

# Annual Comprehensive Financial Report

Fiscal Year Ended December 31, 2023

Craig Talsma CPA, CPRE, Executive Director  
Nicole Hopkins CPA, Director of Finance  
Wolf Peddinghaus MSA, Superintendent of Business



**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Prepared by:

Nicole Hopkins  
Director of Finance



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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the District including:

- Principal Officials
- Table of Organization
- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting

# **HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

## **Principal Officials**

**December 31, 2023**

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### **BOARD OF COMMISSIONERS**

Patrick Kinnane, President

Robert Kaplan, Vice President

Rajkumari Chhatwani, Treasurer

Pat McGinn, Assistant Secretary

Keith Evans, Commissioner

Marc A. Friedman, Commissioner

Linda Dressler, Commissioner

### **PARK DISTRICT STAFF**

Craig Talsma, Executive Director

Nicole Hopkins, Director of Finance

Dustin Hugen, Director of Parks

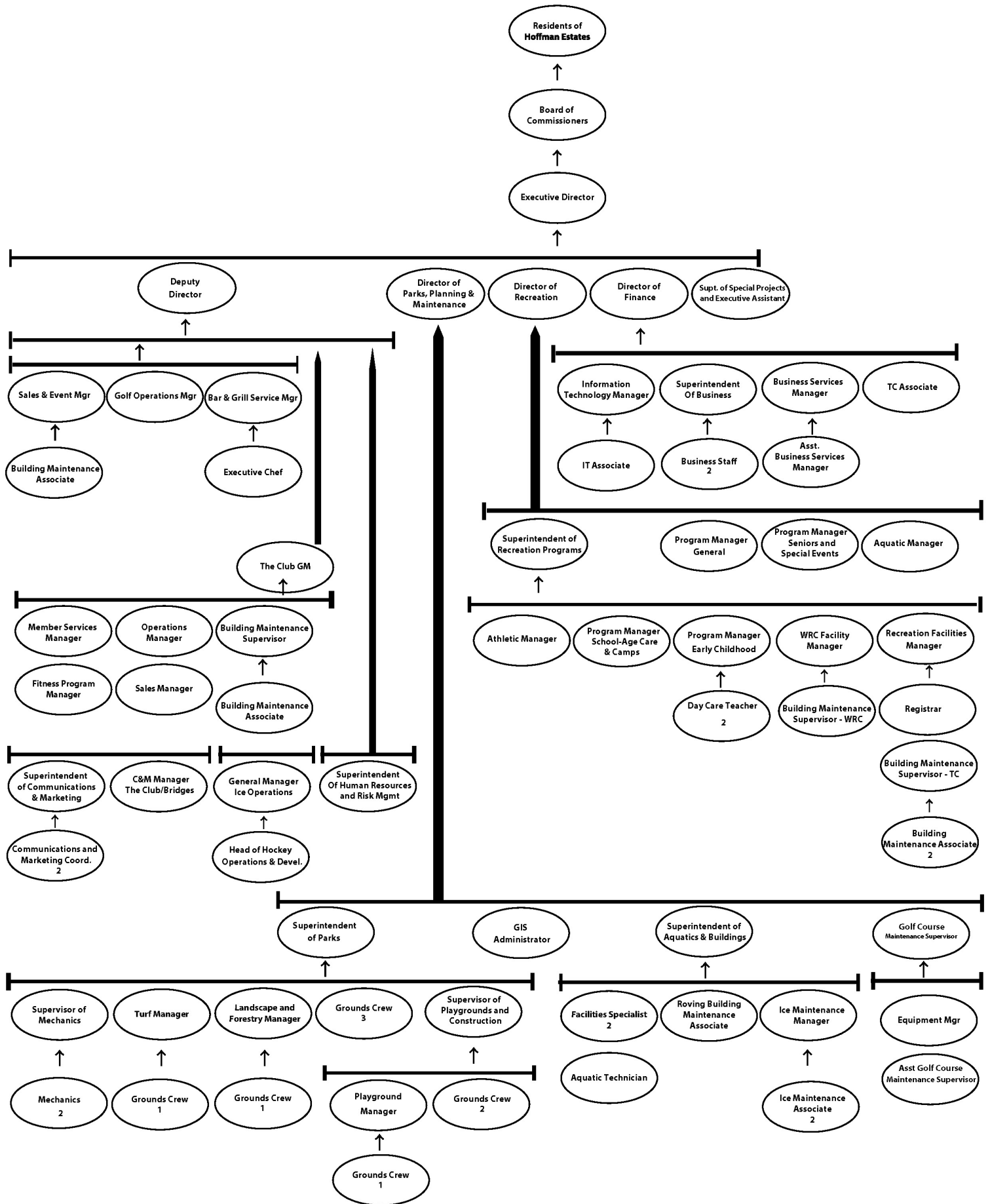
Brian Bechtold, Director of Golf and Facilities

Alisa Kapusinski, Director of Recreation

Peter Cahill, Director of Administrative Services

Wolf Peddinghaus, Superintendent of Business

**hoffman estates park district**  
**Table of Organization - Full Time Employees**







June 19, 2024

To the Board of Commissioners  
The Residents of Hoffman Estates

Presented for your review is the Hoffman Estates Park District (from now on "District") Annual Comprehensive Financial Report for the fiscal year ending December 31, 2023. Illinois state statute requires that municipal governmental entities publish a complete set of financial statements within six months of the close of the fiscal year. The financial statements must be presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited by independent certified public accountants (CPA). The following financial statements meet this requirement and have been audited by the CPA firm of Lauterbach & Amen, LLP.

Management assumes full responsibility for the completeness and accuracy of the attached reports, representing the District's overall financial operations and performance. The complete financial framework for which these are presented is established with the utilization of internal controls to prepare and report the financial operations for the District accurately. Our internal control system is designed to ensure the proper safeguarding of the District's assets within a cost-benefit level to ensure that costs for our controls do not exceed the benefit they produce.

Lauterbach & Amen, LLP has given the audited financial statements an unmodified opinion, meaning that the financial statements represent fairly, in all material aspects, the District's financial position for the fiscal year ended December 31, 2023. This opinion assures the user of the fairness and accuracy of the financial statements. To help the user better understand the financial statements and compare them to prior years, the management discussion and analysis (MDA) is prepared by staff and presented immediately following the auditor's report. The MDA provides an additional overview, insight, and analysis to make the financial statements easier to understand. The financial statements along with this transmittal letter should be read in conjunction with the MDA.

### **Profile of the District**

The Hoffman Estates Park District was created by a voter-approved referendum in 1964 and celebrated its 50th anniversary in 2013. The referendum established the District for the sole purpose of providing park and recreation services for the community residents. A seven-member board of commissioners governs the District that the District's residents publicly elect on staggered four-year terms. The Board of Commissioners then elects the officers for President, Vice President, and Treasurer among themselves. The District operates to fulfill its mission of providing first-class parks, programs, facilities, and services for our residents and guests in an environmentally and fiscally responsible manner.

Primarily contiguous with the Village of Hoffman Estates, a home rule municipality incorporated in 1959, the District includes three main areas due to the division by major highways. These areas are the north, south, and west regions of Hoffman Estates located within Cook County. The District serves a population of 52,530 and currently has 80 parks totaling over 930 acres. The District had over 24,000 participants in our recreational programs in 2023. Major programming areas include early childhood, youth and adult athletics, dance, gymnastics, karate, and many other programs based heavily upon our operational pillars of fitness, environmental stewardship, and social equity. In addition to the parks and programs, the District has the following major facilities:

**Triphahn Center (TC)** is the home of the District's administrative offices and is the central recreation point for District activities. Located on the south side of Hoffman Estates, it houses a full-size gymnasium, fitness center, and locker rooms with 621 members at the end of 2023. Preschool and early learning center activity rooms, a dance room, multi-purpose areas, and the District's "50+ Club". This facility is also the practice facility for the Chicago Wolves. Because of this partnership, the current facility was expanded, and two professional-sized ice rinks were added. In 2020, the facility became the home rink for the Chicago Wolves' home games. This facility recorded an annual attendance of approximately 135,000 patrons.

**Bridges of Poplar Creek Country Club (BPC)** is a 150-acre 18-hole par 70 golf course. The clubhouse also serves as a full restaurant and meeting facility, including banquet accommodations for 250+ guests. A recent award-winning renovation to the course not only remodeled and revamped the exciting layout of the golf course but also added a beautiful outside gazebo and event area. This space is a perfect wedding spot for our award-winning wedding operation (winner of the "Best of the Knot" for the last nine years). In 2018, the large banquet room was remodeled, providing a fresh contemporary look. In 2023, the course recorded 31,669 rounds. 2023 driving range basket sales exceeded 20,700. In 2020, the course enhanced a portion of the outdoor range by adding a driving range enclosure powered by Top Tracer technology. This addition allows extended seasonal play and attracts all skill sets. 2023 Top Tracer reservation hours exceeded 6,300 hours.

**Seascape Family Aquatic Center** is located adjacent to the Bridges of Poplar Creek. It includes a large outdoor zero-depth pool with body and raft water slides, a bathhouse with locker rooms, an event area, volleyball courts, and a concession stand. Seascape is open from late May to mid-August. In 2018, the Sand Filters at Seascape were wholly replaced, improving water clarity and circulation. Annual passes for individuals or families are sold here as well as a daily admission option. The 2023 year had 1,349 pass members and surpassed 36,400 daily admissions.

**The Club at Prairie Stone (formerly known as Prairie Stone Sports & Wellness Center)**, located on the west side of Hoffman Estates, is a 100,000 square foot sports and health facility. It includes three gymnasiums, a High Intensity Interval Training space, an indoor zero-depth pool and lap pool, public and member locker rooms, a running track, and aerobic and group fitness rooms. Spa services, massages, and childcare are also available. Monthly membership dues generate the most revenue for the facility, with 2,769 members at the end of 2023. 2023 visits exceeded 190,000. As a part of our commitment to maintaining state-of-the-art facilities, the Club underwent a renovation in 2020 to include a new functional fitness and strength area.

**Willow Recreation Center** is a smaller recreational facility than Triphahn Center located on the north side of Hoffman Estates. It houses a gymnasium, a small fitness center with 176 members at the end of 2023, locker rooms, racquetball courts, preschool, and programming rooms. It is also the location of our outdoor skate park and Bo's Run, one of the District's two dog parks (the other dog park, Freedom Run, is located on the west side of Hoffman Estates). The District had 548 annual dog park members at the end of 2023. The Palatine Public Library leases approximately 1,200 sq. ft. within this facility to provide a branch library to our mutual residents. This facility recorded an annual attendance of approximately 43,567 patrons.

**Vogelei Park, House & Barn** is a 10-acre park located at the southeastern entry point to Hoffman Estates. A historic house and barn are found here, both of which are used for rentals. The barn and large park area are also excellent spots for many of our summer camps and special events. This historic site housed the District's first administrative offices after it was purchased in 1969. The park area was completely revamped, and the historic house was refurbished as part of a significant renovation in 2010. Construction began in 2021 to make the house completely accessible. Northwest Special Recreation Association (NWSRA) began using the facility for the Pursuit program for individuals with disabilities 21 years and older in 2022. The barn is the primary site for gymnastics and is also used for various summer camps, rentals, and the teen center. In early 2021, a new eSports Zone opened at this location.

The annual budget is the funding mechanism to meet our mission by providing and maintaining our parks, programs, and facilities. The annual budget is an ongoing process by which all management staff continually look for new and innovative ways of providing services to accompany our core services and facility offerings already in place. The budget starts with each department developing objectives for the upcoming year. These objectives are specific planned actions based on the District's mission, vision, and goals outlined in our five-year Comprehensive Master Plan (CMP). These objectives provide specific, measurable actions to be implemented in the budget year. The budget will be the mechanism to fund all of our objectives and all other services and offerings.

It is the responsibility of each department: Parks for maintenance and construction, Recreation for programming, and Facilities for facility usage and memberships (in addition to the specific Club and BPC operations, which are budgeted separately) to outline a balanced working budget for their respective areas. Each year's budget is zero-based, and all items are carefully reviewed. Working closely with the business department, departments develop an overall budget. The operational budgets also include inter-fund charges for shared costs like funding for the Illinois Municipal Retirement Fund (IMRF, our employee pension system), social security expenses, in addition to certain debt service payments.

The working budget is reviewed by the Director of Finance, who works with all departments throughout the process. A balanced budget for the District as a whole is developed utilizing all of the program areas. The

District's annual tax levy and the Budget and Appropriations (B&A) Ordinance are developed to coincide with the budget process. This budget then goes through a rigorous review by the Executive Director before going to the Board of Commissioners and our District's Committee as a Whole for the final review.

The committee as a whole is made up of the District's three community committees, including an Administrative and Finance Committee, a Recreation Committee, and a Building and Grounds Committee. Each separate committee is comprised of a different set of five residents along with two Board members. Each committee then reviews each respective area and each department. Only after all board committees of the District have reached a consensus are the final documents displayed for public input for 30 days. During that time, an additional public meeting is held. Then, the working budget, Tax Levy, and B&A Ordinance are formally approved by the District's Board of Commissioners. The final B&A Ordinance puts legal spending limits on each operating fund of the District.

Our District approves the budget in January, even though we could legally wait until 90 days after the budgeted year has started. This allows any changes due to timing issues from the prior fiscal year to be incorporated into the document.

Budgetary control during the year is maintained through continual review of financial performances and a well-controlled purchasing system requiring approved purchase orders for expenditures. Monthly financial statements and listings of all expenditures are approved monthly by the Administration & Finance Committee and then by the Commissioners' Board of Commissioners. The budget numbers are an integral part of the financial statements, which are eventually audited and comprise part of our Annual Comprehensive Financial Report.

### **Local Economy**

The local, state, and national economies are experiencing challenges. While the District has seen a rebound in participation, the effects of high inflation, supply chain interruptions, and staffing difficulties due to a tight labor market have caused District costs for goods and services to increase.

The District's "Assessed and Actual Value of Taxable Property" chart in the statistical section shows the past ten years of equalized assessed value (EAV). The EAV for general district taxation since 2009 dropped losing more than a third in value (2009-\$1,907,073,711 and 2015-\$1,221,136,659). For the 2022 Tax Levy Year payable in Fiscal Year 2023, the EAV is \$1,957,579,994. The EAV and tax levy years are always one year behind the fiscal year they fund.

To continue our dedication to maintaining first-class parks and facilities, in 2016, the District invested in Graphical Information System (GIS) software. This software tracks all of the District assets and their useful lives. In the future, this will allow all our residents to quickly view all park and facility amenities, such as where is a playground, tennis courts, splash pad, or even a park shelter, by simply going to our website. Additionally, this tracks all repairs and replacements for all of our assets and will simplify our Capital Asset Management Plan (CAMP) process each year in evaluating our required replacements for any significant assets of the District.

In 2022, the former AT&T headquarters campus really began to take shape as Bell Works Chicagoland, a "Metrohub" concept. Fairgrounds World's Fair, Cambium Networks, JumpFly and VIPAR Heavy Duty Inc. were notable companies that moved into Bell Works in 2023. Data centers also took center stage this year, with Microsoft completing their first of two buildings. New retail businesses in 2023 include; BP Gas Station, Belle Tie and many others. The Village also approved a new multi-family housing development that began in 2023, the first project of this type since the late 1970's.

The day-to-day District operations are supported by user fees, tax dollars, and alternative revenues. The tax dollars are capped each year based on the taxes collected from our current annual levy plus an increase for CPI. This increase was 1.40% for 2021 and 7% for 2022 (limited to 5%). The minimal increase ensures that we must continuously operate as efficiently as possible and be conservative in our financial operations. With these tax funds, the District maintains and supports all of our park operations, ADA, and specific program areas for seniors and at-risk youth. The majority of our other operations are supported and paid for by user fees. This includes our operations at BPC, The Club, and most programming, whether early childhood, athletics, or ice.

Alternative revenues constitute a significant component of our financial planning. These include revenues from various partnerships like the Chicago Wolves. This agreement includes office space for their administrative group, practice ice facility, and the District has the opportunity to host their home games at our ice arena facility. We also have partnerships with cellular carriers for cell sites on our properties that generate over \$69,000 per year. Other partnerships are not necessarily dollar-based, but they provide additional programming space, like our agreements

with the local school districts for additional gym and classroom space, especially in demand during the summer camp season. We have a very large before and after-school program that generates much of our Early Childhood revenues. These programs are held at local schools through an intergovernmental agreement with those school districts.

In 2021, the District entered into an agreement with Northwest Special Recreation Association (NWSRA) to renovate the District's Vogelei Park house to become a future site for NWSRA and Clearbrook's cooperative Adult Day Program, called PURSUIT.

In 2014, the District erected four large digital marquee signs. These signs promote our programs, and in a partnership with the Village of Hoffman Estates, they provide community awareness messages such as AMBER alerts. Two of the signs are also allowed to generate additional revenue through the sale of advertising. While in 2019, these two signs generated just over \$86,000 in revenue, due to the COVID-19 pandemic, the revenue for 2021 was just over \$46,000. In 2022, the revenue generated for the marquee signs was just over \$73,000 and in 2023 revenue was just under \$63,000.

One of the largest sources of alternative revenue for us is grants. Over the last 30 years, the District has received almost \$6 million in grants. Many of the larger grants were Illinois Department of Revenue open space and land acquisition (OSLAD) grants. These grants enabled us to develop our parks and facilities to the level and total acreage we have today. Many other recent smaller grants have come from the Illinois State Parks Energy Efficient Program and State Comptroller's Office that has allowed our District to become more environmentally responsible within our parks and facilities. In 2019, the District was awarded a \$400,000 OSLAD grant from the Illinois Department of Natural Resources to support a renovation at South Ridge Park. In 2020, an additional \$225,000 was awarded for the Birch Park Revitalization project. In 2020, the District was awarded a Child Care Restoration grant of just over \$162,000, and in 2021, an additional \$125,000 for staffing, improvements, and COVID safety-related expenses of the ELC program. In 2022, the District was awarded an additional \$143,000 for childcare staffing and improvements. In 2023, an additional \$180,00 was received from an OSLAD grant to construct a park, Beacon Pointe.

The annual budget governs our financial operations each year. Our long-range plans allow for the appropriate planning to ensure funding for current and future years of operations. Our District has an established fund balance reserve policy (implemented in 2012) that provides for the careful allocation of District reserves. These reserves help the District overcome any potential cash flow shortfalls should they arise. The reserves are also a mechanism that can be used to help fund future CIRP items.

The District recently finished the final stage of the agency debt reallocation plan, which effectively spreads our debt over applicable future years, allowing our residents to enjoy the parks and facilities that created the original debt. Due to favorable market conditions, the District was able to enter into advance refunding agreements for the 2010A and 2010C bonds, achieving a net present value savings of just under \$4.9 million. This ensures that the future availability of annual bonds will match the requirements of our CAMP for the foreseeable future.

Throughout our careful utilization of our bonding authority to maintain the debt repayment plan, the District has maintained a Standard & Poor's bond rating of AA+. (This bond rating was reconfirmed in 2020.) This high rating reflects the careful planning and financial integrity that the District practices yearly and was reaffirmed with our most recent bond issue.

### **Major Initiatives**

The District's CMP is a very detailed process to complete this statistical document. Starting in 2018, the District engaged the services of the ETC Institute to help us in preparation for this new five-year document. A significant component of this document is the community-wide attitude and interest survey. This was completed in 2018 and measured various data from our residents. The survey focused on measuring the residents' satisfaction with the District's parks, facilities, programs, and services. It asked for information on the importance of different types of programming and prompted residents to provide ideas for new services we could provide. The entire CMP included studying demographics, benchmarking, best practices, strengths, weaknesses, opportunities, and threats (SWOT) assessments, and a complete revision of the District's CAMP. The District also completely reevaluated its mission, vision, and goals. This plan is reviewed every year as part of the budget process.

As part of our CAMP, playgrounds are continually planned for renovation and replacement. This is a significant focus on the District's mission, and we take great pride in each and every playground through careful planning and construction. Every time a playground is renovated, community meetings are held to gather public input on the functionality, usage, and design. In 2022, we entered into an intergovernmental agreement with School District 54 to assist in developing a fully inclusive playground. Additionally, any time a capital project impacts the use of our land or facilities, public meetings are held for input. Following are some of the significant initiative projects for 2023:

### **Huntington Park**



Before



After

### **Fabrini Pickle Ball / Tennis Fence Installation**





## **Tennis and Basketball Court Resurfacing & Asphalt Parking Lots Seal Coat / Crackfill and Stripping**



### **Beacon Pointe Park**



### **Oakdale Playground**



### Triphahn Center Fitness



### Triphahn Center Playground



X

### Pine Park





## **Awards and Acknowledgments**

The District received its tenth Government Finance Officers Association of the United States and Canada (GFOA) award of Certificate of Achievement for Excellence in Financial Reporting in 2023 for our 2022 Annual Comprehensive Financial Report. This prestigious award recognizes a government for publishing an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies both GAAP and applicable legal requirements. We believe that our Annual Comprehensive Financial Report for 2023 also meets these requirements, and we are submitting it to the GFOA to determine its eligibility for this certificate. The District received the inaugural Government Finance Officers Association of the United States and Canada (GFOA) award of Popular Annual Financial Report (PAFR) for the year ending December 31, 2022. The award is good for one year and we believe that our Popular Annual Financial Report for 2023 also meets the GFOA PAFR award requirements, and we are submitting it to the GFOA again for award consideration.

The District was a National Recreation and Park Association (NRPA) Gold Medal finalist in 1989, 1990, 1991, 2007, 2008, and 2009 when it was named the Gold Medal winner for Class IV (population 50,001-100,000). In 2022, the District was once again an NRPA Gold Medal Finalist. In 2023, the District was honored to once again receive the NRPA Gold Medal Grand Plaque Award. This award recognizes the best overall park and recreation agency in the nation based on the criteria established by the NRPA.

The District received the Illinois Association of Park Districts (IAPD)/Illinois Park & Recreation Association (IPRA) Joint Distinguished Agency Accreditation. This prestigious accreditation was awarded to the District in 1999, 2005, 2011, 2017 and 2022. In 2013, the District also received the IAPD License plate award for promoting youth activities and the license plate program sponsored by IAPD. In 2021, IAPD awarded the District and Cabela's Hoffman Estates with the Partnership award for the work done together in promoting the District's fishing programs. Cabela's and their parent company Bass Pro Shops support a nationwide movement dedicated to encouraging families to be outside.

The District's partner AMITA Health was awarded the "Best Friend of Illinois Parks" in the large business category (more than 500 employees) from the Illinois Association of Park Districts in 2018. This honor is awarded to a business or corporation that demonstrates exemplary support to either a local park district, forest preserve, conservation, recreation, or special recreation agency.

Also received from IPRA in 2014 and 2015 was the Exceptional Workplace Award presented by the Health & Wellness Committee of IPRA. This award signifies a healthy and satisfying work environment based on peer and staff review.

In 2018, the District joined the elite park and recreation agencies and departments across the nation by earning accreditation through the Commission for Accreditation of Park and Recreation Agencies (CAPRA) and the NRPA. The District achieved a perfect 144 out of 144 score and, at the time of completion, became the first Illinois Park District to have won the NRPA Gold Medal, CAPRA/NRPA accreditation, and also IAPD/IPRA accreditation. The District performed the reaccreditation process in 2018 and once again received a perfect score of 151 out of 151. The reaccreditation for CAPRA is every five years. The District has begun the re-accreditation process, which was completed at the beginning of 2023.

In 2013, the District received the Illinois Sunshine Award from the Illinois Policy Institute, a nonpartisan and nonprofit research organization that recognizes governments for their transparency. Numerous criteria are measured to ensure complete transparency of the government's operations to the public. Our District scored a 94%, which is the highest score ever received by an Illinois Park District. To see some of the information rated by this award, please visit our website [heparks.org](http://heparks.org) and click on the transparency/FOIA (Freedom of Information Act) tab. There you will find a complete five-year financial history and all related District documents. It also has a quick link to request District FOIA information. While the District still maintains full transparency on the website, the Illinois Sunshine award no longer exists.

The District is also accredited by the Park District Risk Management Association, of which the District is a member for purposes of pooling of insurance for liability, property, and casualty as well as for our employee health insurance. The District was accredited in 2005, 2009, 2013, and 2017. Reapplication is accepted every four years, and each time the District has received an exceptional rating and scored in the top one percent (1%) of all park district members in the pool. However, in 2017, the District received an all-time high score of 99.05 on the accreditation process. Reaccreditation for this was scheduled for 2021, but has been delayed by PDRMA as their process is evolving.

In 2013, 2015, and 2018, the District was named the Hoffman Estates Chamber of Commerce Public Sector of the Year as determined by the Hoffman Estates Chamber of Commerce, in which the District is an active member. The District was also awarded our annual accreditation from the National Association for the Education of Young Children (NAEYC) for both of our preschool locations (Triphahn Center and Willow Recreation Center).

Due to COVID, the accreditation process through ExceleRate has been delayed due to their not performing on-site visits. We hope 2024 brings many such processes currently on hold back to normal.

For six years in a row, 2014-2019, we received the Four-Star Aquatic Safety Award from Starguard Aquatics Institute to recognize exceptional operational safety standards for lifeguard professionalism and excellence in risk management practices. After being closed for the 2020 season, we are pleased to say that we once again received the Four-Star Aquatic Safety Award for the 2021 season. In 2020, the District received third place in a statewide award given to a sports turf facility that is managed with a high degree of excellence by the SportsTurf Managers Association.

The District is fortunate to have a professional and dedicated Board of Commissioners to guide our District and a terrific administrative and business staff that take pride in performing at the highest levels while maintaining uncompromising integrity and sound financial policies. We sincerely appreciate all of the contributions of the entire business department staff in making this document first class. Finally, we wish to thank Lauterbach & Amen, LLP staff for the guidance and oversight of our audit process and the final presentation of our Annual Comprehensive Financial Report.

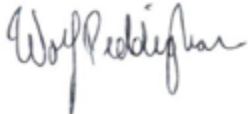
Respectfully submitted,



Craig Talsma, CPA, CPRE  
Executive Director



Nicole Hopkins, CPA  
Director of Finance and Administration



Wolf Peddinghaus  
Superintendent of Business Services



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Hoffman Estates Park District  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morrell*

Executive Director/CEO



## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

June 19, 2024

Members of the Board of Commissioners  
Hoffman Estates Park District  
Hoffman Estates, Illinois

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hoffman Estates Park District (the District), Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hoffman Estates Park District, Illinois, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

### **Auditor's Responsibilities for the Audit of the Financial Statements - Continued**

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and supplementary pension, 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 Hoffman Estates Park District, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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Our discussion and analysis of the Hoffman Estates Park District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the transmittal letter, which can be found in the introductory section of this report, and the District's financial statements, which can be found in the basic financial statements section of this report.

#### FINANCIAL HIGHLIGHTS

- The Hoffman Estates Park District's net position increased \$3,371,326, or 66.1 percent, from the prior year's net position of \$5,101,337.
- During the year, government-wide revenues for the primary government totaled \$23,699,004 while expenses totaled \$20,327,678, resulting in an increase to net position of \$3,371,326.
- The Hoffman Estates Park District's net position totaled \$8,472,663 on December 31, 2023, which includes (\$9,882,993) net investment in capital assets, \$5,489,765 subject to external restrictions, and \$12,865,891 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported an increase for the year of \$476,959, prior to transfers in of \$3,780. The net change in fund balance of \$480,739 brings the fund balance in the General Fund to \$5,374,934, an increase of 9.8 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 District as a whole and present a longer-term view of the District'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 District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

#### Government-Wide Financial Statements

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

The Statement of Net Position reports information on all of the District'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 District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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#### 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and government and recreation services. There are no business-type activities reported by the District.

##### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the District are reported as 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 District'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 District maintains nine individual governmental funds. Information is presented separately in the governmental fund balances sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Recreation Fund, Bridges of Poplar Creek Country Club Fund, The Club at Prairie Stone Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds. The District's nonmajor funds, the Illinois Municipal Retirement Fund, Social Security Fund and Special Recreation Fund, are combined into a single aggregated presentation.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### USING THIS ANNUAL REPORT - Continued

#### 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.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's I.M.R.F. employee pension obligations and Retiree Benefit Plan, as well as budgetary comparison schedules for the General Fund and major Special Revenue Funds.

#### 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 District, assets/deferred outflows exceeded liabilities/deferred inflows by \$8,472,663.

	Net Position	
	2023	2022
Current and Other Assets	\$ 33,840,367	30,063,581
Capital Assets	53,752,841	55,128,404
Total Assets	87,593,208	85,191,985
Deferred Outflows	1,902,181	2,975,868
Total Assets/ Deferred Outflows	89,495,389	88,167,853
Long-Term Liabilities	60,871,495	64,004,847
Other Liabilities	7,101,115	6,667,293
Total Liabilities	67,972,610	70,672,140
Deferred Inflows	13,050,116	12,394,376
Total Liabilities/ Deferred Inflows	81,022,726	83,066,516
Net Investment in Capital Assets	(9,882,993)	(10,918,560)
Restricted	5,489,765	5,462,781
Unrestricted	12,865,891	10,557,116
Total Net Position	8,472,663	5,101,337

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

A portion of the District's net position, (\$9,882,993), reflects its investment in capital assets (for example, land, land improvements, construction, machinery and equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$5,489,765, of the District's net position represents resources that are subject to external restrictions on how they may be used. Essentially, these restrictions represent property taxes levied for a specific purpose. The remaining \$12,865,891, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

	Changes in Net Position	
	2023	2022
Revenues		
Program Revenues		
Charges for Services	\$ 10,736,173	9,218,808
Grants/Contributions	156,898	152,451
General Revenues		
Property Taxes	11,456,740	10,843,889
Replacement Taxes	175,658	211,149
Other General Revenues	1,173,535	170,464
Total Revenues	23,699,004	20,596,761
Expenses		
Recreation	17,770,722	17,565,749
Interest on Long-Term Debt	2,556,956	2,516,690
Total Expenses	20,327,678	20,082,439
Change in Net Position	3,371,326	514,322
Net Position-Beginning	5,101,337	4,587,015
Net Position-Ending	8,472,663	5,101,337

Net position of the District's governmental activities increased by 66.1 percent (\$8,472,663 at December 31, 2023 compared to net position of \$5,101,337 at December 31, 2022). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$12,865,891 at December 31, 2023.



# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

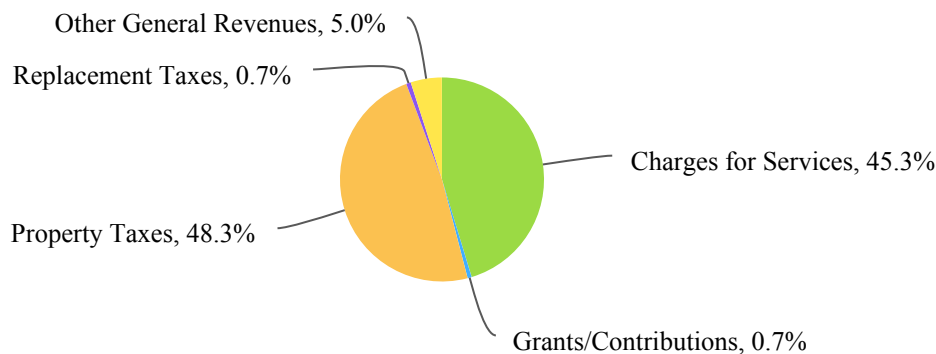
### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

#### Governmental Activities

Revenues for governmental activities totaled \$23,699,004, while the cost of all governmental functions totaled \$20,327,678. This results in an increase of \$3,371,326. For the year ended December 31, 2022, revenues of \$20,596,761 were higher than expenses of \$20,082,439, resulting in an increase of \$514,322. The increase in 2023 was due primarily to increases in charges for services from recreation programming due to stronger participation numbers and from increased attendance at the Bridges of Poplar Creek Country Club and The Club at Prairie Stone due to increased marketing efforts.

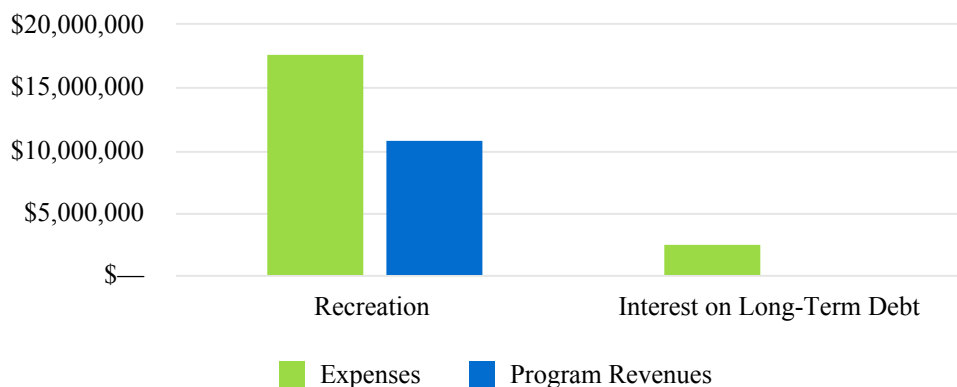
The following chart graphically depicts the major revenue sources of the District. This graph illustrates that, more than half of the District's revenues come from charges for services and other general revenues.

**Revenues by Source - Governmental Activities**



The Expenses and Program Revenues Chart identifies those governmental functions where program expenses greatly exceed revenues. Although in the government-wide statements expenses normally exceed revenues, general revenues such as property and replacement taxes support the general government expenses, a portion of recreation expenses, and interest expenses.

**Expenses and Program Revenues - Governmental Activities**



## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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#### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

##### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The ending fund balance for the District's Governmental Funds combined is \$18,639,025 which is an increase of \$2,861,132, or 18.1 percent, from last year's total of \$15,777,893. The District intends to remain true to its fund balance policy, which is discussed in the Notes to the Financial Statements, and to ensure that the District's existing assets are well maintained moving forward.

The General Fund is the chief operating fund of the District. At December 31, 2023, unassigned fund balance in the General Fund was \$341,972, which represents 6.4 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 6.1 percent of total General Fund expenditures. The General Fund reported an increase of \$480,739. Maintenance costs along with the tax revenue used to support these costs were centralized in the General Fund to better align with responsibilities. Revenues increased from the prior year, primarily due to advantageous interest rates spurred by Federal interest rate hikes.

The Recreation Fund reported an increase for the year ended of \$679,766 or 21.8 percent, resulting in an ending fund balance of \$3,803,018. Even with record-high inflation and a very tight labor market, the District pivoted as necessary to ensure revenue optimization while maintaining expense vigilance.

The Bridges of Poplar Creek Country Club Fund reported an increase for the year of \$186,406 or 17.4 percent, resulting in an ending fund balance of \$1,255,360. The increased marketing of the golf course (including TopTracer) and Food & Beverage operations (including special events) resulted in an increase to revenues.

The Club at Prairie Stone Fund reported an increase for the year of \$449,874 or 105.3 percent, resulting in an ending fund balance of \$877,018. The Club continues to build memberships and increase revenues through adaptation to changing fitness trends.

The Debt Service Fund reported an increase of \$272,566, or 14.7 percent, to an ending fund balance of \$2,126,411. The increase was primarily due to increase in property taxes and interest earnings from the prior year related to advantageous interest rates spurred by Federal interest rate hikes. The fund balance in the Debt Service Fund is restricted for future debt service payments.

The Capital Projects Fund reported an increase in fund balance of \$829,136 to an ending fund balance of \$3,668,888. Capital outlay expenditures decreased from the prior year due to delayed projects that were included in the 2024 budget.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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#### GENERAL FUND BUDGETARY HIGHLIGHTS

During 2023, the District did not revise the annual operating budget of the General Fund. The fund is reported as a major fund, and accounts for the routine park operations of the District. The overall performance of the fund was greater than budgeted. The actual revenues for the year total \$6,075,057, compared to budgeted revenue of \$5,791,103. The \$283,954 difference in projected and actual revenues was mainly due to increased program service revenue, increased property tax revenue, and increases in other general revenues. Expenditures were lower than budgeted by \$121,785.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2023 was \$53,752,841 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction, machinery and equipment, and vehicles.

	Capital Assets	
	Net of Accumulated Depreciation	
	2023	2022
Land	\$ 11,313,465	11,313,465
Land Improvements	3,236,863	3,630,517
Construction	36,729,069	37,593,950
Machinery and Equipment	2,354,333	2,488,246
Vehicles	119,111	102,226
Totals	<u>53,752,841</u>	<u>55,128,404</u>

This year's major additions included:

Land Improvements	\$ 173,179
Construction	1,244,640
Machinery and Equipment	477,891
Vehicles	<u>57,530</u>
Totals	<u>1,953,240</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Management's Discussion and Analysis

December 31, 2023

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

##### Debt Administration

At year-end, the District had total outstanding debt of \$61,345,000 as compared to \$62,470,000 the previous year, a decrease of 1.80 percent. The District's debt consists of General Obligation Bonds comprised of \$54,270,000 in Alternate Revenue Bonds and \$7,075,000 in Limited Bonds. The Limited Bonds are measured against the current legal debt limit of \$56,280,425. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2023	2022
General Obligation Park Bonds	\$ 61,345,000	62,470,000

The change is the result of issuing \$3,055,000 of General Obligation Limited Park Bonds with an offset of payments to principal.

The District was upgraded to an AA+ rating in 2010 by Standard and Poor's. The District has been able to maintain this rating despite the Illinois downgrades and pandemic impact. Standard and Poor's confirmed the AA+ rating in 2020. This is an excellent reflection of the District's financial strength.

The District's financial statements as well as certain information in the supplementary information and supplemental schedules provide the required continuing disclosure of the District pursuant to its outstanding bonds in conformity with rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

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

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Through constant efforts to maintain and build its reserves and careful financial planning, the District continues to build upon its strong financial position. Many trends and economic factors which can affect the future operations of the District are considered during budgeting and long-range planning. The District is committed to maintaining reserves and continually reviews ways to improve and maintain its capital assets and strong financial position to provide residents with excellent programs and facilities. Just as the District successfully navigated the recent pandemic, high inflation, and tight labor market, the District is confident in its leadership and staff to be able to successfully navigate any risks that may arise in the future.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Director of Finance and Administration, Hoffman Estates Park District, 1685 West Higgins Street, Hoffman Estates, IL 60169.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

### **Governmental Funds**

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

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Statement of Net Position**

**December 31, 2023**

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**See Following Page**

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Statement of Net Position

December 31, 2023

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### ASSETS

#### Current Assets

Cash and Investments	\$ 19,566,749
Receivables - Net of Allowances	
Taxes	12,033,052
Accounts	811,346
Leases	1,226,906
Prepays/Inventories	202,314
Total Current Assets	<u>33,840,367</u>

#### Noncurrent Assets

##### Capital Assets

Nondepreciable	11,313,465
Depreciable	97,811,567
Accumulated Depreciation	<u>(55,372,191)</u>
Total Capital Assets	<u>53,752,841</u>
Total Assets	<u>87,593,208</u>

### DEFERRED OUTFLOWS OF RESOURCES

Deferred Items - IMRF	<u>1,902,181</u>
Total Assets and Deferred Outflows of Resources	<u>89,495,389</u>

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



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## LIABILITIES

Current Liabilities	
Accounts Payable	\$ 666,229
Accrued Payroll	285,586
Deposits Payable	74,630
Accrued Interest Payable	241,109
Other Payables	1,150,881
Current Portion of Long-Term Debt	4,682,680
Total Current Liabilities	<u>7,101,115</u>
Noncurrent Liabilities	
Compensated Absences Payable	156,357
Net Pension Liability - IMRF	125,074
General Obligation Bonds Payable - Net	60,590,064
Total Noncurrent Liabilities	<u>60,871,495</u>
Total Liabilities	<u>67,972,610</u>

## DEFERRED INFLOWS OF RESOURCES

Property Taxes	11,827,331
Deferred Items - Leases	1,196,685
Deferred Items - IMRF	26,100
Total Deferred Inflows of Resources	<u>13,050,116</u>
Total Liabilities and Deferred Inflows of Resources	<u>81,022,726</u>

## NET POSITION

Net Investment in Capital Assets	(9,882,993)
Restricted	
Capital Projects	2,071,067
Debt Service	1,885,302
Employee Retirement	569,869
Special Recreation	963,527
Unrestricted	<u>12,865,891</u>
Total Net Position	<u>8,472,663</u>

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

**For the Fiscal Year Ended December 31, 2023**31

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Balance Sheet - Governmental Funds**

**December 31, 2023**

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**See Following Page**

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Balance Sheet - Governmental Funds  
December 31, 2023**

	Special Revenue		
	Bridges of		
	Poplar Creek		
	Country Club		
	General	Recreation	
<b>ASSETS</b>			
Cash and Investments	\$ 5,451,689	4,433,061	1,366,946
Receivables - Net of Allowances			
Taxes	5,762,980	907,515	—
Accounts	287,707	465,604	25,537
Leases	1,014,955	211,951	—
Prepays	138,326	18,354	498
Inventories	—	2,190	41,873
Total Assets	12,655,657	6,038,675	1,434,854
<b>LIABILITIES</b>			
Accounts Payable	286,522	263,796	45,606
Accrued Payroll	102,907	105,687	34,528
Deposits Payable	10,000	6,450	52,541
Other Payables	235,219	752,661	46,819
Total Liabilities	634,648	1,128,594	179,494
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	5,664,457	891,996	—
Deferred Items - Leases	981,618	215,067	—
Total Deferred Inflows of Resources	6,646,075	1,107,063	—
Total Liabilities and Deferred Inflows of Resources	7,280,723	2,235,657	179,494
<b>FUND BALANCES</b>			
Nonspendable	138,326	20,544	42,371
Restricted	—	—	—
Assigned	4,894,636	3,782,474	1,212,989
Unassigned	341,972	—	—
Total Fund Balances	5,374,934	3,803,018	1,255,360
Total Liabilities, Deferred Inflows of Resources and Fund Balances	12,655,657	6,038,675	1,434,854

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

The Club at Prairie Stone	Debt Service	Capital Projects	Nonmajor	Totals
1,079,617	2,049,559	3,684,294	1,501,583	19,566,749
—	3,805,946	—	1,556,611	12,033,052
15,512	11,784	—	5,202	811,346
—	—	—	—	1,226,906
1,073	—	—	—	158,251
—	—	—	—	44,063
1,096,202	5,867,289	3,684,294	3,063,396	33,840,367
54,899	—	15,406	—	666,229
42,464	—	—	—	285,586
5,639	—	—	—	74,630
116,182	—	—	—	1,150,881
219,184	—	15,406	—	2,177,326
—	3,740,878	—	1,530,000	11,827,331
—	—	—	—	1,196,685
—	3,740,878	—	1,530,000	13,024,016
219,184	3,740,878	15,406	1,530,000	15,201,342
1,073	—	—	—	202,314
—	2,126,411	3,668,888	1,533,396	7,328,695
875,945	—	—	—	10,766,044
—	—	—	—	341,972
877,018	2,126,411	3,668,888	1,533,396	18,639,025
1,096,202	5,867,289	3,684,294	3,063,396	33,840,367

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

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

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

December 31, 2023

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<b>Total Governmental Fund Balances</b>	<b>\$ 18,639,025</b>
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.	53,752,841
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	1,876,081
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(195,446)
Net Pension Liability - IMRF	(125,074)
General Obligation Park Bonds Payable - Net	(65,233,655)
Accrued Interest Payable	<u>(241,109)</u>
<b>Net Position of Governmental Activities</b>	<b><u>8,472,663</u></b>

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

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2023**

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**See Following Page**



# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2023

			Special Revenue
			Bridges of Poplar Creek Country Club
	General	Recreation	
Revenues			
Taxes	\$ 5,351,244	975,140	—
Intergovernmental	329,956	2,600	—
Charges for Services	87,795	5,748,115	2,553,062
Interest	256,827	91,000	17,000
Miscellaneous	49,235	1,137	24,920
Total Revenues	6,075,057	6,817,992	2,594,982
Expenditures			
Recreation	5,001,213	5,021,870	2,084,449
Capital Outlay	596,885	412,256	83,307
Debt Service			
Principal Retirement	—	—	—
Interest and Fiscal Charges	—	—	—
Total Expenditures	5,598,098	5,434,126	2,167,756
Excess (Deficiency) of Revenues Over (Under) Expenditures	476,959	1,383,866	427,226
Other Financing Sources (Uses)			
Debt Issuance	—	—	—
Transfers In	3,780	45,900	9,180
Transfers Out	—	(750,000)	(250,000)
	3,780	(704,100)	(240,820)
Net Change in Fund Balances	480,739	679,766	186,406
Fund Balances - Beginning	4,894,195	3,123,252	1,068,954
Fund Balances - Ending	5,374,934	3,803,018	1,255,360

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

The Club at Prairie Stone	Debt Service	Capital Projects	Nonmajor	Totals
—	3,752,289	—	1,378,067	11,456,740
—	—	—	—	332,556
2,347,201	—	—	—	10,736,173
17,000	51,000	85,000	63,000	580,827
5,393	—	512,023	—	592,708
2,369,594	3,803,289	597,023	1,441,067	23,699,004
1,572,991	—	—	1,186,589	14,867,112
73,729	—	667,887	205,973	2,040,037
—	4,180,000	—	—	4,180,000
—	2,805,723	—	—	2,805,723
1,646,720	6,985,723	667,887	1,392,562	23,892,872
722,874	(3,182,434)	(70,864)	48,505	(193,868)
—	2,155,000	900,000	—	3,055,000
27,000	1,300,000	—	—	1,385,860
(300,000)	—	—	(85,860)	(1,385,860)
(273,000)	3,455,000	900,000	(85,860)	3,055,000
449,874	272,566	829,136	(37,355)	2,861,132
427,144	1,853,845	2,839,752	1,570,751	15,777,893
877,018	2,126,411	3,668,888	1,533,396	18,639,025

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

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended December 31, 2023

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 2,861,132</b>
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Amounts reported for governmental activities in the Statement of Activities  
are different because:

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

Capital Outlays	1,953,240
Depreciation Expense	(3,328,803)
Disposals - Cost	(4,050)
Disposals - Accumulated Depreciation	4,050

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

Change in Deferred Items - IMRF	(1,032,671)
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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 Payable	(501)
Change in Net Pension Liability - IMRF	1,545,162
Retirement of Long-Term Debt	4,180,000
Change in Premium on Debt Issuance	258,591
Issuance of Debt	(3,055,000)

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

(9,824)
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**Changes in Net Position of Governmental Activities**

<u><u>3,371,326</u></u>
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## **HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements**

**December 31, 2023**

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Hoffman Estates Park District (the District) of Illinois is duly organized and existing under the provisions of the laws of the State of Illinois. The District is operating under the provisions of the Park District Code of the State of Illinois approved July 8, 1947 and under all laws amendatory thereto. The District operates under the commissioner-director form of government. The District's major governmental activities include providing preservation of open space, recreational program activities, development and maintenance of parks and facilities and general administration.

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 District's accounting policies established in GAAP and used by the District are described below.

#### **REPORTING ENTITY**

The District is a municipal corporation governed by an elected president and six-member Board of Commissioners. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

#### **BASIS OF PRESENTATION**

##### **Government-Wide Statements**

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

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (general government, recreation, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Statements - Continued

The net costs (by function) are normally covered by general revenue (property tax, intergovernmental revenues, interest income, etc.). The District does not allocate indirect costs.

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

##### Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. All of the District funds are reported as governmental funds. An emphasis is placed on major funds within the governmental category. Nonmajor funds by category are summarized into a single column.

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

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

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

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

##### Governmental Funds

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

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

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

##### BASIS OF PRESENTATION - Continued

##### Governmental Funds - Continued

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains six special revenue funds. The Recreation Fund, a major fund, is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreation programs offered by the District. Financing is provided from an annual property tax levy restricted by the State for recreation purposed and fees and charges for programs and activities assigned for recreation purposes. The Bridges of Poplar Creek Country Club Fund, also a major fund, is used to account for the golf course and food and beverage operations at the Bridges of Poplar Creed Country Club. The Club at Prairie Stone Fund, also a major fund, is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreational activities offered at the Club at Prairie Stone. The revenues in this fund are for the use with the Club activities and are assigned for this purpose.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund, a major fund, is used to account for the accumulation of funds that are restricted or assigned for repayment of principal and interest on the District's general obligation debt where repayment is financed by an annual property tax levy or through transfers from other funds.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition of construction of major capital facilities. The Capital Projects Fund, a major fund, is used to account for all resources used for restricted financial resources to be used for the acquisition or construction of major capital facilities.

#### 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 as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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.

# **HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2023**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

#### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

##### **Measurement Focus - Continued**

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

##### **Basis of Accounting**

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

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

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

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

##### **Cash and Investments**

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



# **HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2023**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

##### **Cash and Investments - Continued**

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### **Receivables**

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

##### **Prepays/Inventories**

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. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

##### **Interfund Receivables, Payables and Activity**

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

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

##### Capital Assets - Continued

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

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

Land Improvements	15 Years
Construction	10 - 15 Years
Machinery and Equipment	7 - 15 Years
Vehicles	8 Years

##### Deferred Outflows/Inflows of Resources

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

##### Compensated Absences

The District 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 fund 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.

##### Long-Term Obligations

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

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

##### Long-Term Obligations - Continued

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

##### Net Position

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

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

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

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

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities 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.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

The District's budgetary operations are governed by the appropriation law detailed in the Illinois Park District Code and administered by the Director of Finance. Annually, before the end of the first quarter of each year, the District appropriates amounts necessary to defray all necessary expenditures identified in the budget, plus additional specifically identified contingent items. The appropriation law allows for transfers among categories in any fund, not to exceed an aggregate of 10% of the total amount appropriated in such fund, without additional District Board action. After the first six months of any fiscal year, the District Board may, by a two-thirds vote, amend the initially approved appropriation ordinance. Unused appropriations, lapse at the end of the year.

Budgetary information for individual funds is prepared on the same basis as the basic financial statements. The budget is prepared in accordance with the Illinois Park District Code and is derived from the combined annual budget and appropriation ordinance of the District. Working budgets are prepared for all governmental fund types. All budgets are prepared based on the annual fiscal year of the District. Budgetary funds are controlled by an integrated budgetary accounting system in accordance, where applicable, with various legal requirements which govern the District.

Expenditures may not legally exceed budgeted appropriations at the fund level.

#### EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget but not over the appropriation for the fiscal year:

Fund	Actual	Budget	Appropriation
Bridges of Poplar Creek	\$ 2,167,756	1,988,964	3,621,202
The Club at Prairie Stone	1,646,720	1,566,324	2,433,280

### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

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

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### DEPOSITS AND INVESTMENTS - Continued

The Illinois Park District Liquid Asset Fund (IPDLAF) 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. Regulatory oversight of the pool is managed by their Board of Trustees and Audit Committee. Investments in the Illinois Park District Liquid Asset Fund are valued at the share price, the price for which the investment could be sold.

*Deposits.* At year-end, the carrying amount of the District's deposits totaled \$1,652,983 and the bank balances totaled \$1,705,776. In addition, the District has \$17,913,766 invested in the IPDLAF Funds at year-end, 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. The District limits its exposure to interest rate risk by structuring its investments so that they mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term certificates. The District's investment in the Illinois Park District Liquid Asset Fund and the mutual funds have an average maturity of less than one year.

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

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits the District's investments to the instruments listed above as permitted deposits and investments. As of December 31, 2023, the District's investment in the Illinois Park District Liquid Asset Fund was rated AAAM by Standard & Poor's.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment requires pledging of collateral to be held in the name of the District by the District's agent with a market value of at least 110% for all bank balances in excess of federal depository insurance. At December 31, 2023, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### DEPOSITS AND INVESTMENTS - Continued

*Custodial Credit Risk - Continued.* For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not address custodial credit risk for investments. At December 31, 2023, the District's investment in the Illinois Park District Liquid Asset Fund is not subject to custodial credit risk.

##### PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and August 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

##### INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Nonmajor Governmental	\$ 3,780 (1)
Recreation	Nonmajor Governmental	45,900 (1)
Bridges of Poplar Creek Country Club	Nonmajor Governmental	9,180 (1)
The Club at Prairie Stone	Nonmajor Governmental	27,000 (1)
Debt Service	Recreation	750,000 (2)
Debt Service	Bridges of Poplar Creek Country Club	250,000 (2)
Debt Service	The Club at Prairie Stone	<u>300,000 (2)</u>
		<u><u>1,385,860</u></u>

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

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS****Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 11,313,465	—	—	11,313,465
Depreciable Capital Assets				
Land Improvements	18,895,968	173,179	—	19,069,147
Construction	66,481,588	1,244,640	—	67,726,228
Machinery and Equipment	9,389,641	477,891	4,050	9,863,482
Vehicles	1,095,180	57,530	—	1,152,710
	95,862,377	1,953,240	4,050	97,811,567
Less Accumulated Depreciation				
Land Improvements	15,265,451	566,833	—	15,832,284
Construction	28,887,638	2,109,521	—	30,997,159
Machinery and Equipment	6,901,395	611,804	4,050	7,509,149
Vehicles	992,954	40,645	—	1,033,599
	52,047,438	3,328,803	4,050	55,372,191
Total Net Depreciable Capital Assets	43,814,939	(1,375,563)	—	42,439,376
Total Net Capital Assets	55,128,404	(1,375,563)	—	53,752,841

Depreciation expense was charged to governmental activities as follows:

Recreation	<u>\$ 3,328,803</u>
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# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LEASES RECEIVABLE

The District is a lessor on the following leases at year end:

Lease	Term Length	Start Date	Payments	Interest Rate
T-Mobile - Cell Tower	21 years	1/1/2022	\$2,235 Monthly	3.75%
Cricket - Cell Tower	17 years	1/1/2022	\$4,733 Monthly	3.75%
NWSRA - Building	10 Years	1/1/2023	\$30,000 Annually	3.54%

During the fiscal year, the District has recognized \$90,492 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2024	\$ 68,839	44,777
2025	71,403	42,213
2026	74,065	39,551
2027	78,322	36,794
2028	81,239	33,877
2029	84,264	30,852
2030	87,401	27,715
2031	90,655	24,461
2032	62,532	21,084
2033	64,917	18,699
2034	67,393	16,223
2035	69,967	13,649
2036	72,634	10,982
2037	75,409	8,207
2038	78,278	5,338
2039	23,487	3,333
2040	24,382	2,438
2041	25,312	1,508
2042	26,407	413
	<u>1,226,906</u>	<u>382,114</u>



**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT****General Obligation Park Bonds**

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

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Park (Alternate Revenue Source) Bonds of 2013A (\$16,730,000), due in annual installments of \$870,000 to \$4,000,000, plus interest at 4.625% to 5.250% through December 1, 2043.	Debt Service	\$ 16,370,000	—	—	16,370,000
General Obligation Park (Alternate Revenue Source) Bonds of 2014A (\$15,750,000), due in annual installments of \$100,000 to \$3,350,000, plus interest at 2.00% to 5.00% through December 1, 2044.	Debt Service	15,150,000	—	—	15,150,000
General Obligation Limited Tax Park Bonds of 2017A (\$5,590,000), due in annual installments of \$70,000 to \$740,000, plus interest at 2.00% to 3.00% through December 1, 2032.	Debt Service	3,970,000	—	150,000	3,820,000
General Obligation Refunding Park (Alternate Revenue Source) Bonds of 2019B (\$6,285,000), due in annual installments of \$475,000 to \$2,456,000, plus interest at 4.00% on December 1, 2040.	Debt Service	6,285,000	—	245,000	6,040,000
General Obligation Refunding Park (Alternate Revenue Source) Bonds of 2020A (\$18,465,000), due in annual installments of \$555,000 to \$1,410,000, plus interest at 5.00% on December 1, 2040.	Debt Service	17,325,000	—	615,000	16,710,000
General Obligation Limited Park Bonds of 2020B (\$2,680,000), due in annual installments of \$200,000 to \$1,880,000, plus interest at 4.00% on December 1, 2024.	Debt Service	500,000	—	300,000	200,000

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****General Obligation Park Bonds - Continued**

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited Park Bonds of 2022 (\$2,870,000), due in one installment of \$2,870,000, plus interest at 3.75% on December 1, 2023.	Debt Service	\$ 2,870,000	—	2,870,000	—
General Obligation Limited Tax Park Bonds of 2023 (\$3,055,000), due in one installment of \$3,055,000, plus interest at 4.60% on December 1, 2024.	Debt Service	—	3,055,000	—	3,055,000
		<u>62,470,000</u>	<u>3,055,000</u>	<u>4,180,000</u>	<u>61,345,000</u>

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 194,945	1,002	501	195,446	39,089
Net Pension Liability - IMRF	1,670,236	—	1,545,162	125,074	—
General Obligation Park Bonds	62,470,000	3,055,000	4,180,000	61,345,000	4,385,000
Plus: Unamortized Premium	4,147,246	—	258,591	3,888,655	258,591
	<u>68,482,427</u>	<u>3,056,002</u>	<u>5,984,254</u>	<u>65,554,175</u>	<u>4,682,680</u>

For the governmental activities, the compensated absences and the net pension liability are liquidated by the General Fund and Recreation Fund. The general obligation park bonds are being liquidated by the Debt Service Fund.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### LONG-TERM DEBT - Continued

###### Legal Debt Margin

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

Equalized Assessed Valuation - 2022	<u>\$ 1,957,579,994</u>
Legal Debt Limit - 2.875% of Assessed Value	<u>56,280,425</u>
Total Outstanding Debt	61,345,000
Alternate Bonds Not Subject to Debt Limit	<u>(54,270,000)</u>
Amount of Debt Applicable to Limit	<u>7,075,000</u>
Legal Debt Margin	<u>49,205,425</u>
Non-Referendum Legal Debt Limit	
0.575% of Assessed Valuation	11,256,085
Amount of Debt Applicable to Debt Limit	<u>4,020,000</u>
Non-Referendum Legal Debt Margin	<u>7,236,085</u>

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****LONG-TERM DEBT - Continued****Debt Service Requirements to Maturity**

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

Fiscal Year	General Obligation Park Bonds			Percent Principal Paid	
	Principal	Interest	Total	Annual	Cumulative
2024	\$ 4,385,000	2,752,780	7,137,780	7.15%	7.15%
2025	1,275,000	2,557,050	3,832,050	2.08%	9.23%
2026	1,565,000	2,502,550	4,067,550	2.55%	11.78%
2027	1,565,000	2,435,650	4,000,650	2.55%	14.33%
2028	1,765,000	2,367,850	4,132,850	2.88%	17.21%
2029	1,915,000	2,292,100	4,207,100	3.12%	20.33%
2030	2,050,000	2,214,738	4,264,738	3.34%	23.67%
2031	2,235,000	2,132,062	4,367,062	3.64%	27.31%
2032	1,655,000	2,042,838	3,697,838	2.70%	30.01%
2033	2,120,000	1,968,088	4,088,088	3.46%	33.47%
2034	2,225,000	1,873,238	4,098,238	3.63%	37.09%
2035	2,395,000	1,773,738	4,168,738	3.90%	41.00%
2036	3,040,000	1,666,888	4,706,888	4.96%	45.95%
2037	3,245,000	1,528,250	4,773,250	5.29%	51.24%
2038	3,470,000	1,380,000	4,850,000	5.66%	56.90%
2039	3,705,000	1,222,150	4,927,150	6.04%	62.94%
2040	4,135,000	1,054,250	5,189,250	6.74%	69.68%
2041	4,750,000	867,750	5,617,750	7.74%	77.42%
2042	5,250,000	634,000	5,884,000	8.56%	85.98%
2043	5,250,000	394,000	5,644,000	8.56%	94.54%
2044	3,350,000	134,000	3,484,000	5.46%	100.00%
Totals	61,345,000	35,793,970	97,138,970		

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 53,752,841
Plus: Unspent Bond Proceeds	1,597,821
Less Capital Related Debt:	
General Obligation Park (Alternate Revenue Source) Bonds of 2013A	(16,370,000)
General Obligation Park (Alternate Revenue Source) Bonds of 2014A	(15,150,000)
General Obligation Limited Tax Park Bonds of 2017A	(3,820,000)
General Obligation Refunding Park (Alternate Revenue Source) Bonds of 2019B	(6,040,000)
General Obligation Refunding Park (Alternate Revenue Source) Bonds of 2020A	(16,710,000)
General Obligation Limited Park Bonds of 2020B	(200,000)
General Obligation Limited Park Bonds of 2023	(3,055,000)
Unamortized Premiums	(3,888,655)
Net Investment in Capital Assets	<u>(9,882,993)</u>

##### FUND BALANCE CLASSIFICATIONS

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

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

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

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

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### FUND BALANCE CLASSIFICATIONS - Continued

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

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

*Minimum Fund Balance Policy.* The District's fund balance policy states the General Fund should maintain a minimum unassigned fund balance reserve equal to 40% of the actual operating expenditures and 25% for all other funds.

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

		Special Revenue						
		Bridges of						
		Poplar Creek	The Club at					
	General	Country Club	Prairie Stone	Debt	Capital	Nonmajor	Totals	
				Service	Projects			
Fund Balances								
Nonspendable								
Prepays	\$ 138,326	18,354	498	1,073	—	—	—	158,251
Inventories	—	2,190	41,873	—	—	—	—	44,063
	138,326	20,544	42,371	1,073	—	—	—	202,314
Restricted								
Capital Projects	—	—	—	—	3,668,888	—	—	3,668,888
Debt Service	—	—	—	2,126,411	—	—	—	2,126,411
Employee Retirement	—	—	—	—	—	569,869	—	569,869
Special Recreation	—	—	—	—	—	963,527	—	963,527
	—	—	—	2,126,411	3,668,888	1,533,396	—	7,328,695
Assigned								
Recreational Programming								
Facility Maintenance, and								
Future Recreation Capital	—	3,782,474	1,212,989	875,945	—	—	—	5,871,408
Capital Projects	4,894,636	—	—	—	—	—	—	4,894,636
	4,894,636	3,782,474	1,212,989	875,945	—	—	—	10,766,044
Unassigned	341,972	—	—	—	—	—	—	341,972
Total Fund Balances	5,374,934	3,803,018	1,255,360	877,018	2,126,411	3,668,888	1,533,396	18,639,025

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION

##### RISK MANAGEMENT

###### Park District Risk Management Agency (PDRMA)

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

As a member of PDRMA, the District is represented on the Board of Directors and is entitled to one vote. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body.

The District is contractually obligated to make all annual and supplementary contributions to PDRMA, to report claims on a timely basis, cooperate with PDRMA, its claims administrator and attorneys in claims investigations and settlement, and to follow risk management procedures as outlined by PDRMA.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

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, 2022 and the statement of revenues and expenses for the period ending December 31, 2022. The District's portion of the overall equity of the pool is 1.896% or \$837,850.

Assets	\$ 66,570,393
Deferred Outflows of Resources - Pension	787,406
Liabilities	20,949,149
Deferred Inflows of Resources - Pension	2,223,803
Total Net Position	44,184,847
Operating Revenues	17,464,224
Nonoperating Revenues	(6,820,223)
Expenditures	23,554,952

Since 97.22% 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.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### RISK MANAGEMENT - Continued

##### Park District Risk Management Agency (PDRMA) Health Program

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

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

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

The following represents a summary of PDRMA's Health Program balance sheet at December 31, 2022 and the statement of revenues and expenses for the period ending December 31, 2022.

Assets	\$ 28,231,130
Deferred Outflows of Resources - Pension	337,460
Liabilities	7,038,847
Deferred Inflows of Resources - Pension	953,058
Total Net Position	20,576,685
Operating Revenues	33,472,368
Nonoperating Revenues	(3,618,182)
Expenditures	34,619,747

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.



## **HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

### **Notes to the Financial Statements**

**December 31, 2023**

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#### **NOTE 4 - OTHER INFORMATION - Continued**

##### **CONTINGENT LIABILITIES**

###### **Litigation**

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

###### **Grants**

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

##### **JOINT VENTURES - NORTHWEST SPECIAL RECREATION ASSOCIATION**

The District is a member of the Northwest Special Recreation Association (NWSRA), an association of seventeen area park districts that provides recreation programs and other activities for handicapped and impaired individuals. Each member agency shares ratably in NWSRA, and generally provides funding based on its equalized assessed valuation. For the fiscal year ended December 31, 2023, the District contributed \$320,873 to NWSRA.

The District does not have a direct financial interest in NWSRA, and therefore its investment therein is not reported within the financial statements. Upon dissolution of NWSRA, the assets, if any, shall be divided between the members, in accordance with an equitable formula, as determined by a unanimous vote of the NWSRA's Board of Directors.

Complete separate financial statements for NWSRA can be obtained from NWSRA's administrative offices at 3000 Central Road, Rolling Meadows, Illinois.

##### **EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN**

###### **Illinois Municipal Retirement Fund (IMRF)**

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. 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](http://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.

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### 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).

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.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	97
Inactive Plan Members Entitled to but not yet Receiving Benefits	187
Active Plan Members	<u>111</u>
Total	<u><u>395</u></u>

*Contributions.* As set by statute, the District'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 year-ended December 31, 2023, the District's contribution was 4.12% of covered payroll.

*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability 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, 2023, using the following actuarial methods and assumptions:

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

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### 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.* For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

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	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

#### 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.

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Notes to the Financial Statements****December 31, 2023****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 pension liability/(asset) of the District calculated using the discount rate as well as what the District'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)	\$ 3,684,235	125,074	(2,701,984)

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 30,408,050	28,737,814	1,670,236
Changes for the Year:			
Service Cost	497,072	—	497,072
Interest on the Total Pension Liability	2,170,387	—	2,170,387
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	170,922	—	170,922
Changes of Assumptions	(39,168)	—	(39,168)
Contributions - Employer	—	240,743	(240,743)
Contributions - Employees	—	262,950	(262,950)
Net Investment Income	—	3,151,115	(3,151,115)
Benefit Payments, Including Refunds of Employee Contributions	(1,440,416)	(1,440,416)	—
Other (Net Transfer)	—	689,567	(689,567)
Net Changes	1,358,797	2,903,959	(1,545,162)
Balances at December 31, 2023	31,766,847	31,641,773	125,074

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### 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 year ended December 31, 2023, the District recognized pension revenue of \$271,737. At December 31, 2023, the District reported deferred outflows or 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	\$ 224,485	—	224,485
Change in Assumptions	—	(26,100)	(26,100)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,677,696	—	1,677,696
Total Deferred Amounts Related to IMRF	1,902,181	(26,100)	1,876,081

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 335,881
2025	623,648
2026	1,131,867
2027	(215,315)
2028	—
Thereafter	—
Total	1,876,081

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### OTHER POST-EMPLOYMENT BENEFITS

The District has evaluated its potential other Post-Employment benefits liability. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, there is minimal participation. As the District provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the District has not recorded a liability as of December 31, 2023.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules  
General Fund  
Recreation - Special Revenue Fund  
Bridges of Poplar Creek Country Club - Special Revenue Fund  
The Club at Prairie Stone - Special Revenue Fund

Notes to the Required Supplementary Information

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



# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund Schedule of Employer Contributions December 31, 2023

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
2014	\$ 385,321	\$ 498,916	\$ 113,595	\$ 4,234,301	11.78%
2015	451,146	1,542,502	1,091,356	4,804,541	32.11%
2016	426,171	426,171	—	4,592,363	9.28%
2017	414,380	414,380	—	5,134,810	8.07%
2018	356,271	356,271	—	5,126,731	6.95%
2019	246,776	246,776	—	4,838,744	5.10%
2020	313,956	313,956	—	4,257,298	7.37%
2021	366,521	366,521	—	4,804,263	7.63%
2022	264,645	264,645	—	5,517,246	4.80%
2023	240,754	240,754	—	5,843,555	4.12%

### Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Illinois Municipal Retirement Fund

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

December 31, 2023

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 487,223	466,157	488,542
Interest	1,235,623	1,381,820	1,498,741
Differences Between Expected and Actual Experience	92,818	139,385	(751,348)
Change of Assumptions	510,640	—	—
Benefit Payments, Including Refunds of Member Contributions	(353,158)	(379,791)	(499,425)
Net Change in Total Pension Liability	1,973,146	1,607,571	736,510
Total Pension Liability - Beginning	16,407,937	18,381,083	19,988,654
Total Pension Liability - Ending	18,381,083	19,988,654	20,725,164
Plan Fiduciary Net Position			
Contributions - Employer	\$ 498,916	1,542,502	426,171
Contributions - Members	208,132	216,204	206,657
Net Investment Income	1,039,734	94,950	1,301,895
Benefit Payments, Including Refunds of Member Contributions	(353,158)	(379,791)	(499,425)
Other (Net Transfer)	39,043	(671,056)	83,346
Net Change in Plan Fiduciary Net Position	1,432,667	802,809	1,518,644
Plan Net Position - Beginning	16,867,868	18,300,535	19,103,344
Plan Net Position - Ending	18,300,535	19,103,344	20,621,988
Employer's Net Pension Liability/(Asset)	\$ 80,548	885,310	103,176
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.56%	95.57%	99.50%
Covered Payroll	\$ 4,234,301	4,804,541	4,592,363
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	1.90%	18.43%	2.25%

*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, 2017 and 2023.

12/31/2017	12/31/2018	12/30/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
471,584	469,459	448,736	453,021	375,594	459,517	497,072
1,549,103	1,636,304	1,766,474	1,879,850	1,917,407	2,071,009	2,170,387
500,736	678,884	—	(393,089)	1,082,658	215,884	170,922
(625,519)	688,705	409,376	(184,687)	—	—	(39,168)
(612,510)	(851,799)	(978,645)	(1,147,201)	(1,249,492)	(1,348,473)	(1,440,416)
1,283,394	2,621,553	1,645,941	607,894	2,126,167	1,397,937	1,358,797
20,725,164	22,008,558	24,630,111	26,276,052	26,883,946	29,010,113	30,408,050
22,008,558	24,630,111	26,276,052	26,883,946	29,010,113	30,408,050	31,766,847
414,380	357,848	246,776	312,134	366,521	264,645	240,743
231,252	232,413	217,744	189,847	218,140	248,423	262,950
3,402,387	(1,147,162)	4,164,491	3,745,233	4,982,980	(4,296,238)	3,151,115
(612,510)	(851,799)	(978,645)	(1,147,201)	(1,249,492)	(1,348,473)	(1,440,416)
(141,032)	360,697	92,304	139,678	98,315	(397,830)	689,567
3,294,477	(1,048,003)	3,742,670	3,239,691	4,416,464	(5,529,473)	2,903,959
20,621,988	23,916,465	22,868,462	26,611,132	29,850,823	34,267,287	28,737,814
23,916,465	22,868,462	26,611,132	29,850,823	34,267,287	28,737,814	31,641,773
(1,907,907)	1,761,649	(335,080)	(2,966,877)	(5,257,174)	1,670,236	125,074
108.67%	92.85%	101.28%	111.04%	118.12%	94.51%	99.61%
5,134,810	5,126,761	4,838,744	4,234,629	4,804,263	5,517,246	5,843,555
(37.16%)	34.36%	(6.92%)	(70.06%)	(109.43%)	30.27%	2.14%

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 5,197,700	5,197,700	5,347,099
TIF Distributions	—	—	4,145
Intergovernmental			
Replacement Taxes	185,000	185,000	175,658
Grants	135,000	135,000	154,298
Charges for Services	72,819	72,819	87,795
Interest	185,584	185,584	256,827
Miscellaneous	15,000	15,000	49,235
Total Revenues	5,791,103	5,791,103	6,075,057
Expenditures			
Recreation			
Administration	2,044,179	2,044,179	2,056,882
Cost Reimbursements			
FICA	(215,229)	(215,229)	(215,229)
IMRF	(101,636)	(101,636)	(101,636)
Maintenance	3,346,394	3,346,394	3,261,196
Capital Outlay	646,175	646,175	596,885
Total Expenditures	5,719,883	5,719,883	5,598,098
Excess (Deficiency) of Revenues Over (Under) Expenditures	71,220	71,220	476,959
Other Financing Sources			
Transfers In	3,780	3,780	3,780
Net Change in Fund Balance	75,000	75,000	480,739
Fund Balance - Beginning			4,894,195
Fund Balance - Ending			5,374,934

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 944,000	944,000	975,140
Intergovernmental	1,800	1,800	2,600
Charges for Services	5,321,823	5,321,823	5,748,115
Interest	11,253	11,253	91,000
Miscellaneous	—	—	1,137
Total Revenues	6,278,876	6,278,876	6,817,992
Expenditures			
Recreation	5,294,435	5,294,435	5,021,870
Capital Outlay	169,250	169,250	412,256
Total Expenditures	5,463,685	5,463,685	5,434,126
Excess (Deficiency) of Revenues Over (Under) Expenditures	815,191	815,191	1,383,866
Other Financing Sources (Uses)			
Transfers In	45,900	45,900	45,900
Transfers Out	(750,000)	(750,000)	(750,000)
	(704,100)	(704,100)	(704,100)
Net Change in Fund Balance	111,091	111,091	679,766
Fund Balance - Beginning			3,123,252
Fund Balance - Ending			3,803,018

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Bridges of Poplar Creek Country Club - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Golf Operations	\$ 1,591,854	1,591,854	1,750,472
Food and Beverage Operations	606,930	606,930	784,582
Rentals	20,000	20,000	18,008
Interest	4,500	4,500	17,000
Miscellaneous			
Advertising	3,000	3,000	3,324
Water Maintenance Fees	11,000	11,000	11,000
Miscellaneous	3,500	3,500	10,596
Total Revenues	2,240,784	2,240,784	2,594,982
Expenditures			
Recreation	1,922,888	1,922,888	2,084,449
Capital Outlay	66,076	66,076	83,307
Total Expenditures	1,988,964	1,988,964	2,167,756
Excess (Deficiency) of Revenues Over (Under) Expenditures	251,820	251,820	427,226
Other Financing Sources (Uses)			
Transfers In	9,180	9,180	9,180
Transfers Out	(250,000)	(250,000)	(250,000)
	(240,820)	(240,820)	(240,820)
Net Change in Fund Balance	11,000	11,000	186,406
Fund Balance - Beginning			1,068,954
Fund Balance - Ending			1,255,360

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****The Club at Prairie Stone - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Rentals	\$ 171,100	171,100	213,193
Fitness	1,567,965	1,567,965	2,000,493
Recreation	43,040	43,040	44,887
Aquatics	50,969	50,969	88,628
Interest	4,500	4,500	17,000
Miscellaneous	1,750	1,750	5,393
Total Revenues	1,839,324	1,839,324	2,369,594
Expenditures			
Recreation	1,503,324	1,503,324	1,572,991
Capital Outlay	63,000	63,000	73,729
Total Expenditures	1,566,324	1,566,324	1,646,720
Excess (Deficiency) of Revenues Over (Under) Expenditures	273,000	273,000	722,874
Other Financing Sources (Uses)			
Transfers In	27,000	27,000	27,000
Transfers Out	(300,000)	(300,000)	(300,000)
	(273,000)	(273,000)	(273,000)
Net Change in Fund Balance	—	—	449,874
Fund Balance - Beginning			427,144
Fund Balance - Ending			877,018

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

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



## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

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

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### **SPECIAL REVENUE FUNDS**

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

#### **Recreation Fund**

The Recreation Fund is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreation programs offered by the District. Financing is provided from an annual property tax levy restricted by the State for recreation purposed and fees and charges for programs and activities assigned for recreation purposes.

#### **Bridges of Poplar Creek Country Club Fund**

The Bridges of Poplar Creek Country Club Fund is used to account for the golf course and food and beverage operations at the Bridges of Poplar Creed Country Club.

#### **The Club at Prairie Stone Fund**

The Club at Prairie Stone Fund is used to account for the proceeds derived from, and the related costs incurred, in connection with the recreational activities offered at the Club at Prairie Stone. The revenues in this fund are for the use with the Club activities and are assigned for this purpose.

#### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund (IMRF) is used to account for the activities resulting from the District's participation in IMRF. Financing is provided by a restricted annual property tax levy, which produces a sufficient amount to pay the District's contributions to IMRF on behalf of the District's employees and can only be used for this purpose.

#### **Social Security Fund**

The Social Security Fund is used to account for the District's obligation for Social Security and Medicare taxes. Financing is provided by a restricted annual property tax levy, which produces the majority of the District's contribution and can only be used for this purpose.

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **SPECIAL REVENUE FUNDS - Continued**

#### **Special Recreation Fund**

The Special Recreation Fund is used to account for the expenditures in connection with the District's participation in Northwest Special Recreation Association, which provides recreation programs to the handicapped and impaired. Financing is provided from the restricted annual property tax levy, the proceeds of which can only be used for this purpose.

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#### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of funds that are restricted or assigned for repayment of principal and interest on the District's general obligation debt where repayment is financed by an annual property tax levy or through transfers from other funds.

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#### **CAPITAL PROJECTS FUND**

The Capital Projects Fund is used to account for all resources used for restricted financial resources to be used for the acquisition or construction of major capital facilities.

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**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Revenues - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 944,000	944,000	975,140
Intergovernmental			
Grants	1,800	1,800	2,600
Charges for Services			
Communication and Marketing	126,900	126,900	148,861
Rentals	54,400	54,400	39,940
Triphahn Center	200,000	200,000	213,180
Willow Racquet Club	172,620	172,620	194,532
General Leisure Services	406,729	406,729	478,801
Senior Programs	26,220	26,220	38,017
Early Childhood	840,694	840,694	870,354
Youth Childcare	1,458,877	1,458,877	1,538,006
Adult Athletics	20,924	20,924	10,549
Youth Athletics	273,353	273,353	274,647
Seascape Aquatic Center	347,850	347,850	361,682
Ice Center	1,393,256	1,393,256	1,579,546
Total Charges for Services	5,321,823	5,321,823	5,748,115
Interest	11,253	11,253	91,000
Miscellaneous	—	—	1,137
Total Revenues	6,278,876	6,278,876	6,817,992

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Recreation - Special Revenue Fund****Schedule of Expenditures - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Recreation			
Administration	\$ 2,486,987	2,486,987	2,216,515
Cost Reimbursements			
FICA	(258,153)	(258,153)	(258,153)
IMRF	(80,056)	(80,056)	(80,056)
	2,148,778	2,148,778	1,878,306
Communication and Marketing	158,246	158,246	88,959
Maintenance	273,748	273,748	279,446
Programs			
Triphahn Center	135,176	135,176	105,753
Willow Racquet Club	104,922	104,922	102,493
General Leisure Services	293,832	293,832	302,581
Senior Programs	26,075	26,075	35,047
Early Childhood	406,081	406,081	449,088
Youth Childcare	827,664	827,664	827,812
Adult Athletics	6,263	6,263	5,212
Youth Athletics	165,376	165,376	149,824
Seascape Aquatic Center	389,241	389,241	387,154
Ice Center	359,033	359,033	410,195
	2,713,663	2,713,663	2,775,159
Total Recreation	5,294,435	5,294,435	5,021,870
Capital Outlay	169,250	169,250	412,256
Total Expenditures	5,463,685	5,463,685	5,434,126

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Bridges of Poplar Creek Country Club - Special Revenue Fund****Schedule of Expenditures - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Recreation			
Administration	\$ 770,178	770,178	788,788
Cost Reimbursements			
FICA	(90,122)	(90,122)	(90,122)
IMRF	(29,710)	(29,710)	(29,710)
	650,346	650,346	668,956
Maintenance	608,090	608,090	653,933
Golf Operations	262,464	262,464	269,030
Food and Beverage Operations	401,988	401,988	492,530
Total Recreation	1,922,888	1,922,888	2,084,449
Capital Outlay	66,076	66,076	83,307
Total Expenditures	1,988,964	1,988,964	2,167,756

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****The Club at Prairie Stone - Special Revenue Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Recreation			
Administration	\$ 1,237,102	1,237,102	1,290,769
Cost Reimbursements			
FICA	(75,280)	(75,280)	(75,280)
IMRF	(15,530)	(15,530)	(15,530)
	1,146,292	1,146,292	1,199,959
Communications and Marketing	43,700	43,700	42,001
Maintenance	92,749	92,749	89,988
Programs			
Fitness	187,187	187,187	210,117
Recreation	33,396	33,396	30,926
	220,583	220,583	241,043
Total Recreation	1,503,324	1,503,324	1,572,991
Capital Outlay	63,000	63,000	73,729
Total Expenditures	1,566,324	1,566,324	1,646,720

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 3,563,273	3,563,273	3,752,289
Interest	45,000	45,000	51,000
Total Revenues	3,608,273	3,608,273	3,803,289
Expenditures			
Debt Service			
Principal Retirement	4,180,000	4,180,000	4,180,000
Interest and Fiscal Charges	2,805,723	2,805,723	2,805,723
Total Expenditures	6,985,723	6,985,723	6,985,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,377,450)	(3,377,450)	(3,182,434)
Other Financing Sources			
Debt Issuance	2,077,450	2,077,450	2,155,000
Transfers In	1,300,000	1,300,000	1,300,000
	3,377,450	3,377,450	3,455,000
Net Change in Fund Balance	—	—	272,566
Fund Balance - Beginning			1,853,845
Fund Balance - Ending			2,126,411

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 9,000	9,000	85,000
Miscellaneous	1,125,000	1,125,000	512,023
Total Revenues	1,134,000	1,134,000	597,023
Expenditures			
Capital Outlay	1,278,000	1,278,000	667,887
Excess (Deficiency) of Revenues Over (Under) Expenditures	(144,000)	(144,000)	(70,864)
Other Financing Sources			
Debt Issuance	750,000	750,000	900,000
Net Change in Fund Balance	606,000	606,000	829,136
Fund Balance - Beginning			2,839,752
Fund Balance - Ending			3,668,888



**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Nonmajor Governmental Funds - Special Revenue Funds****Combining Balance Sheet****December 31, 2023**

	Illinois Municipal Retirement	Social Security	Special Recreation	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 294,232	258,434	948,917	1,501,583
Receivables - Net of Allowances				
Property Taxes	142,435	559,566	854,610	1,556,611
Accounts	—	5,202	—	5,202
Total Assets	436,667	823,202	1,803,527	3,063,396
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	140,000	550,000	840,000	1,530,000
<b>FUND BALANCES</b>				
Restricted	296,667	273,202	963,527	1,533,396
Total Deferred Inflows of Resources and Fund Balances	436,667	823,202	1,803,527	3,063,396

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Nonmajor Governmental Funds - Special Revenue Funds****Combining Statement of Revenues, Expenditures and Changes in Fund Balances****For the Fiscal Year Ended December 31, 2023**

	Illinois Municipal Retirement	Social Security	Special Recreation	Totals
Revenues				
Taxes	\$ 30,760	667,000	680,307	1,378,067
Interest	23,000	17,000	23,000	63,000
Total Revenues	53,760	684,000	703,307	1,441,067
Expenditures				
Recreation	226,932	638,784	320,873	1,186,589
Capital Outlay	—	—	205,973	205,973
Total Expenditures	226,932	638,784	526,846	1,392,562
Excess (Deficiency) of Revenues Over (Under) Expenditures	(173,172)	45,216	176,461	48,505
Other Financing (Uses)				
Transfers Out	—	—	(85,860)	(85,860)
Net Change in Fund Balances	(173,172)	45,216	90,601	(37,355)
Fund Balances - Beginning	469,839	227,986	872,926	1,570,751
Fund Balances - Ending	296,667	273,202	963,527	1,533,396

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Illinois Municipal Retirement - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 28,000	28,000	30,760
Interest	12,022	12,022	23,000
Total Revenues	40,022	40,022	53,760
Expenditures			
Recreation			
Contractual	226,932	226,932	226,932
Net Change in Fund Balance	(186,910)	(186,910)	(173,172)
Fund Balance - Beginning			469,839
Fund Balance - Ending			296,667

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Social Security - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 645,700	645,700	667,000
Interest	8,676	8,676	17,000
Total Revenues	654,376	654,376	684,000
Expenditures			
Recreation			
Contractual	638,784	638,784	638,784
Net Change in Fund Balance	15,592	15,592	45,216
Fund Balance - Beginning			227,986
Fund Balance - Ending			273,202

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Special Recreation - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 701,950	701,950	680,307
Interest	12,783	12,783	23,000
Total Revenues	714,733	714,733	703,307
Expenditures			
Recreation			
NWSRA Special Assessments	310,873	310,873	320,873
Capital Outlay	263,000	263,000	205,973
Total Expenditures	573,873	573,873	526,846
Excess (Deficiency) of Revenues Over (Under) Expenditures	140,860	140,860	176,461
Other Financing (Uses)			
Transfers Out	(85,860)	(85,860)	(85,860)
Net Change in Fund Balance	55,000	55,000	90,601
Fund Balance - Beginning			872,926
Fund Balance - Ending			963,527

## **SUPPLEMENTAL SCHEDULES**

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Park (Alternate Revenue Source) Bonds of 2013A

December 31, 2023

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Date of Issue	December 2, 2013
Date of Maturity	December 1, 2043
Authorized Issue	\$16,370,000
Denomination of Bonds	\$5,000
Interest Rates	4.625% to 5.250%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Depository Trust Company

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ —	809,738	809,738
2025	—	809,738	809,738
2026	—	809,738	809,738
2027	—	809,738	809,738
2028	—	809,738	809,738
2029	—	809,738	809,738
2030	—	809,738	809,738
2031	—	809,738	809,738
2032	—	809,738	809,738
2033	—	809,738	809,738
2034	—	809,738	809,738
2035	—	809,738	809,738
2036	870,000	809,738	1,679,738
2037	1,000,000	769,500	1,769,500
2038	1,000,000	723,250	1,723,250
2039	1,000,000	677,000	1,677,000
2040	1,000,000	630,750	1,630,750
2041	3,500,000	583,750	4,083,750
2042	4,000,000	400,000	4,400,000
2043	4,000,000	210,000	4,210,000
	16,370,000	14,520,844	30,890,844

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Long-Term Debt Requirements

### General Obligation Park (Alternate Revenue Source) Bonds of 2014A

December 31, 2023

Date of Issue	December 18, 2014
Date of Maturity	December 1, 2044
Authorized Issue	\$15,750,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Depository Trust Company

## CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ —	605,062	605,062
2025	—	605,062	605,062
2026	150,000	605,062	755,062
2027	150,000	597,562	747,562
2028	200,000	590,062	790,062
2029	250,000	580,062	830,062
2030	250,000	572,250	822,250
2031	250,000	564,124	814,124
2032	250,000	556,000	806,000
2033	750,000	546,000	1,296,000
2034	800,000	516,000	1,316,000
2035	900,000	484,000	1,384,000
2036	600,000	448,000	1,048,000
2037	600,000	424,000	1,024,000
2038	750,000	400,000	1,150,000
2039	900,000	370,000	1,270,000
2040	1,250,000	334,000	1,584,000
2041	1,250,000	284,000	1,534,000
2042	1,250,000	234,000	1,484,000
2043	1,250,000	184,000	1,434,000
2044	3,350,000	134,000	3,484,000
	15,150,000	9,633,246	24,783,246



## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Limited Tax Park Bonds of 2017A

December 31, 2023

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Date of Issue	November 1, 2017
Date of Maturity	December 1, 2032
Authorized Issue	\$5,590,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ 225,000	112,350	337,350
2025	330,000	107,850	437,850
2026	430,000	97,950	527,950
2027	380,000	85,050	465,050
2028	475,000	73,650	548,650
2029	530,000	59,400	589,400
2030	610,000	43,500	653,500
2031	740,000	25,200	765,200
2032	100,000	3,000	103,000
	3,820,000	607,950	4,427,950

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Refunding Park (Alternate Revenue Source) Bonds of 2019B

December 31, 2023

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Date of Issue	December 2, 2019
Date of Maturity	December 1, 2040
Authorized Issue	\$6,285,000
Denomination of Bonds	\$5,000
Interest Rate	4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Cede & Co

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ 255,000	241,600	496,600
2025	265,000	231,400	496,400
2026	275,000	220,800	495,800
2027	285,000	209,800	494,800
2028	300,000	198,400	498,400
2029	310,000	186,400	496,400
2030	325,000	174,000	499,000
2031	335,000	161,000	496,000
2032	350,000	147,600	497,600
2033	365,000	133,600	498,600
2034	375,000	119,000	494,000
2035	390,000	104,000	494,000
2036	410,000	88,400	498,400
2037	425,000	72,000	497,000
2038	440,000	55,000	495,000
2039	460,000	37,400	497,400
2040	475,000	19,000	494,000
	6,040,000	2,399,400	8,439,400

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Long-Term Debt Requirements

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

December 31, 2023

Date of Issue	September 2, 2020
Date of Maturity	December 1, 2040
Authorized Issue	\$18,465,000
Denomination of Bonds	\$5,000
Interest Rate	5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Cede & Co

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ 650,000	835,500	1,485,500
2025	680,000	803,000	1,483,000
2026	710,000	769,000	1,479,000
2027	750,000	733,500	1,483,500
2028	790,000	696,000	1,486,000
2029	825,000	656,500	1,481,500
2030	865,000	615,250	1,480,250
2031	910,000	572,000	1,482,000
2032	955,000	526,500	1,481,500
2033	1,005,000	478,750	1,483,750
2034	1,050,000	428,500	1,478,500
2035	1,105,000	376,000	1,481,000
2036	1,160,000	320,750	1,480,750
2037	1,220,000	262,750	1,482,750
2038	1,280,000	201,750	1,481,750
2039	1,345,000	137,750	1,482,750
2040	1,410,000	70,500	1,480,500
	16,710,000	8,484,000	25,194,000

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Park Bonds of 2020B**

**December 31, 2023**

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Date of Issue	December 1, 2020
Date of Maturity	December 1, 2024
Authorized Issue	\$2,680,000
Denomination of Bonds	\$5,000
Interest Rate	4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Depository Trust Company

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ 200,000	8,000	208,000

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Limited Tax Park Bonds of 2023**

**December 31, 2023**

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Date of Issue	December 1, 2023
Date of Maturity	December 1, 2024
Authorized Issue	\$3,055,000
Denomination of Bonds	\$100,000 or \$5,000
Interest Rate	4.60%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Barrington Bank & Trust Company

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements		
	Principal	Interest	Totals
2024	\$ 3,055,000	140,530	3,195,530

## **STATISTICAL SECTION (Unaudited)**

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

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**See Following Page**

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$ (8,388,077)	(11,506,289)	(12,571,252)
Restricted			
Capital Projects	21,642	2,165,445	2,047,943
Debt Service	3,549,607	3,927,498	4,354,943
Employee Retirement	456,057	650,897	899,820
Special Recreation	209,435	252,393	300,443
Working Cash	1,078,598	—	—
Unrestricted	5,842,202	7,128,298	8,525,941
Total Governmental Activities Net Position	2,769,464	2,618,242	3,557,838

\* Accrual Basis of Accounting

Data Source: District Records



2017	2018	2019	2020	2021	2022	2023
(11,010,334)	(11,377,542)	(11,260,420)	(10,596,190)	(9,978,596)	(10,918,560)	(9,882,993)
2,561,919	3,309,111	3,285,885	1,382,782	2,710,503	2,269,470	2,071,067
4,366,639	4,167,163	2,565,322	3,501,207	1,497,989	1,622,560	1,885,302
1,098,030	1,440,408	1,557,148	1,878,151	1,222,443	697,825	569,869
331,515	429,954	551,079	566,038	565,931	872,926	963,527
—	—	—	—	—	—	—
6,368,739	6,028,575	7,161,008	6,128,108	8,568,745	10,557,116	12,865,891
3,716,508	3,997,669	3,860,022	2,860,096	4,587,015	5,101,337	8,472,663

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Changes in Net Position - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	2014	2015	2016
Expenses			
Governmental Activities			
General Government	\$ 17,354,202	16,645,756	17,556,853
Interest on Long-Term Debt	3,757,266	3,185,335	3,219,455
Total Governmental Activities Expenses	21,111,468	19,831,091	20,776,308
Program Revenues			
Governmental Activities			
Charges for Services	10,166,116	10,451,392	10,771,859
Operating Grants/Contributions	30,851	19,244	7,388
Capital Grants/Contributions	242,556	167,939	160,293
Total Governmental Activities Program Revenues	10,439,523	10,638,575	10,939,540
Governmental Activities Net (Expenses) Revenues	(10,671,945)	(9,192,516)	(9,836,768)
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes			
Property Taxes	8,164,393	8,421,532	8,444,000
TIF Distributions	619,029	606,492	635,007
Intergovernmental			
Replacement Taxes	58,998	62,891	55,727
Interest	125,440	105,021	216,037
Miscellaneous	36,781	80,775	8,932
Total Governmental Activities General Revenues	9,004,641	9,276,711	9,359,703
Governmental Activities Changes in Net Position	(1,667,304)	84,195	(477,065)

\* Accrual Basis of Accounting

Data Source: District Records

2017	2018	2019	2020	2021	2022	2023
16,933,719	16,451,052	16,703,853	12,833,777	14,230,105	17,565,749	17,770,722
3,015,836	3,213,483	3,560,170	3,528,494	2,511,519	2,516,690	2,556,956
19,949,555	19,664,535	20,264,023	16,362,271	16,741,624	20,082,439	20,327,678
10,290,410	9,881,859	9,595,799	5,034,893	7,400,027	9,218,808	10,736,173
24,800	—	—	—	288,406	147,042	2,600
152,073	152,749	153,320	142,975	260,089	5,409	154,298
10,467,283	10,034,608	9,749,119	5,177,868	7,948,522	9,371,259	10,893,071
(9,482,272)	(9,629,927)	(10,514,904)	(11,184,403)	(8,793,102)	(10,711,180)	(9,434,607)
8,334,018	8,898,307	9,060,676	9,246,233	9,435,531	10,812,439	11,452,595
561,630	601,355	407,412	398,237	400,903	31,450	4,145
58,849	53,500	66,514	59,446	104,358	211,149	175,658
146,439	206,075	686,666	296,051	(17,157)	86,446	580,827
227,921	151,851	155,989	184,510	196,386	84,018	592,708
9,328,857	9,911,088	10,377,257	10,184,477	10,120,021	11,225,502	12,805,933
(153,415)	281,161	(137,647)	(999,926)	1,326,919	514,322	3,371,326

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	2014	2015	2016
General Fund			
Nonspendable	\$ 6,445	6,613	13,436
Assigned	1,802,258	1,645,970	1,980,544
Unassigned	1,155,480	1,571,914	1,812,443
Total General Fund	2,964,183	3,224,497	3,806,423
All Other Governmental Funds			
Nonspendable			
Recreation	12,407	5,992	7,753
Bridges of Poplar Creek County Club	131,137	132,724	122,795
The Club at Prairie Stone	12,681	13,121	12,223
Debt Service	—	—	—
Restricted			
IMRF	235,584	338,096	492,953
Debt Service	3,549,607	3,927,498	4,354,943
Special Recreation	209,435	252,393	300,443
FICA	220,473	312,801	406,867
Capital Projects	3,554,839	3,275,445	2,047,943
Working Cash	1,078,598	—	—
Assigned			
Recreation	2,206,251	2,572,732	2,921,934
Bridges of Poplar Creek County Club	35,997	—	46,061
The Club at Prairie Stone	954,809	1,026,845	1,015,583
Unassigned			
Recreation	—	—	—
The Club at Prairie Stone	—	—	—
Bridges Poplar Creek	—	(31,182)	—
Total All Other Governmental Funds	12,201,818	11,826,465	11,729,498
Total Governmental Funds	15,166,001	15,050,962	15,535,921

\* Modified Accrual Basis of Accounting

Data Source: District Records

2017	2018	2019	2020	2021	2022	2023
18,264	15,051	206,469	11,716	14,544	46,450	138,326
1,923,637	1,946,757	3,166,748	2,614,669	2,614,669	2,841,293	4,894,636
2,173,894	2,639,431	1,712,848	1,117,522	1,303,226	2,006,452	341,972
4,115,795	4,601,239	5,086,065	3,743,907	3,932,439	4,894,195	5,374,934
26,664	13,782	19,689	2,685	15,775	26,179	20,544
83,544	88,081	85,463	37,737	33,955	37,403	42,371
12,503	564	8,443	264	879	712	1,073
—	—	16,200	—	—	—	—
600,411	816,340	865,393	969,513	706,971	469,839	296,667
4,629,949	4,432,956	691,755	908,638	515,472	227,986	273,202
331,515	429,954	2,814,433	3,826,188	1,723,860	1,853,845	2,126,411
497,619	624,068	551,079	566,038	565,931	872,926	963,527
2,561,919	3,309,111	3,285,885	1,382,782	2,710,503	2,839,752	3,668,888
—	—	—	—	—	—	—
2,087,691	1,539,781	1,490,119	1,341,974	2,281,380	3,097,073	3,782,474
173,482	123,652	4,472	418,444	826,539	1,031,551	1,212,989
48,358	75,237	63,719	—	255,584	426,432	875,945
—	—	87,511	(19,941)	—	—	—
—	—	—	(34,175)	—	—	—
—	—	239,341	—	—	—	—
11,053,655	11,453,526	10,223,502	9,400,147	9,636,849	10,883,698	13,264,091
15,169,450	16,054,765	15,309,567	13,144,054	13,569,288	15,777,893	18,639,025

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\* December 31, 2023 (Unaudited)

	2014	2015	2016
Revenues			
Taxes	\$ 8,842,419	9,090,914	9,134,735
Charges for Services	10,111,848	10,310,353	10,541,994
Communications and Marketing	50,866	61,158	—
Water Maintenance Fees	11,000	11,000	11,000
Intergovernmental	271,585	187,183	167,681
Interest	125,440	105,021	216,037
Miscellaneous	31,006	149,657	227,796
Total Revenues	19,444,164	19,915,286	20,299,243
Expenditures			
Current			
Recreation	14,017,732	14,694,812	13,750,553
Capital Outlay	2,725,411	2,006,890	2,629,161
Debt Service			
Principal Retirement	17,475,000	2,840,000	3,085,000
Interest and Fiscal Charges	3,859,392	3,305,722	3,301,150
Total Expenditures	38,077,535	22,847,424	22,765,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,633,371)	(2,932,138)	(2,466,621)
Other Financing Sources (Uses)			
Debt Issuance	18,490,000	2,790,000	2,910,000
Premium on Bonds Issued	161,996	—	—
Payment to Escrow Agent	—	—	—
Disposal of Capital Assets	23,850	27,099	41,580
Transfers In	3,221,645	3,745,874	1,465,000
Transfers Out	(3,221,645)	(3,745,874)	(1,465,000)
	18,675,846	2,817,099	2,951,580
Net Change in Fund Balances	42,475	(115,039)	484,959
Debt Service as a Percentage of Noncapital Expenditures	60.35%	29.24%	31.30%

\* Modified Accrual Basis of Accounting

Note: The percentage of debt service is higher in 2014 due to the 2014A current refunding and the call of \$14,740,000 in debt certificates.

Data Source: District Records

2017	2018	2019	2020	2021	2022	2023
8,895,648	9,499,662	9,468,088	9,644,470	9,836,434	10,843,889	11,456,740
10,290,410	9,881,859	9,595,799	5,034,893	7,400,027	9,218,808	10,736,173
—	—	—	—	—	—	—
—	—	—	—	—	—	—
235,722	206,249	219,834	202,421	652,853	363,600	332,556
146,439	206,075	686,666	296,051	(17,157)	86,446	580,827
227,921	151,851	155,989	184,510	196,386	84,018	592,708
19,796,140	19,945,696	20,126,376	15,362,345	18,068,543	20,596,761	23,699,004
13,792,038	13,678,069	13,324,280	10,239,040	12,282,348	13,563,443	14,867,112
3,404,982	1,585,572	3,819,052	4,683,344	2,093,152	1,114,846	2,040,037
8,010,000	3,238,000	3,311,000	3,830,000	3,655,000	3,810,000	4,180,000
3,345,079	3,224,721	3,287,696	2,986,526	2,869,220	2,769,867	2,805,723
28,552,099	21,726,362	23,742,028	21,738,910	20,899,720	21,258,156	23,892,872
(8,755,959)	(1,780,666)	(3,615,652)	(6,376,565)	(2,831,177)	(661,395)	(193,868)
8,273,000	2,646,000	9,020,000	21,705,000	2,855,000	2,870,000	3,055,000
99,769	—	889,735	3,525,311	—	—	—
—	—	(7,040,578)	(21,019,440)	—	—	—
16,719	19,981	1,297	181	1,411	—	—
1,585,860	1,660,860	585,860	935,860	935,860	1,360,860	1,385,860
(1,585,860)	(1,660,860)	(585,860)	(935,860)	(935,860)	(1,360,860)	(1,385,860)
8,389,488	2,665,981	2,870,454	4,211,052	2,856,411	2,870,000	3,055,000
(366,471)	885,315	(745,198)	(2,165,513)	25,234	2,208,605	2,861,132
35.40%	29.74%	37.96%	40.20%	34.70%	32.60%	31.84%

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Equalized Valuation and Estimated Market Value of Taxable Property - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

Fiscal Year	Tax Levy Year	Classification of Equalized Assessed Value (EAV) by Type			
		Residential	Commercial	Industrial	Farm
2014	2013	\$ 933,917,912	\$ 552,288,046	\$ 134,723,207	\$ 40,200
2015	2014	980,428,545	622,093,048	40,837,927	39,925
2016	2015	955,551,970	609,473,057	39,511,338	39,925
2017	2016	1,169,018,328	563,532,747	42,926,385	61,880
2018	2017	1,223,547,133	602,090,403	43,251,062	62,486
2019	2018	1,204,689,371	587,975,588	42,651,480	55,585
2020	2019	1,375,565,174	582,130,276	55,875,519	55,585
2021	2020	1,378,298,933	614,987,832	71,990,085	55,585
2022	2021	1,286,587,578	528,596,095	79,395,982	55,585
2023	2022	1,359,250,001	509,123,859	89,128,049	78,085

(1) Total EAV of property based on the Assessed Valuation of property determined by the Cook County Assessor based on 10% of fair market value for residential property and 25% of fair value for commercial and industrial property (except for certain exemptions) equalized by the Equalization Factor calculated by the Illinois Department of Revenue applicable to Cook County. Accordingly, the EAV before exemptions and tax increment should approximate 33% of the market value of taxable property in the District.

(2) Total Equalized Assessed Valuation of the District is reduced by Homeowners Exemptions and the Tax Increment (the EAV of property in a Tax Increment District that exceeds the Frozen Level at the inception of the Tax Increment District) for purpose of billing and collection general property taxes for the District.

(3) The Total Estimated Market Value of the District is based on the EAV before Homeowners Exemptions and Tax Increment multiplied by 3. This calculation assumes that the countywide Equalization Factor adjusts Assessed Value in the District to one third of market value.



Total EAV (1)	Homeowners Exemptions	Tax Increment	EAV for General District Taxation (2)	Total Estimated Market Value (3)
\$ 1,620,969,365	\$ (120,719,126)	\$ (249,958,202)	\$ 1,250,292,037	\$ 4,862,908,095
1,643,399,445	(119,588,902)	(261,235,310)	1,262,575,233	4,930,198,335
1,604,576,290	(118,126,936)	(265,312,695)	1,221,136,659	4,813,728,870
1,775,539,340	(133,737,157)	(233,364,924)	1,408,437,259	5,326,618,020
1,868,951,084	(187,819,702)	(255,687,044)	1,425,444,338	5,606,853,252
1,835,372,024	(186,434,325)	(254,528,033)	1,394,409,666	5,506,116,072
2,013,626,554	(201,806,394)	(188,949,448)	1,622,870,712	6,040,879,662
2,065,332,435	(201,902,800)	(212,436,274)	1,650,993,361	6,195,997,305
1,894,635,240	(199,262,362)	(24,082,416)	1,671,290,462	5,683,905,720
1,957,579,994	(205,012,933)	(22,650,820)	1,729,916,241	5,872,739,982

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years December 31, 2023 (Unaudited)

	2013	2014	2015
Direct Rates			
Corporate	0.2121	0.2180	0.2267
Recreation	0.0801	0.0793	0.0809
Illinois Municipal Retirement	0.0428	0.0397	0.0449
Social Security	0.0428	0.0436	0.0449
Special Recreation	0.0400	0.0397	0.0400
Debt Service	0.2512	0.2524	0.2629
Total Direct Rates	0.6690	0.6727	0.7003
Overlapping Rates			
Village of Hoffman Estates	0.7060	1.4430	1.5630
School Districts			
School District #54	4.1480	4.1680	4.3320
High School District #211	3.1970	3.2130	3.3090
Community College #512	0.4440	0.4510	0.4660
Metropolitan Water Reclamation District	0.4700	0.4300	0.4260
Cook County	0.6600	0.5680	0.5520
Cook County Forest Preserve District	—	—	0.0690
Poplar Creek Library District	—	0.6320	0.0663
All Others	1.2550	—	—
Total Overlapping Rates	10.8800	10.9050	10.7833
Total Rates	11.5490	11.5777	11.4836

Data Source: Office of the County Clerk

Note: Rates are per \$1,000 of Assessed Value

2016	2017	2018	2019	2020	2021	2022
0.2049	0.2109	0.1986	0.2134	0.2354	0.3156	0.2723
0.0719	0.0740	0.1277	0.0671	0.0994	0.0597	0.0497
0.0360	0.0379	0.0195	0.0244	0.0062	0.0015	0.0015
0.0432	0.0443	0.0408	0.0366	0.0062	0.0169	0.0340
0.0356	0.0400	0.0400	0.0346	0.0362	0.0400	0.0346
0.2296	0.2317	0.2418	0.2116	0.2127	0.2133	0.1911
0.6212	0.6388	0.6684	0.5877	0.5961	0.6470	0.5832
1.4170	1.4700	1.5280	1.3770	1.4210	1.6270	1.4000
3.7900	3.8440	4.0300	3.5450	3.5750	3.9760	3.6850
2.8710	2.9220	3.0440	2.7490	2.7870	3.0200	2.7100
0.4160	0.4250	0.4430	0.4030	0.4090	0.4570	0.4103
0.4060	0.4020	0.3960	0.3890	0.3780	0.3820	0.3740
0.5960	0.5580	0.5490	0.4540	0.4530	0.4460	0.4310
—	—	0.0600	0.0590	0.0580	0.0580	0.0810
—	0.5900	0.3720	0.5460	—	0.6230	0.5240
0.5400	0.4700	0.7800	0.4980	1.0700	0.5530	0.4527
10.0360	10.6810	11.2020	10.0200	10.1510	11.1420	10.0680
10.6572	11.3198	11.8704	10.6077	10.7471	11.7890	10.6512

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago December 31, 2023 (Unaudited)

Taxpayer	2023 Tax Levy			2014 Tax Levy		
	Taxable Assessed Valuation	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total District Taxable Assessed Value
Sears Holding Corporation (now Transformco)	\$ 46,954,920	1	2.40%	\$ 152,588,046	1	12.09%
Bell Works Chicago	37,688,002	2	1.93%			
Amita Health	22,308,392	3	1.14%	12,608,506	6	1.00%
Paul Hastings LLP	21,018,938	4	1.07%			
HMC Pt Poplar Creek	19,846,259	5	1.01%			
American Heritage	19,367,445	6	0.99%	11,593,797	8	0.92%
Lincoln Property	18,771,578	7	0.96%	15,836,167	4	1.25%
Broadstone CLE IL LLC	14,185,175	8	0.72%			
Siemens Corporation	13,292,217	9	0.68%	10,198,172	9	0.81%
Wells Fargo Bank	13,089,424	10	0.67%			
ATT				101,400,542	2	8.03%
VHE Realty				17,777,147	3	1.41%
Stonegate Properties				14,689,875	5	1.16%
Transamerican Commercial Finance				12,053,856	7	0.95%
BVF II Park Place LLC				9,978,997	10	0.79%
	<u>226,522,350</u>		<u>11.57%</u>	<u>358,725,105</u>		<u>28.41%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source: Office of the County Clerk and the Village of Hoffman Estates

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Property Tax Levies and Collections - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$	8,364,464	\$ 8,267,244	98.84%	\$ —	\$ 8,267,244	98.84%
2014		8,492,924	8,444,915	99.43%	—	8,444,915	99.43%
2015		8,552,045	8,444,121	98.74%	—	8,444,121	98.74%
2016		8,749,212	8,334,018	95.25%	—	8,334,018	95.25%
2017		9,105,633	8,899,017	97.73%	—	8,899,017	97.73%
2018		9,320,217	9,061,857	97.23%	—	9,061,857	97.23%
2019		9,537,731	9,248,647	96.97%	—	9,248,647	96.97%
2020		9,840,221	9,438,218	95.91%	—	9,438,218	95.91%
2021		10,814,537	10,812,439	99.98%	—	10,812,439	99.98%
2022		11,416,882	11,246,880	98.51%	—	11,246,880	98.51%

Note: Property in the District is reassessed each year. Property is assessed at 33% of actual value.

Data Source: Office of the County Clerk

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Ratios of Outstanding Debt by Type - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds ARS	Unamortized Premium	General Obligation Limited Bonds			
2014	\$ 60,820,000	\$ 1,124,285	\$ 7,540,000	\$ 69,484,285	3.88%	\$ 1,338.94
2015	60,720,000	1,001,419	7,590,000	69,311,419	3.71%	1,335.61
2016	60,425,000	922,256	7,710,000	69,057,256	3.64%	1,330.71
2017	60,125,000	387,867	8,273,000	68,785,867	3.56%	1,325.48
2018	59,820,000	374,146	7,986,000	68,180,146	3.68%	1,313.81
2019	52,825,000	1,192,459	14,010,000	68,027,459	3.38%	1,310.87
2020	56,270,000	4,664,428	7,940,000	68,874,428	3.39%	1,327.19
2021	55,715,000	4,405,837	7,695,000	67,815,837	3.23%	1,290.99
2022	55,130,000	4,147,246	7,340,000	66,617,246	3.19%	1,314.42
2023	54,270,000	3,888,655	7,075,000	65,233,655	2.87%	1,300.02

Data Source: District Records

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

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

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	Governmental Activities General Obligations Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2014	\$ 69,484,285	\$ —	\$ 69,484,285	1.85%	\$ 1,338.94
2015	69,311,419	—	69,311,419	1.83%	1,335.61
2016	69,057,256	4,354,943	64,702,313	1.77%	1,246.79
2017	68,785,867	4,366,639	64,419,228	1.52%	1,241.34
2018	68,180,146	4,167,163	64,012,983	1.50%	1,233.51
2019	68,027,459	2,565,322	65,462,137	1.56%	1,261.43
2020	68,874,428	3,501,207	65,373,221	1.34%	1,259.72
2021	67,815,837	1,497,989	66,317,848	1.34%	1,262.48
2022	66,617,246	1,622,560	64,994,686	1.30%	1,282.40
2023	65,233,655	1,885,302	63,348,353	1.08%	1,262.45

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

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

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

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2023 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to District (1)	District's Share of Debt
District	\$ 65,233,655	100.00%	\$ 65,233,655
Overlapping Debt			
Cook County including Forest Preserve District	2,334,072,660	0.94%	21,940,283
Metropolitan Water Reclamation District	2,607,161,354	0.96%	25,028,749
Community College District # 509	126,862,862	3.18%	4,034,239
Community College District # 512	229,019,079	6.08%	13,924,360
School District #15	43,219,374	6.87%	2,969,171
Unit School District #46	137,490,171	2.93%	4,028,462
Unit School District #220	111,720,635	8.35%	9,328,673
Unit School District #300	231,218,553	4.77%	11,029,125
Poplar Creek Library	10,547,529	6.88%	725,670
Village of Hoffman Estates	71,470,529	96.06%	68,654,590
Village of Schaumburg	275,640,000	1.99%	5,485,236
Total Overlapping Debt	6,178,422,746		167,148,558
Totals	6,243,656,401		232,382,213

Data Source: Cook County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the District to valuation of property subject to taxation in overlapping unit.



**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS**

**Legal Debt Margin - Last Ten Tax Levy Years**  
**December 31, 2023 (Unaudited)**

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**See Following Page**

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Legal Debt Margin - Last Ten Tax Levy Years December 31, 2023 (Unaudited)

	2013	2014	2015	2016
Equalized Assessed Valuation	\$ 1,620,969,365	1,643,399,445	1,604,576,290	1,775,539,340
Bonded Debt Limit - 2.875% of Assessed Value	46,602,869	47,247,734	46,131,568	51,046,756
Bonded Debt Limit - 0.575% of Assessed Value	9,320,574	9,449,547	9,226,314	10,209,351
General Obligation Limited Debt				
General Obligation (Limited) Dated				
December 1, 2002	—	—	—	—
December 1, 2006	4,800,000	4,800,000	4,800,000	—
December 1, 2012	—	—	—	—
December 2, 2013	2,735,000	—	—	—
December 18, 2014	—	2,740,000	—	—
December 1, 2015	—	—	2,790,000	—
November 1, 2017	—	—	—	5,590,000
December 1, 2017	—	—	—	2,683,000
December 1, 2018	—	—	—	—
December 2, 2019	—	—	—	—
December 1, 2020	—	—	—	—
December 1, 2020	—	—	—	—
December 1, 2021	—	—	—	—
November 30, 2022	—	—	—	—
December 1, 2023	—	—	—	—
Total General Limited Debt	7,535,000	7,540,000	7,590,000	8,273,000
Debt Certificates:				
Certificates Dated				
March 4, 2004	14,740,000	—	—	—
General Bonded Debt (Alternate Revenue Source)				
December 1, 2001	—	—	—	—
December 1, 2008	—	—	—	—
December 1, 2009	—	—	—	—
December 1, 2010	6,680,000	6,680,000	6,680,000	6,680,000
December 1, 2010	1,520,000	1,520,000	1,520,000	1,325,000
December 1, 2010	20,500,000	20,500,000	20,500,000	20,500,000
December 2, 2013	16,370,000	16,370,000	16,370,000	16,370,000
December 18, 2014	—	15,750,000	15,650,000	15,550,000
December 2, 2019	—	—	—	—
September 2, 2020	—	—	—	—
Total General Obligation Bonds (Alternate Revenue Source)	45,070,000	60,820,000	60,720,000	60,425,000
Total Bonded Debt	67,345,000	68,360,000	68,310,000	68,698,000
Legal Debt Margin	24,327,869	39,707,734	38,541,568	42,773,756
Nonreferendum Debt Margin	6,585,574	6,709,547	6,436,314	4,619,351

Note: Under Illinois State Statutes general obligation "alternate revenue source" bonds are not regarded or included in any computation of indebtedness for the purposes of the overall 2.875% of EAV debt limit or the nonreferendum 0.575% of EAV limit so long as the debt service levy for the bonds is abated annually and not extended.

Data Source: District Records

2017	2018	2019	2020	2021	2022
1,868,951,084	1,835,372,024	2,013,626,554	2,065,332,435	1,894,635,240	1,957,579,994
53,732,344	52,766,946	57,891,763	59,378,308	54,470,763	56,280,425
10,746,469	10,553,389	11,578,353	11,875,662	10,894,153	11,256,085
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
5,340,000	4,990,000	4,565,000	4,040,000	3,970,000	3,820,000
—	—	—	—	—	—
2,646,000	—	—	—	—	—
—	2,735,000	135,000	—	—	—
—	—	2,680,000	800,000	500,000	200,000
—	—	560,000	—	—	—
—	—	—	2,855,000	—	—
—	—	—	—	2,870,000	—
—	—	—	—	—	3,055,000
7,986,000	7,725,000	7,940,000	7,695,000	7,340,000	7,075,000
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
6,680,000	6,680,000	—	—	—	—
1,125,000	920,000	—	—	—	—
20,500,000	20,500,000	—	—	—	—
16,370,000	16,370,000	16,370,000	16,370,000	16,370,000	16,370,000
15,450,000	15,350,000	15,150,000	15,150,000	15,150,000	15,150,000
—	—	6,285,000	6,285,000	6,285,000	6,040,000
—	—	18,465,000	17,910,000	17,325,000	16,710,000
60,125,000	59,820,000	56,270,000	55,715,000	55,130,000	54,270,000
68,111,000	67,545,000	64,210,000	63,410,000	62,470,000	61,345,000
45,746,344	45,041,946	49,951,763	51,683,308	47,130,763	49,205,425
2,760,469	2,828,389	3,638,353	4,180,662	3,554,153	4,181,085

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Pledged-Revenue Coverage - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	User Fees (1)	Annual Limited Bond Proceeds (2)	Total Pledged Revenues	Applicable Alternate Bond Debt Service (3)	Debt Service Coverage (4)
2014	\$ 10,056,707	\$ 2,740,000	\$ 12,796,707	\$ 2,419,187	529%
2015	10,138,677	2,790,000	12,928,677	3,139,250	412%
2016	10,454,849	2,910,000	13,364,849	3,323,545	402%
2017	10,203,158	2,683,000	12,886,158	3,318,090	388%
2018	9,730,018	2,646,000	12,376,018	3,311,074	374%
2019	9,445,241	2,735,000	12,180,241	3,028,665	402%
2020	4,967,052	3,240,000	8,207,052	2,491,755	329%
2021	7,332,211	2,855,000	10,187,211	3,130,575	325%
2022	9,022,031	2,870,000	11,892,031	3,132,025	380%
2023	10,502,633	3,055,000	13,557,633	3,740,880	362%

(1) User fees are gross user fees or charges for services from the District Special Revenue Funds including Recreation Programs, Bridges of Poplar Creek Country Club (golf), and The Club at Prairie Stone. User fees not used to fund Alternate Revenue Bond debt service may be spent for any other District governmental purpose.

(2) Annual Limited Bond Proceeds are derived from the issuance of general obligation bonds payable from dedicated debt service levy from the District's Debt Service Extension Base. Any portion of Annual Limited Bond proceeds not required to fund Alternate Revenue Bond debt service is used to fund District capital projects.

(3) Pledged Revenues are intended to pay debt service on December 1 of the current fiscal year and the following June 1 payment (the Annual Debt Service Requirement). Capitalized interest and Build America Bond rebates are not reflected in these amounts.

(4) The District has covenanted to maintain Pledged Revenues in an annual amount that is at least 125% of the Annual Debt Service Requirement. If there are not sufficient Pledged Revenues, the District could levy Pledged Taxes to fund any shortfall of Pledged Revenues. This has never occurred since the District has issued Alternate Revenue Bonds.

Data Source: District Records

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2014	51,895	\$ 1,792,349	\$ 34,538	5.50%
2015	51,895	1,868,998	36,015	4.50%
2016	51,895	1,898,371	36,581	4.70%
2017	51,895	1,934,386	37,275	3.80%
2018	51,895	1,851,909	35,686	3.10%
2019	51,895	2,010,257	38,737	2.90%
2020	51,895	2,029,458	39,107	6.90%
2021	52,530	2,102,041	40,016	2.90%
2022	50,682	2,086,375	41,166	3.70%
2023	50,179	2,273,209	45,302	3.90%

Data Source: U.S. Department of Commerce, Bureau of Census, Illinois Bureau of Employment Security  
Village of Hoffman Estates

# HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

## Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2023 (Unaudited)

Employer	2023			2014		
	Employees	Rank	Percentage of Total District Employment	Employees	Rank	Percentage of Total District Employment
St. Alexius Medical Center	2,500	1	4.90%	1,900	2	3.96%
Siemens Medical Systems	400	2	0.80%	500	7	1.04%
Claire's	400	3	0.80%			
Village of Hoffman Estates	356	4	0.70%	358	10	0.75%
FANUC America	350	5	0.70%	370	9	0.77%
Vistex	350	6	0.70%			
Leopardo Companies, Inc.	300	7	0.60%			
Wells Fargo	300	8	0.60%			
Salvation Army	270	9	0.50%			
Tate & Lyle	220	10	0.40%			
Sears (now Transformco)				5,600	1	11.67%
AT&T (Ameritech)				1,200	3	2.50%
GE Commercial Finances				800	4	1.67%
Alexian Bros Behav Health Hosp				650	5	1.35%
CDK Global				600	6	1.25%
Liberty Mutual				400	8	0.83%
Totals	5,446		10.70%	12,378		25.79%

Data Source: Village of Hoffman Estates

**HOFFMAN ESTATES PARK DISTRICT, ILLINOIS****Full-Time Equivalent Government Employees by Function - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Full-Time Employees	36	36	43	39	38	37	42	37	38	37
Part-Time Employees	4	3	2	4	4	3	1	—	—	—
	40	39	45	43	42	40	43	37	38	37
Culture and Recreation										
Full-Time Employees	35	35	38	38	37	38	20	33	35	37
Part-Time Employees	481	484	424	445	405	386	379	316	336	326
Seasonal Employees	231	242	285	240	250	250	61	140	236	244
	747	761	747	723	692	674	460	489	607	607
Total Full-Time Employees	71	71	81	77	75	75	62	70	73	74
Total Part-Time/Seasonal	716	729	711	689	659	639	441	456	572	570
	787	800	792	766	734	714	503	526	645	644

Data Source: District Records

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Function/Program	2014	2015	2016
Recreation			
Number of Participants	24,397	23,540	23,311
Annual Attendance			
The Club at Prairie Stone	696,067	897,021	757,983
Seascape Family Aquatic Center	26,202	27,901	33,601
Triphahn Center and Ice Arena	701,670	948,002	916,718
Willow Recreation Center	107,514	203,544	191,942
Memberships			
50+ Active Adults	618	586	673
Bo's Run Dog Park	329	249	297
Dog Park Combo (Admit to Both Sites)	80	72	76
Freedom Run Dog Park	351	281	321
The Club at Prairie Stone	3,389	3,481	2,940
Seascape Family Aquatic Center	1,415	1,337	1,459
Triphahn Center and Ice Arena	917	892	863
Willow Recreation Center	371	370	349
Bridges Poplar Creek Country Club			
Rounds	28,525	29,393	31,279

\*Metrics for 2020 are lower due to the COVID-19 pandemic and a change in methodology.

Data Source: District Departments



2017	2018	2019	2020*	2021	2022	2023
22,544	21,254	23,301	12,085	20,079	23,553	23,553
773,143	705,192	694,422	91,141	147,503	165,121	165,121
27,740	28,202	31,864	—	32,226	33,898	33,898
907,551	827,787	720,175	26,701	138,735	124,411	124,411
184,264	168,069	189,893	4,932	34,260	42,243	42,243
296	397	369	—	—	—	—
318	287	329	257	296	224	224
85	81	66	79	132	105	105
321	315	288	250	272	261	261
3,000	2,881	2,837	1,992	2,160	2,418	2,418
1,437	1,302	1,366	—	1,642	1,645	1,645
854	809	781	509	523	469	469
335	329	253	93	103	166	166
31,323	26,109	24,538	28,238	30,830	29,154	29,154

## HOFFMAN ESTATES PARK DISTRICT, ILLINOIS

### Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Function/Program	2014	2015	2016
Recreation			
Acreage - Owned	828	884	924
Facilities	7	7	7
Number of Parks - Owned	71	73	80
Natural Areas	13	13	23
Pathway Distance	64,187	64,187	72,388
Retention Ponds/Lakes	25	25	28
Amenities			
Ball Diamonds	28	29	29
Basketball Courts	13	13	15
Cricket Fields	1	1	1
Disc Golf Courses	1	1	1
Dog Parks	2	2	2
Fishing Areas	15	15	16
Football Fields	1	1	2
Indoor Ice Arenas	2	2	2
Pickleball Courts	—	—	—
Playgrounds	45	45	46
Shelter Areas	19	22	24
Skate Parks	3	3	2
Sled Hills	2	2	2
Soccer Fields	18	18	16
Splash Pads	4	4	4
Tennis Courts	17	17	17
Volleyball Courts	5	5	5

Data Source: District Departments

2017	2018	2019	2020	2021	2022	2023
924	927	933	933	936	934	934
7	7	7	7	7	7	7
80	80	80	80	81	80	80
23	23	23	23	36	24	24
72,388	72,388	72,716	72,716	72,716	73,736	73,736
28	28	28	28	29	28	28
29	26	29	29	25	29	29
15	15	15	15	16	15	15
1	1	1	1	1	1	1
1	1	1	1	1	1	1
2	2	2	2	2	2	2
16	16	16	16	18	16	16
2	2	2	2	3	2	2
2	2	2	2	2	2	2
—	—	—	—	16	19	19
46	46	47	47	46	42	42
24	24	25	25	29	26	26
2	2	2	2	2	2	2
2	2	2	2	3	3	3
16	14	16	16	17	16	16
4	4	4	4	5	5	5
17	17	17	17	14	14	14
5	5	5	5	5	3	3