

NORTHERN ILLINOIS SPECIAL
RECREATION ASSOCIATION,
ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2022

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITOR'S REPORT

August 6, 2022

Members of the Board of Directors
Northern Illinois Special Recreation Association
Crystal Lake, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Northern Illinois Special Recreation Association, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the Association'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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Northern Illinois Special Recreation Association, Illinois, as of April 30, 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 Association, 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 Association'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 Association'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 Association'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 and budgetary comparison information, 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 Northern Illinois Special Recreation Association, Illinois' basic financial statements. The other supplementary information and supplemental schedule 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 schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

Our discussion and analysis of the Northern Illinois Special Recreation Association's ("Association") financial performance provides an overview of the Association's financial activities for the fiscal year ended April 30, 2022.

FINANCIAL HIGHLIGHTS

- The Association's net position increased as a result of this year's operations by \$359,936 or 12.8 percent.
- During the year, government-wide revenues totaled \$2,446,523, while expenses totaled \$2,086,587, resulting in the increase to net position of \$359,936.
- The Association's net position totaled \$3,162,093 at April 30, 2022, which included \$758,715 unrestricted net position that may be used to meet the ongoing obligations to participants and creditors.
- At the fund level, a surplus was reported this year of \$31,712, resulting in ending fund balance of \$722,255, an increase of 4.6 percent.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Association as a whole and present a longer-term view of the Association's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Association's operations in more detail than the government-wide statements.

Government-Wide Financial Statements

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

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

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

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 Association, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Association are governmental funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. The Association adopts an annual appropriated budget. A budgetary comparison schedule has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

USING THIS ANNUAL REPORT – Continued

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Association's I.M.R.F. employee pension obligations, retiree benefits plan, and budgetary comparison schedule for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Association, assets/deferred outflows exceeded liabilities/deferred inflows by \$3,162,093.

	Net Position	
	2022	2021
Current and Other Assets	\$ 1,711,688	987,711
Capital Assets	3,153,378	3,271,710
Total Assets	4,865,066	4,259,421
Deferred Outflows	178,761	215,105
Total Assets and Deferred Outflows	5,043,827	4,474,526
Long-Term Debt	784,095	865,729
Other Liabilities	317,543	257,036
Total Liabilities	1,101,638	1,122,765
Deferred Inflows	780,096	549,604
Total Liabilities and Deferred Inflows	1,881,734	1,672,369
Net Position		
Net Investment in Capital Assets	2,403,378	2,406,710
Unrestricted	758,715	395,447
Total Net Position	3,162,093	2,802,157

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

A portion of the Association's net position, \$2,403,378 or 76.0 percent, reflects its investment in capital assets (for example, land, machinery and equipment, vehicles, building, and improvements). The Association uses these capital assets to provide services to program participants; consequently, these assets are not available for future spending.

The Association does not have any amount of the net position which is considered restricted. The remaining 24.0 percent, or \$758,715, represents unrestricted net position and may be used to meet the Association's ongoing obligations to program participants and creditors.

	<u>Changes in Net Position</u>	
	<u>2022</u>	<u>2021</u>
Revenues		
Program Revenues		
Charges for Services	\$ 310,217	128,614
Operating Grants and Contributions	162,811	152,560
General Revenues		
Member Agency Contributions	1,966,863	1,966,863
Interest Income	623	6,467
Miscellaneous Income	6,009	1,700
Total Revenues	<u>2,446,523</u>	<u>2,256,204</u>
Expenses		
Special Recreation	<u>2,086,587</u>	<u>1,922,838</u>
Change in Net Position	359,936	333,366
Net Position - Beginning	<u>2,802,157</u>	<u>2,468,791</u>
Net Position - Ending	<u>3,162,093</u>	<u>2,802,157</u>

Net position of the Association increased by 12.8 percent (\$2,802,157 in 2021 compared to \$3,162,093 in 2022).

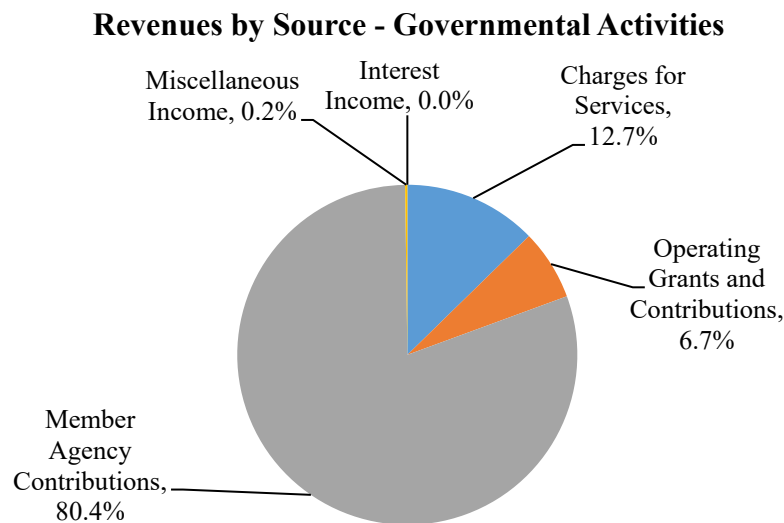
Revenues for 2022 totaled \$2,446,523, while expenses totaled \$2,086,587. This results in a surplus of \$359,936. In 2021, revenues of \$2,256,204 exceeded expenses of \$1,922,838, resulting in a surplus of \$333,366. The Association reported an increase in charges for services due to the roll back of COVID-related restrictions and an increase in participation in the fiscal year. In addition, the overall expenses also increased compared to 2021 due to increased programming. Member agency contributions remained the same as the prior year as no increases were necessary.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

The following table graphically depicts the major revenue sources of the Association. It depicts very clearly the reliance on member agency contributions and charges for services to fund programs. It also clearly identifies the less significant percentage the Association receives from interest and miscellaneous income.



FINANCIAL ANALYSIS OF THE ASSOCIATION'S OPERATING FUND

As noted earlier, the Association uses a single governmental fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Association's General Fund reported ending fund balance of \$722,255, which is \$31,712, or 4.6 percent, higher than last year's total of \$690,543. Of the \$722,255 total, \$721,465, or approximately 99.9 percent, of the fund balance constitutes unassigned fund balance. The increase was due to an increase in program fees and other charges for services related to the easing of COVID-related restrictions in the current year.

BUDGETARY HIGHLIGHTS

The Association made no budget amendments during the year. Actual revenues for the year totaled \$2,446,523 and was \$110,300 lower than budgeted revenues of \$2,556,823. This difference is due to program fees coming in \$81,207 less than budgeted and contributions coming in \$23,689 less than budgeted.

Actual expenditures for the year were \$129,527 lower than budgeted (\$2,414,811 actual compared to \$2,554,338 budgeted). This was due primarily to the Association closely monitoring expenditures in the current year and spending \$113,445 less on special recreation than was budgeted.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Management's Discussion and Analysis April 30, 2022

CAPITAL ASSETS

The Association's investment in capital assets as of April 30, 2022 was \$3,271,710 (net of accumulated depreciation).

	Capital Assets - Net of Depreciation	
	2022	2021
Land	\$ 736,250	736,250
Machinery and Equipment	47,005	55,622
Vehicles	223,745	259,543
Building	1,559,452	1,617,820
Improvements	586,926	602,475
Total	3,153,378	3,271,710

Below are the additions the Association had in the current year:

Vehicles	<u>\$ 28,305</u>
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Additional information on the Association's capital assets can be found in Note 3 of this report.

LONG-TERM DEBT

The Association's long-term debt as of April 30, 2022 was \$750,000 of debt certificates payable, a decrease of \$115,000 from the previous year. This debt is entirely attributable to the purchase and remodeling of the Association's administrative office.

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

FACTORS BARING ON THE ASSOCIATION'S FUTURE

At the time these financial statements were prepared and audited, the Association does not know the extent of the impact of COVID-19 on the Association's operations and financial position.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Association's finances for all those with an interest in the Association's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Jim Wiseman, Northern Illinois Special Recreation Association, 285 Memorial Drive, Crystal Lake, Illinois 60014.

BASIC FINANCIAL STATEMENTS

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Statement of Net Position

April 30, 2022

See Following Page

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Statement of Net Position

April 30, 2022

	Governmental Activities	Component Unit NISRA Foundation
ASSETS		
Current Assets		
Cash and Investments	\$ 883,696	91,800
Accounts Receivable	20,045	889
Prepays	790	-
Total Current Assets	904,531	92,689
Noncurrent Assets		
Capital Assets		
Nondepreciable Capital Assets	736,250	-
Depreciable Capital Assets	3,442,598	-
Accumulated Depreciation	(1,025,470)	-
Total Capital Assets	3,153,378	-
Other Assets		
Net Pension Asset - IMRF	807,157	-
Total Noncurrent Assets	3,960,535	-
Total Assets	4,865,066	92,689
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	123,251	-
Deferred Items - RBP	55,510	-
Total Deferred Outflows of Resources	178,761	-
Total Assets and Deferred Outflows of Resources	5,043,827	92,689

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

	Governmental Activities	Component Unit NISRA Foundation
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 47,040	713
Accrued Payroll	77,941	-
Other Payables	57,295	-
Accrued Interest	4,700	-
Current Portion of Long-Term Debt	130,567	-
Total Current Liabilities	317,543	713
Noncurrent Liabilities		
Compensated Absences	42,268	-
Total OPEB Liability - RBP	111,827	-
Debt Certificates Payable	630,000	-
Total Noncurrent Liabilities	784,095	-
Total Liabilities	1,101,638	713
DEFERRED INFLOWS OF RESOURCES		
Deferred Items - IMRF	771,492	-
Deferred Items - RBP	8,604	-
Total Deferred Inflows of Resources	780,096	-
Total Liabilities and Deferred Inflows of Resources	1,881,734	713
NET POSITION		
Net Investment in Capital Assets	2,403,378	-
Unrestricted	758,715	91,976
Total Net Position	3,162,093	91,976

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Statement of Activities

For the Fiscal Year Ended April 30, 2022

		Program Revenues			Component
		Charges	Operating	Net	Unit
		for	Grants/	(Expenses)/	NISRA
	Expenses	Services	Contributions	Revenues	Foundation
Governmental Activities					
Special Recreation	\$ 2,070,984	310,217	162,811	(1,597,956)	-
Interest on Long-Term Debt	15,603	-	-	(15,603)	-
Total Governmental Activities	2,086,587	310,217	162,811	(1,613,559)	-
Component Unit					
NISRA Foundation	215,414	226,577	-	-	11,163
General Revenues					
Member Agency Contributions				1,966,863	-
Interest Income				623	15
Miscellaneous Income				6,009	-
				1,973,495	15
Change in Net Position				359,936	11,178
Net Position - Beginning				2,802,157	80,798
Net Position - Ending				3,162,093	91,976

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Balance Sheet - Governmental Fund April 30, 2022

	<u>General</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 883,696
Accounts Receivable	20,045
Prepays	<u>790</u>
Total Assets	<u><u>904,531</u></u>
LIABILITIES	
Current Liabilities	
Accounts Payable	47,040
Accrued Payroll	77,941
Other Payables	<u>57,295</u>
Total Liabilities	<u><u>182,276</u></u>
FUND BALANCES	
Nonspendable	790
Unassigned	<u>721,465</u>
Total Fund Balances	<u><u>722,255</u></u>
Total Liabilities and Fund Balance	<u><u>904,531</u></u>

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities April 30, 2022

Total Governmental Fund Balances	\$ 722,255
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.	3,153,378
Deferred outflows (inflows) of resources related to retirement benefits not reported in the funds.	
Deferred Items - IMRF	(648,241)
Deferred Items - RBP	46,906
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(52,835)
Net Pension Asset - IMRF	807,157
Total OPEB Liability - RBP	(111,827)
Debt Certificates Payable	(750,000)
Accrued Interest Payable	(4,700)
Net Position of Governmental Activities	<u>3,162,093</u>

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund For the Fiscal Year Ended April 30, 2022

	General
Revenues	
Member Agency Contributions	\$ 1,966,863
Program Fees	276,353
Fundraising	2,497
Mental Health	6,531
Respite Services	24,836
Contributions	162,811
Interest Income	623
Miscellaneous	6,009
Total Revenues	<u>2,446,523</u>
Expenditures	
Special Recreation	2,251,115
Capital Outlay	32,372
Debt Service	
Principal	115,000
Interest and Fiscal Charges	16,324
Total Expenditures	<u>2,414,811</u>
Net Change in Fund Balance	31,712
Fund Balance - Beginning	<u>690,543</u>
Fund Balance - Ending	<u><u>722,255</u></u>

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended April 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 31,712
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 Outlay	28,305
Depreciation Expense	(146,637)
Deferred outflows (inflows) of resources related to the retirement benefits not reported in the funds.	
Change in Deferred Items - IMRF	(311,241)
Change in Deferred Items - RBP	44,405
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences	19,822
Change in Net Pension (Asset) - IMRF	632,073
Change in Total OPEB Liability - RBP	(54,224)
Retirement of Debt	115,000
Changes in Accrued Interest	721
Change in Net Position of Governmental Activities	359,936

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Northern Illinois Special Recreation Association (the Association) was established in 1976, and is located in Crystal Lake, Illinois. The Association operates under a Board-Director form of government and provides services as authorized by its charter. The Association provides a variety of services to participating communities within the boundaries of the Association and non-residents.

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

REPORTING ENTITY

In determining the financial reporting entity, the Association 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 Association.

NISRA Foundation

The NISRA Foundation (the Foundation) is being reported as a discretely presented component unit of the Association as it is legally separate from the Association. Separate financial statements of the Foundation are available by contacting the Administrative Office of the Northern Illinois Special Recreation Association, 285 Memorial Dr, Crystal Lake, IL 60014.

BASIS OF PRESENTATION

Government-Wide Statements

The Association's basic financial statements include both government-wide (reporting the Association as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All activities of the Association are reported as governmental activities.

In the Statement of Net Position, the Association's activities are 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 Association's net position is reported in two parts: net investment in capital assets and unrestricted net position. The Association first utilizes restricted resources to finance qualifying activities.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The government-wide Statement of Activities reports both the gross and net cost of the Association's special recreation function, which is supported by general revenues (member agency contributions, interest income and miscellaneous income). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating grants/contributions. Program revenues must be directly associated with the special recreation function. Operating grants/contributions include operating-specific grants. The net cost of the special recreation function is normally covered by the general revenues (member agency contributions, interest income and miscellaneous income).

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

Fund Financial Statements

The financial transactions of the Association are reported in a single governmental fund in the fund financial statements. This fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues and expenditures. The focus of the governmental fund's 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.

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), financial position, and cash flows. 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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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. Expenditures (including capital outlay) are recorded when the related liability is incurred. In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are member agency contributions and program fees. 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 Association'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.

For investments, the Association 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. All of the Association’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Receivables

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

Prepays

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

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$10,000, 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 Association as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is 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:

Machinery and Equipment	5 - 20 Years
Vehicles	8 Years
Building	45 Years
Improvements	10 - 30 Years

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position 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.

Compensated Absences

The Association accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Net Position

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

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.

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

The Board of Directors adopts a proposed operating budget for the fiscal year commencing on the following May 1. The operating budget includes proposed expenses and the means to finance them. The Board of Directors has the power to amend the budget in the same manner as its original exactment.

The level of control where expenditures may not exceed the budget is the fund level of activity. Unspent budgetary amounts lapse at year end; therefore, are not carried over to succeeding years. The budget information stated in the financial statements includes adjustments made during the year.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments – Statutes authorize the Association 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, and the Illinois Park District Liquid Asset Fund.

The Illinois Park District Liquid Asset Fund allows Illinois park districts, forest preserves and joint recreational programs to pool their funds for investment purposes. The Illinois Park District Liquid Asset Fund is composed of finance officials and treasurers all of whom are employees of the Illinois public agencies, which are investors in the Illinois Park District Liquid Asset Fund. The Illinois Park District Liquid Asset Fund is not registered with the SEC as an Investment Company. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

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

Deposits. At year-end, the carrying amount of the Association's deposits totaled \$691,607 and the bank balances totaled \$691,207. Additionally, at year-end, the Association had \$192,089 invested in the Illinois Park District Liquid Asset Fund, which has an average maturity of less than one year.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Association to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Association 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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Association limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government of securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the Association's investment in the Illinois Park District Liquid Asset Fund was rated AAAm by Standard & Poor's.

Concentration Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Association's investment in a single issuer. The Association's investment policy does not mitigate concentration risk. At year-end, the Association 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 Association's deposits may not be returned to it. The Association'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 Association's name. At year-end, \$20,513 of the bank balance of the deposits was not covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Association will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Association's investment policy does not mitigate custodial credit risk for investments. At year-end, the Association's investment in the Illinois Park District Liquid Asset Fund is not subject to custodial credit risk.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

The following is a summary of capital assets as of the date of this report:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 736,250	-	-	736,250
Depreciable Capital Assets				
Machinery and Equipment	92,436	-	-	92,436
Vehicles	506,114	28,305	-	534,419
Building	2,038,303	-	-	2,038,303
Improvements	777,440	-	-	777,440
	3,414,293	28,305	-	3,442,598
Less Accumulated Depreciation				
Machinery and Equipment	36,814	8,617	-	45,431
Vehicles	246,571	64,103	-	310,674
Building	420,483	58,368	-	478,851
Improvements	174,965	15,549	-	190,514
	878,833	146,637	-	1,025,470
Total Net Depreciable Capital Assets	2,535,460	(118,332)	-	2,417,128
Total Net Capital Assets	3,271,710	(118,332)	-	3,153,378

Depreciation expense of \$146,637 was charged to the special recreation function.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Debt Certificates

The Association 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
Debt Certificates of 2016B, due in annual installments of \$5,000 to \$130,000 plus interest at 1.88% through January 1, 2028.	\$ 865,000	-	115,000	750,000

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
Compensated Absences	\$ 72,657	19,822	39,644	52,835	10,567
Total OPEB Liability - RBP	57,603	54,224	-	111,827	-
Debt Certificates Payable	865,000	-	115,000	750,000	120,000
	995,260	74,046	154,644	914,662	130,567

For the governmental activities, the compensated absences, the net pension liability/(asset), the total OPEB liability, and the debt certificates payable are generally liquidated by the General Fund.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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	Debt Certificates	
	Principal	Interest
2023	\$ 120,000	14,100
2024	120,000	11,844
2025	125,000	9,594
2026	125,000	7,238
2027	130,000	4,888
2028	130,000	2,444
Total	750,000	50,108

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of April 30, 2022:

Capital Assets - Net of Accumulated Depreciation	\$ 3,153,378
Less Capital Related Debt:	
Debt Certificates of 2016B	<u>(750,000)</u>
Net Investment in Capital Assets	<u>2,403,378</u>

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the Association 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 Association first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

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

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

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Directors; 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 Directors' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Directors itself or b) a body or official to which the Board of Directors has delegated the authority to assign amounts to be used for specific purposes. The Association's highest level of decision-making authority is the Board of Directors, 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 Association's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% to 50% of budgeted operating expenditures.

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

	<u>General</u>
Fund Balances	
Nonspendable - Prepaids	\$ 790
Unassigned	<u>721,465</u>
Total Fund Balance	<u><u>722,255</u></u>

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

REVENUE

More than half of the Association's funding comes from its Member Agency contributions. The following is a list of the Member Agencies and their respective contributions for the year ending April 30, 2022:

Member Agency	Budget	Actual
Barrington Park District	\$ 123,015	123,015
Cary Park District	111,993	111,993
Crystal Lake Park District	278,978	278,978
Dundee Township Park District	321,377	321,377
City of Harvard	22,221	22,221
Marengo Park District	25,273	25,273
City of McHenry	124,443	124,443
Wauconda Park District	70,569	70,569
City of Woodstock	96,875	96,875
City of Huntley	254,836	254,836
Hampshire Park District	52,789	52,789
City of Elgin	430,318	430,318
Village of Lake in the Hills	54,176	54,176
	<u>1,966,863</u>	<u>1,966,863</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

Park District Risk Management Agency (PDRMA)

The Association 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 June 1, 1992, the Association 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 Associations, 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 for the period January 1, 2022 through January 1, 2023:

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Park Association 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/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	\$3,500,000 Employers Liability
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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Park Association Risk Management Agency (PDRMA) – Continued

Coverage	Member Deductible	PDRMA Self-Insured Retention	Limits
OUTBREAK EXPENSE			
Outbreak Expense	24 Hours	N/A	\$1,000,000 Aggregate Policy Limit
Outbreak Suspension	24 Hours	N/A	\$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
INFORMATION SECURITY AND PRIVACY INSURANCE WITH ELECTRONIC MEDIA			
LIABILITY COVERAGE			
Breach Response	\$1,000	\$50,000	\$500,000/Occurrence/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 Loan	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 per 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 per person/
			\$500,000 Annual Aggregate
AD&D	\$1,000	\$9,000	\$50,000 per 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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Park Association Risk Management Agency (PDRMA) – Continued

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

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

The Association 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.

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:

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

The Association's portion of the overall equity in the pool is 0.139% or \$79,334.

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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Park Association Risk Management Agency (PDRMA) Health Program

On February 1, 1990, the Association became a member of the Park Association Risk Management Agency (PDRMA) Health Program, a health insurance pool of park Associations, 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 \$250,000. 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.

As a member of the PDRMA Health Program, the Association 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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

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 Association expects such amounts, if any, to be immaterial.

Litigation

The Association is currently not involved in any lawsuits.

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Association's operations and financial position cannot be determined.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	12
Inactive Plan Members Entitled to but not yet Receiving Benefits	30
Active Plan Members	<u>21</u>
Total	<u><u>63</u></u>

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Contributions. As set by statute, the Association's Regular Plan Members are required to contribute 4.5% 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 fiscal year ended April 30, 2022, Association's contribution rate was 10.61% of covered payroll.

Net Pension Liability/(Asset). The Association's net pension liability/(asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, 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	2.25%
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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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 – Continued. 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:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	2.00%
Domestic Equities	39.00%	4.50%
International Equities	15.00%	5.75%
Real Estate	10.00%	5.90%
Blended	10.00%	4.30% - 8.10%
Cash and Cash Equivalents	1.00%	1.70%

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.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate Sensitivity

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

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability/(Asset)	\$ (128,331)	(807,157)	(1,334,165)

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, 2020	\$ 5,277,701	5,452,785	(175,084)
Changes for the Year:			
Service Cost	98,685	-	98,685
Interest on the Total Pension Liability	378,988	-	378,988
Difference Between Expected and Actual Experience of the Total Pension Liability	(37,599)	-	(37,599)
Changes of assumptions	-	-	-
Contributions - Employer	-	136,149	(136,149)
Contributions - Employees	-	51,702	(51,702)
Net Investment Income	-	878,710	(878,710)
Benefit Payments, including Refunds of Employee Contributions	(199,235)	(199,235)	-
Other (Net Transfer)	-	5,586	(5,586)
Net Changes	240,839	872,912	(632,073)
Balances at December 31, 2021	5,518,540	6,325,697	(807,157)

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the fiscal year ended April 30, 2022, the Association recognized pension revenue of \$201,400. At April 30, 2022, the Association reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 53,260	(69,310)	(16,050)
Change in Assumptions	41,113	(45,311)	(4,198)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	-	(656,871)	(656,871)
Total Expenses to be Recognized in Future Periods	94,373	(771,492)	(677,119)
Pension Contributions Made Subsequent to the Measurement Date	28,878	-	28,878
Total Deferred Amounts Related to IMRF	123,251	(771,492)	(648,241)

\$28,878 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability/(asset) in the reporting year ended April 30, 2023.

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 (Inflows) of Resources
2023	\$ (150,520)
2024	(252,703)
2025	(177,179)
2026	(96,717)
2027	-
Thereafter	-
Total	(677,119)

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare and prescription drug benefits for retirees and their dependents. The retiree is responsible for 100% of the costs of the plan. Coverage ends at age 65 for disabled employees or once Medicare eligible for retired employees.

Plan Membership. As of September 30, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	15
Active Plan Members	<u>16</u>
Total	<u><u>32</u></u>

Total OPEB Liability

The Association's total OPEB liability was measured as of April 30, 2022, and was determined by an actuarial valuation date of September 30, 2021.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the September 30, 2021 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% by age and years of service
Discount Rate	2.26%
Healthcare Cost Trend Rates	
Medical	6.00% graded to 4.50% over 15 years
Prescription Drug	7.00% graded to 4.50% over 17 years
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

The discount rate was based on the General Obligation Municipal Bond Rate as of September 30, 2021.

Mortality rates were based on the Headcount-Weighted RB-2014 Healthy Annuitant Mortality Tables projected generationally from 2015 using Scale MP-2017.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2021	<u>\$ 57,603</u>
Changes for the Year:	
Service Cost	3,851
Interest on the Total Pension Liability	1,347
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	55,300
Changes of Assumptions or Other Inputs	(5,276)
Benefit Payments	<u>(998)</u>
Net Changes	<u>54,224</u>
Balance at April 30, 2022	<u><u>111,827</u></u>

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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 2.26%, and the prior year's discount rate was 2.21%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.26%)	Current Discount Rate (2.26%)	1% Increase (3.26%)
Total OPEB Liability	\$ 118,347	111,827	105,747

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 104,991	111,827	119,477

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Notes to the Financial Statements April 30, 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

For the year ended April 30, 2022, the Association recognized OPEB expense of \$10,817. At April 30, 2022, the Association 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	\$ 49,423	(2,082)	47,341
Change in Assumptions	6,087	(6,522)	(435)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Expenses to be Recognized in Future Periods	55,510	(8,604)	46,906
OPEB Contributions Made Subsequent to the Measurement Date	-	-	-
Total Deferred Amounts Related to OPEB	55,510	(8,604)	46,906

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	\$ 5,619
2024	5,619
2025	5,619
2026	5,619
2027	5,619
Thereafter	18,811
Total	46,906

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

Notes to the Required Supplementary Information

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 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
2015	\$ 118,981	\$ 134,780	\$ 15,799	\$ 1,028,357	13.11%
2016	110,489	110,489	-	1,001,707	11.03%
2017	148,472	148,472	-	1,025,356	14.48%
2018	138,299	138,299	-	1,013,179	13.65%
2019	119,893	119,893	-	1,079,580	11.11%
2020	114,144	114,144	-	1,098,428	10.39%
2021	135,362	135,362	-	1,087,374	12.45%
2022	119,432	119,432	-	1,125,183	10.61%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	MP-2017 (base year 2015)

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

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Illinois Municipal Retirement Fund

Required Supplementary Information

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

April 30, 2022

	12/31/14
Total Pension Liability	
Service Cost	\$ 119,101
Interest	234,943
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	251,948
Change of Assumptions	90,387
Benefit Payments, Including Refunds of Member Contributions	(56,236)
Net Change in Total Pension Liability	640,143
Total Pension Liability - Beginning	3,101,147
Total Pension Liability - Ending	3,741,290
Plan Fiduciary Net Position	
Contributions - Employer	\$ 134,780
Contributions - Members	47,270
Net Investment Income	186,129
Benefit Payments, Including Refunds of Member Contributions	(56,236)
Administrative Expense	(9,881)
Net Change in Plan Fiduciary Net Position	302,062
Plan Net Position - Beginning	2,988,393
Plan Net Position - Ending	3,290,455
Employer's Net Pension Liability/(Asset)	\$ 450,835
Plan Fiduciary Net Position as a	
Percentage of the Total Pension Liability	87.95%
Covered Payroll	\$ 1,028,357
Employer's Net Pension Liability	
as a Percentage of Covered Payroll	43.84%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
109,613	104,713	98,117	93,881	108,984	108,023	98,685
279,183	296,636	304,876	317,987	347,533	364,333	378,988
-	-	-	-	-	-	-
(16,987)	(148,639)	48,368	165,698	(47,336)	(22,761)	(37,599)
-	-	(110,174)	145,933	-	(55,805)	-
(147,323)	(125,973)	(153,110)	(175,414)	(179,224)	(174,721)	(199,235)
224,486	126,737	188,077	548,085	229,957	219,069	240,839
3,741,290	3,965,776	4,092,513	4,280,590	4,828,675	5,058,632	5,277,701
3,965,776	4,092,513	4,280,590	4,828,675	5,058,632	5,277,701	5,518,540
110,489	148,472	138,299	130,654	101,453	135,779	136,149
45,077	46,141	45,593	49,449	48,932	51,560	51,702
16,473	228,865	599,150	(208,862)	746,107	668,182	878,710
(147,323)	(125,973)	(153,110)	(175,414)	(179,224)	(174,721)	(199,235)
(52,621)	5,130	(16,498)	71,159	(6,207)	15,319	5,586
(27,905)	302,635	613,434	(133,014)	711,061	696,119	872,912
3,290,455	3,262,550	3,565,185	4,178,619	4,045,605	4,756,666	5,452,785
3,262,550	3,565,185	4,178,619	4,045,605	4,756,666	5,452,785	6,325,697
703,226	527,328	101,971	783,070	301,966	(175,084)	(807,157)
82.27%	87.11%	97.62%	83.78%	94.03%	103.32%	114.63%
1,001,707	1,025,356	1,013,179	1,098,862	1,087,383	1,064,938	1,148,941
70.20%	51.43%	10.06%	71.26%	27.77%	(16.44%)	(70.25%)

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Retiree Benefits Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2022

	2019	2020	2021	2022
Total OPEB Liability				
Service Cost	\$ 3,077	2,930	4,088	3,851
Interest	1,598	1,935	1,570	1,347
Changes in Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(1,118)	(1,578)	55,300
Change of Assumptions or Other Inputs	(1,536)	8,493	(1,053)	(5,276)
Benefit Payments	(593)	(635)	(697)	(998)
Net Change in Total OPEB Liability	2,546	11,605	2,330	54,224
Total OPEB Liability - Beginning	41,122	43,668	55,273	57,603
Total OPEB Liability - Ending	43,668	55,273	57,603	111,827
Covered-Employee Payroll	\$ 973,434	1,001,703	990,320	999,150
Total OPEB Liability as a Percentage of Covered-Employee Payroll	4.49%	5.52%	5.82%	11.19%

Notes:

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

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 through 2022.

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Member Agency Contributions	\$ 1,966,863	1,966,863	1,966,863
Program Fees	357,560	357,560	276,353
Fundraising	6,000	6,000	2,497
Mental Health	15,000	15,000	6,531
Respite Services	16,000	16,000	24,836
Contributions	186,500	186,500	162,811
Interest Income	5,400	5,400	623
Miscellaneous	3,500	3,500	6,009
Total Revenues	2,556,823	2,556,823	2,446,523
Expenditures			
Special Recreation	2,364,560	2,364,560	2,251,115
Capital Outlay	41,260	41,260	32,372
Debt Service			
Principal	115,000	115,000	115,000
Interest and Fiscal Charges	23,518	23,518	16,324
Total Expenditures	2,544,338	2,544,338	2,414,811
Change in Fund Balance	12,485	12,485	31,712
Fund Balance - Beginning			690,543
Fund Balance - Ending			722,255

OTHER SUPPLEMENTARY INFORMATION

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

General Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Member Agency Contributions			
Barrington Park District	\$ 123,015	123,015	123,015
Cary Park District	111,993	111,993	111,993
Crystal Lake Park District	278,978	278,978	278,978
Dundee Township Park District	321,377	321,377	321,377
City of Harvard	22,221	22,221	22,221
Marengo Park District	25,273	25,273	25,273
City of McHenry	124,443	124,443	124,443
Wauconda Park District	70,569	70,569	70,569
City of Woodstock	96,875	96,875	96,875
City of Huntley	254,836	254,836	254,836
Hampshire Park District	52,789	52,789	52,789
City of Elgin	430,318	430,318	430,318
Village of Lake in the Hills	54,176	54,176	54,176
Total Member Agency Contributions	1,966,863	1,966,863	1,966,863
Program Fees			
Northwest	20,100	20,100	(1,928)
Central	27,000	27,000	30,943
Eastern	20,100	20,100	16,299
Southern	22,860	22,860	18,233
Trips	9,300	9,300	(859)
Mental Health	5,200	5,200	6,072
Cultural Arts	20,000	20,000	17,937
Special Olympics	35,000	35,000	39,715
Special Events	25,000	25,000	19,489
Day Camp	105,000	105,000	43,095
Adult Day Programs	59,000	59,000	67,517
Bright Program	-	-	18,990
Adult Day Services	9,000	9,000	850
Total Program Fees	357,560	357,560	276,353
Fundraising			
Recognition Banquet	1,300	1,300	880
NISRA Store	2,500	2,500	117
Other	2,200	2,200	1,500
Total Fundraising	6,000	6,000	2,497

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

General Fund

Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Mental Health	\$ 15,000	15,000	6,531
Respite Services	16,000	16,000	24,836
Contributions			
Service Organization	3,000	3,000	524
Townships	13,500	13,500	8,520
Foundation	135,000	135,000	118,767
Foundation Personnel	35,000	35,000	35,000
Total Contributions	186,500	186,500	162,811
Interest Income	5,400	5,400	623
Miscellaneous	3,500	3,500	6,009
Total Revenues	2,556,823	2,556,823	2,446,523

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Special Recreation			
Personnel Services			
Full-Time Salaries	\$ 1,060,000	1,060,000	1,054,116
Part-Time Salaries	318,800	318,800	244,684
FICA	105,000	105,000	95,808
IMRF	111,000	111,000	119,935
Unemployment	-	-	281
Recruitment	3,000	3,000	6,731
Health/Life	259,000	259,000	270,060
Travel	20,000	20,000	22,700
Training	30,000	30,000	10,992
Recognition	10,000	10,000	17,003
Dues/Subscriptions	7,800	7,800	13,313
	1,924,600	1,924,600	1,855,623
Contractual Services			
Payroll Processing	7,500	7,500	4,724
Transportation	36,000	36,000	22,474
Regular Programming	3,500	3,500	-
Liability Insurance	35,000	35,000	13,274
Program Services	71,770	71,770	72,432
Trips	8,000	8,000	401
Fundraising	6,850	6,850	13,533
NISRA Store	2,200	2,200	-
Facility Rentals	10,000	10,000	14,949
Printing	21,000	21,000	6,436
Telephone	22,000	22,000	19,882
Equipment Maintenance	7,000	7,000	7,826
Community Awareness	1,800	1,800	1,143
Audit	5,000	5,000	5,000
Legal	5,000	5,000	2,680
Computer Programming	54,000	54,000	56,472
Charge Account Fee	11,000	11,000	7,160
Marketing Services	4,500	4,500	979
Interpretation Service	3,200	3,200	3,509
Respite Services	8,000	8,000	15,056
	323,320	323,320	267,930

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

General Fund

Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Special Recreation - Continued			
Office Operations			
Utilities	\$ 17,000	17,000	22,575
Maintenance	16,500	16,500	29,229
Janitorial	11,000	11,000	10,348
Association Dues	700	700	771
Other	800	800	480
Waste Management	2,500	2,500	2,447
Equipment	5,500	5,500	9,835
	54,000	54,000	75,685
Commodities			
Program Supplies	20,880	20,880	26,099
Trips	250	250	-
Adult Day Services	2,500	2,500	-
Office Supplies	8,500	8,500	7,526
Fuel	9,000	9,000	11,908
Postage	7,800	7,800	3,426
Health/Safety	6,000	6,000	2,618
	54,930	54,930	51,577
Inclusion			
Reimbursement	7,710	7,710	300
Total Special Recreation	2,364,560	2,364,560	2,251,115
Capital Outlay			
Vehicles	27,000	27,000	28,305
Building	4,000	4,000	1,435
Equipment Replacement	10,260	10,260	2,632
Total Capital Outlay	41,260	41,260	32,372
Debt Service			
Principal	115,000	115,000	115,000
Interest and Fiscal Charges	23,518	23,518	16,324
Total Debt Service	138,518	138,518	131,324
Total Expenditures	2,544,338	2,544,338	2,414,811

SUPPLEMENTAL SCHEDULE

NORTHERN ILLINOIS SPECIAL RECREATION ASSOCIATION

Long-Term Debt Requirements

Debt Certificates of 2016B

April 30, 2022

Date of Issue	August 17, 2016
Date of Maturity	January 1, 2028
Authorized Issue	\$1,185,000
Denomination of Bonds	\$5,000
Interest Rates	1.88%
Interest Dates	January and July 1
Principal Maturity Date	January 1
Payable at	JP Morgan

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 120,000	14,100	134,100
2024	120,000	11,844	131,844
2025	125,000	9,594	134,594
2026	125,000	7,238	132,238
2027	130,000	4,888	134,888
2028	130,000	2,444	132,444
	750,000	50,108	800,108