020	933,619,672	2,800,859,016	33.3	0.536
2022	2021	858,863,131	2,576,589,393	33.3	0.591

Data Source: DuPage County Clerk

(1) Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the state with a County Multiplier based on the factor needed to bring the average prior years' level up to 33-1/3% of market value. Every three years there is a tri-annual assessment when all property is assessed.

MORTON GROVE PARK DISTRICT

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2022 (Unaudited)**

See Following Page

MORTON GROVE PARK DISTRICT

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2022 (Unaudited)**

Name of Taxing Entity/Tax Levy Year	2012	2013	2014
Direct Rate			
Corporate	0.097	0.117	0.139
I.M.R.F.	0.036	0.045	0.042
Police Protection	0.002	0.000	0.000
Social Security	0.023	0.030	0.028
Auditing	0.002	0.002	0.002
Liability Insurance	0.018	0.022	0.020
Recreation	0.078	0.093	0.076
Paving and Lighting	0.000	0.000	0.000
Museum	0.001	0.000	0.000
Handicapped Fund	0.025	0.040	0.039
Limited Bonds	0.100	0.119	0.116
Total Direct Rates	0.382	0.468	0.462
Overlapping Rates			
School District No. 63	2.499	3.864	3.811
School District No. 67	4.357	6.214	5.926
School District No. 69	2.133	3.144	3.121
School District No. 68	2.890	4.351	4.344
School District No. 70	2.203	3.497	3.427
School District No. 71	1.486	2.059	2.057
High School District No. 207	1.782	2.722	2.739
High School District No. 219	2.538	3.707	3.650
Village of Morton Grove	1.021	1.450	1.504
Village of Morton Grove - Library Fund	0.335	0.444	0.458
Village of Skokie	0.539	0.767	0.748
Village of Skokie - Library Fund	0.432	0.623	0.614
Cook County	0.423	0.560	0.568
Remaining Taxing Agencies	0.661	1.015	0.978
Total Overlapping Rates	23.299	34.417	33.945
Total with District	23.681	34.885	34.407

Data Source: Cook County Clerk's office

2015	2016	2017	2018	2019	2020	2021
0.149	0.128	0.132	0.156	0.146	0.232	0.337
0.044	0.027	0.027	0.023	0.029	0.017	0.022
0.000	0.000	0.000	0.000	0.000	0.000	0.000
0.030	0.015	0.015	0.024	0.024	0.017	0.013
0.002	0.002	0.002	0.000	0.000	0.000	0.000
0.021	0.012	0.013	0.008	0.000	0.000	0.000
0.074	0.093	0.093	0.084	0.062	0.121	0.057
0.000	0.000	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.000	0.000
0.040	0.034	0.040	0.040	0.035	0.040	0.040
0.139	0.119	0.122	0.127	0.110	0.111	0.122
0.499	0.429	0.444	0.462	0.405	0.536	0.591
4.040	3.492	3.556	3.763	3.245	3.388	3.770
3.552	2.957	2.962	3.110	2.766	2.746	3.000
3.248	2.863	2.827	2.966	2.735	2.743	2.957
6.169	5.696	5.806	6.010	5.310	5.492	5.903
4.283	3.797	3.838	3.958	3.409	3.410	3.820
2.117	1.923	1.947	2.016	1.803	1.794	2.001
2.901	2.507	2.529	2.652	2.553	2.639	2.901
3.891	3.460	3.409	3.347	3.017	3.029	3.350
1.504	1.287	1.331	1.385	1.179	1.161	1.292
0.475	0.419	0.421	0.430	0.377	0.371	0.404
0.760	0.651	0.639	0.652	0.573	0.562	0.605
0.630	0.545	0.557	0.569	0.499	0.489	0.527
0.552	0.533	0.496	0.489	0.454	0.453	0.446
1.069	0.954	0.974	0.921	0.846	0.801	0.927
35.191	31.084	31.292	32.268	28.766	29.078	31.903
35.690	31.513	31.736	32.730	29.171	29.614	32.494

MORTON GROVE PARK DISTRICT

**Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago
December 31, 2022 (Unaudited)**

Taxpayer	Tax Levy Year 2021			Tax Levy Year 2012		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Schwinge Family Ltd	\$ 16,083,902	1	1.87%	12,835,238	3	1.61%
CRP Holdings CLP	13,494,950	2	1.57%	21,853,805	1	2.74%
Fareva Morton Grove	10,870,759	3	1.27%			
CMK 9000 Waukegan LLC	10,251,866	4	1.19%			
Fluid Handling LLC	9,733,320	5	1.13%			
Public Storage	9,171,092	6	1.07%	6,114,451	9	0.77%
John Crane Inc	8,952,994	7	1.04%	8,595,916	7	1.08%
MG Property Holdings	8,944,935	8	1.04%			
IM Kensing Manufacturing	8,475,228	9	0.99%			
CRE North Grove CP III	8,353,067	10	0.97%			
Menards				10,445,533	4	1.31%
Tower Real Estate				14,389,488	2	1.80%
Bell & Gossett				9,274,442	5	1.16%
Avon Products				8,884,854	6	1.11%
Richard Edler				6,283,814	8	0.79%
Kraft				5,784,841	10	0.72%
	<u>104,332,113</u>		<u>12.14%</u>	<u>104,462,382</u>		<u>13.09%</u>

Data Source: Cook County Tax Extension Office

MORTON GROVE PARK DISTRICT

**Property Tax Levies and Collections - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	Tax Levy Year (1)	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	2012	\$ 3,149,785	\$ 1,617,474	51.35%	\$ 1,370,837	\$ 2,988,311	94.87%
2014	2013	3,173,699	1,553,340	48.94%	1,565,526	3,118,866	98.27%
2015	2014	3,196,035	1,634,340	51.14%	1,486,878	3,121,218	97.66%
2016	2015	3,392,343	1,649,905	48.64%	1,703,827	3,353,732	98.86%
2017	2016	3,419,571	1,768,614	51.72%	1,575,084	3,343,698	97.78%
2018*	2017	3,544,339	1,797,828	50.72%	1,633,294	3,431,122	96.81%
2019	2018	3,609,287	3,500,284	96.98%	10,307	3,510,591	97.27%
2020	2019	3,728,269	3,621,754	97.14%	—	3,621,754	97.14%
2021	2020	5,007,510	4,815,211	96.16%	—	4,815,211	96.16%
2022	2021	5,073,475	3,983,039	78.51%	1,090,436	5,073,475	100.00%

Data Source: Office of County Clerk

(1) Represents Year of Tax Levy

* 2018 includes installments from FY2018 and for the eight months ending December 31, 2018.

MORTON GROVE PARK DISTRICT

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	Governmental Activities		Total Primary Government	Ratio of Total Outstanding Debt to Equalized Assessed Valuation (1)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Net Debt Certificates				
2014	\$ 1,500,000	\$ 7,496,081	\$ 8,996,081	0.44%	1.18%	\$ 382.50
2015	750,000	7,479,631	8,229,631	0.40%	1.02%	350.24
2016	1,764,000	7,463,181	9,227,181	0.45%	1.20%	389.73
2017	886,000	7,446,731	8,332,731	0.35%	1.06%	351.25
2018	909,000	7,430,281	8,339,281	0.35%	1.12%	357.66
2018*	920,550	7,019,320	7,939,870	0.34%	0.92%	340.53
2019	946,900	6,602,871	7,549,771	0.27%	0.86%	326.87
2020	14,130,940	6,176,422	20,307,362	0.73%	2.35%	899.43
2021	14,088,736	5,744,972	19,833,708	0.71%	2.16%	882.71
2022	14,018,058	5,298,523	19,316,581	0.75%	1.86%	764.44

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for equalized assessed valuation of property, personal income, and population data.

Data Source: District Records

* For the Eight Months Ended December 31, 2018

MORTON GROVE PARK DISTRICT

**Ratio of Net General Obligation Debt to Equalized Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	Gross General Obligations Bonds	Less Debt Amount Available	Net General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2014	\$ 1,500,000	\$ 499,190	\$ 1,000,810	0.05%	\$ 42.55
2015	750,000	432,772	317,228	0.02%	13.50
2016	1,764,000	361,305	1,402,695	0.07%	59.25
2017	886,000	345,647	540,353	0.02%	22.78
2018	909,000	374,677	534,323	0.02%	22.92
2018*	920,550	—	920,550	0.04%	39.48
2019	946,900	1,718	945,182	0.03%	40.92
2020	14,130,940	—	14,130,940	0.50%	625.87
2021	14,088,736	—	14,088,736	0.55%	627.03
2022	14,018,058	59,699	13,958,359	0.54%	552.39

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

Data Source: United States Department of Commerce, Census Bureau

* For the Eight Months Ended December 31, 2018

MORTON GROVE PARK DISTRICT

**Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2022 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable District (1) (2)	District's Share of Debt
Morton Grove Park District	\$ 19,316,581	100.00%	\$ 19,316,581
Cook County (3)	2,425,146,750	0.55%	13,362,559
Cook County Forest Preserve District	124,980,000	0.55%	688,640
Metropolitan Water Reclamation District	2,759,628,416	0.56%	15,481,515
Village of Skokie	225,346,273	0.17%	378,582
Village of Morton Grove	25,859,169	97.31%	25,162,523
School District #63	47,620,000	15.29%	7,280,146
School District #67	6,365,000	69.27%	4,408,908
School District #68	7,114,634	0.548%	38,988
School District #69	35,775,000	13.909%	4,975,945
School District #70	840,000	100.000%	840,000
High School District #207	167,610,000	3.520%	5,899,872
High School District #219	103,680,000	15.838%	16,420,838
Community College #535	45,110,000	3.61%	1,626,216
Total Overlapping Debt	5,975,075,242		96,564,731
Total Direct and Overlapping Debt	5,994,391,823		115,881,312

(1) Overlapping debt percentages based on 2021 EAV, the most recent available.

(2) Percentages are calculated by comparing the equalized assessed value (EAV) of the overlapping entity that falls within the boundaries of the District to its total EAV.

(3) Other major local government tax rates for 2022 are not yet available.

Data Sources:

Cook County Department of Revenue
Cook County Clerk's Office

MORTON GROVE PARK DISTRICT

Legal Debt Margin - Last Ten Fiscal Years
December 31, 2022 (Unaudited)

See Following Page

MORTON GROVE PARK DISTRICT

**Legal Debt Margin - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	2014	2015	2016	2017
Tax Levy Year	2013	2014	2015	2016
Equalized Assessed Valuation	\$ 678,316,273	691,208,517	680,147,457	795,120,937
Bonded Debt Limit - 2.875% of Assessed Value	19,501,593	19,872,245	19,554,239	22,859,727
Total Net Debt Applicable to Limit	8,996,081	7,950,000	8,964,000	8,086,000
Legal Debt Margin	10,505,512	11,922,245	10,590,239	14,773,727
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	46.13%	40.01%	45.84%	35.37%
Non-Referendum Legal Debt Limit - .575% of Assessed Value	3,900,319	3,974,449	3,910,848	4,571,945
Amount of Debt Applicable to Limit	—	—	—	—
Legal Debt Margin	3,900,319	3,974,449	3,910,848	4,571,945
Percentage of Legal Debt Margin to Bonded Debt Limit	0.00%	0.00%	0.00%	0.00%

Data Source: Audited Financial Statements

* For the Eight Months Ended December 31, 2018

2018 2017	2018* 2017	2019 2018	2020 2019	2021 2020	2022 2021
798,444,263	798,444,263	782,299,371	920,082,308	933,619,672	858,863,131
22,955,273	22,955,273	22,491,107	26,452,366	26,841,566	24,692,315
8,109,000	7,720,550	7,346,900	17,885,000	6,567,233	6,155,993
14,846,273	15,234,723	15,144,207	8,567,366	20,274,333	18,536,322
35.33%	33.63%	32.67%	67.61%	24.47%	24.93%
4,591,055	4,591,055	4,498,221	5,290,473	5,368,313	4,938,463
909,000	920,550	946,900	945,000	992,233	1,010,993
3,682,055	3,670,505	3,551,321	4,345,473	4,376,080	3,927,470
19.80%	20.05%	21.05%	17.86%	18.48%	20.47%

MORTON GROVE PARK DISTRICT

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2022 (Unaudited)

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2014	23,519	\$ 762,278,660	\$ 32,868	8.7%
2015	23,497	805,886,640	32,442	5.8%
2016	23,676	769,282,930	35,442	5.2%
2017	23,723	785,108,129	37,205	5.9%
2018	23,316	741,830,470	31,816	5.0%
2018*	23,316	864,627,228	37,083	4.1%
2019	23,097	876,369,471	37,943	3.9%
2020	22,578	863,596,830	37,390	10.4%
2021	22,469	919,498,887	40,923	5.3%
2022	25,269	1,036,130,076	41,004	4.3%

Data Sources:

U.S Bureau of Censure
Department of Labor
Village of Morton Grove Records

* For the Eight Months Ended December 31, 2018

MORTON GROVE PARK DISTRICT

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2022 (Unaudited)**

Employer	2022			2013		
	Employees	Rank	% of Total District Population	Employees	Rank	% of Total District Population
Xylem	475	1	1.88%			
John Crane, Inc.	460	2	1.82%	1,350	1	5.78%
Advanced Skin and Mohs Clinic	410	3	1.62%			
Amazon	300	4	1.19%			
Fareva	300	5	1.19%			
Lake Shore Recycling	225	6	0.89%			
Schwartz Paper	200	7	0.79%	445	4	1.90%
Quantum Group	200	8	0.79%	135	10	0.58%
MG Pharmaceutical	176	9	0.70%	250	6	1.07%
Illinois Bone & Joint	175	10	0.69%			
Avon Products Inc				1,100	2	4.71%
ITT Bell & Gossett				750	3	3.21%
Sunstone				412	5	1.76%
Shore Koeig Training Center				210	7	0.90%
Malko Electric				180	8	0.77%
Paul Krez Electric				180	9	0.77%
Totals	<u>2,921</u>		<u>11.56%</u>	<u>5,012</u>		<u>21.45%</u>

Data Sources: Village of Morton Grove and Illinois Manufacturers Directory and Illinois Business Directory

MORTON GROVE PARK DISTRICT

**Park Facilities Locations and Full-Time Employees - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Park	Address	Acres	Number of Full Time Employees																			
			2014	2015	2016	2017	2018	2018*	2019	2020	2021	2022										
Arum Park	Church and National	0.26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Austin Park	8336 Memora	5.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Frank Hren Park	9600 Oak Park Avenue	8.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Harrer Park	6200 Dempster	22.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mansfield Park	5830 Church	3.50	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
National Park	9325 Marion	7.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Oketo Park	8950 Okato	3.10	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Oriole Park	9200 Oriole	3.05	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Overhill Park	9345 Overhill	0.52	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Palma Lane Park	Palma Land and Nashville	2.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pioneer Park	Capulina and Georgiana	0.26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Prairie Park	6834 Dempster	16.00	24.00	24.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Shermer Park	9500 Shermer	2.00	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Jacobs Park	Albert and Natchez	0.50	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Data Source: District Records

* For the Eight Months Ended December 31, 2018

MORTON GROVE PARK DISTRICT

District Information - Last Ten Fiscal Years

December 31, 2022 (Unaudited)

See Following Page

MORTON GROVE PARK DISTRICT

District Information - Last Ten Fiscal Years

December 31, 2022 (Unaudited)

	2014	2015	2016
Population	23,519	23,497	23,678
Area of Square Miles	5.2	5.2	5.2
Parks and Facilities			
Parks			
Number	14	14	14
Acres	73.7	73.7	73.7
Facilities			
Administrative Building	1	1	1
Baseball Fields	8	8	8
Basketball Courts	10	10	10
Concessions	2	2	2
Field Houses	7	7	7
Fitness Club	1	1	1
Football Fields	1	1	1
Gymnasium	1	1	1
Kids Center	1	1	1
Maintenance Building	2	2	2
Museum	1	1	1
Picnic Area Table (No Grills)	14	14	14
Playground Equipment	14	14	14
Racquetball Courts	1	1	1
Roller Hockey	1	1	1
Room Rental	6	6	6
Sand Volleyball	4	4	4
Soccer Fields	3	3	3
Swimming Pools	3	3	3
Softball Fields	2	2	2
Tennis Courts	10	10	10
Virgin Prairie	2	2	2

Data Source: District Records

* For the Eight Months Ended December 31, 2018

2017	2018	2018*	2019	2020	2021	2022
23,723	23,316	23,316	23,097	22,578	22,469	25,269
5.2	5.2	5.2	5.2	5.2	5.2	5.2
14	14	14	14	14	14	14
73.7	73.7	73.7	73.7	73.7	73.7	73.7
1	1	1	1	1	1	1
8	8	8	8	8	8	8
10	10	10	10	10	10	10
2	2	2	2	2	2	2
7	7	7	7	7	7	7
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
2	2	2	2	2	2	2
1	1	1	1	1	1	1
14	14	14	14	14	14	14
14	14	14	14	14	14	14
1	1	1	1	1	1	1
1	1	1	1	1	1	1
6	6	6	6	6	6	6
4	4	4	4	4	4	4
3	3	3	3	3	3	3
3	3	3	3	3	3	3
2	2	2	2	2	2	2
10	10	10	10	10	10	10
2	2	2	2	2	2	2