



DIXON PARK DISTRICT DIXON, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended March 31, 2024



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DIXON, ILLINOIS
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FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Dixon Park District (the District), as of and for the year ended March 31, 2024 and the related notes to 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 modified cash basis financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Dixon Park District, as of March 31, 2024 and the respective changes in modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting as described in Notes 1c and 1d.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Notes 1c and 1d of the financial statements, which describe the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Notes 1c and 1d; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible 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.

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 GAAS 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 GAAS 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.

**Dixon Park District
Management's Discussions and Analysis
March 31, 2024**

The Park District (the "District") Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements (beginning on page 3).

Financial Highlights

- As of March 31, 2024, the Dixon Park District's revenue for the year was \$1,962,803 – an increase of \$101,204 in comparison with the prior year.

| | 2024 Revenues | Change from 2023 |
|-------------------------------|---------------|------------------|
| Property Taxes | 1,102,451 | 65,886 |
| Replacement Taxes | 295,943 | (92,077) |
| Program Fees and Other Income | 564,409 | 127,395 |
| Total Revenues | 1,962,803 | 101,204 |

- As of the same date, expenditures for the Dixon Park District totaled \$2,544,325 – a decrease of \$2,130,047 from 2023.

| | 2024 Expenditures | Change from 2023 |
|---------------------|-------------------|------------------|
| General | 898,000 | 325,629 |
| Recreation | 360,074 | (103,662) |
| Museum | 170,672 | 134,476 |
| IMRF | 33,992 | (18,978) |
| Social Security | 45,638 | 2,204 |
| Liability Insurance | 70,466 | (2,749) |
| Police | 50,964 | 931 |
| Paving and Lighting | 9,471 | (365) |
| Debt Service | 306,181 | 68,311 |
| Capital Projects | 553,401 | (2,268,274) |
| Special Recreation | 45,466 | 1,382 |
| Total Expenditures | 2,544,325 | (2,130,047) |

- The Dixon Park District debt for increased by \$133,362 from \$2,631,552 at March 31, 2023 to \$2,764,914 at March 31, 2024.

Fund Financial Statements (Continued)

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 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 balances 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.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund and major special revenue funds. Budgetary comparison schedules for other special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the District's adopted annual appropriated budget.

The basic governmental fund financial statements are presented on pages 6 - 11 of this report.

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. The notes to the financial statements begin on page 12 of this report.

Combining and Individual Fund Financial Statements and Schedules and Other Information

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund financial statements and schedules and other information. These can be found on pages 28 - 46 of this report.

Major funds are reported in the basic financial statements as discussed.

Government-wide Financial Analysis

The District implemented the new financial reporting model used in this report beginning with the fiscal year ended March 31, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as whole.

The District's combined net position was \$5,564,166 which includes a \$5,348,891 net investment in capital assets. The total revenues were \$1,956,362, while the total expenses were \$1,805,353, which included \$76,806 of interest on debt obligations.

Financial Analysis of the District's Funds

Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended March 31, 2024

| | | Program Revenues | | | Net (Expense) Revenue and Change in Net Position |
|------------------------------------|---------------------|---------------------------------|-------------------------------------|-------------------------------------|---|
| | | Operating | Capital | | |
| | Expenses | Charges for Services | Grants and Contributions | Grants and Contributions | Governmental Activities |
| FUNCTIONS/PROGRAMS | | | | | |
| PRIMARY GOVERNMENT | | | | | |
| Governmental activities | | | | | |
| General government | \$ 588,532 | \$ 59,869 | \$ - | \$ - | \$ (528,663) |
| Recreation | 1,132,281 | 254,789 | - | 171,245 | (706,247) |
| Public safety | 14,175 | - | - | - | (14,175) |
| Interest and fiscal charges | 76,806 | - | - | - | (76,806) |
| Total governmental activities | 1,811,794 | 314,658 | - | 171,245 | (1,325,891) |
| TOTAL PRIMARY GOVERNMENT | \$ 1,811,794 | \$ 314,658 | \$ - | \$ 171,245 | (1,325,891) |
| General revenues | | | | | |
| Taxes | | | | | |
| Property | | | | | |
| Replacement | | | | | |
| Investment income | | | | | |
| Miscellaneous | | | | | |
| Total | | | | | |
| CHANGE IN NET POSITION | | | | | |
| NET POSITION, APRIL 1 | | | | | |
| Prior period adjustment | | | | | |
| NET POSITION, APRIL 1, AS RESTATED | | | | | |
| NET POSITION, MARCH 31 | | | | | |

See accompanying notes to financial statements.

| Capital Projects | Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|-----------------------------|-------------------------|--|---|
| \$ 11,283 | \$ - | \$ 180,483 | \$ 414,426 |
| - | - | 50,000 | 368,835 |
| 1,190 | - | - | 1,190 |
| <u>\$ 12,473</u> | <u>\$ -</u> | <u>\$ 230,483</u> | <u>\$ 784,451</u> |
| | | | |
| \$ - | \$ - | \$ - | \$ 2,156 |
| 307,711 | 3,814 | 7,310 | 368,835 |
| <u>307,711</u> | <u>3,814</u> | <u>7,310</u> | <u>370,991</u> |
| | | | |
| - | - | 58,712 | 58,712 |
| - | - | 10,832 | 10,832 |
| - | - | 51,832 | 51,832 |
| - | - | 37,582 | 37,582 |
| - | - | 19,735 | 19,735 |
| - | - | - | 16,752 |
| - | - | 51,790 | 51,790 |
| 1,190 | - | - | 1,190 |
| | | | |
| - | - | - | 231,200 |
| - | - | - | 130,197 |
| (296,428) | (3,814) | (7,310) | (196,362) |
| <u>(295,238)</u> | <u>(3,814)</u> | <u>223,173</u> | <u>413,460</u> |
| | | | |
| \$ 12,473 | \$ - | \$ 230,483 | \$ 784,451 |

See accompanying notes to financial statements.

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| Capital Projects | Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|-----------------------------|-------------------------|--|---|
| \$ - | \$ 196,160 | \$ 289,785 | \$ 1,398,394 |
| - | - | - | 233,530 |
| - | - | - | 160,444 |
| - | - | - | 81,127 |
| 1,691 | - | - | 10,802 |
| 14,015 | - | - | 14,015 |
| 13,627 | - | 1,210 | 64,491 |
| 29,333 | 196,160 | 290,995 | 1,962,803 |
| - | - | 94,182 | 588,532 |
| 372,108 | - | 75,793 | 906,554 |
| - | - | 14,175 | 14,175 |
| 151,688 | - | 71,847 | 466,288 |
| 20,984 | 252,605 | - | 491,970 |
| 8,621 | 53,576 | - | 76,806 |
| 553,401 | 306,181 | 255,997 | 2,544,325 |
| (524,068) | (110,021) | 34,998 | (581,522) |
| 391,506 | 46,300 | - | 437,806 |
| - | (128,044) | (41,300) | (437,806) |
| 29,712 | - | - | 29,712 |
| - | 195,620 | - | 595,620 |
| 421,218 | 113,876 | (41,300) | 625,332 |
| (102,850) | 3,855 | (6,302) | 43,810 |
| (192,388) | (7,669) | 229,475 | 369,650 |
| \$ (295,238) | \$ (3,814) | \$ 223,173 | \$ 413,460 |

See accompanying notes to financial statements.

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

March 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Dixon Park District, Dixon, Illinois (the District) have been prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting, but which is not in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Reporting Entity

The District operates under a Board-Manager form of government, providing recreation and other services to the residents of the City of Dixon, which include: recreation programs, park management, capital development, and general administration. The District has a separately elected board. The District is considered to be a primary government as defined by GASB Statement No. 14 and No. 61, since it is legally separate and fiscally independent. The accompanying basic financial statements present the District only since the District does not have component units.

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary, and fiduciary. The District does not report any proprietary or fiduciary funds.

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

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide and proprietary fund financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting. The modified cash basis of accounting omits recognition of certain revenues and the related assets, such as taxes receivable, until received, rather than when earned. Also, certain expenditures and the related liabilities, such as accounts payable and accrued items, are recognized when paid, rather than when the obligation is incurred. The financial statements reflect assets and liabilities arising from cash transactions, revenues collected, inventory on hand, and expenditures/expenses paid. The modified cash basis also includes depreciation expense as well as long-term capital assets and capital related liabilities. The modified cash basis of accounting is a comprehensive basis of accounting other than GAAP.

The governmental fund financial statements are prepared using the current financial resources measurement basis focus and the modified cash basis of accounting. The modified cash basis of accounting recognizes revenues when received instead of when earned or when measurable and available, and expenditures when paid instead of when incurred.

e. Cash and Investments

Investments with maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on 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; and Level 3 inputs are significant unobservable inputs. The District held no investments to measure at fair value at March 31, 2024.

f. Capital Assets

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

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Net Position/Fund Balances (Continued)

Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Commissioners. The Board of Commissioners would also take action to modify or rescind committed fund balance, if applicable.

Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance remains with the Board of Commissioners. Any residual fund balance in the General Fund is reported as unassigned. Deficit fund balances in other governmental funds are also reported as unassigned.

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

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the District's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

j. Use of Estimates

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

k. Restricted Cash

The District has restricted cash which consists of a donation received for the purpose of celebrating the 200th anniversary of Lowell Park. Restricted cash is \$1,190 as of March 31, 2024.

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District does not have an investment policy that addresses concentration of credit risk.

3. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2024, was as follows:

| | Beginning Balances | Increases/ Transfers | Decreases/ Transfers | Ending Balances |
|---|-----------------------|-------------------------|-------------------------|---------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 3,492,217 | \$ - | \$ - | \$ 3,492,217 |
| Construction in progress | 178,200 | 286,161 | 293,325 | 171,036 |
| Total capital assets not being depreciated | 3,670,417 | 286,161 | 293,325 | 3,663,253 |
| Capital assets being depreciated | | | | |
| Land improvements | 1,346,768 | 48,562 | - | 1,395,330 |
| Buildings and improvements | 3,560,366 | - | - | 3,560,366 |
| Furniture and equipment | 869,213 | 565,715 | - | 1,434,928 |
| Total capital assets being depreciated | 5,776,347 | 614,277 | - | 6,390,624 |
| Less accumulated depreciation for | | | | |
| Land improvements | 532,658 | 75,175 | - | 607,833 |
| Buildings and improvements | 574,709 | 157,418 | - | 732,127 |
| Furniture and equipment | 664,338 | 133,959 | - | 798,297 |
| Total accumulated depreciation | 1,771,705 | 366,552 | - | 2,138,257 |
| Total capital assets being depreciated, net | 4,004,642 | 247,725 | - | 4,252,367 |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 7,675,059 | \$ 533,886 | \$ 293,325 | \$ 7,915,620 |

Depreciation expense was charged to functions/programs of the District's governmental activities as follows:

| | |
|---|--------------------------|
| GOVERNMENTAL ACTIVITIES | |
| Recreation | <u>\$ 366,552</u> |
| TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES | <u>\$ 366,552</u> |

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

a. Notes and Bonds Payable (Direct Placement) (Continued)

Notes and bonds payable consist of the following (Continued):

2022B Taxable GO Limited Tax Park Bonds originally issued for \$186,875; principal and interest is due in one installment on November 1, 2023, interest at 4.50%. The 2022B Taxable GO Limited Tax Park Bond has a maturity of less than one year at the time of issuance, however, the District has chosen to present them as long-term debt due within one year due to the capital nature of the bonds. The bonds were issued directly to a bank.

2022C Taxable GO Park Bonds originally issued for \$237,000 provides for principal and interest due annually on December 15, maturing December 15, 2029, interest at 4.65%. The bonds were issued directly to a bank. Proceeds from these bonds will be used to build, maintain and improve existing land and facilities of the District, including but not limited to constructing a community center and field house.

2023A Taxable Promissory Note originally issued for \$400,000 provides for principal and interest due semi-annually on November 1 and May 1, maturing November 1, 2024, interest at 5.80%. The bonds were issued directly to a bank. Proceeds from these bonds will be used for paying necessary corporate expenditures.

2023B Taxable GO Limited Tax Park Bonds originally issued for \$95,260; principal and interest is due in one installment on November 1, 2024, interest at 4.35%. The 2023B Taxable GO Limited Tax Park Bond has a maturity of less than one year at the time of issuance, however, the District has chosen to present them as long-term debt due within one year due to the capital nature of the bonds. The bonds were issued directly to a bank.

2023C Taxable GO Limited Tax Park Bonds originally issued for \$100,360; principal and interest is due in one installment on November 1, 2024, interest at 5.35%. The 2023C Taxable GO Limited Tax Park Bond has a maturity of less than one year at the time of issuance, however, the District has chosen to present them as long-term debt due within one year due to the capital nature of the bonds. The bonds were issued directly to a bank.

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

a. Notes and Bonds Payable (Direct Placement) (Continued)

Debt Service to Maturity (Continued)

| Fiscal Year Ending March 31, | 2023B Bonds | | 2023C Bonds | |
|------------------------------------|------------------|-----------------|-------------------|-----------------|
| | Principal | Interest | Principal | Interest |
| 2025 | \$ 95,260 | \$ 3,637 | \$ 100,360 | \$ 4,713 |
| TOTAL | \$ 95,260 | \$ 3,637 | \$ 100,360 | \$ 4,713 |

| Fiscal Year Ending March 31, | 2023A Taxable Promissory Note | |
|------------------------------------|----------------------------------|-----------------|
| | Principal | Interest |
| 2025 | \$ 198,185 | \$ 5,745 |
| TOTAL | \$ 198,185 | \$ 5,745 |

b. Installment Purchase Agreements (Direct Placement)

The District has installment purchase obligations for a Chipper, Mower and Truck. Installment purchase agreements have total annual payments ranging from \$5,910 to \$7,929, at interest rates of 0% to 6.6%.

5. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; employee health insurance; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year was 8.28% of covered payroll.

Actuarial Assumptions

The District's net pension liability (asset) was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

| | |
|--------------------------|-------------------|
| Actuarial valuation date | December 31, 2023 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.25% |
| Salary increases | 2.75% to 13.75% |
| Interest rate | 7.25% |
| Asset valuation method | Fair value |

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.

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended March 31, 2024, the District recognized pension expense (income) of \$(75,575).

At March 31, 2023, the District had deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 37,453 | \$ - |
| Changes in assumption | - | 1,543 |
| Employer contributions after the measurement date | 9,065 | - |
| Net difference between projected and actual earnings on pension plan investments | 131,729 | - |
| TOTAL | \$ 178,247 | \$ 1,543 |

\$9,065 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending March 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year
Ending
March 31,

| | |
|--------------|-------------------|
| 2025 | \$ 30,782 |
| 2026 | 62,081 |
| 2027 | 92,575 |
| 2028 | (17,799) |
| TOTAL | \$ 167,639 |

The net pension liability (asset) and deferred outflows/inflows of resources are not reported on the District's financial statements on the modified cash basis of accounting as discussed in Note 1d.

DIXON PARK DISTRICT
DIXON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Due from/to other funds at March 31, 2024 consisted of the following:

| | Interfund Receivable | Interfund Payable |
|-----------------------|-------------------------|----------------------|
| General Fund | \$ 318,835 | \$ 50,000 |
| Capital Projects Fund | - | 307,711 |
| Debt Service Fund | - | 3,814 |
| Nonmajor Governmental | 50,000 | 7,310 |
| TOTAL | \$ 368,835 | \$ 368,835 |

The purpose of the due from/to other funds are cash flow loans to fund operations. Repayment is expected within one year.

b. Interfund Transfers

| | Transfer Out | Transfer In |
|-----------------------|-------------------|-------------------|
| General | \$ 90,200 | \$ - |
| Recreation | 151,742 | 369,764 |
| Museum | 26,520 | - |
| Capital Projects | - | 21,742 |
| Debt Service Fund | 128,044 | 46,300 |
| Nonmajor Governmental | 41,300 | - |
| TOTAL | \$ 437,806 | \$ 437,806 |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due.

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

MAJOR GOVERNMENTAL FUNDS

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

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

For the Year Ended March 31, 2024

| | Original and Final Budget | Actual | Variance with Final Budget |
|---|--------------------------------------|---------------|---|
| REVENUES COLLECTED | | | |
| Taxes | | | |
| Property taxes | \$ 257,000 | \$ 252,205 | \$ (4,795) |
| Personal property replacement tax | 43,942 | 44,392 | 450 |
| Charges for services | 127,485 | 233,530 | 106,045 |
| Donations | 100 | 5,938 | 5,838 |
| Other income | 3,000 | 4,707 | 1,707 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues collected | 431,527 | 540,772 | 109,245 |
| EXPENDITURES PAID | | | |
| Current | | | |
| Recreation | | | |
| Salaries and wages | 159,038 | 196,816 | 37,778 |
| Utilities | 4,000 | 6,205 | 2,205 |
| Program expenditures | 82,730 | 143,785 | 61,055 |
| Other expenses | 4,017 | - | (4,017) |
| Capital outlay | 25,000 | 13,268 | (11,732) |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures paid | 274,785 | 360,074 | 85,289 |
| EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID | | | |
| | <hr/> | <hr/> | <hr/> |
| | 156,742 | 180,698 | 23,956 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | (156,742) | (151,742) | 5,000 |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | (156,742) | (151,742) | 5,000 |
| NET CHANGE IN FUND BALANCE | | | |
| | <hr/> | <hr/> | <hr/> |
| | \$ - | 28,956 | \$ 28,956 |
| FUND BALANCE, APRIL 1 | | | |
| | | <hr/> | <hr/> |
| | | 101,241 | |
| FUND BALANCE, MARCH 31 | | | |
| | | <hr/> | <hr/> |
| | | \$ 130,197 | |

(See independent auditor's report.)

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

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

For the Year Ended March 31, 2024

| | Original and Final Budget | Actual | Variance with Final Budget |
|---|--------------------------------------|-------------------|---|
| REVENUES COLLECTED | | | |
| Property taxes | \$ 194,250 | \$ 196,160 | \$ 1,910 |
| Total revenues collected | 194,250 | 196,160 | 1,910 |
| EXPENDITURES PAID | | | |
| Debt service | | | |
| Principal retirement | 252,605 | 252,605 | - |
| Interest and fiscal charges | 45,380 | 53,576 | 8,196 |
| Issuance costs | 7,000 | - | (7,000) |
| Total expenditures paid | 304,985 | 306,181 | 1,196 |
| EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID | (110,735) | (110,021) | 714 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 46,300 | 46,300 | - |
| Transfers (out) | (128,044) | (128,044) | - |
| Issuance of bonds | 192,479 | 195,620 | 3,141 |
| Total other financing sources (uses) | 110,735 | 113,876 | 3,141 |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | 3,855 | <u>\$ 3,855</u> |
| FUND BALANCE (DEFICIT), APRIL 1 | | (7,669) | |
| FUND BALANCE (DEFICIT), MARCH 31 | | <u>\$ (3,814)</u> | |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

| Illinois | | | | | |
|-----------------------------|---------------|---------------------------|---------------------|--------------|--|
| Municipal Retirement | Police | Special Recreation | Working Cash | Total | |
| \$ 51,832 | \$ 37,582 | \$ 19,735 | \$ 1,790 | \$ 180,483 | |
| - | - | - | 50,000 | 50,000 | |
| \$ 51,832 | \$ 37,582 | \$ 19,735 | \$ 51,790 | \$ 230,483 | |
| | | | | | |
| \$ - | \$ - | \$ - | \$ - | \$ 7,310 | |
| | | | | | |
| - | - | - | - | 58,712 | |
| - | - | - | - | 10,832 | |
| 51,832 | - | - | - | 51,832 | |
| - | 37,582 | - | - | 37,582 | |
| - | - | 19,735 | - | 19,735 | |
| - | - | - | 51,790 | 51,790 | |
| - | - | - | - | (7,310) | |
| 51,832 | 37,582 | 19,735 | 51,790 | 223,173 | |
| \$ 51,832 | \$ 37,582 | \$ 19,735 | \$ 51,790 | \$ 230,483 | |

(See independent auditor's report.)

| Illinois Municipal Retirement | Police | Special Recreation | Working Cash | Total |
|--|---------------|-------------------------------|-------------------------|--------------|
| \$ 29,326 | \$ 52,570 | \$ 86,893 | \$ - | \$ 289,785 |
| - | - | - | - | 1,210 |
| 29,326 | 52,570 | 86,893 | - | 290,995 |
| 8,838 | - | - | - | 94,182 |
| 25,154 | - | 21,796 | - | 75,793 |
| - | 12,258 | - | - | 14,175 |
| - | 38,706 | 23,670 | - | 71,847 |
| 33,992 | 50,964 | 45,466 | - | 255,997 |
| (4,666) | 1,606 | 41,427 | - | 34,998 |
| - | - | (41,300) | - | (41,300) |
| (4,666) | 1,606 | 127 | - | (6,302) |
| 56,498 | 35,976 | 19,608 | 51,790 | 229,475 |
| \$ 51,832 | \$ 37,582 | \$ 19,735 | \$ 51,790 | \$ 223,173 |

(See independent auditor's report.)

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIABILITY INSURANCE FUND**

For the Year Ended March 31, 2024

| | Original and Final Budget | Actual | Variance with Final Budget |
|-----------------------------------|--------------------------------------|------------------|---|
| REVENUES COLLECTED | | | |
| Property taxes | \$ 74,500 | \$ 72,337 | \$ (2,163) |
| Other income | - | 1,210 | (1,210) |
| Total revenues collected | <u>74,500</u> | <u>73,547</u> | <u>(3,373)</u> |
| EXPENDITURES PAID | | | |
| Current | | | |
| General government | <u>74,500</u> | <u>70,466</u> | <u>(4,034)</u> |
| Total expenditures paid | <u>74,500</u> | <u>70,466</u> | <u>(4,034)</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>3,081</u> | <u>\$ 661</u> |
| FUND BALANCE, APRIL 1 | | <u>55,631</u> | |
| FUND BALANCE, MARCH 31 | | <u>\$ 58,712</u> | |

(See independent auditor's report.)

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND**

For the Year Ended March 31, 2024

| | Original and Final Budget | Actual | Variance with Final Budget |
|----------------------------|--------------------------------------|------------------|---|
| REVENUES COLLECTED | | | |
| Taxes | | | |
| Property taxes | \$ 33,000 | \$ 29,326 | \$ (3,674) |
| Total revenues collected | 33,000 | 29,326 | (3,674) |
| EXPENDITURES PAID | | | |
| Current | | | |
| General government | 8,580 | 8,838 | 258 |
| Recreation | 24,420 | 25,154 | 734 |
| Total expenditures paid | 33,000 | 33,992 | 992 |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | (4,666) | <u>\$ (4,666)</u> |
| FUND BALANCE, APRIL 1 | | <u>56,498</u> | |
| FUND BALANCE, MARCH 31 | | <u>\$ 51,832</u> | |

(See independent auditor's report.)

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

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

For the Year Ended March 31, 2024

| | Original and Final Budget | Actual | Variance with Final Budget |
|---|--------------------------------------|-------------------------|---|
| REVENUES COLLECTED | | | |
| Property taxes | \$ 85,000 | \$ 86,893 | \$ 1,893 |
| Total revenues collected | <u>85,000</u> | <u>86,893</u> | <u>1,893</u> |
| EXPENDITURES PAID | | | |
| Current | | | |
| Recreation | 64,528 | 21,796 | (42,732) |
| Capital outlay | <u>20,472</u> | <u>23,670</u> | <u>3,198</u> |
| Total expenditures paid | <u>85,000</u> | <u>45,466</u> | <u>(39,534)</u> |
| EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID | <u>-</u> | <u>41,427</u> | <u>41,427</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers (out) | <u>-</u> | <u>(41,300)</u> | <u>(41,300)</u> |
| NET CHANGE IN FUND BALANCE | <u><u>\$ -</u></u> | <u>127</u> | <u><u>\$ 127</u></u> |
| FUND BALANCE, APRIL 1 | | <u>19,608</u> | |
| FUND BALANCE, MARCH 31 | | <u><u>\$ 19,735</u></u> | |

(See independent auditor's report.)

**DIXON PARK DISTRICT
DIXON, ILLINOIS**

NOTES TO SUPPLEMENTARY INFORMATION

March 31, 2024

BUDGETS

Budgetary Data

The Board of Commissioners followed these procedures in establishing the budgetary data reflected in the financial statements. Prior to June 1 the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing April 1. The operating budget includes proposed expenditures and the means for financing. The budgetary operations of the District are governed by appropriation laws detailed in the Illinois Park District Code. Notice is given, and public meetings are conducted to obtain taxpayer comments. Prior to the second Tuesday in June, the budget is legally enacted through the passage of an ordinance. The treasurer is authorized to transfer up to 10% of the total budget between the budget items within the fund; however, the total budgeted expenditures of any fund may not be exceeded.

The budget may be amended through a process that is similar to that described above. Formal budgetary integration is employed as a management control device during the year in the general and special revenue funds. Budgeted amounts are as adopted by the Board of Commissioners. The budget authority lapses at the end of the fiscal year. No supplemental appropriations were required during fiscal year 2024.

A budget is not adopted for the working cash fund.

The following funds had expenditures greater than the appropriation for the year ended March 31, 2024:

| Fund | Actual Expenditures | Appropriation |
|-----------------------------------|------------------------|---------------|
| General Fund | \$ 898,000 | \$ 620,577 |
| Recreation | 360,074 | 274,785 |
| Capital Projects | 553,401 | 21,742 |
| Debt Service Fund | 306,181 | 304,985 |
| Social Security and Medicare Fund | 45,638 | 40,000 |
| IMRF | 33,992 | 33,000 |

OTHER INFORMATION

DIXON PARK DISTRICT
DIXON, ILLINOIS
 ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Nine Fiscal Years

| FISCAL YEAR ENDED MARCH 31, | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| Actuarially determined contribution | \$ 40,984 | \$ 37,535 | \$ 41,215 | \$ 39,692 | \$ 40,200 | \$ 58,236 | \$ 53,363 | \$ 53,125 | \$ 33,992 |
| Contributions in relation to the actuarially determined contribution | 40,984 | 37,535 | 41,215 | 39,692 | 40,200 | 58,236 | 53,363 | 53,125 | 33,992 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Covered payroll | \$ 334,972 | \$ 301,986 | \$ 324,057 | \$ 288,950 | \$ 285,448 | \$ 314,733 | \$ 345,816 | \$ 416,786 | \$ 410,399 |
| Contributions as a percentage of covered payroll | 12.24% | 12.43% | 12.72% | 13.74% | 14.08% | 18.50% | 15.43% | 12.75% | 8.28% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 20 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and price inflation of 2.25%.

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

MEASUREMENT DATE DECEMBER 31,

2015 2016 2017 2018 2019 2020 2021 2022 2023

Plan fiduciary net position
as a percentage of the total pension liability

83.89% 84.66% 90.76% 77.45% 85.79% 93.65% 109.55% 86.96% 91.57%

Covered payroll

\$ 356,890 \$ 301,128 \$ 317,233 \$ 304,227 \$ 278,555 \$ 320,287 \$ 316,072 \$ 407,817 \$ 413,064

Employer's net pension liability (asset)
as a percentage of covered payroll

87.01% 101.96% 62.17% 174.21% 125.10% 50.29% (74.78%) 80.75% 53.67%

Assumption Changes:

2015 - changes in assumptions related to investment rate of return, retirement age and mortality rates.

2016 - changes in assumptions related to retirement age and mortality rates.

2017 - changes in assumptions related to inflation rates, salary rates and mortality rates.

2018 - changes in assumptions related to the investment rate of return

2020 - changes in assumptions related to inflation rates, salary increases and mortality rates.

2023 - changes in assumptions related to mortality and other demographic assumptions.

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

(See independent auditor's report.)