



**LINCOLNWAY SPECIAL
RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended May 31, 2020



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 NEW LENOX, ILLINOIS
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NEW LENOX, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lincolnway Special
Recreation Association
New Lenox, Illinois

We have audited the financial statements of the governmental activities, the discretely presented component unit and the major fund of the Lincolnway Special Recreation Association, New Lenox, Illinois (the Association) as of and for the year ended May 31, 2020, and the related notes to financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and the major fund of the Lincolnway Special Recreation, New Lenox, Illinois as of May 31, 2020, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincolnway Special Recreation Association's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate 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, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
June 1, 2021

BASIC FINANCIAL STATEMENTS

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
MAY 31, 2020**

The Lincolnway Special Recreation Association (the "Association") management's discussion and analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Association's financial activity, (3) identify changes in the Association'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 Association's financial statements (beginning on page 3.)

Financial Highlights

The Association's financial status continues to be strong. The Association concluded the year with a positive net position of \$3,767,976. Overall, revenues this past year were \$1,894,332 and expenses were \$2,021,014 for a decrease in net position of \$126,682. Arrangements with partner Park Districts allow for solid cash flow, and the state legislature removed the special recreation tax from the tax caps allowing member districts to increase their levies which fund member agency contributions.

Total net position decreased slightly from \$3,894,658 to \$3,767,976 over the course of the year.

Member Agency contributions assessed and collected were \$947,744 compared to the prior year of \$913,053 for an increase of \$34,691.

Recreation program registrations decreased over the past year from \$845,568 to \$786,300, a decrease of \$59,268 from the prior year.

The Association continues to have the ability to devote resources toward improving and expanding its programs and facilities. In 2020, \$48,303 was spent on capital assets for the Association.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Association's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The Association also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Association's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Association's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the statement of position presenting information that includes all of the Association's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the Association would extend to other non-financial factors such as diversification of the partner base or the condition of the Association's infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the Association's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statements of activities is to show the financial reliance of the Association's distinct activities or functions on revenues provided by the Association's partner agencies.

Governmental activities include culture and recreation.

The government-wide financial statements are presented on pages 3-4 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Association uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Association's flow of financial resources rather than the Association as a whole.

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 30 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Association's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison statements for the general fund. These statements and schedules demonstrate compliance with the Association's adopted annual appropriated budget. Required supplementary information can be found beginning on page 30 of this report.

Government-wide Financial Analysis

The Association's combined net position decreased from \$3,894,658 to \$3,767,976 as a result of operations in 2020.

Lincolnway Special Recreation Association Statement of Net Position May 31, 2020 and 2019

	2020	2019	2017
Current and Other Assets	\$ 285,164	\$ 226,053	\$ 660,393
Capital Assets	4,318,161	4,399,212	4,163,598
Total Assets	<u>4,603,325</u>	<u>4,625,265</u>	<u>4,823,991</u>
Deferred Outflows	<u>137,499</u>	<u>217,262</u>	<u>122,217</u>
Current and Other Liabilities	147,507	185,774	447,788
Non-Current Liabilities	706,140	696,100	545,104
Total Liabilities	<u>853,647</u>	<u>881,874</u>	<u>1,022,892</u>
Deferred Inflows	<u>119,201</u>	<u>65,995</u>	<u>9,397</u>
Net Position:			
Invested in Capital Assets	4,057,172	4,057,893	3,613,223
Unrestricted	(289,196)	(163,235)	75,696
Total Net Position	<u>\$ 3,767,976</u>	<u>\$ 3,894,658</u>	<u>\$ 3,913,919</u>

Lincolnway Special Recreation Association Changes in Net Position May 31, 2020 and 2019

	2020	2019
Revenues		
Member District Contributions	\$ 947,744	\$ 913,053
Program Revenues	786,300	845,568
Grants and Donations	142,351	363,437
Investment Income	1,336	1,605
Miscellaneous Income	8,887	3,453
Marketing and Outreach Income	7,714	8,291
Total Revenues	<u>1,894,332</u>	<u>2,135,407</u>
Expenses		
Operating	2,007,526	1,970,227
Interest Expense	13,488	15,309
Total Expenses	<u>2,021,014</u>	<u>1,985,536</u>
Change in Net Position	<u>\$ (126,682)</u>	<u>\$ 149,871</u>

Financial Analysis of the Association's Fund

General Fund

Total fund balance of the Association's decreased by \$104,569 in 2020.

General Fund Budgetary Highlights

During the 2020 Budget year, the Association did not revise the annual operating budget.

Revenues were \$1,894,332 which was \$93,477 under (unfavorable) budget. Expenditures were \$2,042,445, which was \$82,634 over (unfavorable) budget. The net budget variance (excluding the unbudgeted issuance of notes payable) was an unfavorable \$176,111.

Capital Asset and Debt Administration

Capital Assets

The Association's investment in capital assets, net of accumulated depreciation for governmental activities as of May 31, 2020 and 2019 was \$4,318,161 and \$4,407,887, respectively, as summarized below:

	2020	2019
Construction in Progress	\$ 8,675	\$ 8,675
Buildings, Net	3,843,146	3,918,841
Vehicles, Net	196,954	190,564
Furniture & Fixtures, Net	2,574	3,481
Improvements, Net	211,676	229,048
Office Equipment, Net	55,136	57,278
Capital Assets, net	<u>\$ 4,318,161</u>	<u>\$ 4,407,887</u>

Debt Administration

As of May 31, 2020, the Association has \$260,989 of debt certificates, inclusive of premiums outstanding, of which \$85,000 is due currently. These debt certificates were issued during the year ended May 31, 2013. Additionally, the Association reports a capital lease liability of \$65,712 as of May 31, 2020 with \$65,712 due currently. The Association also reported a loan payable liability of \$252,682 through the Paycheck Protection Program.

Factors Bearing on the Association's Future

At the time these financial statements were prepared and audited, the Association was not aware of any existing circumstances that would adversely affect its financial health in the near future.

The COVID-19 outbreak in the United States has caused business disruption to Association operations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. The Association is reviewing how this matter may impact its operating results. However, any related financial impact and the duration cannot be reasonably estimated at this time.

Contacting the Association

This financial report is designed to provide a general overview of the Association's finances, comply with finance related laws and regulations and demonstrate the Association's commitment to public accountability. If you have any questions about this report or would like to request additional information please contact Keith Wallace, Executive Director, Lincolnway Special Recreation Association, 1900 Heather Glen Drive, New Lenox, IL 60451.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

STATEMENT OF NET POSITION

May 31, 2020

	Primary Government Governmental Activities	Component Unit Lincolnway Special Recreation Foundation
ASSETS		
Cash and investments	\$ 285,164	\$ 73,609
Capital assets not being depreciated	8,675	-
Capital assets (net of accumulated depreciation)	4,309,486	-
Total assets	4,603,325	73,609
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	126,766	-
Pension items - OPEB	10,733	-
Total deferred outflows of resources	137,499	-
Total assets and deferred outflows of resources	4,740,824	73,609
LIABILITIES		
Accounts payable	28,236	-
Accrued payroll	11,566	-
Unearned revenue	105,700	-
Accrued interest payable	2,005	-
Long-term liabilities		
Due within one year	177,240	-
Due in more than one year	528,900	-
Total liabilities	853,647	-
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	119,201	-
Total deferred inflows of resources	119,201	-
Total liabilities and deferred inflows of resources	972,848	-
NET POSITION		
Net investment in capital assets	4,057,172	-
Unrestricted (deficit)	(289,196)	73,609
TOTAL NET POSITION	\$ 3,767,976	\$ 73,609

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2020

	Program Revenues				Net (Expense) Revenue and Change in Net Position	
					Primary Government	Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Lincolnway Special Recreation Foundation
FUNCTIONS/PROGRAMS						
PRIMARY GOVERNMENT						
Governmental Activities						
Culture and recreation	\$ 2,007,526	\$ 786,300	\$ 1,079,309	\$ 18,500	\$ (123,417)	\$ -
Interest	13,488	-	-	-	(13,488)	-
Total governmental activities	2,021,014	786,300	1,079,309	18,500	(136,905)	-
TOTAL PRIMARY GOVERNMENT	<u>\$ 2,021,014</u>	<u>\$ 786,300</u>	<u>\$ 1,079,309</u>	<u>\$ 18,500</u>	<u>(136,905)</u>	<u>-</u>
COMPONENT UNIT						
Lincolnway Special Recreation Foundation	\$ 131,568	\$ -	\$ -	\$ 126,964	-	(4,604)
			General Revenues			
			Investment income		1,336	-
			Miscellaneous		8,887	-
			Total		10,223	-
			CHANGE IN NET POSITION		(126,682)	(4,604)
			NET POSITION, JUNE 1		3,894,658	78,213
			NET POSITION, MAY 31		<u>\$ 3,767,976</u>	<u>\$ 73,609</u>

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

**BALANCE SHEET
GOVERNMENTAL FUND**

May 31, 2020

	General Fund
ASSETS	
Cash and investments	\$ 285,164
TOTAL ASSETS	\$ 285,164
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 28,236
Accrued payroll	11,566
Unearned revenue	105,700
Total liabilities	145,502
FUND BALANCE	
Unrestricted	
Unassigned (deficit)	139,662
Total fund balance (deficit)	139,662
TOTAL LIABILITIES AND FUND BALANCE	\$ 285,164

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

**RECONCILIATION OF FUND BALANCE OF THE GOVERNMENTAL
FUND TO THE GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF NET POSITION**

May 31, 2020

FUND BALANCE OF GOVERNMENTAL FUND	\$ 139,662
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	4,318,161
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Debt certificates (including unamortized premium)	(260,989)
Notes payable	(252,682)
Capital lease	(65,712)
Compensated absences	(26,528)
Accrued interest	(2,005)
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(53,392)
The total OPEB liability is reported only on the statement of net position	(46,837)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	7,565
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the OPEB are recognized as deferred outflows of resources on the statement of net position	<u>10,733</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 3,767,976</u></u>

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND**

For the Year Ended May 31, 2020

	<u>General Fund</u>
REVENUES	
Member district contributions	\$ 947,744
Charges for services	786,300
Investment income	1,336
Donations	123,851
Grants	18,500
Marketing and outreach income	7,714
Miscellaneous	<u>8,887</u>
Total revenues	<u>1,894,332</u>
EXPENDITURES	
Current	
Culture and recreation	1,883,832
Debt service	
Principal	143,310
Interest	<u>15,303</u>
Total expenditures	<u>2,042,445</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(148,113)</u>
OTHER FINANCING SOURCES (USES)	
Issuance of notes payable	<u>252,682</u>
Total other financing sources (uses)	<u>252,682</u>
NET CHANGE IN FUND BALANCE	104,569
FUND BALANCE, JUNE 1	<u>35,093</u>
FUND BALANCE, MAY 31	<u><u>\$ 139,662</u></u>

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

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

For the Year Ended May 31, 2020

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND	\$ 104,569
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	48,303
The loss on disposition of capital assets is reported as an expense on the statement of activities	(5,578)
The amortization of premiums is reported as interest expense on the statement of activities	331
The issuance of long-term debt is shown on the fund financial statements as other financing sources (uses), but is recorded as a long-term liability on the government-wide financial statements	(252,682)
The repayment of long-term debt is reported as an expenditure in governmental funds but as a reduction of principal on the government-wide financial statements	143,310
The change in interest payable is reported only on the statement of activities	1,484
The change in net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	136,421
The change in total OPEB liability is reported only in the statement of activities	(16,818)
The change in deferred inflows and outflows of resources for Illinois Municipal Retirement Fund is reported only in the statement of activities	(146,156)
The change in deferred outflows of resources for OPEB is reported only in the statement of activities	13,187
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(132,451)
The change in compensated absences payable is shown as an expense on the statement of activities	<u>(20,602)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (126,682)</u>

See accompanying notes to financial statements.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

May 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Association is duly organized and existing under an agreement dated July 1, 1976, between the Frankfort Park District, the Manhattan Park District, the Mokena Community Park District, the New Lenox Community Park District and the Peotone Park District. The Wilmington Island District became a member of the Association on September 12, 2012. The Frankfort Square Park District became a member of the Association on June 21, 2017. The Association is considered a jointly governed organization of the seven park districts pursuant to GASB Statement No. 14. The Association operates under the commissioner-director form of government and provides a variety of services to individuals with physical and mental impairments in the member districts.

The purpose of the Association is to provide for the establishment, maintenance and management of joint recreation programs for persons with disabilities of all the participating park districts. Participation in the Association's programs is available to any individual with a disability living in the immediate Lincolnway area.

The component unit column in the basic financial statements includes the financial data of the Association's component unit. It is reported in a separate column to emphasize that it is legally separate from the Association.

The Lincolnway Special Recreation Foundation

The Association has determined that the Lincolnway Special Recreation Foundation (the Foundation) meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement 14, and GASB Statement No. 61, *The Financial Reporting Entity - Omnibus*, which has resulted in the Foundation being reported as a discretely presented component unit of the Association as it is legally separate from the Association. The Foundation follows GAAP for not-for-profits as promulgated by the Financial Accounting Standards Board (FASB). Separate financial statements for the Lincolnway Special Recreation Foundation are available by contacting the Foundation at 1900 Heatherglen Dr., New Lenox, Illinois 60451.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

The Association uses funds to report on its financial position and the changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary and fiduciary. The Association has no proprietary or fiduciary funds.

Governmental funds are used to account for all the Association's general activities, including the acquisition or construction of capital assets and the servicing of general long-term debt. The General Fund is used to account for all activities of the Association.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Association. The effect of material interfund activity, if any, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for the governmental fund.

The Association reports the following major governmental fund:

The General Fund is the Association's primary operating fund. It accounts for all financial resources of the Association, except those accounted for in another fund.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, 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 financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Association considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures, if any, are recorded only when payment is due.

Investment income, operating fees and member services associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Association.

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

e. Investments

Investments are recorded at cost, which approximates fair value.

The Association categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The Association held no investments at fair value at May 31, 2020.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Prepaid Expenses/Items

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

g. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., parking lots and similar items), if any, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Association as assets with an initial, individual cost in excess of \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Furniture and fixtures	5-10
Improvements	15
Vehicles	5-8
Office equipment	5-7

h. Compensated Absences

In accordance with GASB Interpretation No. 6, *Accounting for Certain Liabilities*, only vested or accumulated vacation leave including related Social Security and Medicare that is committed to be liquidated at May 31, 2020, is reported as an expenditure and a fund liability of the governmental fund that will pay it.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Compensated Absences (Continued)

Vested or accumulated vacation of governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees. Full-time employees are granted vacation days, based on the employee's regular work schedule, at a rate determined by their calendar year of service. Those with 1-4 year of service will accrue 10 days; 5-9 years of service will accrue 15 days; 10-14 years of service will accrue 20 days and 15 or more will accrue 25 days. A maximum of 5 days carried forward to the next calendar year. Any accumulated days must be used no later than April 1st. Full-time employees are granted 12 sick days per year based on their regular work schedule, at the rate of one per month, up to a maximum accumulation of 20 days.

i. Fund Balance/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balances result from enabling legislation adopted by the Association. Committed fund balance is constrained by formal actions of the Association's Board of Directors, which is considered the Association's highest level of decision-making authority. Formal actions include resolutions approved by the Board of Directors. Assigned fund balance represents amounts constrained by the Association's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Association's Executive Director; however, this has not been authorized through a formal policy. Any residual General Fund balance is reported as unassigned.

Since no fund balance policy is in place, the Association's flow of funds assumption defaults to that described in GASB Statement No. 54. This 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 Association considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, the net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

j. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Deferred Outflows/Inflows of Resources (Continued)

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

This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

k. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, 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.

2. DEPOSITS AND INVESTMENTS

Illinois Compiled Statutes (ILCS) and the Association's investment policy authorize the Association to make deposits/invest in local government investment pools, passbook savings account, money market mutual funds, Illinois Park District Liquid Asset Fund, certificates of deposits, time deposits and insured account of credit unions whose principal office is in Illinois.

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.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Association's deposits may not be returned to it. The Association's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Association in the Association's name. Total funds exceeding the deposit insurance limits must have collateral provided as 105% of the fair value of the net amount of the Association's funds on deposit at each financial institution.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Association limits its exposure to interest rate risk by structuring the portfolio to provide liquidity. The investment policy limits the investment in securities that have higher credit risks.

The Association limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in Illinois Public Liquid Asset Funds, a money market mutual fund.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Association will not be able to recover the value of its investments that are in possession of an outside party. The Associations policy does not address custodial credit risk.

3. CAPITAL ASSETS

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

	Balances June 1	Increases	Decreases	Balances May 31
Capital assets not being depreciated				
Construction in progress	\$ 8,675	\$ -	\$ -	\$ 8,675
Capital assets being depreciated				
Buildings	4,325,053	9,378	-	4,334,431
Vehicles	493,918	28,346	11,695	510,569
Furniture and fixtures	11,189	-	-	11,189
Improvements	260,584	-	-	260,584
Office equipment	155,987	10,579	-	166,566
Total capital assets being depreciated	<u>5,246,731</u>	<u>48,303</u>	<u>11,695</u>	<u>5,283,339</u>
Less accumulated depreciation for				
Buildings	406,212	85,073	-	491,285
Vehicles	303,354	16,378	6,117	313,615
Furniture and fixtures	7,708	907	-	8,615
Improvements	31,536	17,372	-	48,908
Office equipment	98,709	12,721	-	111,430
Total accumulated depreciation	<u>847,519</u>	<u>132,451</u>	<u>6,117</u>	<u>973,853</u>
Total capital assets being depreciated, net	<u>4,399,212</u>	<u>(84,148)</u>	<u>5,578</u>	<u>4,309,486</u>
CAPITAL ASSETS, NET	<u>\$ 4,407,887</u>	<u>\$ (84,148)</u>	<u>\$ 5,578</u>	<u>\$ 4,318,161</u>

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)**

4. EMPLOYEE RETIREMENT SYSTEMS

The Association’s defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

Illinois Municipal Retirement Fund

Plan Administration

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2019 (the measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	26
Active employees	<u>30</u>
 TOTAL	 <u><u>58</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The Association is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rates for the years ended May 31, 2020 and 2019 were 8.04% and 8.41%, respectively, of covered payroll.

Actuarial Assumptions

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

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.35% to 14.25%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

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

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Association contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Association's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The discount rate used to measure the total pension liability at December 31, 2018, was 7.25%.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 980,728	\$ 790,915	\$ 189,813
Changes for the period			
Service cost	71,419	-	71,419
Interest	72,363	-	72,363
Difference between expected and actual experience	(46,917)	-	(46,917)
Changes in assumptions	-	-	-
Employer contributions	-	65,476	(65,476)
Employee contributions	-	35,542	(35,542)
Net investment income	-	141,882	(141,882)
Benefit payments and refunds	(36,652)	(36,652)	-
Administrative expense	-	-	-
Other (net transfer)	-	(9,614)	9,614
Net changes	60,213	196,634	(136,421)
BALANCES AT DECEMBER 31, 2019	\$ 1,040,941	\$ 987,549	\$ 53,392

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. 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 May 31, 2020, the Association recognized pension expense of \$70,276.

At May 31, 2020, the Association reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 72,091	\$ 65,866
Changes in assumption	31,730	22,142
Net difference between projected and actual earnings on pension plan investments	-	31,193
Employer contributions after the measurement date	22,945	-
TOTAL	<u>\$ 126,766</u>	<u>\$ 119,201</u>

\$22,945 reported as deferred outflows of resources result from the Association's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended May 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending May 31,	
2021	\$ 5,037
2022	299
2023	4,159
2024	(20,568)
2025	(4,307)
Thereafter	-
TOTAL	<u>\$ (15,380)</u>

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Association calculated using the discount rate of 7.25% as well as what the Association's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 251,832	\$ 53,392	\$ (103,951)

5. LONG-TERM DEBT

a. Debt Certificates

The Association issues for the acquisition and construction of major capital facilities.

Debt Certificates are direct obligations and pledge the full faith and credit of the Association. Debt Certificates currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances June 1	Additions	Reductions	Balances May 31	Current Portion
General Obligation Debt Certificates Series of 2013A with annual installments of principal of \$60,000 to \$1,310,000 through May 1, 2023, plus interest at 1.25% to 3.00% payable semiannually	General - Debt Certificates Subfund	\$ 340,000	\$ -	\$ 80,000	\$ 260,000	\$ 85,000
TOTAL		\$ 340,000	\$ -	\$ 80,000	\$ 260,000	\$ 85,000

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending May 31,	Debt Certificates		
	Principal	Interest	Total
2021	\$ 85,000	\$ 7,800	\$ 92,800
2022	85,000	5,250	90,250
2023	90,000	2,700	92,700
TOTAL	\$ 260,000	\$ 15,750	\$ 275,750

c. Capital Leases

	Payable From	Total	Due Within One Year
Capital lease of bus dated October 17, 2018, principal and interest payable annually at 3.75%.	General	\$ 65,712	\$ 65,712
TOTAL		\$ 65,712	\$ 65,712

Related equipment net of accumulated depreciation for the year ended May 31, 2020 was \$172,579.

Future principal and interest requirements applicable to the capital leases are:

Fiscal Year Ending May 31,	Principal	Interest
2021	\$ 65,712	\$ 2,501
TOTAL	\$ 65,712	\$ 2,501

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Notes Payable – Paycheck Protection Program

The Paycheck Protection Program is a low-interest Small Business Administration (SBA) loan and generally covers two and half months of payroll costs and may be forgiven entirely if the borrower maintains certain staffing levels and spends a certain amount of funds on salaries and other qualifying expenditures during the qualified period. The Organization was approved for a loan on April 17, 2020, under this program in the amount of \$252,682, with an interest rate of 1% and a maturity date of April 24, 2022.

e. Changes in Long-Term Liabilities

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

	Beginning Balances, Restated	Additions	Retirements	Ending Balances	Current Portion
Debt certificates	\$ 340,000	\$ -	\$ 80,000	\$ 260,000	\$ 85,000
Premium	1,319	-	330	989	-
Note payable	-	252,682	-	252,682	-
Capital lease	129,022	-	63,310	65,712	65,712
Compensated absences	5,927	26,528	5,927	26,528	26,528
Total OPEB liability	30,019	16,818	-	46,837	-
Net pension liability	189,813	-	136,421	53,392	-
TOTAL	\$ 696,100	\$ 296,028	\$ 285,988	\$ 706,140	\$ 177,240

6. INSURANCE

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. The Association purchases third party indemnity insurance via monthly premiums from private insurance companies for its employee health insurance. Since 1992, the Association has been a member of the Park District Risk Management Agency (PDRMA), a joint risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials' employment practices liability and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

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

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INSURANCE (Continued)

As a member of PDRMA's Property/Casualty Program, the Association is represented on the Property/Liability/Workers' Compensation 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 claim administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by PDRMA.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year 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.

7. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Association provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Association and can be amended by the Association through its personnel manual and union contracts. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report.

b. Benefits Provided

The Association provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Association's retirement plans. The retirees pay 100% of the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Association's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At September 30, 2019 (the measurement date), membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>10</u>
TOTAL	<u><u>10</u></u>
Participating employers	<u>1</u>

d. Total OPEB Liability

The Association's total OPEB liability of \$46,837 was measured as of September 30, 2019 and was determined by an actuarial valuation as of September 30, 2019.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at May 31, 2020, as determined by an actuarial valuation as of September 30, 2019, actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial valuation date	September 30, 2019
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	2.66%
Healthcare cost trend rates	7.00% to 8.00% in fiscal 2019 based on type of plan, to an ultimate trend rate of 4.50%
Asset valuation method	N/A
Mortality rates	RP - 2014 rates adjusted to 2006 rates and improved generationally with MP-2017 improvement rates

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JUNE 1, 2019	<u>\$ 30,019</u>
Changes for the period	
Service cost	2,214
Interest	1,412
Difference between expected and actual experience	-
Changes in assumptions	13,193
Benefit payments	<u>(1)</u>
Net changes	<u>16,818</u>
BALANCES AT MAY 31, 2020	<u><u>\$ 46,837</u></u>

Changes in assumptions - the discount rate was decreased from 4.18% to 2.66%.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Association calculated using the discount rate of 4.18% as well as what the Association total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.18%) or 1 percentage point higher (5.18%) than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Total OPEB liability	\$ 53,923	\$ 46,837	\$ 40,427

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Association calculated using the healthcare rate of 7% to 8% as well as what the Association's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6% to 7%) or 1 percentage point higher (8% to 9%) than the current rate:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 37,520	\$ 46,837	\$ 58,567

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

For the year ended May 31, 2020, the Association recognized OPEB expense of \$3,631. At May 31, 2020, 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
Changes in assumptions	\$ 10,733	\$ -
Total	\$ 10,733	\$ -

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

Year Ending May 31,	
2021	\$ 916
2022	916
2023	916
2024	916
2025	916
Thereafter	6,153
TOTAL	\$ 10,733

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LINCOLNWAY SPECIAL RECREATION FOUNDATION

a. Nature of Activities

Lincolnway Special Recreation Foundation (the Foundation) is a nonprofit organization incorporated May 2010, whose mission is to support the Lincolnway Special Recreation Association in their effort to provide a diverse range of recreational activities to enable residents with disabilities to experience active, healthy and playful lifestyles.

b. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Foundation maintains its cash balance in financial institutions, which at times may exceed federally insured limits. The amount of uninsured cash was \$73,609 for the year ended May 31, 2020. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Net Assets

The Foundation classifies net assets as unrestricted, temporarily restricted or permanently restricted.

Unrestricted net assets of the Foundation are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. The Foundation has elected to classify revenues as unrestricted if donor restrictions are met in the same reporting period.

Temporarily restricted net assets of the Foundation result (a) from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations and (c) from reclassifications to/from other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of the Foundation pursuant to those stipulations.

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LINCOLNWAY SPECIAL RECREATION FOUNDATION (Continued)

b. Summary of Significant Accounting Policies (Continued)

Net Assets (Continued)

Permanently restricted net assets of the Foundation result (a) from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations and (c) from reclassifications to/from other classes of net assets as a consequence of donor-imposed stipulations.

Contributions

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets and are transferred to unrestricted net assets when the restrictions expire.

Use of Estimates

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

Functional Allocation of Expenses

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

LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LINCOLNWAY SPECIAL RECREATION FOUNDATION (Continued)

c. Fair Value Measurements

The Foundation categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The Foundation held no investments at fair value at May 31, 2020.

d. Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation is classified as a private foundation.

e. Concentrations

The Foundation receives contributions from various donors. There is no one donor that makes up the significant amount of donations.

f. Subsequent Events

The Association has evaluated the subsequent events through June 1, 2021 which was the date that these financial statements were available for issuance and determined that there were no significant non-recognized subsequent events through that date.

REQUIRED SUPPLEMENTARY INFORMATION

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

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

For the Year Ended May 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Member district contributions	\$ 950,744	\$ 947,744	\$ (3,000)
Charges for services	889,065	786,300	(102,765)
Investment income	1,600	1,336	(264)
Donations	113,350	123,851	10,501
Grants	10,000	18,500	8,500
Marketing and outreach income	15,550	7,714	(7,836)
Miscellaneous	7,500	8,887	1,387
Total revenues	1,987,809	1,894,332	(93,477)
EXPENDITURES			
Culture and recreation			
Salaries	1,012,659	1,005,738	(6,921)
Insurance	210,197	229,010	18,813
General and administrative	543,955	559,007	15,052
Capital outlay	103,000	90,077	(12,923)
Debt service			
Principal	85,000	143,310	58,310
Interest	5,000	15,303	10,303
Total expenditures	1,959,811	2,042,445	82,634
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	27,998	(148,113)	(176,111)
OTHER FINANCING SOURCES (USES)			
Issuance of notes payable	-	252,682	252,682
Total other financing sources (uses)	-	252,682	252,682
NET CHANGE IN FUND BALANCE	\$ 27,998	104,569	\$ 76,571
FUND BALANCE, JUNE 1		35,093	
FUND BALANCE (DEFICIT), MAY 31		\$ 139,662	

(See independent auditor's report.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

May 31, 2020

BUDGETS

The Association follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to the May board meeting, the Executive Director submits to the Board of Directors a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. At the regularly scheduled May board meeting, the budget was passed.
3. Budgets are adopted in accordance with GAAP.
4. All budget authority lapses at the end of the year.
5. No budget amendments were made in the current year.

Actual expenditures for the fiscal year ended May 31, 2020, exceeded the budget by \$82,634.

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Fiscal Years

FISCAL YEAR ENDING MAY 31,	2015	2016	2017	2018	2019	2020
Actuarially determined contribution	\$ 43,956	\$ 46,365	\$ 52,133	\$ 52,567	\$ 61,517	\$ 61,075
Contributions in relation to the actuarially determined contribution	43,956	46,365	52,133	52,567	61,517	61,075
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 497,794	\$ 519,404	\$ 572,405	\$ 623,379	\$ 731,882	\$ 759,501
Contributions as a percentage of covered payroll	8.83%	8.93%	9.11%	8.43%	8.41%	8.04%

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3% compounded annually.

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.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

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

Last Six Calendar Years

MEASUREMENT DATE, DECEMBER 31,	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service cost	\$ 52,806	\$ 48,903	\$ 49,646	\$ 52,755	\$ 56,218	\$ 71,419
Interest	34,979	46,688	51,157	58,122	67,472	72,363
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	74,561	(12,863)	18,615	88,927	(34,754)	(46,917)
Changes of assumptions	22,141	-	-	(41,519)	40,103	-
Benefit payments, including refunds of member contributions	(31,019)	(21,813)	(25,203)	(31,022)	(39,663)	(36,652)
Net change in total pension liability	153,468	60,915	94,215	127,263	89,376	60,213
Total pension liability - beginning	455,491	608,959	669,874	764,089	891,352	980,728
TOTAL PENSION LIABILITY - ENDING	\$ 608,959	\$ 669,874	\$ 764,089	\$ 891,352	\$ 980,728	\$ 1,040,941
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 40,639	\$ 43,771	\$ 52,446	\$ 51,079	\$ 54,912	\$ 65,476
Contributions - member	21,720	23,145	24,635	27,396	29,072	35,542
Net investment income	27,147	2,581	37,960	106,893	(35,288)	141,882
Benefit payments, including refunds of member contributions	(31,019)	(21,813)	(25,203)	(31,022)	(39,663)	(36,652)
Other	5,705	2,984	(1,234)	(13,696)	8,404	(9,614)
Net change in plan fiduciary net position	64,192	50,668	88,604	140,650	17,437	196,634
Plan fiduciary net position - beginning	429,364	493,556	544,224	632,828	773,478	790,915
PLAN FIDUCIARY NET POSITION - ENDING	\$ 493,556	\$ 544,224	\$ 632,828	\$ 773,478	\$ 790,915	\$ 987,549
EMPLOYER'S NET PENSION LIABILITY	\$ 115,403	\$ 125,650	\$ 131,261	\$ 117,874	\$ 189,813	\$ 53,392
Plan fiduciary net position as a percentage of total pension liability	81.0%	81.2%	82.8%	86.8%	80.6%	94.9%
Covered payroll	\$ 482,394	\$ 514,345	\$ 547,455	\$ 608,791	\$ 643,769	\$ 789,810
Employer's net pension liability as a percentage of covered payroll	23.92%	24.43%	23.98%	19.36%	29.48%	6.76%

In 2016, there were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

In 2017, there were no benefit changes during the year. Changes in assumptions related to price inflation, salary increases, retirement age and mortality rates were made since the prior measurement date.

In 2018, there were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

In 2019, there were no benefit or assumption changes during the year.

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.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

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

Last Two Fiscal Years

MEASUREMENT DATE MAY 31,	2019	2020
TOTAL OPEB LIABILITY		
Service cost	\$ 2,034	\$ 2,214
Interest	1,148	1,412
Differences between expected and actual experience	-	-
Changes in assumptions	(2,675)	13,193
Benefit payments, including refunds of member contributions	-	(1)
Net change in total OPEB liability	507	16,818
Total OPEB liability - beginning	29,512	30,019
TOTAL OPEB LIABILITY - ENDING	\$ 30,019	\$ 46,837
Covered payroll	\$ 447,573	\$ 484,924
Employer's total OPEB liability as a percentage of covered payroll	6.71%	9.66%

In 2020, there were changes in assumptions related to the discount rate 4.18% to 2.66%; Valuation-year per capita health costs and retiree contribution rates were updated; trend rates on per capita health costs and contribution rates were modified; and the percent of future retirees assumed to have an eligible spouse who opts for coverage was changed, and the age spread between husband and wife was decreased.

In 2019 there were changes in assumptions related to the discount rate 3.64% to 4.18%; Valuation-year per capita health costs and retiree contribution rates were updated; trend rates on per capita health costs and contribution rates were updated; and the percent of future retirees assumed to have an eligible spouse who opts for coverage was changed, and the age spread between husband and wife was decreased.

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

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.)

SUPPLEMENTARY INFORMATION

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND BY SUBFUND

For the Year Ended May 31, 2020

	Operating		Recreation		Capital		Debt Service		Debt Service Reserve		Total	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES												
Member district contributions												
New Lenox Park District	\$ 197,835	\$ 197,835	\$ 65,945	\$ 65,942	\$ 4,774	\$ 4,776	\$ 28,198	\$ 28,199	\$ -	\$ -	\$ 296,752	\$ 296,752
Mokena Park District	153,008	153,008	51,003	51,003	3,693	3,693	21,809	21,809	-	-	229,513	229,513
Frankfort Park District	116,672	116,672	38,891	38,891	2,816	2,816	16,630	16,630	-	-	175,009	175,009
Peotone Park District	13,599	13,599	4,533	4,533	328	328	1,938	1,938	-	-	20,398	20,398
Manhattan Park District	45,110	45,110	15,037	15,037	1,089	1,089	6,430	6,430	-	-	67,666	67,666
Wilmington Island Park District	21,023	21,023	7,008	7,008	3,504	507	2,996	2,996	-	-	34,531	31,534
Frankfort Square Park District	84,583	84,582	28,195	28,194	2,041	2,041	12,056	12,055	-	-	126,875	126,872
Total member district contributions	631,830	631,829	210,612	210,608	18,245	15,250	90,057	90,057	-	-	950,744	947,744
Charges for services												
Transportation and door-to-door	25,500	47,202	-	-	-	-	-	-	-	-	25,500	47,202
Concessions/Vending Machine	10,000	450	-	-	-	-	-	-	-	-	10,000	450
Rentals	-	-	12,000	14,745	-	-	-	-	-	-	12,000	14,745
Special	-	-	67,000	37,589	-	-	-	-	-	-	67,000	37,589
Adapted sports	-	-	50,000	29,691	-	-	-	-	-	-	50,000	29,691
Tournament	-	-	-	11,870	-	-	-	-	-	-	-	11,870
Titans	-	-	378,000	345,232	-	-	-	-	-	-	378,000	345,232
Youth	-	-	56,000	43,826	-	-	-	-	-	-	56,000	43,826
After school	-	-	55,000	47,598	-	-	-	-	-	-	55,000	47,598
Summer camp	-	-	110,000	105,554	-	-	-	-	-	-	110,000	105,554
Inclusion	-	-	5,565	1,617	-	-	-	-	-	-	5,565	1,617
Special events	-	-	65,000	76,811	-	-	-	-	-	-	65,000	76,811
Teen and Adult	-	-	55,000	24,115	-	-	-	-	-	-	55,000	24,115
Total charges for services	35,500	47,652	853,565	738,648	-	-	-	-	-	-	889,065	786,300
Investment income	1,600	1,336	-	-	-	-	-	-	-	-	1,600	1,336
Donations	7,600	7,442	95,750	57,574	10,000	58,835	-	-	-	-	113,350	123,851
Grants	10,000	18,500	-	-	-	-	-	-	-	-	10,000	18,500
Marketing and outreach income	15,550	7,714	-	-	-	-	-	-	-	-	15,550	7,714
Miscellaneous	6,500	8,887	1,000	-	-	-	-	-	-	-	7,500	8,887
Total revenues	708,580	723,360	1,160,927	1,006,830	28,245	74,085	90,057	90,057	-	-	1,987,809	1,894,332

(This schedule is continued on the following pages.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
GENERAL FUND BY SUBFUND

For the Year Ended May 31, 2020

	Operating		Recreation		Capital		Debt Service		Debt Service Reserve		Total	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
EXPENDITURES												
Salaries												
Executive Director	\$ 85,320	\$ 84,822	\$ 21,330	\$ 20,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,650	\$ 104,837
Administrative staff	138,215	182,720	255,231	203,853	-	-	-	-	-	-	393,446	386,573
Overtime	5,000	128	-	-	-	-	-	-	-	-	5,000	128
Superintendent of Recreation	-	-	64,660	64,778	-	-	-	-	-	-	64,660	64,778
Marketing/outreach	35,152	34,895	8,788	8,708	-	-	-	-	-	-	43,940	43,603
Special Olympics	-	-	30,633	25,411	-	-	-	-	-	-	30,633	25,411
Adapted sports	-	-	6,489	7,275	-	-	-	-	-	-	6,489	7,275
Titans	-	-	190,000	190,286	-	-	-	-	-	-	190,000	190,286
Youth	-	-	19,467	26,895	-	-	-	-	-	-	19,467	26,895
After school	-	-	41,000	36,516	-	-	-	-	-	-	41,000	36,516
Summer camp	-	-	64,890	85,287	-	-	-	-	-	-	64,890	85,287
Inclusion	-	-	25,536	13,974	-	-	-	-	-	-	25,536	13,974
Special events	-	-	11,025	10,386	-	-	-	-	-	-	11,025	10,386
Teen and Adult	-	-	9,923	9,789	-	-	-	-	-	-	9,923	9,789
Total salaries	263,687	302,565	748,972	703,173	-	-	-	-	-	-	1,012,659	1,005,738
Employee benefits												
FICA	70,000	76,585	-	-	-	-	-	-	-	-	70,000	76,585
IMRF	64,000	60,541	-	-	-	-	-	-	-	-	64,000	60,541
Insurance	60,958	73,901	15,239	17,983	-	-	-	-	-	-	76,197	91,884
Total employee benefits	194,958	211,027	15,239	17,983	-	-	-	-	-	-	210,197	229,010
General and administrative												
Insurance	24,000	24,995	-	-	-	-	-	-	-	-	24,000	24,995
Safety/training	3,400	6,002	-	-	-	-	-	-	-	-	3,400	6,002
Seminars/conferences/dues	20,000	13,498	-	-	-	-	-	-	-	-	20,000	13,498
Mileage reimbursement	1,500	1,640	-	-	-	-	-	-	-	-	1,500	1,640
Audit	6,000	10,580	-	-	-	-	-	-	-	-	6,000	10,580
Legal	8,000	17,200	-	-	-	-	-	-	-	-	8,000	17,200
Printing	-	1,454	8,000	7,833	-	-	-	-	-	-	8,000	9,287
Postage	1,300	1,045	-	-	-	-	-	-	-	-	1,300	1,045
Telephone	11,000	10,418	-	-	-	-	-	-	-	-	11,000	10,418
IT service	1,500	2,114	-	-	-	-	-	-	-	-	1,500	2,114
Advertising	500	-	-	-	-	-	-	-	-	-	500	-
Accounting service	37,000	59,605	-	-	-	-	-	-	-	-	37,000	59,605

(This schedule is continued on the following pages.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
GENERAL FUND BY SUBFUND

For the Year Ended May 31, 2020

	Operating		Recreation		Capital		Debt Service		Debt Service Reserve		Total	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
EXPENDITURES (Continued)												
General and administrative (Continued)												
Professional fees	\$ 27,000	\$ 36,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,000	\$ 36,205
Gifts	275	180	-	-	-	-	-	-	-	-	275	180
Driver training/drug testing	4,000	767	-	-	-	-	-	-	-	-	4,000	767
Vehicle maintenance	-	-	68,000	84,754	-	-	-	-	-	-	68,000	84,754
Utilities	9,000	5,982	20,000	15,512	-	-	-	-	-	-	29,000	21,494
Concessions/vending machines	5,000	689	-	-	-	-	-	-	-	-	5,000	689
Student scholarships	-	500	-	-	-	-	-	-	-	-	-	500
Special events - staff	4,500	2,314	-	-	-	-	-	-	-	-	4,500	2,314
Staff and volunteer apparel	3,000	2,023	-	-	-	-	-	-	-	-	3,000	2,023
Marketing/outreach	18,000	12,676	-	-	-	-	-	-	-	-	18,000	12,676
Fundraising	-	1,258	-	-	-	-	-	-	-	-	-	1,258
General program supplies	-	-	180,780	155,867	-	-	-	-	-	-	180,780	155,867
Office supplies	17,400	22,510	17,400	22,310	-	-	-	-	-	-	34,800	44,820
Maintenance	23,700	19,564	23,700	19,512	-	-	-	-	-	-	47,400	39,076
Total general and administrative	226,075	253,219	317,880	305,788	-	-	-	-	-	-	543,955	559,007
Capital outlay												
General	-	-	5,000	-	-	-	-	-	-	-	5,000	-
Vehicle	8,000	26,732	70,000	267	-	-	-	-	-	-	78,000	26,999
Playground	-	-	-	-	20,000	63,078	-	-	-	-	20,000	63,078
Total capital outlay	8,000	26,732	75,000	267	20,000	63,078	-	-	-	-	103,000	90,077
Debt service												
Principal	-	-	-	63,310	-	-	85,000	80,000	-	-	85,000	143,310
Interest	-	-	-	4,903	-	-	5,000	10,400	-	-	5,000	15,303
Total debt service	-	-	-	68,213	-	-	90,000	90,400	-	-	90,000	158,613
Total expenditures	692,720	793,543	1,157,091	1,095,424	20,000	63,078	90,000	90,400	-	-	1,959,811	2,042,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	15,860	(70,183)	3,836	(88,594)	8,245	11,007	57	(343)	-	-	27,998	(148,113)

(This schedule is continued on the following page.)

**LINCOLNWAY SPECIAL RECREATION ASSOCIATION
NEW LENOX, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - (Continued)
GENERAL FUND BY SUBFUND

For the Year Ended May 31, 2020

	Operating		Recreation		Capital		Debt Service		Debt Service Reserve		Total	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
OTHER FINANCING SOURCES (USES)												
Issuance of notes payable	\$ -	\$ 252,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 252,682
Total other financing sources (uses)	-	252,682	-	-	-	-	-	-	-	-	-	252,682
NET CHANGE IN FUND BALANCES	<u>\$ 15,860</u>	182,499	<u>\$ 3,836</u>	(88,594)	<u>\$ 8,245</u>	11,007	<u>\$ 57</u>	(343)	<u>\$ -</u>	-	<u>\$ 27,998</u>	104,569
FUND BALANCES (DEFICIT), JUNE 1		<u>(4,148)</u>		<u>(84,257)</u>		<u>30,314</u>		<u>(6,816)</u>		<u>100,000</u>		<u>35,093</u>
FUND BALANCES (DEFICIT), MAY 31		<u>\$ 178,351</u>		<u>\$ (172,851)</u>		<u>\$ 41,321</u>		<u>\$ (7,159)</u>		<u>\$ 100,000</u>		<u>\$ 139,662</u>

(See independent auditor's report.)